

Chair Antonio Lopez • Vice Chair Sylvia Ballin Board Member Jesse H. Avila • Board Member Joel Fajardo • Board Member Robert C. Gonzales Interim Executive Director Don Penman

Successor Agency to the San Fernando Redevelopment Agency

REGULAR MEETING NOTICE & AGENDA SEPTEMBER 16, 2013 – 6:00 PM

> COUNCIL CHAMBERS 117 MACNEIL STREET SAN FERNANDO, CA 91340

CALL TO ORDER/ROLL CALL

APPROVAL OF AGENDA

PUBLIC STATEMENTS - WRITTEN/ORAL

There will be a three (3) minute limitation per each member of the audience who wishes to make comments in order to provide a full opportunity to every person who desires to address the Agency Board.

CONSENT CALENDAR

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the Agency Board wishes to discuss any item, it should first be removed from the Consent Calendar.

- 1) REQUEST TO APPROVE MINUTES OF:
 - a) MAY 20, 2013 REGULAR MEETING
 - b) SEPTEMBER 3, 2013 REGULAR MEETING
- 2) CONSIDERATION TO ADOPT RESOLUTION NO. 49 APPROVAL OF WARRANT REGISTER

NEW BUSINESS

3) CONSIDERATION TO APPROVE A QUITCLAIM DEED ON THE ANGELL PROPERTY

Recommend that the Successor Agency:



SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY REGULAR MEETING NOTICE & AGENDA – SEPTEMBER 16, 2013 PAGE 2

- Approve a Quitclaim Deed, terminating interest under previously recorded lease agreements between the former San Fernando Redevelopment Agency and owners of the Angell Property; and
- Authorize the Interim Executive Director to execute the Quitclaim Deed.

AGENCY DISCUSSION

STAFF COMMUNICATION

<u>ADJOURNMENT</u>

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.

Elena G. Chávez, Secretary

Signed and Posted: September 12, 2013 (9:00 a.m.)

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet Web site (www.sfcity.org). These are also available for public reviewing prior to a meeting in the City Clerk's Office. Any public writings distributed by the Successor Agency to at least a majority of the Board Members regarding any item on this regular meeting agenda will also be made available at the City Clerk's Office at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's Web Site at www.sfcity.org. In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk's Office at (818) 898-1204 at least 48 hours prior to the meeting.

Successor Agency to the San Fernando Redevelopment Agency

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SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY MINUTES

MAY 20, 2013 – 6:00 PM REGULAR MEETING

City Hall Council Chambers 117 Macneil Street San Fernando, CA 91340

CALL TO ORDER/ROLL CALL

Chair Antonio Lopez called the meeting to order at 6:03 p.m.

Present:

Agency: Chair Antonio Lopez, Vice-Chair Sylvia Ballin and Board Members Jesse

H. Avila, Robert C. Gonzales, and Joel Fajardo

Staff: Interim Executive Director Don Penman, General Counsel Rick R.

Olivarez, and Secretary Elena G. Chávez

APPROVAL OF AGENDA

Motion by Vice-Chair Ballin, seconded by Board Member Avila, to approve the agenda. By consensus, the motion carried.

PUBLIC STATEMENTS – WRITTEN/ORAL

None

CONSENT CALENDAR

Motion by Vice-Chair Ballin, seconded by Board Member Gonzales, to approve the following Consent Calendar items:

- 1) APPROVAL OF THE MINUTES OF MAY 6, 2013 REGULAR MEETING
- 2) ADOPTION OF RESOLUTION NO. 38 APPROVAL OF WARRANT REGISTER

SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY MINUTES – May 20, 2013 Page 2

3) ADOPTION OF RESOLUTION NO. 39 – REIMBURSE THE CITY FOR EXPENSES MADE ON BEHALF OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY

By consensus, the motion carried.

AGENCY DISCUSSION

None

STAFF COMMUNICATION

None

ADJOURNMENT (6:04 P.M.)

By consensus, the meeting was adjourned.

I do hereby certify that the foregoing is a true and correct copy of the minutes of May 20, 2013, meeting as approved by the Successor Agency to the San Fernando Redevelopment Agency.

Elena G. Chávez

Secretary

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SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY MINUTES

SEPTEMBER 3, 2013 – 6:00 PM REGULAR MEETING

City Hall Council Chambers 117 Macneil Street San Fernando, CA 91340

CALL TO ORDER/ROLL CALL

Chair Antonio Lopez called the meeting to order at 6:08 p.m.

Present:

Agency: Chair Antonio Lopez, Vice-Chair Sylvia Ballin and Board Members Jesse

H. Avila, Robert C. Gonzales, and Joel Fajardo

Staff: Interim Executive Director Don Penman, General Counsel Rick R.

Olivarez, and Secretary Elena G. Chávez

APPROVAL OF AGENDA

Motion by Vice-Chair Ballin, seconded by Board Member Fajardo, to approve the agenda. By consensus, the motion carried.

PUBLIC STATEMENTS – WRITTEN/ORAL

None

CONSENT CALENDAR

Motion by Board Member Fajardo, seconded by Vice-Chair Ballin, to approve the following Consent Calendar items:

- 1) APPROVAL OF MINUTES OF AUGUST 19, 2013 REGULAR MEETING
- 2) ADOPTION OF RESOLUTION NO. 48 APPROVAL OF WARRANT REGISTER

By consensus, the motion carried.

SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY MINUTES – September 3, 2013 Page 2

NEW BUSINESS

3) CONSIDERATION TO ADOPT RESOLUTION NO. 45 APPROVING RECOGNIZED PAYMENT OBLIGATION SCHEDULE (ROPS) NO. 13-14B

Interim Finance Director Rafaela King presented the agenda report.

Motion by Vice-Chair Ballin, seconded by Board Member Avila, to adopt Resolution No. 45 approving ROPS No. 13-14B for the six-month fiscal period from January 1, 2014 through June 30, 2014, and taking certain actions. The motion carried with the following vote:

AYES: Ballin, Avila, Fajardo, Lopez, Gonzales – 5

NOES: None ABSENT: None

4) CONSIDERATION TO ADOPT RESOLUTION NO. 46 APPROVING ADMINISTRATIVE BUDGET NO. 5

Interim Finance Director Rafaela King presented the agenda report.

Motion by Board Member Avila, seconded by Vice-Chair Ballin, to adopt Resolution No. 46 approving Administrative Budget No. 5 for the Successor Agency for the six-month fiscal period from January 1, 2014 through June 30, 2014. By consensus, the motion carried.

5) CONSIDERATION TO ADOPT RESOLUTION NO. 47 APPROVING THE COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES (CONTRACT NO. 1723) BETWEEN THE CITY AND THE SUCCESSOR AGENCY

Interim Finance Director Rafaela King presented the agenda report.

Motion by Vice-Chair Ballin, seconded by Board Member Avila, to adopt Resolution No. 47 approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses (Contract No. 1723) between the City and the Successor Agency and take certain other related actions. By consensus, the motion carried.

6) CONSIDERATION TO APPROVE SUBORDINATION AGREEMENT FOR LIBRARY PLAZA

Vice-Chair Ballin announced that she would recuse herself from voting on this item due to the perception of a conflict of interest (her husband leases property at the Library Plaza).

At this time, Vice-Chair Ballin exited the Council Chambers.

SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY MINUTES – September 3, 2013 Page 3

Interim Executive Director Penman presented the agenda report and replied to questions from Board Members.

Motion by Board Member Fajardo, seconded by Board Member Avila, to approve a Subordination Agreement with Library Plaza Partners for the Library Plaza development and authorize the City Attorney or City Manager to change the trustee as deemed necessary.

AYES: Fajardo, Avila, Lopez, Gonzales – 4

NOES: None RECUSE: Ballin – 1

At this time, Vice-Chair Ballin was called back into session.

AGENCY DISCUSSION

None

STAFF COMMUNICATION

None

ADJOURNMENT (6:31 P.M.)

By consensus, the meeting was adjourned.

I do hereby certify that the foregoing is a true and correct copy of the minutes of September 3, 2013, meeting as approved by the Successor Agency to the San Fernando Redevelopment Agency.

Elena G. Chávez

Secretary

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FINANCE DEPARTMENT

MEMORANDUM

TO: Chair Antonio Lopez and Board Members

FROM: Rafaela T. King, Executive Director/Deputy Finance Director

DATE: September 16, 2013

SUBJECT: Warrant Register

RECOMMENDATION:

It is recommended that the Successor Agency Adopt a Resolution (Attachment "A") approving the Warrant Register.

BACKGROUND:

- 1. On December 29, 2011, the California Supreme Court issued an opinion in California Redevelopment Association v. Matosantos, upholding Assembly Bill x1 26 (legislation dissolving redevelopment agencies) and invalidating Assembly Bill x1 27 (legislation permitting redevelopment agencies to continue operation if they made certain payments to the State).
- 2. On August 15, 2011, the City of San Fernando City Council adopted Resolution No. 7452 electing for the City to serve as the Successor Agency for the City's Redevelopment Agency upon the Agency's dissolution.
- 3. On February 1, 2012, as a result of the Supreme Court's decision, all redevelopment agencies in the State, including the San Fernando Redevelopment Agency, were dissolved. In addition, successor agencies were designated as successor entities to the former redevelopment agencies.
- 4. On February 6, 2012, the City Council, acting as the governing body of the Successor Agency to the San Fernando Redevelopment Agency, adopted Resolution No. 1 establishing rules and regulations for the operations of the Successor Agency as a new legal entity separate from the City, pursuant to Part 1.85 of Division 24 of the Health and Safety Code.
- 5. On April 16, 2012, the Successor Agency approved the draft ROPS 2 for the period July 1, 2012 through December 31, 2012 (Resolution No. 11) for subsequent presentation and approval of the Oversight Board.

Warrant Register Page 2

6. On May 10, 2012, the Oversight Board approved ROPS 2 for subsequent submittal and approval of the California Department of Finance (DOF) and the Los Angeles County Auditor-Controller.

ATTACHMENT:

A. Warrant Register Resolution

RESOLUTION NO. 49

RESOLUTION OF THE SUCCESSOR AGENCY OF THE SAN FERNANDO REDEVELOPMENT AGENCY ALLOWING AND APPROVING FOR PAYMENT DEMANDS PRESENTED ON DEMAND/ WARRANT REGISTER NO. 49

THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:

- 1. That the demands (EXHIBIT "A") as presented, having been duly audited, for completeness, are hereby allowed and approved for payment in the amounts as shown to designated payees and charged to the appropriate funds as indicated.
- 2. That the Secretary shall certify to the adoption of this Resolution and deliver it to the City Treasurer.

PASSED, APPROVED, AND ADOPTED this 16th day of September, 2013.

| | Antonio Lopez, Chair |
|--|--|
| ATTEST: | |
| | |
| | |
| | |
| Elena G. Chávez, Secretary | |
| | , |
| STATE OF CALIFORNIA COUNTY OF LOS ANGELES |)) ss |
| CITY OF SAN FERNANDO |) 55 |
| | , |
| | at the foregoing Resolution was approved and adopted at a Agency to the San Fernando Redevelopment Agency held on the following vote to wit: |
| AYES: | |
| NOES: | |
| ABSENT: | |
| | |
| | <u></u> |
| Elena G. Chávez, Secretary | |

1,968.90

1,968.90

Bank total :

Total vouchers :

EXHIBIT "A"

vchlist Voucher List 09/11/2013 5:00:05PM CITY OF SAN FERNANDO Bank code : Voucher Date Vendor PO # Description/Account Invoice Amount 10045 9/16/2013 891141 OLIVAREZ MADRUGA, P.C. 11838 LEGAL SERVICES 098-110-0092-4270 098-110-0094-4270 098-110-0018-4270 84.00 84.00 1,800.90 **1,968.90** Total :

Voucher Registers are not final until approved by Council.

bank2

1 Vouchers for bank code :

1 Vouchers in this report

Page:

1



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ADMINISTRATION DEPARTMENT

MEMORANDUM

TO: Chair Antonio Lopez and Agency Members

FROM: Don Penman, Interim Executive Director

Fred Ramirez, Community Development Director

DATE: September 16, 2013

SUBJECT: Consideration to Approve a Quitclaim Deed on the Angell Property

RECOMMENDATION:

It is recommended that the Successor Agency:

- a. Approve a Quitclaim Deed (Attachment "A"), terminating interest under previously recorded lease agreements (Attachments "B" and "C") between the former San Fernando Redevelopment Agency and owners of the Angell Property; and
- b. Authorize the Interim Executive Director to execute the Quitclaim Deed.

BACKGROUND:

1. On February 20, 1990, the former San Fernando Redevelopment Agency (the Agency) entered into a Disposition and Development Agreement (City Contract No. 1020) with San Fernando Mission Partnership to facilitate the development a retail shopping center that included the former Tiangus Supermarket and associated parking facility located at 1200 San Fernando Mission Boulevard (the Project). The grocery store originally constructed as part of the retail shopping center was the Tiangus Supermarket and recently changed over from the Value + to the El Super grocery store. The project involved, among other things, land consolidation and vacation of a portion of Celis Street between San Fernando Mission Boulevard and Kalisher Street.

As part of the Disposition and Development Agreement, the Agency agreed to facilitate relocation of the existing tenants of the impacted properties, which included relocation of Mission Community College to a temporary facility in the City. The temporary facility was created as a result of lease agreements with private property owners and use of Agency-owned land. These temporary facilities for the college included vacant land held by John H. and Bonnie L. Angell at the northeast corner of Workman Street and Celis Street (Los Angeles County Assessor's Parcel Nos. 2521-003-022, 2521-003-023, 2521-003-024, and

Consideration to Approve a Quitclaim Deed on the Angell Property Page 2

2521-003-025) (See vicinity map for subject property location included in this report as Attachment "D"). The initial term of the lease agreement with the Community College District was for 18 months, which was intended to facilitate the construction of a permanent location for Mission Community College, which is today located in the nearby Los Angeles community of Sylmar.

- 2. On March 5, 1990, the Agency entered into a Lease Agreement with the property owners John H. and Bonnie L. Angell to lease their property (the Angell Property) as a temporary location for a portion of the education facilities for the Mission Community College. Consistent with the lease agreement with the Los Angeles Community College District, the initial term of the lease agreement between the Agency and owners of the Angell Property was for 18 months.
- 3. On August 21, 2013, the City of San Fernando received a request from the current owners of the Angell Property to approve the attached Quitclaim Deed (Attachment "A") and thereby terminating the lease agreements (Attachment "B" and "C"), which are currently recorded against the Angell Property, pursuant to Los Angeles County Instrument Nos. 90-1442218 and 90-821549. In light of the dissolution of the former San Fernando Redevelopment Agency, the Successor Agency to the San Fernando Redevelopment Agency (Successor Agency) would have to approve the requested Quitclaim Deed.

ANALYSIS:

Successor Agency approval of the Quitclaim Deed will release the Successor Agency's interest on the Angell Property as a result of the prior lease agreements (Attachment "B" and "C") recorded against the subject property. As previously noted, the lease agreements currently recorded against the property that are between the former Agency and the Los Angeles Community College District and between the former Agency and the owners of the Angell Property were established for an initial term of 18 months and for the specific purpose to facilitate redevelopment of a commercial shopping center through the securing of private and publicly owned properties necessary to provide a temporary home for Mission Community College while their new school facility was constructed in Sylmar.

It is Successor Agency staff's assessment that the term of the agreement and the original intent of the lease agreement to facilitate the Project at 1200 San Fernando Mission Boulevard via the relocation of Mission Community College to a temporary location have been satisfied. Therefore, staff is recommending that the Successor Agency approve the Quitclaim Deed (Attachment "A") resulting in the termination of the lease agreements between the former Agency and, by default, the Successor Agency and the owners of the Angell Property and the release of any Successor Agency interest in the subject property.

Consideration to Approve a Quitclaim Deed on the Angell Property Page 3

BUDGET IMPACT:

Approval of the Quitclaim Deed by the Successor Agency will not have a negative budget impact to the Successor Agency and the City. Successor Agency approval of the Quitclaim Deed would terminate both lease agreements recorded against the Angell Property and facilitate future sale and/or development of the subject properties. Therefore, any future sale that includes redevelopment at the subject property would result in a new property tax assessment of the Angell Property and subsequent property tax revenue to the City of San Fernando and other applicable taxing entities.

CONCLUSION:

The Successor Agency's approval of the Quitclaim Deed on the Angell Property is warranted. The previously recorded lease agreements (with an initial term of 18 months) between the former Agency and the Los Angeles Community College District and the owners of the Angell property, were intended to facilitate the Project at 1200 San Fernando Mission through the relocation of Mission Community College to temporary facilities on private and former Agency parcels while the permanent home of the college was constructed in Sylmar.

As the Successor Agency is aware, the Project was built at 1200 San Fernando Mission Boulevard and the Mission Community College campus was eventually built in Sylmar. In addition, no Mission Community College facilities currently operate on the private (including the Angell Property) and former Agency parcels that were part of the original lease agreements. In light of the entire record, staff is recommending that the Successor Agency approve the Quitclaim Deed and facilitate the anticipated future sale of the Angell Property.

ATTACHMENTS:

- A. Quitclaim Deed
- B. Lease Agreement between Agency and LA Community College District
- C. Lease Agreement between Agency and Angell Property Owners
- D. Vicinity Map

ATTACHMENT "A"

| RECORDING REQUESTED BY: SEPULVEDA ESCROW CORPORATION | |
|---|---|
| Order No. 5318092 | |
| Escrow No. 15715 Parcel No. 2521-003-022, 2521-003-023, | |
| 2521-003-024, 2521-003-025 | |
| AND WHEN RECORDED MAIL TO: | |
| JOHN H. ANGELL 13155 HUBBARD STREET SYLMAR, CA 91342 | |
| | SPACE ABOVE THIS LINE FOR RECORDER'S USE |
| Q | UITCLAIM DEED |
| Computed on the consideration or value of | THAT DOCUMENTARY TRANSFER TAX IS \$NONE of property conveyed; OR less liens or encumbrances remaining at the time of sale. SAN FERNANDO and |
| hereby REMISE, RELEASE AND QUITCL. JOHN H. ANGELL AND BONNIE L. AN | VELOPMENT AGENCY OF THE CITY OF SAN FERNANDO |
| THE TOWN OF SAN FERNANDO, IN TO BOOK 34 PAGE 65 OF MISCELLA RECORDER OF SAID COUNTY. THIS DOCUMENT TERMINATES THE | OF PORTER LAND AND WATER COMPANY'S RESURVEY OF THE CITY OF SAN FERNANDO, AS PER MAP RECORDED IN ANEOUS RECORDS, IN THE OFFICE OF THE COUNTY INTEREST UNDER THE LEASE AGREEMENTS RECORDED NO. 90-1442218 AND MAY 4, 1990 AS INSTRUMENT NO. 90- |
| Dated | |
| SUCCESSOR AGENCY TO THE REDEV | VELOPMENT AGENCY OF THE CITY OF SAN FERNANDO |
| | |
| STATE OF CALIFORNIA COUNTY OF | }SS } |
| | ore me, |
| within instrument and acknowledged to n capacity(ies) and that by his/her/their signa which the person(s) acted, executed the instruction of PENJURY under PENALTY OF PERJURY untrue and correct. | y evidence to be the person(s) whose name(s) is/are subscribed to the ne that he/she/they executed the same in his/her/their authorized ture(s) on the instrument the person(s) or the entity upon behalf of ument. Ider the laws of the State of California that the foregoing paragraph is |
| WITNESS my hand and official seal. | |

Signature _____ (Seal)

ATTACHMENT "B"

90- 1442218 021

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Director of Redevelopment Agency City of San Fernando 117 Macneil Street San Fernando, California 91340 RECORDED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA

MIN. 84m AUG 21 1990

(SPACE FOR RECORDER'S USE)

LEASE AGREEMENT

FREE 17 G

This Lease is made on the 2nd day of April , 1990, by and between the Redevelopment Agency of the City of San Fernando, California, a public body organized and existing pursuant to the California Community Redevelopment Law (Part I, commencing with Section 33000, of Division 24 of the California Health and Safety Code) ("Lessor"), and the Los Angeles Community College District ("Lessee").

RECITALS

WHEREAS, Lessee, at the request of Lessor, has agreed to a temporary relocation of a portion of its educational facilities, until such time as new campus facilities are completed, which completion is anticipated to occur on or before June 30, 1991;

WHEREAS, Lessor is the owner of certain improved real property (hereinafter referred to as the "Agency Property"), as more fully described in Exhibit "A" hereto;

WHEREAS, Lessor has leased certain improved real property from the Pancho Valenzuela Family Trust (hereinafter referred to as the "Valenzuela Property"), as more fully described in Exhibit "A" hereto;

WHEREAS, Lessor has leased certain unimproved real property from John H. Angell and Bonnie L. Angell (hereinafter referred to as the "Angell Property"), as more fully described in Exhibit "A" hereto;

WHEREAS, Lessor is willing to lease to Lessee and Lessee is willing to lease from Lessor the Agency Property, the Valenzuela Property and the Angell Property (hereinafter collectively referred to as the "Premises") for the term and upon the conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants herein contained, and for other good and valuable consideration, the sufficiency of which is hereby expressly acknowledged and confirmed, Lessor and Lessee agree as follows:

1. <u>Definition of Terms</u>

"City" shall mean the City of San Fernando, California, a municipal corporation.

"Effective Date" shall mean that date when this Lease has been approved by the Redevelopment Agency of the City of San Fernando.

"Initial Term" shall mean the period of time commencing with the Effective Date and extending through and including June 30, 1991.

"Occupancy Date" shall mean that date when Lessee accepts the Premises and improvements thereon as described in Exhibits "B" and "C" hereto. Such acceptance shall be demonstrated by the approval of the Premises by the Building and Grounds Administrator of Los Angeles Mission College, and such acceptance shall not be unreasonably withheld. In the event of a partial acceptance of occupancy by the Administrator, the monthly rent required hereunder shall be apportioned in proportion to the volume of space accepted for occupancy.

"Lessor" shall mean the Redevelopment Agency of the City of San Fernando, California, an equal opportunity employer, and any permitted successor to its right, title and interest under law. The Redevelopment Agency of the City of San Fernando, California, may, at any time, assign its interest in the Premises and the Lease to the City of San Fernando, California. Not by way of limitation of the foregoing, it is understood that the powers of the Redevelopment Agency of the City of San Fernando may expire prior to the end of the term of this Lease; in such event, the City of San Fernando, California, as the statutory successor in interest to the Redevelopment Agency of the City of San Fernando, shall become Lessor hereunder.

"Lease" shall mean that agreement entered into between Lessor and Lessee concerning the lease and/or sublease of the properties comprising the Premises.

"Premises" shall mean the total of four parcels of Agency Property, Valenzuela Property and Angell Property leased to Lessee pursuant to this Lease. Two of the parcels comprising the Premises are the Agency Property. One parcel of the Agency Property is located generally north of Coronel Street on Brand Boulevard and is known as 313 South Brand Boulevard, the other Agency Property is located generally west of Workman Street on San Fernando Road and is known as 1320 San Fernando Road; the Valenzuela Property consists of improved real property located generally east of Workman Street on San Fernando Road and is known as 1242 San Fernando Road; the Angell Property consists of unimproved property located generally at the northeast corner of the intersection of Workman Street and Celis Street; all parcels are located in the City of San Fernando, County of Los Angeles,

State of California, and are more fully described in Exhibit "A" attached hereto and incorporated herein by this reference.

"Lessee" shall mean the Los Angeles Community College District, and any permitted assignee to the right, title and interest of the College to the Premises under this Lease pursuant to Section 19.

2. Term

The Initial Term of this Lease shall commence on the Occupancy Date and end June 30, 1991. The Initial Term is based upon the understanding that Lessee will be able to move into new quarters on July 1, 1991. However, if Lessee is unable to move due to the unavailability of such new quarters, Lessor shall use its best efforts to extend the term of the lease of the Valenzuela Property and Angell Property and thereby extend the Term of this Lease for a reasonable period of time to allow Lessee to complete construction of the new quarters and to move directly into the new quarters. Additional Terms shall be permitted, on a month to month basis, under the same terms and conditions as provided herein, excepting such rent increase as may be authorized under Section 6 hereof.

3. Notice of Termination

Lessee may terminate the Lease at the end of the Initial Term or at the end of any extended Term upon written notice to Lessor pursuant to Section 30 not less than thirty (30) days prior to the expiration of the then current Term.

4. Surrender: Holding Over

Upon termination of this Lease, Lessee covenants to peaceably yield up and surrender the Premises, including all improvements, in good order, repair and in a safe and clean condition, reasonable wear and tear excepted. If, however, any portion of the Premises is scheduled for demolition or major renovation after Lessee is scheduled to vacate such location, Lessor or Lessee by written agreement may waive the requirement that such portion of the Premises be repaired, so long as such damaged property would not adversely affect the scheduled demolition or renovation.

5. Restoration of Premises Upon Termination

As part of the agreement between the parties, Lessor has agreed to lease mobile trailers and install such trailers on portions of the Premises for use by Lessee during the term of the Lease. All such trailers shall be and remain the property of Lessor during this Lease. The placement and configuration of the trailers shall be in conformity with the Site Plan attached hereto as Exhibit "B" and incorporated herein by this reference. At the termination of the Lease and any extensions as permitted hereunder, Lessee shall vacate the trailers and the Premises as

required herein. Lessor shall be responsible for reinstallation of a chain link fence located between Ceilis Street and San Fernando Road at approximately 1320 San Fernando Road.

Aside from the trailers depicted and described in Exhibit "B," any building, structure or other improvement placed on the Premises after the Effective Date of this Lease by Lessee and with approval of Lessor shall be and remain the property of Lessee during the Term of this Lease or any extension hereof. Upon termination of this Lease, whether by lapse of time or otherwise, all such buildings, structures and improvements permanently affixed to the Premises shall be and become the property of Lessor. All items of trade fixtures, furniture, furnishings, equipment, and other items of personal property purchased or provided by Lessee for use on the Premises shall remain the property of Lessee. Lessee shall remove from the Premises all such items within thirty (30) days after the termination of the Lease. Upon termination of this Lease, if Lessee causes any damage to the improvements on the Premises by removing any trade fixtures or property whatsoever, Lessee shall at its own expense repair or restore the Premises to the condition required in Section 4 hereof.

6. Rent

The Lessee shall pay to the Lessor as Rent for the Premises the sum of Sixteen Thousand Six Hundred Dollars (\$16,600) per month. Each month during the Term, Lessor shall provide Lessee with an invoice for the Rent due and payable. thirty (30) days of receipt of such invoice, Lessee shall submit payment to Lessor. Rent shall accrue beginning on the Occupancy Date. Rent for any period during the Term which is less than one month shall be a pro rata portion of the monthly installment. Any other amounts due to the Lessor from Lessee pursuant to the terms of this Lease shall be considered additional Rent hereunder. monthly Rent shall not be increased by Lessor during the Initial Term of this lease. Upon thirty (30) days prior written notice from Lessor to Lessee for any additional term commencing after July 1, 1991, Lessor may annually increase the monthly rent by the lesser of the following: either (a) the percent by which the May edition of the Consumer Price Index (CPI) For all Items, All Urban Consumers for the Los Angeles-Long Beach-Anaheim Area published by the U.S. Department of Labor has increased over the index figure for May of the preceeding year, or (b) five percent (5%) of the current rent.

In any event, for each month during the Initial Term of this agreement, aside from charges discussed <u>infra</u>, in Section 12 hereof, Lessee shall not be required to expend rent or additional costs incident thereof in excess of the monthly rent for the initial term.

7. Interest

Lessee acknowledges that late payment of Rent or any sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Any Rent or sums due hereunder paid more than 30 days after receipt of the invoice for the relevant month shall accrue interest at the rate of one percent (1%) per month, which sum shall be regarded as additional rent. The parties agree that the foregoing amount represents a reasonable interest rate, and a fair and reasonable estimate of the costs that Lessor would incur by reason of such late payment. Lessor and Lessee each acknowledge their acceptance of the foregoing provision as signified by their initials set forth below.

Lessor: Dinilycome Lessee: Dan Comunitie

Acceptance of any late payment charge shall not constitute a waiver of any default or prevent Lessor from exercising any other right or remedies granted hereunder.

8. Place for Payment of Rental

All rental payments shall be made in lawful money of the United States of America and shall be paid to Lessor at Lessor's address as set forth in Section 29 or to such other address as Lessor may from time to time designate in writing to Lessee.

9. Accord and Satisfaction

No payment by Lessee or receipt by Lessor of a lesser amount of the monthly Rent or any additional rent shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement of any check or any letter accompanying any check or payment as Rent be deemed an accord or satisfaction. Lessor may accept such check or payment without prejudice to Lessor's rights to recover the balance of such Rent or pursue any other remedy provided in this Lease or under law.

10. Reservation

Lessor reserves to itself, its successors and assigns, together with the right to grant and transfer, all or a portion of the same, the nonexclusive right to enter upon the Premises in accordance with any rights of Lessor set forth in this Lease.

11. Property Taxes, Assessment, Possessory Interest

Lessee acknowledges that the Lease may be a property interest subject to property taxation and that the Lease of the Premises granted herein may be subject to the payment of property taxes levied on such property interest. Lessee further acknowledges that the preceding sentence is the disclosure required by Revenue and Taxation Code Section 107.6. Both parties

to the Lease acknowledge the other is a public agency and as such, under current law, is entitled to exemption from certain property taxes.

12. Net Rent: Utilities

It is the intent of the parties that the Rent paid hereunder shall be absolutely net to the Lessor, and Lessee shall pay all costs, charges, assessments and obligations of every kind or nature against or relating to the Premises or the use, occupancy, operation, management, maintenance or repair thereof which may arise or become due during the Term. Without limiting the generality of the foregoing, Lessee shall pay all charges for utilities and services furnished to the Premises during the Term, including but not limited to gas, electricity, heat, power, sewer, water, telephone, refuse collection and all similar utility bills taxed, levied or charged upon the Premises. If Lessee fails to pay any taxes, utilities or insurance premiums, described in Section 21, pay for any of the repairs or costs of any maintenance required to be made by Lessee pursuant to this Lease or pay any other charge, cost or expense required to be paid under this Lease, Lessor shall have the right, but not the obligation, to make all such payments. Lessor shall have the option of requiring Lessee to repay Lessor the amount of such payments on demand or treating the amount of such payments as additional rent to be paid on the next day for the payment of Rent falling due after the date of such payments. If Lessee does not make such payment, Lessor shall have the same rights and remedies with respect thereto as Lessor has for the nonpayment of Rent.

13. <u>Uses</u>

The Premises are being leased to Lessee solely for the purposes of operating, maintaining and administering an educational facility and uses incident thereto. Lessee shall not use or suffer to be used the Premises for any other purpose or purposes without in each instance obtaining Lessor's prior written consent which consent may be withheld at the sole discretion of Lessor.

14. Maintenance

The Premises are leased to Lessee in a clean, orderly and safe physical condition, and Lessee shall so maintain the Premises throughout the duration of this Lease. Lessor shall be responsible for repair of heating, boiler and air conditioning systems on the Premises and for repairs to any structural improvements, such as the roof, installed on the Premises as of the Effective Date. Lessee shall be responsible for routine maintenance such as changing light bulbs (except for exterior parking lights) and changing air filters.

15. Alterations to Premises

In the event that any alterations, addition or change or otherwise to any of the improvements on the Premises is required by law or regulation or rule, the same shall be made by Lessee at Lessee's sole expense and cost. Subject to obtaining all requisite government permits and authorizations and the prior approval of Lessor, Lessee shall have the right to make nonstructural alterations to the interior of any building located upon the Premises, provided that the same when complete are of a character so as to not adversely affect the value of the improvements upon the Premises. Lessee shall not make or permit any structural or exterior alterations, additions or improvements to or upon the Premises without first obtaining the written consent of Lessor. However, Lessee shall be permitted to install directional or identification signs necessary to identify buildings and locations.

16. Lien

If at any time during the Term, or any other time, any liens of mechanics, laborers or materialmen shall be filed against the Premises or any part thereof relating to authorized work by Lessee, Lessee shall, at its expense, cause the same to be discharged, by payment, bonding or otherwise as provided by law.

17. Lessor Improvements To Premises

The Angell Property presently consist of unimproved property. However, Lesscr at its sole expense shall undertake to construct a parking lot on the Angell Property. The parking lot shall be paved, striped and lighted in accordance with the Site Plan attached hereto as Exhibit "C" which is incorporated herein by this reference. Lessee shall have no right to alter the Angell Property or the parking improvements constructed thereupon without first obtaining the written consent of Lessor.

18. Non-Discrimination

Lessee covenants for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through it, that this Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, national origin or ancestry in the subleasing of the Premises herein leased, nor shall the Lessee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of sublessees of the Premises. In the event Lessee enters into contracts, leases, subleases, or assignments with respect to any of its interests herein, Lessee shall include in such arrangement a nondiscrimination clause substantially conforming to the following:

(a) In leases: "The Lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns and all persons claiming under or through him or her, that this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, national origin or ancestry in the subleasing, transferring, use occupancy, tenure or enjoyment of the Premises herein leased, nor shall the Lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of lessees of the Premises."

(b) In contracts and assignments: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, national origin or ancestry in the subleasing, transfer, use, occupancy, tenure or enjoyment of the Premises, nor shall the transferee (or assignee) himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of the Premises."

19. Assignment

Lessee acknowledges that Lessor has entered into this Lease to enable Lessee to operate an educational facility. Accordingly, Lessee shall not sell, lease, convey, or otherwise transfer the Lease to any third party without the express written consent of Lessor, which consent may be granted or withheld in Lessor's sole and absolute discretion. Lessor agrees it shall not unreasonably withhold or condition such approval provided Lessee is not in default hereunder. In the event of a request by Lessee to assign Lessee's interest in the Lease, Lessor shall grant approval provided (i) such assignment is made to a responsible third party who will undertake Lessee's responsibilities under this Lease; and (ii) such third party demonstrates sufficient financial resources to perform under the terms of the Lease. No such assignment shall be valid or effective until approved by Lessor.

20. Indemnification

Neither Lessor nor any officer, agent or employee of Lessor shall be responsible for any damage or liability occurring by reason of any acts or omissions on the part of Lessee or any officer, agent or employee of Lessee, under or in connection with any work, authority or duties to be carried out by Lessee under this Lesse. Lessee agrees to and shall indemnify and hold Lessor

harmless from and against all claims, liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on the Premises and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of the Lessee or its agents, servants, employees, or contractors in the course of Lessee's business or any other activity. Lessee, as a material part of the consideration to Lessor, assumes all risk of damage to property or injury to persons, in, upon or about the Premises arising from any cause of condition existing at the time this Lease is executed and Lessee waives all claims in respect thereof against Lessor. It is also understood and agreed that, pursuant to Government Code Section 895, Lessee shall fully indemnify, defend and hold Lessor harmless from any liability imposed for injury (as defined by the Government Code) occurring by reason of any acts or omissions on the part of Lessee under or in connection with any work, authority or duties delegated to Lessee under this Lessee shall not be responsible for (and such indemnity shall not apply to) any intentional acts, errors, or omissions of Lessor, or their respective agents, servants, employees, or contractors.

21. <u>Insurance</u>

Lessee shall procure and maintain at its cost either comprehensive general liability insurance, or maintain self insurance with excess liability insurance against all claims for injuries against persons or damages to property related to Lessee's performance under this Lease. Additional property insurance shall be maintained by Lessee for personal and/or business property for perils of loss by fire, theft, vandalism, malicious mischief and other such risks. Lessee shall be solely responsible for procuring coverage for loss of business income due to the untenability of the premises. Lessee shall also carry workers' compensation insurance in accordance with state workers' compensation laws. Such insurance shall be kept in effect during the Term of this Lease and shall not be subject to reduction in coverage, cancellation or termination without thirty (30) days' prior written notice by registered letter to Lessor as provided in Section 29. Either a certificate of insurance evidencing the foregoing and naming Lessor as an additional insured or evidence of self-insurance coverage shall be delivered to and approved by Lessor prior to commencement of the Term hereunder. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Lessee's obligation to indemnify Lessor, its contractors, agents, officers or employees. The amount of insurance required hereunder shall be at least One Million Dolars (\$1,000,000.00) for injury per person and for property damage, and at least Three Million Dollars (\$3,000,000.00) for any one accident or occurrence. insurance procured shall be primary insurance and not contributory with any insurance which may be maintained by Lessor and shall be

issued by an insurance company which is rated A or A+ by Bests Rating System.

Lessor shall procure and maintain: (a) property insurance on the Premises to insure against loss and/or damages from fire, flood and other natural or man-made disaster, and (b) liability insurance to insure against claims for injury to person or property related to Lessor's property interest in the Premises.

22. Partial or Total Destruction of Premises

Should any of the structures or buildings on the Premises be totally destroyed, so that all or a substantial portion of the Premises are unfit for the conduct of Lessee's operations, Lessee shall have the right to terminate this agreement with respect to the portion of the Premises so affected. This Lease shall remain in full force and effect with respect to the unaffected portions of the Premises.

23. Exemption of Lessor

Lessor shall not be liable for injury, loss or damage to person or property or loss of business which may be sustained by the person, goods, wares, merchandise or property of Lessee, its employees, agents, invitees, students or customers or any other tenant, licensee, lessee, guest, trespasser, operator, concessionaire or other person in or about the Premises caused by or resulting from the intentional or negligent acts or omissions of Lessee, its employees, agents, invitees, students or customers or any other tenant, licensee, lessee, guest, trespasser, operator, concessionaire or other person in or about the Premises.

24. Interpretation: Litigation: Attorneys Fees

This Lease shall be construed under, and the rights of the parties governed by, the laws of the State of California. The parties agree that the Municipal and Superior Courts of the State of California in the County of Los Angeles, California, shall have exclusive jurisdiction of any litigation between the parties arising out of this Lease. If any legal action is necessary to enforce the terms of this Lease, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which that party may be entitled.

25. Transfer of Lessor's Interest

It is specifically understood that the Redevelopment Agency of the City of San Fernando may transfer its interests in the Lease to the City of San Fernando and that in such event, the City, as the successor in interest to Lessor, would automatically assume all of the Lessor's obligations hereunder and be entitled to all of the Lessor's rights and benefits hereunder. Notwithstanding the foregoing, no such transfer of Lessor's interest in the Premises shall relieve the Lessor of its obligations under the Lease.

-10-

26. Default

09/16/2013

Both parties shall have available all the rights and privileges available under the law in the event of a default. It is understood neither party shall be liable for a breach of the terms of the Lease occasioned by an act of God, labor dispute, delays in mail or transport, or by other causes beyond the control of the parties.

27. Non-Liability of City and Agency Officials; Conflicts of Interest

No member, official, employee, or contractor of Lessor shall be personally liable to the Lessee in the event of any default or breach by Lessor or for any amount which may become due to Lessee, individually or collectively, on any obligations under the terms of this Lease.

28. Conflict of Interest

No officer or employee of Lessor shall have any financial interest, direct or indirect, in this Lease, nor shall any officer or employee participate in any decision relating to the Lease which affects his or her financial interest, or the financial interest of any entity in which he or she is directly or indirectly interested.

29. Notice

Any notice, demand, request, consent, approval or communication that Lessor or Lessee desires or is required to give to the other party shall be in writing and shall be given either by personal service or by mailing in the United States mail, certified mail, postage prepaid, addressed as follows:

To Lessor: Redevelopment Agency of the City of San

Fernando

117 Macneil Street

San Fernando, California 91340 Attention: Executive Director

To Lessee: President of Mission College

1212 San Fernando Road

San Fernando, California 91340

With copy to: Director of Business Operations

Los Angeles Community College District

617 W. 7th Street

Los Angeles, California 90017

Any such notice personally delivered shall be deemed to have been given upon receipt. Any such notice delivered by U.S. Mail shall be deemed effective five (5) days after posting. Any

party hereto may change the address to which notices are to be sent by following the method prescribed in this Section 29.

30. Compliance With Laws and Insurance Policies

Lessee shall throughout the Term of the Lease at its sole cost and expense, promptly comply with all laws and regulations of any and all governmental entities having jurisdiction over the Premises and all policies of insurance applicable to the Premises.

31. Entire Agreement

This Lease includes all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

32. Waivers and Amendments

All waivers of the provisions of this Lease must be in writing and signed by the appropriate authorities of the parties to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of each party.

33. Severability

The unenforceability, invalidity or illegality of any provisions shall not render the other provisions unenforceable, invalid or illegal.

34. Memorandum of Lease

On or subsequent to the Effective Date of this Lease, Lessor agrees to cause the recordation of a memorandum of lease in the records of the Los Angeles County Recorder's Office.

35. Warranties

The persons executing this Lease on behalf of the parties hereto warrant that: (i) such party is duly organized and existing, (ii) they are duly authorized to deliver this Lease on behalf of said party, (iii) by so executing this Lease, such party is formally bound to the provisions of this Lease, and (iv) the entering into this Lease does not violate any provision of any other agreement to which said party is bound.

13

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first stated above.

"LESSOR"
REDEVELOPMENT AGENCY OF
THE CITY OF SAN FERNANDO

"LESSEE"
LOS ANGELES COMMUNITY COLLEGE
DISTRICT ON BEHALF OF
LOS ANGELES MISSION COLLEGE

Dail Acura

ATTEST:

Michael A. Graziano

City Clerk

APPROVED AS TO FORM RUTAN & TUCKER

Robert S. Bower Agency Counsel Warren Kinsler General Counsel

90 1442218

LACCD AGREEMENT NO. 90-6030

ou 1442218

PUBLIC AGENCY (CC1191)

State of California) City of San Fernando) ss County of Los Angeles)

On The 27, 1900, before me, the undersigned, a Notary Public in and for said State, personally appeared Daniel Acuna personally known to me (or proved to me on the basis of satisfactory evidence) to be the Mayor of the City of San Fernando and acknowledged to me that such City of San Fernando executed the same.

WITNESS my hand and official seal (seal)



Michael J. Moon

90 1442218

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"EXHIBIT A"

LEGAL DESCRIPTIONS PREMISES

1320 SAN FERNANDO ROAD

IN THE CITY OF SAN FERNANDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, LOTS 5, 6, 7, 8, 9, 10, 11, 12, 29, 30, 31, 32, 33, 34, 35 AND 36 OF BLOCK 7, PORTER LAND AND WATER COMPANY'S RESURVEY OF THE TOWN OF SAN FERNANDO AS RECORDED IN MISCELLANEOUS RECORD BOOK 34, PAGES 65 AND 66 AS RECORDED IN THE OFFICE OF THE RECORDER OF SAID COUNTY.

313 S. BRAND BOULEVARD

IN THE CITY OF SAN FERNANDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, LOT 7 OF TRACT MAP NO. 2824 PER MAP RECORDED IN BOOK 28, PAGES 36 AND 37 OF MAPS, RECORDS OF LOS ANGELES COUNTY.

1242 SAN FERNANDO ROAD

LOT NOS. 18 AND 19, BLOCK 6 OF PORTER LAND AND WATER COMPANY'S RESURVEY OF THE TOWN OF SAN FERNANDO AS RECORDED IN MISCELLANEOUS RECORD BOOK NO. 34, PAGES 65 AND 66.

ANGELL PROPERTY
TEMPORARY PARKING LOT, CELIS STREET AND SOUTH WORKMAN

LOT NOS. 37, 38, 39 AND 40, BLOCK 8 OF PORTER LAND AND WATER COMPANY'S RESURVEY OF THE TOWN OF SAN FERNANDO AS RECORDED IN MISCELLANEOUS RECORD BOOK NO. 34, PAGES 65 AND 66.

PW16/08

LACCD AGREEMENT NO. 90-6030

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water the before

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EXHIBIT "B"

[Site Plan Re Trailers]

On file in City Engineer's Office.

| | State of Coliforinia State of Les Ansiles. Ss. | On this the Sth day of Aus of 1999 tefore me, William B. Green the undersigned Notary Public, personally appeared |
|-----------------------|---|--|
| 220222842284223442228 | OFFICIAL SEAL WHILIAM B GREEN NOTARY PUBLIC - CALIFORNIA LOS ANGELES COUNTY My comm. expires AUG 23, 1990 | personally known to me proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) subscribed to the within instrument, and acknowledged that executed it. WITNESS my hand and official seal. Notary's Signature 90 1442218 |

LACCD AGREEMENT NO. 90-6030

-15-

90 1442218

EXHIBIT "C"

[Site Plan Re Parking]

8/355/063060-0008/001 Revised: 3/22/90

On file in City Engineer's Office.

LACCD AGREEMENT NO. 90-6030

90 1442218

ATTACHMENT "C"

1017

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Director of Redevelopment Agency City of San Fernando 117 Macneil Street San Fernando, California 91340 90- 821549

RECORDED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA

MIN. 8 am MAY L

FREE

1990

LEASE AGREEMENT

This Lease is made on the 5th day of March, 1990, by and between John H. Angell, a married man, and Bonnie L. Angell, a married woman (collectively herein "Landlord"), and the Redevelopment Agency of the City of San Fernando, California, a public body organized and existing pursuant to the California

public body organized and existing pursuant to the California Community Redevelopment Law (Part I, commencing with Section 33000, of Division 24 of the California Health and Safety Code) ("Tenant").

RECITALS

WHEREAS, Landlord is the owner of undeveloped real property (hereinafter referred to as the "Premises"), as more fully described in Exhibit "A" hereto.

WHEREAS, Landlord is willing to lease to Tenant and Tenant is willing to lease from Landlord the leased Premises for the term and upon the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants herein contained, and for other good and valuable consideration, the sufficiency of which is hereby expressly acknowledged and confirmed, Landlord and Tenant agree as follows:

1. Definition of Terms

"City" shall mean the City of San Fernando, California, a municipal corporation.

"Effective Date" shall mean that date when this Lease has been approved by the Redevelopment Agency of the City of San Fernando.

"Initial Term" shall mean the period of time commencing with the Effective Date and extending through and including June 30, 1991.

"Landlord" shall mean John H. Angell and Bonnie L. Angell, and any permitted successor to its rights, title and interest under law.

"Lease" shall mean that agreement entered into between Landlord and Tenant concerning the Premises.

"Premises" shall mean the parcel of unimproved real property leased to Tenant pursuant to this Lease. The leased Premises is located generally at the northeast corner of the intersection of Workman Street and Celis Street (Assessor's Parcel 2521-003 lots 22, 23, 24 and 25). The parcel is located in the City of San Fernando, County of Los Angeles, State of California, and is more fully described in Exhibit "A" attached hereto incorporated herein by this reference.

"Tenant" shall mean the Redevelopment Agency of the City of San Fernando, California, and any permitted successor to its right, title and interest under law. The Redevelopment Agency of the City of San Fernando, California may at any time assign its interest in the Premises and the Lease to the City of San Fernando, California. Not by way of limitation of the foregoing, it is understood that the powers of the Redevelopment Agency of the City of San Fernando may expire prior to the end of the term of this Lease; in such event, the City of San Fernando, as statutory successor-in-interest California, a Redevelopment Agency of the City of San Fernando, shall become Tenant hereunder.

Term

The Term of this Lease shall commence on the Effective Date and terminate on June 30, 1991. By the mutual agreement of the parties, Additional Terms may be permitted under the same terms and conditions as provided herein.

Notice of Termination

Tenant may terminate the Lease at the end of the initial Term or at the end of any extended Term upon written notice to Landlord pursuant to Section 26 not less than thirty (30) days prior to the expiration of the then current Term.

4. Surrender; Holding Over

Upon termination of this Lease, Tenant covenants to peaceably yield up and surrender the Premises, including all improvements, in good order, reasonable wear and tear excepted, and in a safe and clean condition.

5. Condition of Premises Upon Termination

Any structure or other improvement placed on the Premises after the Effective Date of this Lease by Tenant and with approval of Landlord shall be and remain the property of Tenant during the Term of this Lease or any extension hereof. Upon termination of this Lease, whether by lapse of time or otherwise, all such structures and improvements permanently affixed to the Premises shall be and become the property of Landlord. All items

of trade fixtures, furniture, furnishings, equipment, and other items of personal property purchased or provided by Tenant for use on the Premises shall remain the property of Tenant. Tenant shall remove from the Premises all such items within thirty (30) days after the termination of the Lease. Upon termination of this Lease, Tenant shall surrender the Premises with the improvements described in Section 10 and Landlord agrees to accept the Premises with such improvements.

6. Rent

The Tenant shall pay to the Landlord as Rent for the Premises the sum of Eight Hundred Dollars (\$800.00) per month, which shall be due and payable on the first working day of each month following the Effective Date. Any other amounts due to the Landlord from Tenant pursuant to the terms of this Lease shall be considered additional Rent hereunder. The monthly Rent shall not be increased by Landlord during the initial Term of this Lease. Upon thirty (30) days prior written notice from Landlord to Tenant, Landlord may increase the monthly rent by no more than five percent (5%) for any additional term after July 1, 1991.

7. Net Rent; Utilities

It is the intent of the parties that the kent paid hereunder shall be absolutely net to the Landlord, and Tenant shall pay all costs, charges, assessments and obligations of every kind or nature against or relating to the Premises or the use, occupancy, operation, management, maintenance or repair thereof which may arise or become due during the Term. Without limiting the generality of the foregoing, Tenant shall pay all charges for utilities and services furnished to the Premises during the Term, including but not limited to gas, electricity, heat, power, sewer, water, telephone, refuse collection, all associated connection charges, and all similar utility bills taxed, levied or charged upon the Premises. If Tenant fails to pay any taxes, utilities or insurance premiums, described in Section 19, pay for any of the repairs or costs of any maintenance required to be made by Tenant pursuant to this Lease or pay any other charge, cost or expense required to be paid under this Lease, Landlord shall have the but not the obligation, to make all such payments. Landlord shall have the option of requiring Tenant to repay Landlord the amount of such payments on demand or treating the amount of such payments as additional rent to be paid on the next day for the payment of Rent falling due after the date of such If Tenant does not make such payment, Landlord shall have the same rights and remedies with respect thereto as Landlord has for the nonpayment of Rent.

Late Charges and Interest

Any Rent or sums due hereunder paid after the due date shall accrue interest at the rate of one percent (1%) per month or the legal rate, whichever is more, compounded monthly, and this

sum shall be regarded as additional rent. The parties agree that the foregoing amount represents a reasonable rate of interest.

Landlord: MODE CO.

Tenant:

Acceptance of any late payment charge shall not constitute a waiver of any default or prevent Landlord from exercising any other right or remedies granted hereunder.

9. Place for Payment of Rental

All rental payments shall be made in lawful money of the United States of America and shall be paid to Landlord at Landlord's address as set forth in Section 26 or to such other address as Landlord may from time to time designate in writing to Tenant.

10. Accord and Satisfaction

No payment by Tenant or receipt by Landlord of a lesser amount of the monthly Rent or any additional rent shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement of any check or any letter accompanying any check or payment as Rent be deemed an accord or satisfaction. Landlord may accept such check or payment without prejudice to Landlord's rights to recover the balance of such Rent or pursue any other remedy provided in this Lease or under law.

11. Tenant Improvements

After the Effective Date of this Lease, Landlord consents to permit Tenant to grade and pave the Premises and carry out any other actions in order to construct a parking lot on the Premises according to the Site Plan attached hereto as Exhibit "B" which by this reference is incorporated herein. All such improvements, including but not limited to the installation of lighting, fences and gates, shall be at Tenant's sole expense. Upon completion of construction, Tenant shall have the right to alter the parking lot without further consent of Landlord; however, Tenant shall obtain consent of Landlord, which consent shall not unreasonably be withheld for any additional construction or improvements aside from those detailed in Exhibit "B."

12. Maintenance

The Premises are leased to Tenant in an as-is physical condition. The Tenant shall maintain the Premises in a clean, orderly and safe condition throughout the duration of this Lease.

13. Alterations to Premises

In the event that any alterations, addition or change or otherwise to any of the improvements on the Premises is required by law or regulation or rule, the same shall be made by Tenant at Tenant's sole expense and cost. Subject to obtaining all

requisite government permits and authorizations and the prior approval of Landlord, Tenant shall have the right to make alterations to the Premises, provided that the same when complete are of a character so as to not adversely affect the value of the improvements upon the Premises.

14. Lien

If at any time during the Term, or any other time, any liens of mechanics, laborers or materialmen shall be filed against the Premises or any part thereof relating to authorized work by Tenant, Tenant shall, at its expense, cause the same to be discharged, by payment, bonding or otherwise as provided by law, within thirty (30) days after Tenant receives notice that the lien was filed. Nothing herein contained shall in any way prejudice the rights of Tenant to contest to final judgment or decree any such lien prior to payment thereof. Tenant, upon reasonable notice and request in writing from Landlord, shall also defend Landlord, at Tenant's expense, in any action, suit or proceeding which may be brought on or for the enforcement of any such lien and shall pay damages and satisfy and discharge any judgment entered in such action, suit or proceeding and save Landlord harmless from any liability, claim or damages resulting therefrom for such lien, judgment, suit or proceeding arises from the action of Tenant, its agents, employees and independent contractors.

15. Compliance With Laws and Insurance Policies

Tenant shall throughout the Term of the Lease at its sole cost and expense, promptly comply with all laws and regulations of any and all governmental entities having jurisdiction over the Premises and all policies of insurance applicable to the Premises.

16. Non-Discrimination

Tenant covenants for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through it, that this Lease is made and accepted upon and subject there shall following conditions: That the discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, national origin or ancestry in the subleasing of the Premises herein leased, nor shall the Tenant establish or permit any such practice or practices of discrimination or segregation reference to the selection, location, number, use or occupancy of sublessees of the Premises. In the event Tenant enters into contracts, leases, subleases, or assignments with respect to any of its interests herein, Tenant shall include in arrangement a nondiscrimination clause substantially conforming to the following:

(a) In leases: "The Tenant herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns and all persons claiming under or

through him or her, that this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, national origin or ancestry in the subleasing, transferring, use occupancy, tenure or enjoyment of the Premises herein leased, nor shall the Tenant himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of lessees of the Premises."

(b) In contracts and assignments: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, national origin or ancestry in the subleasing, transfer, use, occupancy, tenure or enjoyment of the Premises, nor shall the transferee (or assignee) himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of the Premises."

17. Right to Sublease or Assign the Lease

Landlord acknowledges that Tenant has entered into this Lease to enable Tenant to sublease the Premises to the Los Angeles Mission College (the "College") in order to permit the College to operate a parking facility on the Premises. As such, Landlord specifically agrees to permit Tenant to sublease the Premises to College without any additional requirements, conditions or further requests under the terms of this Lease. Landlord further agrees that Tenant shall be permitted to sublease the Premises to any other third party during the Term of this Lease should College default or in any other manner forfeit or surrender the Premises prior to the expiration of the Term. In the event of such future sublease or assignment, Tenant, by means of an instrument in writing, pursuant to Section 26 hereof, shall request Landlord's permission to assign or sublease the Premises. Landlord agrees it shall not unreasonably withhold or condition such approval.

18. Indemnification

Neither Landlord nor any officer, agent or employee of Landlord shall be responsible for any damage or liability occurring by reason of any acts or omissions on the part of Tenant or any officer, agent or employee of Tenant, under or in connection with any work, authority or duties to be carried out by Tenant under this Lease. Tenant agrees to and shall indemnify and hold Landlord harmless from and against all claims, liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of

any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on the Premises and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of the Tenant or its agents, servants, employees, or contractors in the course of Tenant's business or any other activity. Tenant, as a material part of the consideration to Landlord, assumes all risk of damage to property or injury to persons, in, upon or about the Premises arising from any cause of condition existing at the time this Lease is executed and Tenant waives all claims in respect thereof against Landlord. It is also understood and agreed that, pursuant to Government Code Section 895, Tenant shall fully indemnify, defend and hold Landlord harmless from any liability imposed for injury (as defined by the Government Code) occurring by reason of any acts or omissions on the part of Tenant under or in connection with any work, authority or duties delegated to Tenant under this Lease. Tenant shall not be responsible for (and such indemnity shall not apply to) any intentional acts, errors, or omissions of Landlord, or their respective agents, servants, employees, or contractors.

19. Insurance

Tenant and subtenants shall procure and maintain, at their cost, either comprehensive general liability insurance, or maintain self insurance with excess liability insurance to respond to all claims for bodily injury and/or property damage. amount of insurance required hereunder shall be at least One Million Dollars (\$1,000,000.00) for injury per person and for property damage, and at least Three Million (\$3,000,000.00) for any one accident or occurrence. Tenant shall also carry workers' compensation insurance in accordance with state workers' compensation laws. Such insurance shall be kept in effect during the Term of this Lease and shall not be subject to reduction in coverage, cancellation or termination without thirty (30) days' prior written notice by registered letter to Landlord as provided in Section 26. Either a certificate of insurance evidencing the foregoing and naming Landlord as an additional insured or evidence of self-insurance coverage shall be delivered to and approved by Landlord prior to commencement of the Term The procuring of such insurance or the delivery of hereunder. policies or certificates evidencing the same shall not be construed as a limitation of Tenant's obligation to indemnify Landlord, its contractors, agents, officers or employees. insurance shall be primary insurance and not contributory with any insurance which may be maintained by Landlord and shall be issued by an insurance company which is rated A or A+ by Bests Rating System.

20. Eminent Domain

If the entire Premises are taken for any public or quasi-public use under any statute by right of eminent domain, or by purchase by public authority in lieu thereof, the Lease shall terminate as of the date that possession of the Premises is taken

by the public authority or when Tenant is deprived of its practical use of the Premises, whichever date is earlier. The net proceeds of the award shall be distributed in the following order of priority:

- (a) Landlord shall receive that portion of the award which shall constitute compensation for the value of its fee interest in the Premises as encumbered by the Lease;
- (b) Tenant shall be compensated for its interest in the Premises, including direct loss of investment in any improvements constructed by Tenant on the Premises, the cost of removal of any fixtures and equipment, and the loss of the economic benefit of Tenant's leasehold state.

21. Interpretation; Litigation

This Lease shall be construed under, and the rights of the parties governed by, the laws of the State of California. The parties agree that the Municipal and Superior Courts of the State of California in the County of Los Angeles, California, shall have exclusive jurisdiction of any litigation between the parties arising out of this Lease.

22. Attorneys' Fees

If any legal action is necessary to enforce the terms of this Lease, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which that party may be entitled.

23. Default and Grounds For Termination

Landlord shall be entitled to declare default of this Lease and terminate the Lease prior to the expiration of the Term where Tenant fails to:

- (a) pay rent or additional rent to Landlord;
- (b) reimburse Landlord for any loss, fee or charge which is the responsibility of Tenant pursuant to this Lease;
- (c) or, if Tenant undertakes to make a transfer of the Lease or any portion of the Premises without the consent of Landlord, with the exception of a transfer or assignment to the College;
- (d) if Tenant fails to perform any other obligations required under this Lease.

Tenant shall be entitled to declare default of this Lease and terminate the Lease prior to the expiration of the Term when Landlord fails to perform any obligation required under this Lease.

The parties may waive any default hereunder, however, such waiver shall not be construed as a waiver of any other default. No acceptance of Rent by Landlord or delay in enforcing any obligation shall be construed as a waiver of any default by The injured party may terminate the Lease by reason of Tenant. the foregoing defaults where the injured party has given notice in writing to the other party specifying the nature of the default and the corrective action required, and if such party has not cured such default within ten (10) days after receipt of such notice, or where such default cannot reasonably be cured within ten (10) days, the defaulting party shall not be in default so long as it commences actions necessary to cure within ten (10) days of notice and diligently prosecutes the same to completion. It is further provided if the default is Tenant's failure to pay money to Landlord, whether Rent or otherwise, and payment is not forthcoming within three (3) days of notice thereof from Landlord, then the Lease may be terminated by Landlord upon expiration of such three (3) day period. Compliance with the provisions of this section shall be a condition precedent to the termination of the Lease for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event the default is not cured.

24. Non-Liability of City and Agency Officials; Conflicts of Interest

No member, official, employee, or contractor of Tenant shall be personally liable to the Landlord in the event of any default or breach by Tenant or for any amount which may become due to Landlord, individually or collectively, on any obligations under the terms of this Lease.

25. Conflict of Interest

No officer or employee of Tenant shall have any financial interest, direct or indirect, in this Lease, nor shall any officer or employee participate in any decision relating to the Lease which affects his or her financial interest, or the financial interest of any entity in which he or she is directly or indirectly interested.

26. Notice

Any notice, demand, request, consent, approval or communication that Landlord or Tenant desires or is required to give to the other party shall be in writing and shall be given either by personal service or by mailing in the United States mail, certified mail, postage prepaid, addressed as follows:

To Landlord: John H. Angell and Bonnie L. Angell
13155 Hubbard Street
Sylmar, California 91342

To Tenant:

Redevelopment Agency of the City of San

Fernando

117 Macneil Street

San Fernando, California 91340 Attention: Executive Director

Any such notice personally delivered shall be deemed to have been given upon receipt. Any such notice delivered by U.S. Mail shall be deemed effective five (5) days after posting. Any party hereto may change the address to which notices are to be sent by following the method prescribed in this Section 26.

27. Entire Agreement

This Lease includes all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

28. Amendments

All waivers of the provisions of this Lease must be in writing and signed by the appropriate authorities of the parties to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of each party.

29. Severability

The unenforceability, invalidity or illegality of any provisions shall not render the other provisions unenforceable, invalid or illegal.

30. Memorandum of Lease

On or prior to the Effective Date of this Lease, Tenant agrees to cause the recordation of a memorandum of lease in the records of the Los Angeles County Recorder's Office.

31. Warranties

The persons executing this Lease on behalf of the parties hereto warrant that: (i) such party is duly organized and existing, (ii) they are duly authorized to deliver this Lease on behalf of said party, (iii) by so executing this Lease, such party's formally bound to the provisions of this Lease, and (iv) the entering into this Lease does not violate any provision of any other agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first stated above.

"LANDLORD"

JOHN H. ANGELL

BONNIE L. ANGELL

"TENANT"

REDEVELOPMENT AGENCY OF THE CITY OF

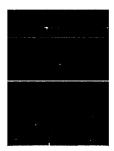
SAN FERNANDO

ATTEST:

APPROVED AS TO FORM

RUTAN & TUCKER





13

ibit A

WATER DED IN EXHIBIT "B"

[Site Plan Re Parking Improvements]

ON FILE IN CITY ENGINEERS OFFICE

8/355/063060-0008/007 Revised: 2/26/90

ATTACHMENT "D"

