

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Hugh R. Riley, Assistant City Manager 

DATE: January 11, 2011 (CC Meeting of 01/19/11)

SUBJECT: Consider Agreements with Ventura County for Ground Lease and Sale of Medical Clinic (Building A) and Space Lease in Building B of the Ruben Castro Human Services Center

BACKGROUND & DISCUSSION

The Ruben Castro Human Services Center (RCHSC) project consists of two buildings totaling approximately 25,000 square feet (the Facility). Building A is 10,000 square feet and is designed to house non-emergency medical services. Building B is approximately 15,000 square feet and has been planned as an "Under-One-Roof" facility for various social services, educational uses, and charitable services.

On May 19, 2010, the City Council approved the plans and specifications for the subject project and authorized staff to advertise for construction bids subject to the City's receipt of signed Memorandums of Understanding from the County of Ventura and other project tenants, Catholic Charities, First 5 NfL and Interface Children and Family Services. On

On August 10, 2010 the project was presented to the County Board of Supervisors. The Board gave its conceptual approval and authorization for the County Executive to work with the City of Moorpark to finalize a "Memorandum of Understanding and Purchase Contract for the medical building and lease space for the Human Services Agency in Building B. Based on the Board's action, later on August 10, 2010 the City Council amended the May 19 Bidding Authorization to allow staff to solicit construction bids, while still finalizing the MOU's.

Construction bids were obtained on October 21, 2010. The bids have been reviewed and tabulated and are within the project's anticipated budget. Staff recommendations for the award of construction contracts are presented to the Council for consideration later in the meeting in a different Agenda Report

AGREEMENTS WITH VENTURA COUNTY

The development of final agreements between the City and the County resulted in the preparation of a Ground Lease and Agreement for Building A and a Space Lease for Building B.

GROUND LEASE and AGREEMENT (Attachment 1): This document, when signed, will be a present-day agreement between the City and the County under which the City and the County agree (a) that the County will lease the Land upon completion of construction of the Project (including the Building) for one dollar per year for a term of 55 Years, and (b) that the City will construct the Project, and (c) that the City will sell and the County will buy the Building when construction is complete for a purchase price of approximately \$5,600,000.

The commencement of the Ground Lease term occurs when the Project and the Building are completed. At this point, the County becomes the lessee of the Land, and ownership and title to the Building are transferred to the County in exchange for the purchase price of the Building. The final purchase price may be adjusted if construction costs are increased above contingencies due to changes requested by the County.

Once the term commences, the County will be the lessee of the Land and will occupy the Building as its owner. As lessee, the County has rights to use common facilities (e.g., parking, sidewalks, entrances, etc.) and will share in the cost of the City's maintenance of these facilities.

At the end of the 55-year term of the Ground Lease, the County has the option to acquire ownership of the Land at its fair market value. If the Land is purchased, the County will then own both the Land and the Building. In that event, the parties agree to enter into a Reciprocal Easement and Common Area Maintenance Agreement so that the County will continue to have the use of the common facilities.

SPACE LEASE: This is a space lease for the County Human Services Agency's use of 3,269 square feet of space in Building B. The lease term is for 10 years at a rental rate is \$1.35 per square foot (\$4,413.15 per month) during the first five years of the lease. The rent shall be increased by 3% on the anniversary date of the agreement during each of the next five years of the initial term. The County has the option to extend the lease for two additional five-year terms at a rental rate equal to 95% of the fair market value for comparable buildings in Moorpark at the time the option is exercised.

The City will pay for water and sanitary sewer, natural gas, electrical and solid waste removal. The County will be responsible for telephone service, cable television, internet and janitorial services. The remaining provisions of the lease are similar to those in standard lease agreements utilized the City and the County.

ACTION BY THE BOARD OF SUPERVISORS AND OTHER AGENCIES

On January 11, 2011, the Ventura County Board of Supervisors took the following actions by a unanimous vote:

1. Approved the plans and specifications for Building "A" of the RCHSC.
2. Authorized the County Executive Officer, or Designee, to issue and approve addenda which clarify ambiguities, or correct errors in the plans and specifications, or are required for adherence to conditions of required permits.
3. Approved and authorized the County Executive Officer, or designee, to sign the Ground Lease and Agreement (Attachment 1) with the City of Moorpark for the purchase of Building "A" and lease of the land on which Building "A" of the RCHSC is to be located.
4. Approved and authorized the County Executive Officer, or designee, to sign the Lease Agreement (Attachment 2) with the City of Moorpark for 3,269 square feet of space located within Building "B" of the RCHSC.
5. Approved the issuance, sale and use of up to \$5.6 million from either Tax Exempt Commercial Paper (TECP) or certificates of participation or both for the purchase of Building "A" of the RCHSC, from the City of Moorpark.
6. Authorized the Auditor-Controller to process the necessary accounting transactions to increase appropriations to the County Budget Unit 1050 – Capital Improvements to provide the \$5,600,000 purchase price for Building A.

The City has now received signed MOUs from the other tenants in Building B including; Interface Children and Family Services, First 5, NfL, and Catholic Charities of Ventura County. The signed MOUs are provided in Attachment 3.

FISCAL IMPACT

Staff has prepared a revised operating budget for the facility including site maintenance costs and has concluded that the Facility can operate on an annual basis with no impact on the City's General Fund provided the full Building B tenancy continues. (Attachment 4)

STAFF RECOMMENDATION:

Authorize the City Manager to sign the Ground Lease and Agreement and the Space Lease with the County of Ventura subject to final language approval by the City Manager and the City Attorney.

ATTACHMENTS:

1. Ground Lease and Agreement Building A
2. Space Lease- Building B
3. Building B Tenant MOUs
4. Building B Operating Budget

GROUND LEASE AND AGREEMENT
(612 Spring Road Building A)

THIS GROUND LEASE AND AGREEMENT, hereinafter called "**Ground Lease**", and dated for referenced purposes only as of January 11, 2011, is made and entered into by and between:

CITY OF MOORPARK

hereinafter called "**City**", and

COUNTY OF VENTURA

hereinafter called "**County**".

WHEREAS, the City is undertaking the planning, design and construction of the Ruben Castro Human Services Center (the "**Project**"), which will consist of two buildings and related common facilities located on certain real property containing approximately 2.49 acres owned by the City, bearing Assessor's Parcel Numbers 512-0-171-235 and 512-0-171-245, and approximately depicted on the site plan (the "Site Plan") attached hereto as Exhibit A; and

WHEREAS, a portion of the Project will consist of a building containing approximately 10,000 square feet of floor space, and labeled on the Site Plan as Building A, to be used as a County medical clinic (the "**Building**"), on approximately 10,000 square feet of property (as depicted on the Site Plan by cross-hatching hereafter referred to as, the "**Land**") owned by the City; and

WHEREAS, City and County have heretofore agreed upon plans and specifications (the "**Approved Plans**") for the construction of the Building; and

WHEREAS, upon completion of the Building, title to the Building (but not the Land) will be sold to the County by Bill of Sale and Assignment of Warranties (the "**Bill of Sale**") in the form attached hereto as Exhibit B and will be vested in the County during the Term (as defined below) of this Ground Lease; and

WHEREAS, the City and County have determined that it is in the City's and County's authority and interest to enter into this Ground Lease for the Land on which the Building is to be located.

NOW, THEREFORE, the parties hereto mutually agree as follows:

PROPERTY LEASED. Effective on the Commencement Date (as defined below) City leases to County and County rents from City the Land.

1. TERM. Unless sooner terminated as provided in this Ground Lease, the term of this Ground Lease shall commence on the date on which construction of the Building has been completed as provided below in Section 3 and a Notice of Completion Issued (the "**Commencement Date**") and expire on the last day of the month in which the 55th anniversary of the Commencement Date occurs (the "**Term**"). Within ten (10) days following the Commencement Date, City and County shall execute an Acknowledgment of Ground Lease Commencement Date in the form attached hereto as Exhibit C for the purpose of memorializing the Commencement Date and expiration date of the Term.

2. RENT. County shall pay to City rent in the amount of \$1.00 per year during the Term of this Ground Lease which City and County agree is good and valuable consideration for the Land based on the nature of this Ground Lease. The rent shall be paid in full (\$55.00) for the entire Term upon execution of this Ground Lease.

3. CONSTRUCTION; PURCHASE AND SALE OF BUILDING.

3.1 City has also solicited bids for the construction of the Project, including the Building, in accordance with the Approved Plans. Promptly following the execution of this Ground Lease, City will accept the bid of the contractor or contractors (herein "contractor") acceptable to the City and shall cause the contractor to commence and complete the construction of the Project and the Building in accordance with the Approved Plans. City agrees to require the contractor to identify the County as an additional obligee on any and all performance bonds related to construction of the Building. Upon completion of construction of the Project and the Building in accordance with the Approved Plans and the issuance by the City of a Notice of Completion, the Commencement Date of the Term of this Ground Lease will occur, and City will sell and convey title to the Building to the County by delivery to the County of the Bill of Sale. Concurrently with City's execution and delivery of the Bill of Sale to County, County will pay to City Five Million and Forty Thousand Dollars (\$5,040,000), that is, ninety (90) percent of the purchase price of the Building, namely, Five Million Six Hundred Thousand Dollars (\$5,600,000) (the "**Purchase Price**"). The parties agree that the **Purchase Price** shall not exceed the actual costs of construction or \$5,600,000, whichever amount is less. The foregoing percentage-based amounts shall be reduced accordingly should the actual costs of construction be less than \$5,600,000. The County will withhold ten percent of the Purchase Price, that is, Five Hundred and Sixty Thousand Dollars (\$560,000) (the "**Retention Amount**"), until any and all contractor disputes that arise prior to the Notice of Completion have been fully resolved and all

warranties which are transferable or assignable have been transferred or assigned to the County. The County may draw on and use said Retention Amount funds to resolve any and all contractor disputes and warranty issues that the City has not otherwise resolved by the Commencement Date. Upon resolution of any such disputes, and after all warranties which are transferable or assignable have been transferred to the County, the County will pay City the remaining balance of the Retention Amount as full and complete satisfaction of its obligation to pay the balance of the Purchase Price. After the balance of the Purchase Price is paid, should any warranty not be transferred to County, for whatever reason, City agrees to cooperate with County, at County's expense, to pursue enforcement of any warranty which was not transferable or assignable to County as and when the County determines enforcement is required. In connection with County's agreement to pay the Purchase Price, and concurrently with the execution of this Ground Lease by the parties, the County has deposited the Purchase Price in an escrow, the terms of which, among other things, require the consent of both parties for the release of funds from the escrow. County agrees that upon completion of construction of the Project and the Building and concurrently with City's execution and delivery of the Bill of Sale, County will join City in authorizing the release from the escrow of the Purchase Price, less the Retention Amount, to City. The Purchase Price is full and final payment to City for the Building, it being agreed that County has no responsibility for any costs of construction incurred by the City in excess of the Purchase Price, except only for those costs of construction in excess of the Purchase Price incurred by the City as a result of changes to the Approved Plans requested in writing by the County. On the Commencement Date, County will be deemed to have accepted the Building as being satisfactory to County in all respects and in its "AS-IS" condition subject to any pick up items (i.e., minor details of construction and minor mechanical adjustments remaining to be performed which will not, individually or in the aggregate, prevent or materially interfere with County's use of the Building or installation of trade fixtures, equipment, or personal property), offsets against the contractor (i.e., items such as liquidated damages, penalties for delay in completion, claims for damages, etc.), and warranties transferred from the City to the County, and County will be deemed to have acknowledged and agreed that neither the City nor any of its officers, agents or employees (collectively, the "City Personnel") have made or then make any representations or warranties of any kind or nature respecting the Building, or any facility, part or component thereof, or its physical condition or its suitability for use by the County and that, except as expressly set forth in the Bill of Sale, it is not relying upon any such representations or warranties by the City or any City Personnel.

3.2 At the expiration of the Term or any extension Term, County shall have the option to either purchase the Land from the City for "fair market value" or remove the Building in accordance with Section 26 of this Ground Lease. The City shall provide County with its initial determination of the fair market value of the Land not less than one year before expiration of the Term. If the parties do not agree on the fair market value, the City and County shall each hire an appraiser who shall independently appraise the Land and exchange such appraisals not less than two hundred and eighty (280) days before expiration of the Term. No later than two hundred and sixty (260) days before expiration of the Term, the City and County appraisers shall meet with staff from the City and County to

attempt to reconcile any differences in their appraised values and to agree upon a single fair market value for the Land. If the parties are unable to reach agreement on a value, then the appraisers shall immediately designate a third appraiser to determine the fair market value of the Land. If the City's and County's appraisers cannot agree on a third appraiser within one week, then each appraiser shall immediately submit the name of another appraiser who is ready, willing, and able to appraise the Land, and the third appraiser will be determined by the flip of a coin conducted no later than two hundred and thirty (230) days before expiration of the Term. In the event a third appraiser is required, (1) his or her appraisal shall be prepared and provided to the parties no later than two hundred (200) days before expiration of the Term and (2) the value determined such third appraiser shall be the fair market value of the Land for purposes of this paragraph. The fees for the third appraiser shall be split between the parties. City and County shall separately bear all fees for the appraiser each selects. If County elects to purchase the Land, such election must be made by giving City written notice of such election not less than one hundred eighty (180) days prior to the expiration of the Term; otherwise, County will be deemed to have elected to remove the Building in accordance with Section 26. If County elects to purchase the Land, City and County agree to enter into, execute and acknowledge a Reciprocal Easement, which shall include County's associated parking rights, and a Common Area Maintenance Agreement in form and substance reasonably acceptable to City and County and to cause the same to be recorded in the real property records of Ventura County simultaneously with the closing of the County's purchase of the Land. County and City acknowledge that it will be necessary to create a separate legal parcel for the Land if the County elects to purchase the Land. It is agreed that County shall be solely responsible for all fees, costs and expenses incurred, including, without limitation, those incurred by City, in creating such separate legal parcel.

4. HOLDOVER. If County holds possession of the Land and Building after the expiration of the Term of this Ground Lease, or any extension thereof, with consent of City, expressed or implied, County shall become a Tenant from month-to-month. All other terms and conditions of this Ground Lease shall remain unchanged, with the exception on the rent. Holdover rent shall be paid monthly to the City in the amount of \$6,000.00. Holdover rent shall increase by 3% every 12 month period during holdover status.

6. Intentionally Left Blank.

7. USE. The Land and the Building shall be used for the following specified purpose and shall not be used for any other purpose without first obtaining the written consent of City, which consent the City is under no obligation to give: Health Care Facilities Including Medical Clinic owned and operated by the County. County may have up to six (6) restricted onsite parking spaces as assigned by City and shall have access to shared onsite parking spaces for the Project.

The County may submit suggested names for the Building; however, the Moorpark City Council shall have the sole and absolute right in naming the Building.

8. SIGNS. County shall not erect or display, or permit to be erected or displayed on the Land or the Building exterior, any signs of any kind without first obtaining the written consent of the City which consent shall not be unreasonably withheld.

9. ALTERATIONS BY COUNTY. County shall have the right to modify the interior of Building at County's sole expense. All such modifications shall be performed in a good and workmanlike manner, by duly licensed contractors, and in compliance with all applicable governmental laws, ordinances and regulations. County shall pay for all labor, services and materials utilized in connection with the making of such modifications, and County shall not permit any mechanics', materialmen's or other liens to be placed against the Land or the Building. Prior to the commencement of any modifications to the exterior of the Building, County shall submit detailed plans and renderings to the City, and City shall have the right, in its reasonable discretion, to approve or disapprove of such modifications if the same are not compatible from a design, architectural or aesthetic standpoint with other improvements and buildings in the Project or to approve or disapprove of such modifications, in its sole and absolute discretion.

10. FIRE INSURANCE. Fire and extended coverage insurance on the Land and Building shall be the sole concern of County. However, no use except that which is expressly provided in this Ground Lease shall be made or permitted to be made of the Land or the Building.

11. LIABILITY INSURANCE.

11.1 Subject to the County's right to self-insure for this coverage as provided below, County, at its own expense, shall procure and maintain with respect to the Land and Building and operations conducted therein adequate general premises liability insurance against bodily injury and against property damage. Said insurance shall have a combined single limit of liability for bodily injuries and for property damage in an amount of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) annual aggregate; provided, that such limits shall be subject to periodic increase (but not more often than once every five (5) years) as the City may determine in its reasonable discretion. County shall furnish to City a Certificate of Liability Insurance from an insurer admitted to do business in the State of California, which certificate shall verify that County carries public liability insurance as described above. Said certificate shall verify:

- a. That City is named as an additional insured in said insurance, and
- b. That such insurance covers products and completed operations coverages, and
- c. That said insurance shall not be cancelled nor terminated without thirty (30) days' prior written notice given to City, and

d. That such insurance shall be primary insurance, notwithstanding any "other insurance" clauses to the contrary which may be contained in either County's or City's insurance contracts.

The insurance coverage shall contain within the contract or by endorsement a "broad form" of contractual liability coverage which covers contracts entered into by County, including leases. County shall indemnify and hold City harmless from all claims, losses, liabilities, damages, actions, judgments, costs and expenses (including, without limitation, attorneys' fees and costs) that exceed the limits of its liability insurance.

Notwithstanding anything to the contrary in this Section 11.1, County may elect to assume, insure or maintain a plan of self-insurance for all or any part of the insurance required of County under this Section 11.1 if County delivers to City (a) its self-insurance plan and (b) a certificate stating that County is the insurer for all purposes under this Ground Lease for the particular risk. If County so assumes, insures or maintains any such plan of self-insurance, no such self-insurance shall diminish the rights and privileges to which City is otherwise entitled under the terms of this Ground Lease when there is a third-party insurer. If County ceases to maintain a plan of self-insurance with respect to any risk required to be insured against under this Section 11.1, County shall give notice thereof to City and shall immediately comply with the provisions of this Section 11.1 relating to the policies of insurance required. In addition, if County elects to self-insure, County in its capacity as insurer shall be treated in the same manner as an independent third party insurer would be treated.

11.2 City shall maintain comprehensive general liability insurance insuring County and City against claims for personal injury or death or property damage or destruction occurring in, upon or about the Common Area (as defined in Exhibit B attached hereto) of the Project. Such insurance shall be written with an insurer admitted to do business in the State of California and County shall be named on the policy or policies as an additional insured. The limits of liability of all such insurance are initially not to be less than a combined single limit of One Million dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) annual aggregate; provided, that such limits shall be subject to periodic increase (but not more often than once every five (5) years) as the City may determine in its reasonable discretion. City shall pay, before delinquency, the premiums for such insurance and County shall reimburse City for the County's Share (as defined in Section 14b) of such premiums within thirty (30) days following County's receipt of the City's invoice therefor.

12. TAXES AND ASSESSMENTS. City agrees that the County's use of the Land and Building shall be exempt from any special assessments levied by the City for any purpose not directly related to the services provided by County, except as may be preempted or superseded by applicable State law. Except as aforesaid, throughout the Term County shall pay, before delinquency, all taxes and assessments, if any, levied or assessed against the Land or the Building at any time during the Ground Lease. If any such taxes or assessments are billed to City, City shall pay the same and County shall

reimburse City for such taxes and assessments within thirty (30) days following County's receipt of City's invoice therefor. City shall pay, before delinquency, all taxes and assessments, if any, levied or assessed against the Common Area and County shall reimburse City for the County's Share (as defined in Section 14b) of such taxes and assessments within thirty (30) days following County's receipt of the City's invoice therefor.

13. UTILITIES AND BIO-WASTE. County shall be responsible for all utilities serving the Land and the Building and shall make payments directly to the utility company furnishing same. County shall be solely responsible for temporary onsite storage and disposal of bio-waste resulting from its operation consistent with applicable federal, state and county laws and regulations.

14. COMMON AREA MAINTENANCE BY CITY. City shall maintain the Common Area (as defined in Exhibit D attached hereto) of the Project in accordance with the maintenance standards set forth in Exhibit D attached hereto. However, notwithstanding anything to the contrary in this Ground Lease, the County shall be responsible for the cost plus 15% City overhead fee for maintaining, repairing or replacing those portions of the Common Area damaged by reason of the negligence or misconduct of the County, its agents, servants, employees, contractors, patrons, guests or invitees (collectively, the "**County**").

a. City grants the County the non-exclusive right, in common with other occupants of the Project (and their agents, servants, employees, contractors, patrons, guests and invitees), to use the Common Area during the term of this Ground Lease. City may from time to time prescribe reasonable written rules and regulations pertaining to the use of the Common Area, and County agrees to, and to cause the County to comply with such rules and regulations.

b. County shall reimburse City for County's Share (as hereafter defined) of all costs and expenses, including a 15% City overhead fee, incurred by City in maintaining the Common Area in accordance with the maintenance standards set forth in Exhibit D attached hereto. For purposes of this Ground Lease, "**County's Share**" shall mean that percentage which is obtained by dividing the number of square feet in the Building (10,000) by the total number of square feet in the two buildings located in the Project (25,000), and County's Share during the Term is agreed to be 40%. On or about each February 1, May 1, August 1 and November 1 during the term of this Ground Lease, City shall provide County with an invoice itemizing, in reasonable detail, City's costs and expenses incurred in maintaining the Common Area during the past three months and setting forth County's Share of such costs. County shall pay to City County's Share of such costs within thirty (30) days following County's receipt of such invoice.

15. REPAIRS AND MAINTENANCE BY COUNTY; DESTRUCTION. On the Commencement Date, County will be deemed to have accepted the Land as being in good and sanitary order, condition and repair. County shall be responsible, at its sole expense, for all maintenance, repairs and replacements (whether structural or non-structural or of a

capital or non-capital nature) related to the Land and the Building, and shall maintain the Land and the Building in good and safe order, condition and repair (including the making of any necessary replacements). Except as otherwise expressly provided in this Ground Lease, City shall have no responsibility or obligation whatever respecting the maintenance, repair or replacement of the Land or the Building.

If, all or any portion of the Land is damaged or destroyed by fire or any other casualty, the County, at its sole cost and expense, shall promptly and diligently restore the same to its condition immediately preceding the damage or destruction. If all or any portion of the Building are damaged or destroyed by fire or any other casualty, the County, at its sole cost and expense, shall promptly and diligently restore the same to their condition immediately preceding the damage or destruction; provided, that if the County determines that it is not in its best interests to so restore the Building, the County may, upon written notice to the City given within thirty (30) days following such damage or destruction, elect to terminate this Ground Lease as of a date not more than six (6) months following the date of County's written notice. If the County elects to terminate this Ground Lease, then the County, at its sole cost and expense, shall (a) demolish and remove the Building (including, without limitation, all foundations and subsurface footings), (b) remove or appropriately cap off all utilities serving the Building and (c) return the Land to a smooth, graded, fully compacted, and if directed by the City, hydroseeded or sodded condition, free from all trash and debris.

16. ENTRY BY CITY. City may enter upon the Land and the Building at all reasonable times to examine the condition thereof, and for the purpose of providing maintenance and making such repairs as City is expressly required to perform under this Ground Lease, provided that such right shall not be exercised in such a manner as to unreasonably interfere with any business conducted by County on the Land or the Building and shall be on at least twelve hours' prior notice to County.

17. COMPLIANCE WITH LAW. County shall not use or permit the use of the Land or the Building for an illegal or immoral purpose and shall comply, at its sole expense, with all federal, state and local laws and ordinances concerning the Land and the Building and the use and occupancy thereof. It is agreed that City shall have no liability or obligation whatever with respect thereto.

18. DISCRIMINATION. County agrees not to discriminate against any person or class of persons by reason of race, sex, color, creed, or national origin in the use of the Land.

19. ASSIGNMENT AND SUBLETTING. County shall not assign this Ground Lease, or any interest therein, and shall not sublet the Land or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents and employees of County excepted) to occupy or use said Land, or any portion thereof, without the prior written consent of the City Manager or his/her designee. Such consent may be withheld at the sole and absolute discretion of City Manager or his/her designee. No such permitted

subletting or permitted occupancy shall release the County from any of its liabilities and obligations under this Ground Lease, and the use of the Building by any such permitted sublessee or other permitted occupant must comply in all respects with the terms of this Ground Lease.

20. DEFAULT OR BREACH. Except as otherwise provided, at any time one party to this Ground Lease is in default or breach in the performance of any of the terms and conditions of this Ground Lease, the other party shall give written notice to remedy such default or breach. If said default or breach is remedied within sixty (60) days following receipt of such notice, then this Ground Lease shall continue in full force and effect. If such default or breach is not remedied within sixty (60) days following receipt of such notice, the other party may, at its option, terminate this Ground Lease. Such termination shall not be considered a waiver of damages or other remedies available to either party because of such default or breach. Each term and condition of this Ground Lease shall be deemed to be both a covenant and a condition.

21. WAIVER. A waiver by either party of any default or breach by the other party in the performance of any of the covenants, terms or conditions of this Ground Lease shall not constitute or be deemed a waiver of any subsequent or other default or breach. No term, covenant or condition of this Ground Lease can be waived orally or by a course of conduct, but only by a writing signed by the duly authorized officer or representative of the party to be charged.

22. PARTIES BOUND AND BENEFITTED. The covenants, terms, and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto, and all of the parties hereto shall be jointly and severally liable hereunder.

23. TIME. Time is of the essence of this Ground Lease.

24. INDEMNITY. Without limiting any other obligations of indemnity on the part of the County, from and after the Commencement Date and during the Term of the Lease the County agrees to indemnify, protect, defend (by counsel reasonably acceptable to the City) and hold the City and its officials, officers, agents, employees, contractors, servants, volunteers, permittees, guests and invitees (collectively, the "**Indemnified Parties**") harmless from and against any and all claims, losses, liabilities, damages, actions, causes of action, judgments, penalties, fines, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) (collectively, "**Claims**") suffered or incurred by the Indemnified Parties, or any of them, arising out of or relating to (a) any death, bodily injury or property damage occurring in, on or about the Land or the Building, (b) any work or other activity conducted by or for the County in, on or about the Land, the Building or the Project, or (c) the negligence, acts or omissions of the County or any of its subtenants, officials, officers, agents, employees, contractors, servants, volunteers, permittees, guests or invitees in, on or about the Land, the Building or the Project; provided, that the foregoing indemnity shall not apply to the extent that any Claim arises out of or relates to the

negligence or willful misconduct of the Indemnified Party. The limits of any insurance or self-insurance maintained by the County shall not limit the liability of the County under this Section 24.

25. CONDEMNATION. If, the whole of the Land should be taken by a public authority under the power of eminent domain, then the term of this Ground Lease shall cease on the day of possession by said public authority. If a part only of the Land should be taken under eminent domain, County shall have the right to either terminate this Ground Lease or to continue in possession of the remainder of the Land. If the County remains in possession, all of the terms hereof shall continue in effect, the rentals payable being reduced proportionately for the balance of the term of this Ground Lease. If such taking under the power of eminent domain occurs, those payments attributable to the leasehold interest of the County shall belong to the County, and those payments attributable to the reversionary interest of the City shall belong to the City. Notwithstanding the foregoing to the contrary, County agrees as a material inducement and consideration to City for City's entry into this Ground Lease and for City construction of the Building, that County will not at any time exercise its power of eminent domain to take or condemn, either temporarily or permanently, all or any part of the Project, or Land.

26. CONDITION OF LAND UPON TERMINATION. Upon the termination of the Term of this Ground Lease for any reason, County shall vacate the Land and shall promptly (a) demolish and remove the Building (including, without limitation, all foundations and subsurface footings), (b) remove or appropriately cap off all utilities serving the Building and (c) return the Land to a smooth, graded, fully compacted, and if directed by the City, hydroseeded or sodded condition, free from all trash and debris.

27. ENTIRE AGREEMENT. This Ground Lease contains the entire understanding of the parties hereto and no obligation other than those set forth herein will be recognized.

28. AGREEMENT MODIFICATION. This Ground Lease may be cancelled, extended, or amended only in writing by the mutual consent of the parties hereto. Such cancellation, extension, or amendment may be executed by the Director of Public Works Agency, or another representative on behalf of County, as authorized by the Ventura County Board of Supervisors, and by the City Manager on behalf of the City as authorized by the City Council.

29. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Ground Lease is found by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

30. GENDER AND NUMBER. For the purpose of this Ground Lease, wherever the masculine or neuter form is used, the same shall include the masculine or feminine, and

the singular number shall include the plural and the plural number shall include the singular, wherever the context so requires.

31. ARTICLE HEADINGS. Article headings in this Ground Lease are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Ground Lease.

32. FORCE MAJEURE. Except for the payment of monetary sums, no party to this Ground Lease shall be chargeable with, or liable for, or responsible to the other for anything in any amount due to, and the time for performance hereunder by such party shall be extended for, any delay caused by fire, earthquake, explosion, flood, the elements, acts of terrorism, acts of God, insurrection, rebellion, riots, strikes, lockouts, labor or material shortages, litigation, or any other cause whether similar or dissimilar to the foregoing which is beyond the reasonable control of such party, and any delay due to said causes or any of them shall not be deemed a default under this Ground Lease.

33. NOTICES AND PAYMENTS. All notices required under this Ground Lease, including change of address, shall be in writing and all notices and payments shall be made as follows:

33.1 All payments and notices to City shall be given or mailed to:

City of Moorpark
799 Moorpark Avenue
Moorpark, CA 90021

33.2 All notices to County shall be given or mailed to:

County of Ventura
800 S Victoria Avenue
Ventura, CA 93009
Attn: Public Works Real Estate Services

City and County have caused this Ground Lease to be duly executed by their respective duly authorized officers as of the dates set forth below.

County of Ventura

Dated: _____

"COUNTY"

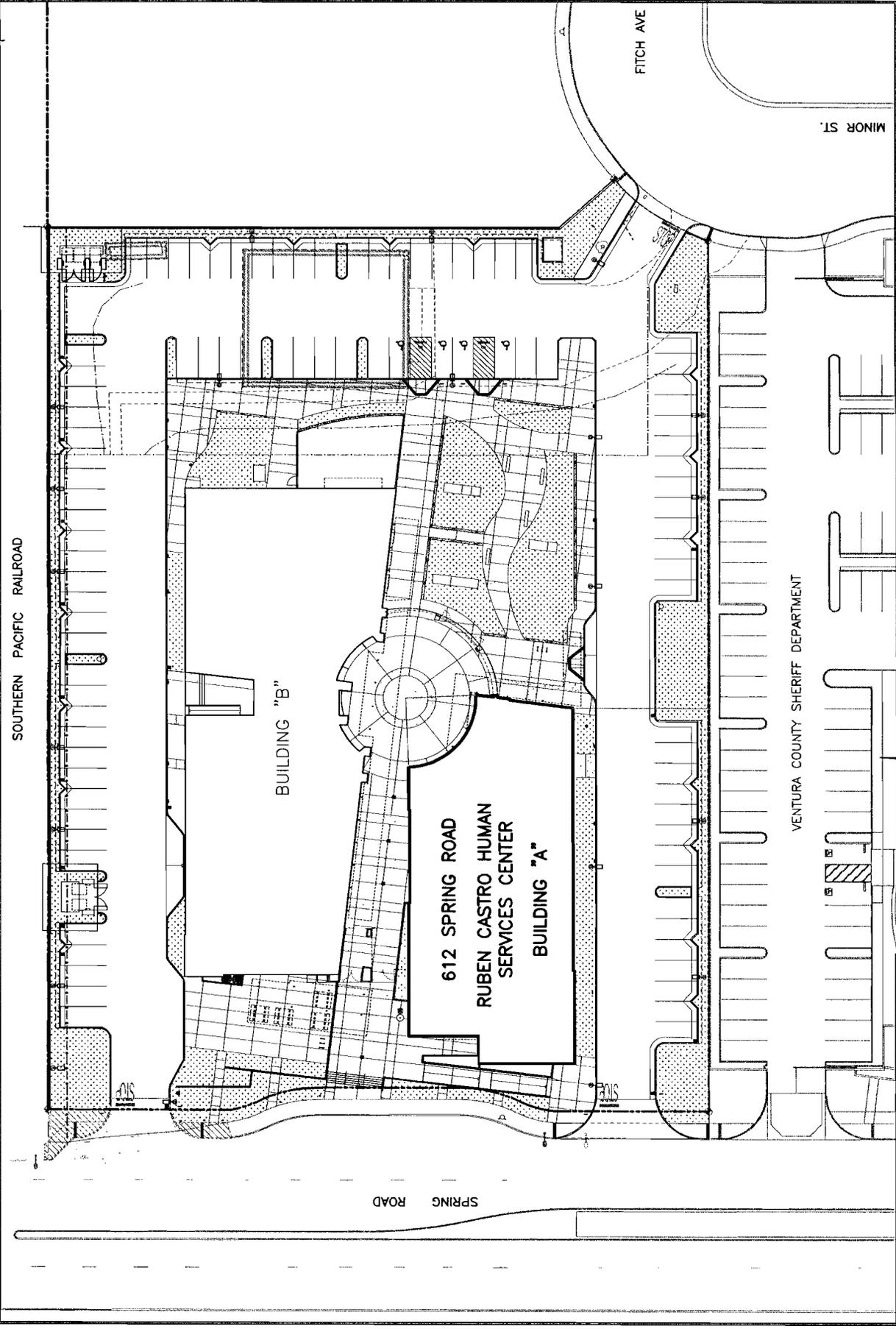
City of Moorpark

Dated: _____

By _____
"CITY"

EXHIBIT A

Site Plan
and
Meets and Bounds
Description
(behind this page)



OVERALL SITE PLAN
RUBEN CASTRO HUMAN SERVICES CENTER
 PARCEL C OF 62 PM 36
 APN: 512-17-23
 CITY OF MOORPARK, CALIFORNIA

DATE: 04-08-10
 DRAWN BY: JF
 APPROVED BY: [Signature]
 SHEET 1 OF 1
 Project No. 1524.00

Prepared by:
RJR ENGINEERING GROUP
 Planning - Civil Engineering - Flood Control/Hydrology
 Geotechnical Engineering - Geology - Water Resources - Environmental
 3070 Central Expressway, Suite 200, Moorpark, CA 93000
 (805) 485-3935 (fax) (805) 485-6406 (tel)
 E-mail: rjr@jeng.com



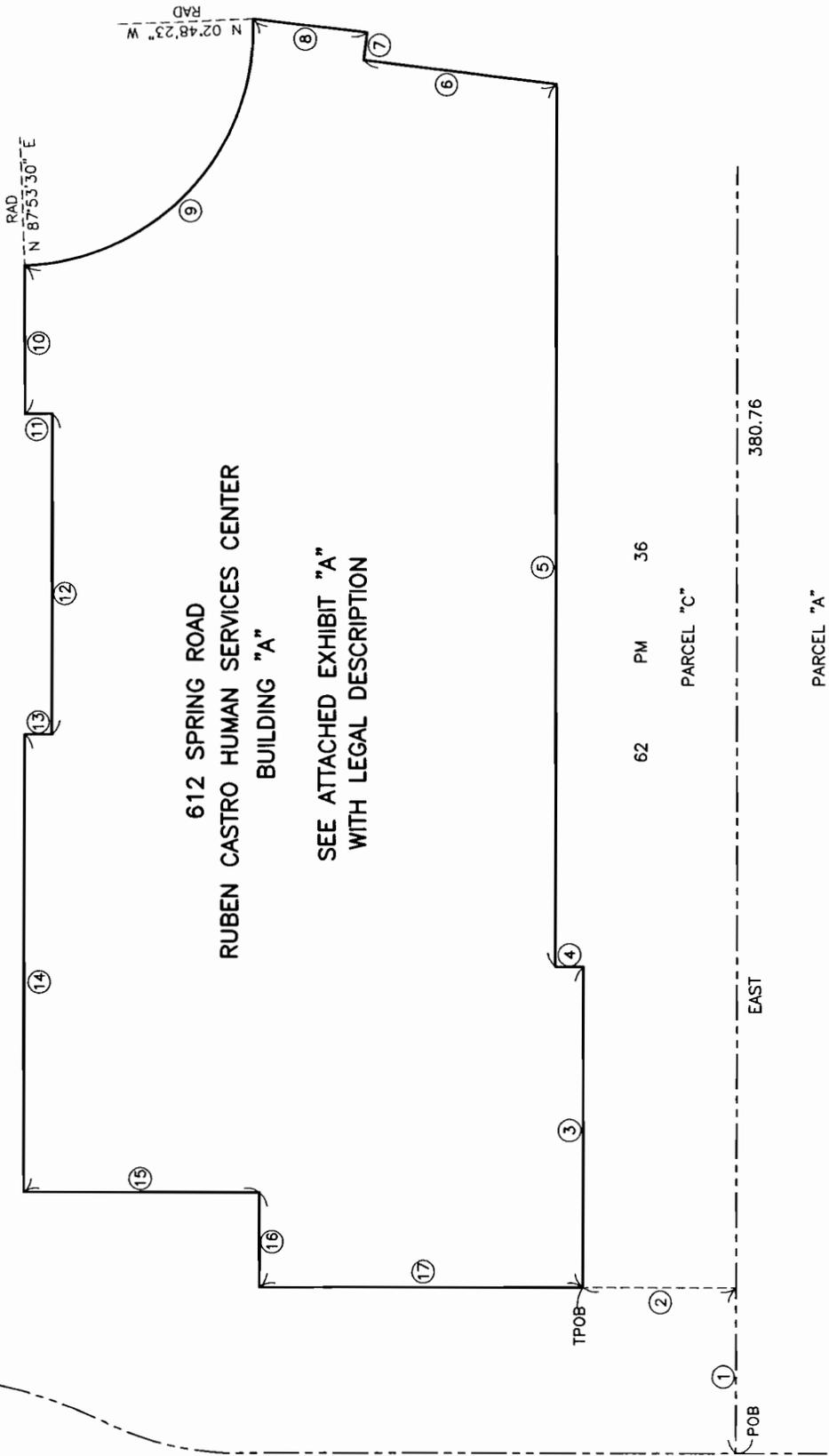
NTS

Exhibit A

CURVE DATA			
SEGMENT	DELTA	RADIUS	LENGTH
9	90°41'53"	30.00'	47.49'

LINE DATA		
SEGMENT	BEARING	DISTANCE
10	EAST	18.71'
11	NORTH	0.50'
12	EAST	40.68'
13	NORTH	0.50'
14	EAST	58.03'
15	NORTH	29.82'
16	EAST	11.90'
17	NORTH	41.18'

LINE DATA		
SEGMENT	BEARING	DISTANCE
1	EAST	20.60'
2	NORTH	57.50'
3	EAST	40.68'
4	NORTH	0.50'
5	EAST	114.50'
6	N 06°57'44" E	27.43'
7	S 83°02'16" E	0.50'
8	N 06°57'44" E	14.58'



612 SPRING ROAD
 RUBEN CASTRO HUMAN SERVICES CENTER
 BUILDING "A"
 SEE ATTACHED EXHIBIT "A"
 WITH LEGAL DESCRIPTION

62 PM 36
 PARCEL "C"
 380.76
 EAST
 PARCEL "A"
 APN 512-17-22



Prepared by:



RJR ENGINEERING GROUP
 Planning - Civil Engineering - Flood Control/Hydrology
 Geotechnical Engineering - Geology - Water Resources - Environmental
 3000 Camino Ave., Suite 200, Orland, CA 93030
 (805) 485-3933 (805) 485-6496 FAX
 E-mail: rj@rjeng.com

EXHIBIT "A"
RUBEN CASTRO HUMAN SERVICES CENTER
 PARCEL C OF 62 PM 36
 APN: 512-17-23
 CITY OF MOORPARK, CALIFORNIA

DATE: 04-08-10 APPROVED BY:
 DRAWN BY: JVF

SHEET 1 OF 1

SPRING ROAD

EXHIBIT "A"

A PORTION OF PARCEL "C" OF THE PARCEL MAP NO. 5426, IN THE CITY OF MOORPARK, COUNTY OF VENTURA, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 62, PAGE 35 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID PARCEL "C", THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SAID PARCEL "C", EAST 20.60 FEET, THENCE AT RIGHT ANGLES NORTH 57.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE,

- 1ST: EAST 40.68 FEET; THENCE AT RIGHT ANGLES,
- 2ND: NORTH 0.50 FEET; THENCE AT RIGHT ANGLES,
- 3RD: EAST 114.50 FEET; THENCE,
- 4TH: NORTH 6° 57' 44" EAST 27.43; THENCE AT RIGHT ANGLES,
- 5TH: SOUTH 83° 02' 16" EAST 0.50 FEET; THENCE AT RIGHT ANGLES,
- 6TH: NORTH 6° 57' 44" EAST 14.58 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 30.00 FEET TO WHICH POINT OF BEGINNING A RADIAL LINE BEARS SOUTH 2° 48' 23" EAST; THENCE,
- 7TH: EASTERLY 47.49 FEET ALONG SAID CURVE THROUGH AN CENTRAL ANGLE OF 90° 41' 53": THENCE
- 8TH: WEST 18.71 FEET; THENCE AT RIGHT ANGLES,
- 9TH: SOUTH 0.50 FEET; THENCE AT RIGHT ANGLES,
- 10TH: WEST 40.68 FEET: THENCE AT RIGHT ANGLES,
- 11TH: NORTH 0.50 FEET: THENCE AT RIGHT ANGLES,
- 12TH: WEST 58.03 FEET: THENCE AT RIGHT ANGLES,
- 13TH: SOUTH 29.82 FEET: THENCE AT RIGHT ANGLES,
- 14TH: WEST 11.90 FEET: THENCE,
- 15TH: SOUTH 41.18 FEET TO THE TRUE POINT OF BEGINNING.

Area containing approximately 10144 SQUARE FEET.



Alfonso T. Ferrera

EXHIBIT B

Bill of Sale
and Assignment of Warranties

This Bill of Sale is executed and delivered under the terms of the Ground Lease (the "**Ground Lease**"), dated as of January 11, 2011, by and between the CITY OF MOORPARK (the "**City**") and the COUNTY OF VENTURA (the "**County**"). Unless another meaning is specifically set forth in this Bill of Sale, capitalized terms used in this Bill of Sale have the same meanings given to them in the Ground Lease.

The City, for good and valuable consideration, the receipt and sufficiency of which is acknowledged by the City, does hereby sell and deliver to the County all of the City's right, title and interest in and to the Building.

The City, for good and valuable consideration, the receipt and sufficiency of which is acknowledged by the City, does hereby assign and transfer to the County all warranties and guaranties (express or implied) made by or received from any third party with respect to any system, component, structure, fixture, machinery, equipment, or material contained in or comprising a part of the Building including, without limitation, those warranties and guaranties listed in Exhibit 1 attached hereto (collectively, "**Warranties**").

In accepting this Assignment of Warranties, the County assumes all of the City's obligations arising from and after the date hereof under the Warranties.

Notwithstanding anything in this Bill of Sale to the contrary, the City makes no representations or warranties whatsoever regarding the Building, except only that the City represents and warrants that the City has the right, power and authority to sell the Building to the County and that the Building is free and clear of all liens, claims and encumbrances created by or arising under or through the City.

EXECUTED as of _____, 201__.

CITY OF MOORPARK

By: Exhibit - Do Not Sign

Its: _____

Attest:

Exhibit - Do Not Sign
City Clerk

EXHIBIT 1 TO BILL OF SALE

Warranties and Guaranties

[To be Listed]

EXHIBIT C

Acknowledgment of Ground Lease Commencement Date

This Acknowledgment of Ground Lease Commencement Date (the "Acknowledgment") is executed and delivered under the terms of the Ground Lease (the "Ground Lease"), dated as of January 11, 2011, by and between the CITY OF MOORPARK (the "City") and the COUNTY OF VENTURA (the "County"). Unless another meaning is specifically set forth in this Acknowledgment, capitalized terms used in this Acknowledgment have the same meanings given to them in the Ground Lease.

1. Acknowledgement. City and County hereby acknowledge and agree that the Commencement Date of the Ground Lease is _____, 201_, and that the Term of the Ground Lease will expire on the last day of the month in which the 55th anniversary of the Commencement Date occurs.

2. Purpose. The purpose of this Acknowledgment is solely to memorialize the Commencement Date of the Term of the Ground Lease. In the event of any conflict between the terms of this Acknowledgment and the terms of the Ground Lease, the terms of the Ground Lease will control in all respects,

City and County have caused this Acknowledgment to be duly executed by their respective duly authorized officers as of the date first set forth above.

CITY OF MOORPARK

COUNTY OF VENTURA

By: Exhibit - Do Not Sign

By: Exhibit – Do Not Sign

Its: _____

Its: _____

Attest:

Attest:

Exhibit - Do Not Sign
City Clerk

Exhibit – Do Not Sign
County Clerk

EXHIBIT D

Common Area Maintenance

1. As used in the Ground Lease and this Exhibit, "**Common Area**" means all public and common facilities erected on the Project intended for common use of tenants, owners and customers, including, but not limited to, entrances, exits, driveways, access roads, parking areas, walks, service drives, directional signs, lighting facilities, utility services, drainage and retention pond facilities, landscaped areas and other facilities and areas intended for common use, as the same may exist from time to time in the Project. The Common Area includes all those areas on each Parcel which are not Building Area together with those portions of the Building Area on each Parcel which are not from time to time actually covered by a building or other commercial structure or which cannot under the terms of this Ground Lease be used for buildings. Canopies which extend over the Common Area, together with any columns or posts supporting the same, are deemed to be a part of the building to which they are attached and not a part of the Common Area.

2. City shall maintain the Common Area at all times in good, clean and safe condition and repair (including, without limitation, the making of necessary replacements). That maintenance is to include, without limitation, the following maintenance items:

(a) Maintaining, repairing and resurfacing, when necessary, all paved surfaces in a level, smooth and evenly covered condition with the type of surfacing material originally installed or such substitute as is in all respects equal or superior in quality, use and durability; and restriping, when necessary;

(b) Removing all papers, debris, filth and refuse;

(c) Maintaining, repairing and replacing, when necessary, all traffic directional signs, markers and lines;

(d) Operating, maintaining, repairing and replacing, when necessary, such artificial lighting facilities as are reasonably required;

(e) Maintaining all landscaped areas; maintaining, repairing and replacing, where necessary, automatic sprinkler systems and water lines; and replacing shrubs and other landscaping as is necessary;

(f) Maintaining, repairing and replacing, when necessary, all Common Area fencing, walls, barricades and other similar structures;

(g) Maintaining, repairing and replacing, when necessary, all storm drains, sewers and other utility lines and facilities serving the Common Area and not dedicated to the public or conveyed to any public or private utility; and

(h) Performing itself or contracting with a third party or parties to perform any of the services described herein.

(i) Maintaining Insurance, as deemed appropriate by City, for the Common Area.

LEASE AGREEMENT
(612 Spring Road Building B)

THIS LEASE, hereinafter called "Agreement", dated for reference purposes only as of January 11, 2011, is made and entered into by and between

CITY OF MOORPARK

hereinafter called "City", and

COUNTY OF VENTURA

hereinafter called "County".

The parties agree that:

1. PROPERTY LEASED. Effective on the Commencement Date (as defined below), City leases to County and County rents from City three thousand two hundred sixty nine (3,269) square feet of office space, hereinafter called "Premises", located in the building to be constructed the City and comprising a part of the Ruben Castro Human Services Center project (the "Project") in the City of Moorpark, County of Ventura, and State of California and depicted on Exhibit "A" attached hereto.

2. CONSIDERATION. County shall pay a rental rate of \$1.35 per square foot or \$4,413.15 per month during the first five years of this Agreement. The rent shall then be increased by 3% on the anniversary date of the Agreement during each of the next five years of the initial term. Rent is payable in advance, on the first day of each calendar month during the term of this Agreement. Rent for any partial month at the beginning or end of the term shall be prorated based on the actual number of calendar days in such partial month.

3. TERM. The term of this Agreement (the "Term") shall be ten years commencing upon issuance of a certificate of occupancy and delivery of possession of the Premises by City (the "Commencement Date"). The parties will confirm with one another by letter agreement the Commencement Date and expiration date of this Agreement.

4. OPTION TO EXTEND. Provided County is not in default under the Agreement, either at the time the option is exercised or at the date the extended term commences, County shall have two (2), five (5) year options to extend the Term of the Agreement at a rental rate to be equal to 95% of the fair market value for comparable buildings in Moorpark at the time of the execution of the option. County shall provide Lessor, not less than twelve (12) months prior to the expiration of the Lease Term, a written notice of its intent to exercise the option to extend the Agreement.

5. USE. Premises shall be used for the following specified purpose and shall not be used for any other purpose without first obtaining the written consent of City, which consent the City is under no obligation to give: human and social services provided by County. County has no agreed upon number of onsite parking spaces and shall have access to onsite parking spaces in the same manner of the other tenants of the Project.

6. LIABILITY INSURANCE. County, at its own expense, shall procure and maintain with respect to the Premises and operations conducted therein adequate commercial general liability insurance against bodily injury and against property damage. Said insurance shall have a combined single limit of liability for bodily injuries and for property damage in an amount of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars \$(2,000,000) annual aggregate. Notwithstanding anything to the contrary provided in this Agreement, County shall furnish to City a Certificate of Insurance from an insurer admitted to do business in the State of California, which certificate shall verify that County carries commercial general liability insurance as described above. Said certificate shall verify:

- a. That City is named as an additional insured in said insurance, and
- b. That said insurance shall not be canceled nor terminated without thirty (30) days prior written notice given to City, and
- c. That such insurance shall be primary insurance, notwithstanding any "other insurance" clauses to the contrary which may be contained in either County's or City's insurance contracts.

The insurance coverage shall contain within the contract or by endorsement a "broad form" of contractual liability coverage, which covers contracts, entered into by County, including leases. County shall indemnify and hold City harmless from all claims, losses, liabilities, damages, actions, judgments, costs and expenses (including, without limitation, attorneys' fees and costs) that exceed the limits of its liability insurance.

Notwithstanding anything to the contrary in this Section 6, County may elect to assume, insure or maintain a plan of self-insurance for all or any part of the insurance required of County under this Section 6 if County delivers to City (a) its self-insurance plan and (b) a certificate stating that County is the insurer for all purposes under this Agreement for the particular risk. If County so assumes, insures or maintains any such plan of self-insurance, no such self-insurance shall diminish the rights and privileges to which City is otherwise entitled under the terms of this Agreement when there is a third-party insurer. If County ceases to maintain a plan of self-insurance with respect to any risk required to be insured against under this Section 6, County shall give notice thereof to City and shall immediately comply with the provisions of this Section 6 relating to the policies of insurance required. In addition, if County elects to self-insure, County in its

capacity as insurer shall be treated in the same manner as an independent third party insurer would be treated.

7. SIGNS. County shall have the right to install signs appropriate for the identification of the Premises in accordance with City Code subject to City Manager written approval.

8. ALTERATIONS BY COUNTY. City hereby consents that County shall have the right, at County's sole expense, to make non-structural installations, modifications and improvements to the Premises. All improvements, installations and modifications installed by the County during the term of this Agreement shall be considered personal property of County and County may, at its option, remove any or all of such items at any time during the term of this Agreement. If County removes any of such items, County shall restore that portion of the Premises affected by such removal, normal wear and tear excepted, in accordance with Section 23. All alterations shall be performed in a good and workmanlike manner. All alterations shall comply with all laws, rules and regulations imposed by Governmental agencies having jurisdiction over the Premises, including, without limitation, compliance with the Americans with Disabilities Act and City Building Codes. All such alterations shall be performed in a good and workmanlike manner, by duly licensed contractors. County shall pay for all labor, services and materials utilized in connection with the making of such modifications and County shall keep the Premises and the Center free from any liens arising out of any work performed on Premises, for material furnished to Premises or for obligations incurred by County.

9. UTILITIES AND JANITORIAL. City shall pay for water and sanitary sewer services, natural gas, electrical and solid waste removal serving the Premises and shall make payments directly to the utility company furnishing such services. County shall be responsible for telephone service, cable television, internet, and janitorial services to the Premises.

10. REPAIRS AND MAINTENANCE. County shall be responsible, at its sole expense, for the interior maintenance and repair of the Premises, and County shall keep the Premises in good and safe condition and repair. City shall be responsible for all other maintenance and repair of the Premises including but not limited to HVAC, plumbing, electrical and all exterior Premises maintenance and repair; provided, that if the need for such maintenance or repair is due to the negligence, acts or omissions of County or its agents, employees, contractors, guests or invitees, then County shall be liable for the cost thereof.

11. TAXES AND ASSESSMENTS. This paragraph is deleted by the consent of the parties.

12. COUNTY'S PERSONAL PROPERTY. City shall have no responsibility or liability for loss, damage or destruction of any personal property placed on the Premises by County or its agents, employees, contractors, guests or invitees.

13. ENTRY BY CITY. City may enter upon the Premises at all reasonable times to examine the condition thereof, provided that such right shall not be exercised in such a manner as to unreasonably interfere with any business conducted by County on the Premises.

14. COMPLIANCE WITH LAW. County shall not use or permit the use of the Premises for an illegal or immoral purpose and shall comply with all federal, state and local laws and ordinances concerning the Premises and use thereof.

15. DISCRIMINATION. County agrees not to discriminate against any person or class of persons by reason of race, sex, color, creed, or national origin in the use of the Premises.

16. ASSIGNMENT AND SUBLETTING. This Agreement may not be assigned to any third party. County shall not have the right to sublet any portion of the Premises to any third party for any reason.

17. DEFAULT OR BREACH. Except as otherwise provided, at any time one party to this Agreement is in default or breach in the performance of any of the terms and conditions of this Agreement, the other party shall give written notice to remedy such default or breach. If said default or breach is remedied within sixty (60) days following such notice, then this Agreement shall continue in full force and effect. If such default or breach is not remedied within sixty (60) days following such notice, the other party may, at its option, terminate the Agreement. Such termination shall not be considered a waiver of damages or other remedies available to either party because of such default or breach. Each term and condition of this Agreement shall be deemed to be both a covenant and a condition.

18. WAIVER. A waiver by either party of any default or breach by the other party in the performance of any of the covenants, terms, or conditions of this Agreement shall not constitute or be deemed a waiver of any subsequent or other default or breach. No term, covenant or condition of this Agreement can be waived orally or by a course of conduct, but only by a writing signed by the duly authorized officer or representative of the party to be charged.

19. ACQUIESCENCE. No acquiescence, failure or neglect of any party hereto to insist on strict performance of any or all of the terms hereof in one instance shall be considered or constitute a waiver of the right to insist upon strict performance of the terms hereof in any subsequent instance.

20. PARTIES BOUND AND BENEFITED. The covenants, terms and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto, and all of the parties hereto shall be jointly and severally liable hereunder.

21. HOLD HARMLESS. County agrees to indemnify and defend City and its officials, officers, agents, employees, contractors and servants, and each of them, against, and holds them, and each of them, harmless from, all claims, losses, liabilities, damages, actions, judgments, costs and expenses (including, without limitation, attorneys' fees and costs) arising out of or in any way connected with (a) the use or occupancy of the Premises by County its officials, officers, employees, agents, guests, contractors, or invitees, (b) any work or other activity conducted by or for the County in, on or about the Premises, or (c) the negligence, acts or omissions of the County or any of its officials, officers, agents, employees, contractors, guests or invitees in, on or about the Premises.

22. CONDITION OF PREMISES UPON TERMINATION. Upon termination of this Agreement for any reason, County shall vacate the Premises and deliver it to City in good order and condition except for damage caused by ordinary wear and tear.

23. REMOVAL OF COUNTY'S PERSONAL PROPERTY. At the expiration, termination or cancellation of this Agreement, the County shall have removed, at its own expense, all improvements and installations of any kind owned or placed on the Premises by the County, along with all debris, surplus and salvage material, and shall leave the Premises in substantially the same condition as when first occupied by County. If County does not remove, or has not completed removal of its improvements and installations within seven days after such expiration, termination or cancellation, title thereto shall vest in the City. City may thereafter remove or cause to be removed or destroyed such improvements and installations left on the Premises and in such event, County shall pay the City the reasonable and actual cost of any such removal, sale or destruction in excess of any consideration received by City as a result of any such removal, sale or demolition.

24. ENTIRE AGREEMENT. This Agreement contains the entire understanding of the parties hereto and no obligations other than those set forth herein will be recognized.

25. AGREEMENT MODIFICATION. This Agreement may be terminated, extended, or amended in writing by the mutual consent of the parties hereto. Such modification may be executed by the Director of the Public Works Agency, or another representative on behalf of the County, as authorized by the Ventura County Board of Supervisors, and by the City Manager, as authorized by the City Council.

26. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

27. ARTICLE HEADINGS. Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.

28. NOTICES. All notices required under this Agreement, including change of address, shall be in writing and all notices and payments shall be made as follows:

A. All payments and notices to City shall be given or mailed to:

City of Moorpark
799 Moorpark Avenue
Moorpark, CA 90021
Attn: City Manager

B. All payments and notices to County shall be given or mailed to:

County of Ventura
800 S Victoria Avenue
Ventura, CA 93009
Attn: Public Works Real Estate Services

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Dated: _____

By _____

“County”

Dated: _____

By _____

“City”

MEMORANDUM OF UNDERSTANDING
Catholic Charities of Ventura County
for the Ruben Castro Human Services Center

This Memorandum of Understanding ("**Memorandum**") is entered into and effective as of November 19, 2010 by and between the City of Moorpark, a municipal corporation, ("**City**") and Catholic Charities of Los Angeles, Ventura County Region, ("**Catholic Charities**"), a non-profit organization, who agree as follows:

1. Recitals. This Memorandum is made with reference to the following facts and circumstances:

(a) City is proposing to undertake the development of a project within the City of Moorpark to be known as the Ruben Castro Human Services Center ("**Project**").

(b) Catholic Charities desires to lease space in a building to be constructed and owned by the City ("**City Building**") from the City that certain space which is a portion of the Project and which is generally depicted as Lease Space A-1 on attached Exhibit A ("**Lease Area**").

(c) The City and Catholic Charities desire to set forth their agreements regarding the Lease Area including term, rent and mutual obligations, and responsibilities.

2. Design and Construction of Building. The City has designed the City Building, and interior tenant improvements in accordance with the requirements of Catholic Charities. The City has prepared a bid package and is in the process of obtaining construction bids for the Project. If for any reason, the City elects to reject the construction bids, the City and Catholic Charities will be released of all further obligations respecting this Memorandum.

3. Lease of Space in City Building. The City will lease space in the City Building to Catholic Charities. The space will consist of approximately 5,217 square feet of floor space as generally depicted on Exhibit A. The Lease Area shall consist of 3,050 square feet of office space and 2,167 square feet of warehouse space. The initial term of the lease for the Leased Area will be three (3) years. Catholic Charities will have two (2) three-year options to extend. Monthly rent for the Leased Area will be \$1,000.00 per month during the first three (3) years of the initial term and will be increased at a rate of three percent (3%) each year during the extended terms. The City, at its cost, will provide heating, ventilating and air conditioning, power, water and sewer service, and solid waste collection to the Leased Area in quantities customary for normal office purposes. Catholic Charities will be responsible to pay for its share of any services shared in common with other tenants of the City Building. Catholic Charities' use of the Leased Area will conform to all City codes and requirements concerning signage, maintenance, parking, and exterior and interior use.

4. Termination Due to Cessation or Reduction of Federal Funding. Catholic Charities shall have the right to renegotiate the future lease upon thirty (30) days written notice and evidence that the Community Development Block Grant funding to Catholic Charities is reduced, suspended, or terminated for any reason. City will waive any and all claims against Catholic Charities for damages arising from the termination, suspension or reduction of funds provided by county, state or federal governments to Catholic Charities.

5. Definitive Agreement. Promptly following the execution of this Memorandum and prior to the award of a construction contract, the parties agree to enter into a definitive agreement setting forth the foregoing agreements and containing such other provisions as are appropriate and customary.

6. Other Provisions.

6.1. This Memorandum constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and it supersedes any and all prior or contemporaneous agreements or understandings, whether written or oral, of the parties with respect thereto.

6.2. This Memorandum may not be amended, nor may any term or provision of this Memorandum be waived, orally or by a course of conduct, but only by an instrument in writing signed by the duly authorized officers or agents of the parties hereto.

6.3. This Memorandum has been freely negotiated between the parties and no term or provision of this Memorandum shall be construed or interpreted against a party by reason of its having drafted the same.

6.4. This Memorandum shall be governed by and construed in accordance with the laws of the State of California.

6.5. This Memorandum may be executed in any number of counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement.

[SIGNATURES ARE ON THE NEXT PAGE]

The parties have caused this Memorandum to be duly executed by their respective duly authorized officers or agents as of the date first set forth above.

CITY OF MOORPARK

CATHOLIC CHARITIES OF LOS ANGELES, VENTURA COUNTY REGION

By: Steven Kueny

By: Msgr. Gregory A. Cox 10/18/10

Print Name: Steven Kueny

Print Name: Rev. Monsignor Gregory A. Cox

Title: City Manager

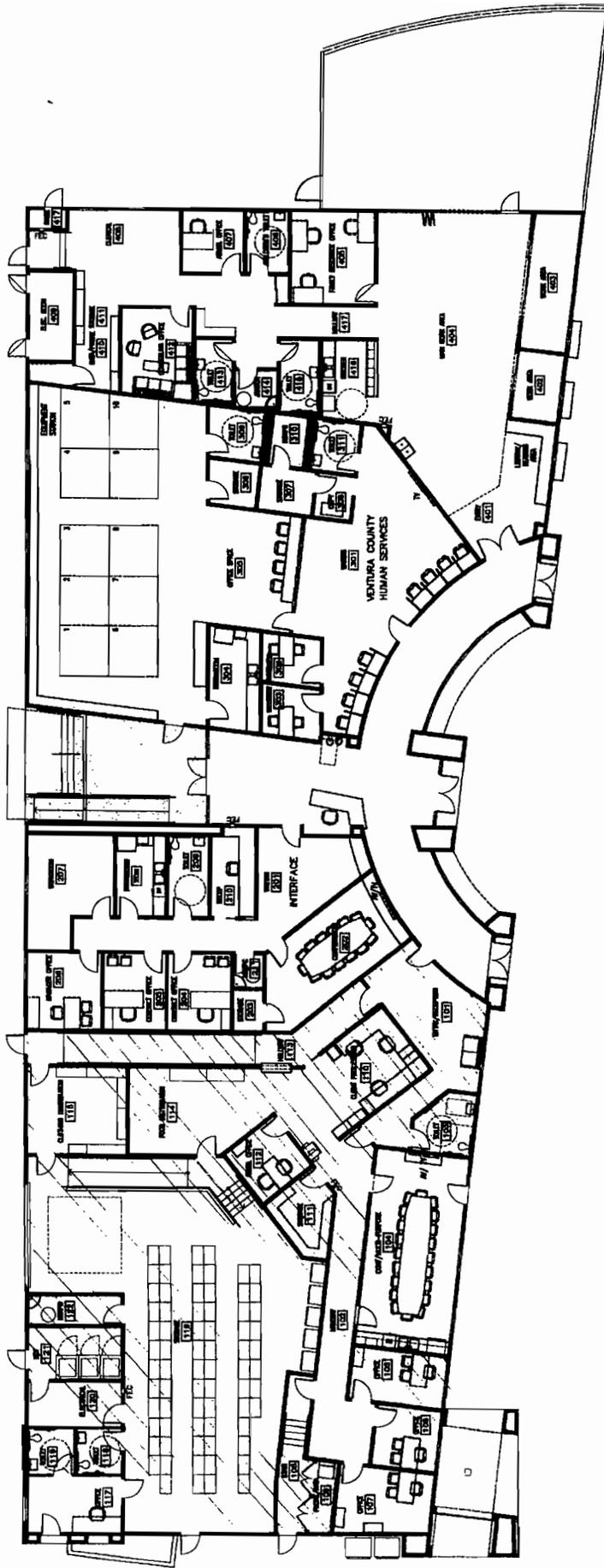
Title: Executive Director

ATTEST:

ATTEST: (IF REQUIRED)

Marian Benson
City Clerk





04.20.2010
 SCALE: 1/16" = 1'-0"
BUILDING B (INTERFACE & VENTURA COUNTY HUMAN SERVICES) - SPACE PLAN
 CITY OF MOORPARK - RUBEN CASTRO HUMAN SERVICES CENTER

EXHIBIT A

MEMORANDUM OF UNDERSTANDING
Interface Children and Family Services
for the Ruben Castro Human Services Center

This Memorandum of Understanding (the "**Memorandum**") is entered into and effective as of JULY 29TH, 2010 by and between the City of Moorpark (the "**City**") and Interface Children and Family Services, a non-profit organization, ("**Interface**") who agree as follows:

1. Recitals. This Memorandum is made with reference to the following facts and circumstances:

(a) City is proposing to undertake the development of a project (the "**Project**") within the City to be known as the Ruben Castro Human Services Center.

(b) Interface desires to lease space in a building to be constructed and owned by the City (the "**City Building**") from the City that certain space which is a portion of the Project and which is generally depicted as Leased Space B-1 and B-2 on attached Exhibit A (the "**Lease Area**").

(c) The City and Interface desire to set forth their agreements regarding the the Lease Area including term, rent and mutual obligations and responsibilities.

2. Design and Construction of Building. The City will design the City Building, and will also design the interior tenant improvements in accordance with the requirements of Interface and in consultation with Interface. Upon completion of the design process, which is anticipated to be complete by May 28, 2010, the City will prepare a bid package, obtain construction bids for the Project and construct the project. If for any reason, the City elects to reject the construction bids, the City and Interface will be released of all further obligations respecting this Memorandum of Understanding.

3. Lease of Space in City Building. The City will lease space in the City Building to Interface. The space will consist of approximately 1,761 square feet of floor space and will be located in Lease Space B-1 and B-2 as generally depicted on attached Exhibit A (the "**Lease Area**"), and 350 square feet of shared space. The initial term of the lease for the Lease Area will be three (3) years. Interface will have two (2) three-year options to extend. Monthly rent for the Lease Area will be \$1.35 per square foot during the first three years of the initial term and will be increased at a rate of three percent (3%) each year during the extended terms. Interface agrees to share certain space with other tenants at mutually agreeable times ("**Shared Space**"). The City, at its cost, will provide heating, ventilating and air conditioning, power, water and sewer service and solid waste collection to the Lease Area in quantities customary for normal office purposes. Interface will be responsible to pay for its own janitorial service and for its share of any services shared in common with other tenants of the City Building. Interface's use of

the Leased Premises will conform to all City codes and requirements concerning signage, maintenance, parking and exterior and interior use.

4. Definitive Agreement. Promptly following the execution of this Memorandum and prior to the award of a construction contract the parties agree to enter into a definitive agreement setting forth the foregoing agreements and containing such other provisions as are appropriate and customary.

5. Other Provisions.

5.1. This Memorandum constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and it supersedes any and all prior or contemporaneous agreements or understandings, whether written or oral, of the parties with respect thereto.

5.2. This Memorandum may not be amended, nor may any term or provision of this Memorandum be waived, orally or by a course of conduct, but only by an instrument in writing signed by the duly authorized officers or agents of the parties hereto.

5.3. This Memorandum has been freely negotiated between the parties and no term or provision of this Memorandum shall be construed or interpreted against a party by reason of its having drafted the same.

5.4. This Memorandum shall be governed by and construed in accordance with the laws of the State of California.

5.5. This Memorandum may be executed in any number of counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement.

[SIGNATURES ARE ON THE NEXT PAGE]

The parties have caused this Memorandum to be duly executed by their respective duly authorized officers or agents as of the date first set forth above.

CITY OF MOORPARK

INTERFACE CHILDREN AND FAMILY SERVICES

By: Steven Kueny

By: W

Print Name: STEVEN KUENY

Print Name: Eric Stenrod

Title: CITY MANAGER

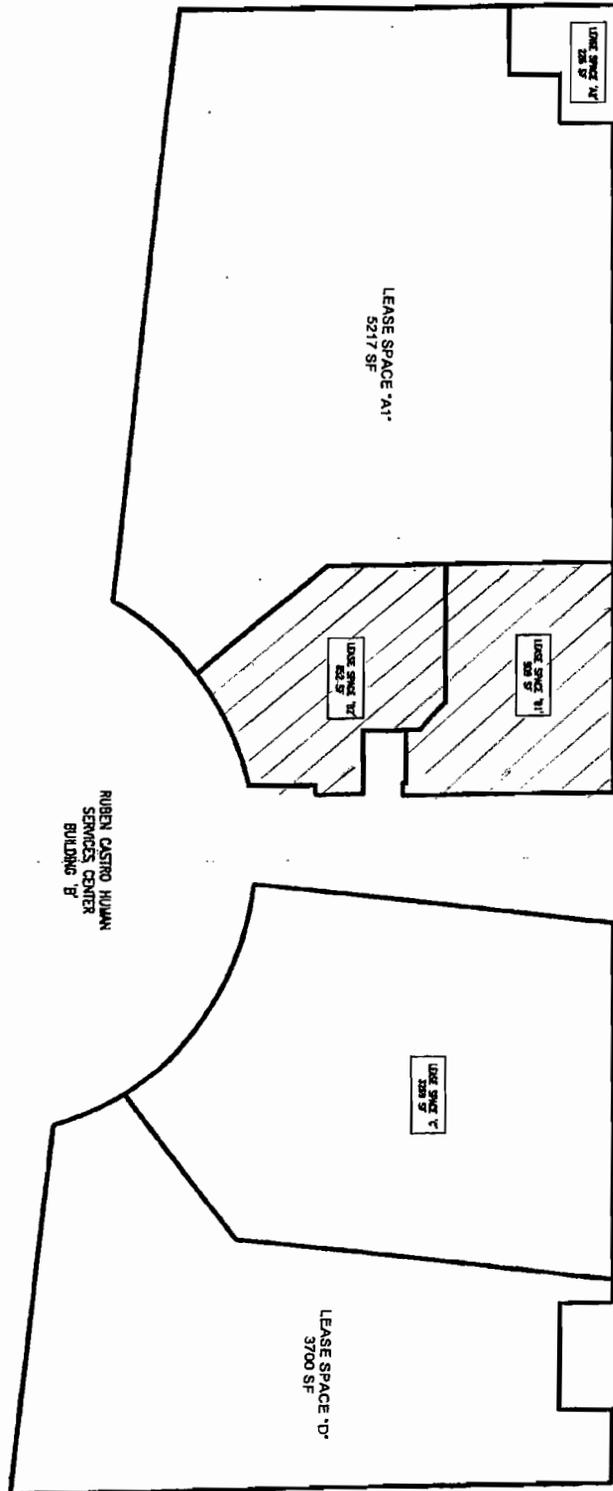
Title: Exec. Director

ATTEST:

ATTEST: (IF REQUIRED)

Maurice Benson
Assistant City Clerk

EXHIBIT A



MEMORANDUM OF UNDERSTANDING
Moorpark/Simi Valley Neighborhood for Learning-FIRST 5 Ventura County
for the Ruben Castro Human Services Center

This Memorandum of Understanding (the "**Memorandum**") is entered into and effective as of August 12, 2010 by and between the City of Moorpark (the "**City**") and Moorpark/Simi Valley Neighborhood for Learning-FIRST 5 Ventura County, a non-profit organization ("**First 5**") who agree as follows:

1. Recitals. This Memorandum is made with reference to the following facts and circumstances:

(a) City is proposing to undertake the development of a project within the City of Moorpark to be known as the Ruben Castro Human Services Center (the "**Project**").

(b) First 5 desires to lease space in a building to be constructed and owned by the City (the "**City Building**") from the City that certain space which is a portion of the Project and which is generally depicted as Lease Space D on attached Exhibit A (the "**Lease Area**").

(c) The City and First 5 desire to set forth their agreements regarding the Lease Area including term, rent and mutual obligations and responsibilities.

2. Design and Construction of Building. The City will design the City Building, and will also design the interior tenant improvements in accordance with the requirements of First 5 and in consultation with First 5. Upon completion of the design process, which is anticipated to be complete by April, 2012, the City will prepare a bid package, obtain construction bids for the Project and construct the Project. If for any reason, the City elects to reject the construction bids, the City and First 5 will be released of all further obligations respecting this Memorandum of Understanding.

3. Lease of Space in City Building. The City will lease space in the City Building to First 5. The space will consist of approximately 3,700 square feet of floor space and will be located in Lease Space D as generally depicted on attached Exhibit A (the "**Lease Area**"). The Lease Area shall consist of 3,700 square feet. The initial term of the lease for the Lease Area will be three (3) years. First 5 will have two (2) three-year options to extend. Monthly rent for the Lease Area will be \$1.35 per square foot during the first three years of the initial term and will be increased at a rate of three percent (3%) each year during the extended terms. The City, at its cost, will provide heating, ventilation and air conditioning, power, water and sewer service and solid waste collection to the Lease Area in quantities customary for normal office purposes. First 5 will be responsible to pay for its share of any services shared in common with other tenants of the City Building. First 5's use of the Lease Area will conform to all City codes and requirements concerning signage, maintenance, parking and exterior and interior use.

4. Termination Due to Cessation of State Funding. First 5 shall have the right to terminate the future lease upon thirty (30) days written notice and evidence that funding to First 5 is reduced, suspended or terminated for any reason. City will waive any and all claims against First 5 for damages arising from the termination, suspension or reduction of funds provided by the State or Federal Governments to First 5.

5. Definitive Agreement. Promptly following the execution of this Memorandum and prior to the award of a construction contract the parties agree to enter into a definitive agreement setting forth the foregoing agreements and containing such other provisions as are appropriate and customary.

6. Other Provisions.

6.1. This Memorandum constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and it supersedes any and all prior or contemporaneous agreements or understandings, whether written or oral, of the parties with respect thereto.

6.2. This Memorandum may not be amended, nor may any term or provision of this Memorandum be waived, orally or by a course of conduct, but only by an instrument in writing signed by the duly authorized officers or agents of the parties hereto.

6.3. This Memorandum has been freely negotiated between the parties and no term or provision of this Memorandum shall be construed or interpreted against a party by reason of its having drafted the same.

6.4. This Memorandum shall be governed by and construed in accordance with the laws of the State of California.

6.5. This Memorandum may be executed in any number of counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement.

[SIGNATURES ARE ON THE NEXT PAGE]

The parties have caused this Memorandum to be duly executed by their respective duly authorized officers or agents as of the date first set forth above.

CITY OF MOORPARK

**MOORPARK/ SIMI VALLEY-
NEIGHBORHOOD FOR LEARNING,
FIRST 5 VENTURA COUNTY**

By: Steven Kueny
Print Name: Steven Kueny
Title: City Manager

By: Linda White
Print Name: LINDA White
Title: CEO

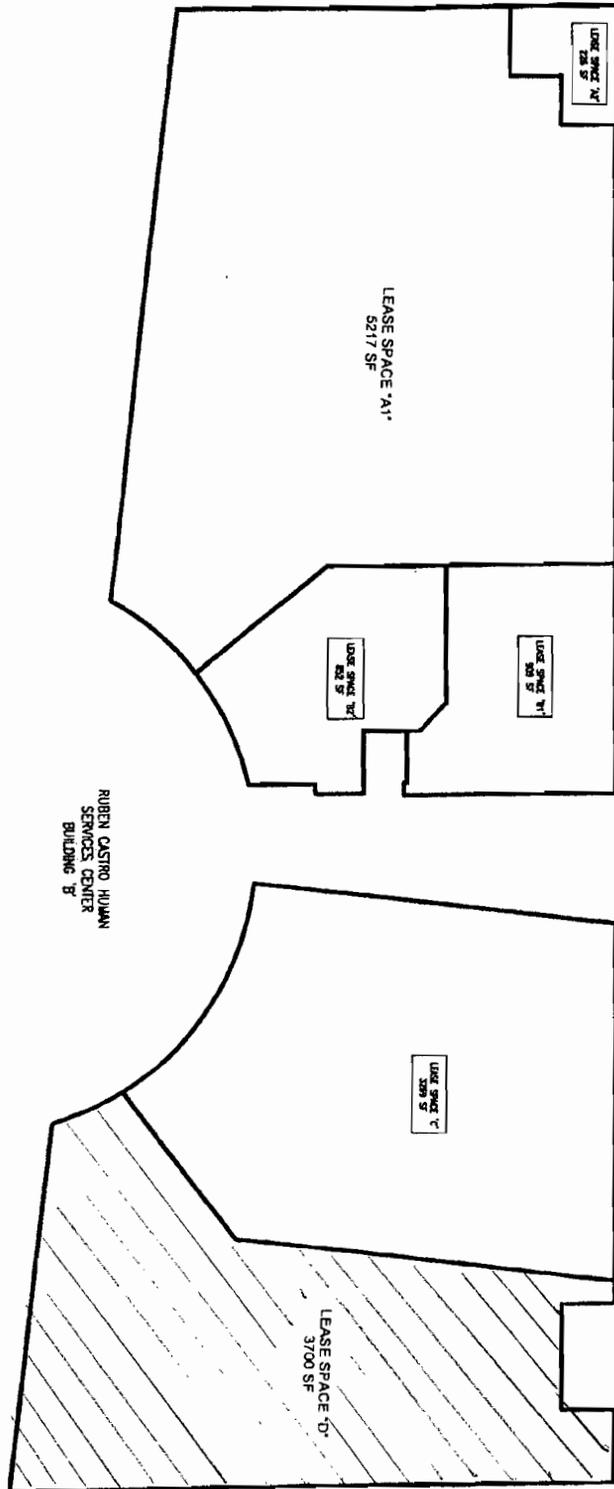
ATTEST:

ATTEST: (IF REQUIRED)

Donald S. Traffonstall
City Clerk



EXHIBIT A



Building B Operating Budget

REVENUE

Tenant	Monthly	Annual
County	4,413.00	52,958.00
Catholic Charities	833.33	10,000.00
Interface	2,377.00	28,528.00
First Five	<u>4,995.00</u>	<u>59,940.00</u>
Total	12,618.33	151,426.00

EXPENSES

	Monthly	Annual
Staffing Cost		
Staffing Allowance	3,000.00	36,000.00
Utilities		
Water (Building)	416.67	5,000.00
Water (Irrigation) *	125.00	1,500.00
Electric/Gas (Building)	2,916.67	35,000.00
Electric (On Site) *	500.00	6,000.00
Maintenance		
Interior	1,500.00	18,000.00
Landscaping *	480.00	5,760.00
Trash Service		
Trash *	960.00	11,520.00
Alarm		
Fire/Burglary	1,000.00	12,000.00
Building		
Repair/Replacement	1,261.83	15,142.00
TOTAL	12,160.17	145,922.00

* Prorated share

Revenue	12,618.33	151,426.00
Expenses	12,160.17	145,922.00
Remaining Funds	458.17	5,504.00