ITEM 10.O.

MOORPARK CITY COUNCIL
AGENDA REPORT

TO: Honorable City Council

FROM: Hugh R. Riley, Assistant City Manager
BY: Ky Spangler, Special Projects Consultant

DATE: June 6, 2012 (CC Meeting of 6/20/12)

SUBJECT: Consider Approval of a Lease Agreement with Interface Children and Family Services for the Ruben Castro Human Services Center, 612 Spring Road, Building B, Lease Space B

BACKGROUND & DISCUSSION

The City of Moorpark (City) entered into Memorandum of Understanding (MOU) with Interface Children and Family Services (Interface) on July 29, 2010 for Lease Spaces B-1 and B-2 in the Ruben Castro Human Services Center (RCHSC). This MOU outlined the proposed space, lease duration and monthly rent for the Interface facility. The MOU provided an initial lease term of three (3) years with two (2) three-year options to extend. The initial monthly rental under the MOU is $1.35 per square foot for the first three (3) year period with a 3% increase in rent each year if Interface exercises its option to extend the terms for two three-year periods.

Further, the MOU provided that the City, at its costs, would 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. The City will also provide common area maintenance for the landscaping, parking lot, and building lobby, and will pay the monthly alarm monitoring cost associated with the lobby and common area conference room. The cost for these City-provided services has been incorporated into the operating budget for Building B.

The attached Lease Agreement more fully describes the Lease Space (now labeled as Lease Space B) and aspects unique to the RCHSC as well as other customary terms and conditions within the City's standard lease agreements. The Lease Agreement also includes a Parking Exhibit to allocate employee parking spaces to each building tenant. By allocating an assigned number of spaces for employees, adequate parking for clients

and patrons of building tenants will be maintained. Also, a Common Area Maintenance exhibit has been prepared as an exhibit to the Lease Agreement to outline the City's maintenance responsibilities.

FISCAL IMPACT

The Operating Budget for the Ruben Castro Human Services Center includes revenue in the amount of $2,377 per month for the Interface suite and was calculated based upon a Lease Space size of approximately 1,761 square feet. The final square footage of Lease Space B is 1,716 square feet resulting in a monthly rent of $2,316.60 which is $60.40 per month less than the Operating Budget revenue estimate. Therefore the attached Lease Agreement reflects monthly revenue for the Interface Lease Space that is $60.40 less than the initial Operating Budget. The costs associated with the City's maintenance requirements for the RCHSC have been incorporated into the Facilities Maintenance Budget for Fiscal Year 2012/2013.

STAFF RECOMMENDATION

Approve the Lease Agreement between the City of Moorpark and Interface Children and Family Services for the Ruben Castro Human Services Center reflecting a three-year initial lease term at a monthly lease rate of $2,316.60 per month, and authorize the City Manager to execute the Lease Agreement, subject to final language approval of the City Manager and City Attorney.

Attachment 1: Lease Agreement between the City of Moorpark and Interface Children and Family Services

ATTACHMENT 1

LEASE AGREEMENT
BETWEEN THE CITY OF MOORPARK AND
INTERFACE CHILDREN AND FAMILY SERVICES

THIS LEASE AGREEMENT (hereinafter "Lease") is made and entered into as of this _____ day of _____, 2012, by and between the City of Moorpark, a municipal corporation, the Lessor (hereinafter the "City"), and Interface Children and Family Services, a non-profit organization, (hereinafter the "Tenant").

THE PARTIES AGREE THAT:

SECTION 1. PROPERTY LEASED

City, in consideration of the rents herein agreed to be paid and of the indemnifications, covenants, and agreements agreed to herein, hereby leases to Tenant, and Tenant hereby leases from the City, that certain real property known as 612 Spring Road, Building B, Space B, Moorpark, California, otherwise known as the Ruben Castro Human Services Center (hereinafter referred to as the "Premises"). The space (herein after referred to as the "Lease Space") will consist of approximately 1,716 square feet of floor space as generally depicted as Lease Space B on Exhibit B.

A conference room, approximately 488 square feet, is common area space (hereinafter "Shared Space") which may be used by the Tenant, or other Building Tenants, with such use arranged through the City of Moorpark or its authorized agent. Use of this space shall be in accordance with the provisions of Section 11 below.

SECTION 2. TERM

The term of this Lease shall commence on the _____ 2012, and all terms and conditions of the Lease shall continue for a three (3) year term to the ___ day of _____ 2015, unless sooner terminated as provided for in this agreement.

City's obligations hereunder shall be contingent upon Tenant's payment in full of any obligations described in Section 5 below, and Tenant's complying with all other provisions set forth herein.

SECTION 3. OPTION TO EXTEND

Tenant will have two (2) three-year options to extend. Rent will be increased at a rate of three percent (3%) each year during the extended terms.

SECTION 4. HOLDING OVER

It is further agreed that if Tenant shall retain possession of the Premises beyond the original term of this Lease or any extension thereof, without the express written consent of the City, Tenant shall continue to be Tenant from month-to-month during such hold-over period.

Tenant shall be subject to all of the terms, covenants and conditions of this Lease, including the obligation to pay rent during any such hold-over period, at the rate specified in Section 5 plus ten percent (10%), hereof, or as may be adjusted pursuant to the Lease.

SECTION 5. RENT

Monthly rent for Premises shall be $1.35 per square foot based upon 1,716 square feet totaling two thousand three hundred sixteen dollars and sixty cents ($2,316.60) 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 rent due to the City each month, including all increases, shall be considered the "Monthly Rent".

Tenant shall be liable for Monthly Rent. A late rent charge equal to ten percent (10%) of the Monthly Rent shall be added to any payment of rent received five (5) days or more after the due date for rent payment stated herein or when a deficient check has been given for rent payment. The late rent charge shall continue at ten percent (10%) for each month thereafter that the late payment has not been paid.

Tenant will pay the City two thousand three hundred sixteen dollars and sixty cents ($2,316.60), as a security deposit. This security deposit shall not be considered as payment for rent for any month, including the last month of tenancy.

SECTION 6. INDEMNIFICATION AND HOLD HARMLESS

To the fullest extent permitted by law, Tenant shall, at Tenant's sole expense and with counsel reasonably acceptable to the City of Moorpark (City), defend, indemnify, and hold harmless the City and City's officers, employees, and agents and from and against all claims (including demands, losses, actions, causes of action, damages, liabilities, expenses, charges, assessments, fines or penalties of any kind, and costs including consultant and expert fees, court costs, and attorneys' fees) from any cause, arising out of or relating (directly or indirectly) to this Lease, the tenancy created under this Lease, or the Premises, including without limitation:

1. The use of occupancy, or manner of use or occupancy, of the Lease Space, Premises or Building by the Tenant;
2. Any act, error, omission, or negligence of Tenant or of any subtenant, invitee, guest, contractor, or licensee of Tenant or any subtenant in, on, or about the Real Property;
3. Tenant's conducting of its business;
4. Any alterations, activities, work, or things done, omitted, permitted, allowed, or suffered by Tenant in, at, or about the Lease Space, Premises or Building, including the violation of or failure to comply with any applicable laws, statutes, ordinances, standards, rules, regulations, orders, decrees, or judgments in existence on the Lease Commencement Date or enacted, promulgated, or issued after the date of this Lease;
5. Any breach or default in performance of any obligation on Tenant's part to be performed under this Lease, whether before or during the Lease Term or after its expiration or earlier termination
6. This indemnification extends to and includes, without limitation, claims for:
    a. Injury to any persons (including death at any time resulting from that injury);
    b. Loss of, injury or damage to, or destruction of property (including loss of use at any time resulting from that loss, injury, damage, or destruction); and
    c. All economic losses and consequential or resulting damage or any kind.

Tenant's indemnification obligation hereunder shall survive the expiration or earlier termination of this Lease until all claims against City involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitation. City does not and shall not waive any rights that it may have against Tenant by this Section, because of the acceptance by City, or deposit with City, of any insurance policy or certificate required pursuant to this Lease.

SECTION 7. <u>NOTICE OF NON-ELIGIBILITY FOR RELOCATION BENEFITS</u>

Please read this notification carefully prior to signing this agreement and moving into the property. The Redevelopment Agency of the City of Moorpark ("Agency") acquired the property located at 500 Spring Road (now addressed as 612 Spring Road) for redevelopment purposes and subsequently sold it to the City. As a post-acquisition tenant, you will not be eligible for relocation benefits under the federal and state law. This notice is to inform you of the following information before you enter into any lease agreement and occupy a unit at the above address:

1. You may be displaced at the end of lease term.

2. You may be subject to a rent increase upon lease renewal or option to extend the lease term.
3. You will not be entitled to any relocation benefits.

If you have to move or your rent is increased, you will not be reimbursed for any such rent increase or for any costs or expenses incurred by you in connection with a move. Should state law change, Tenant agrees to waive any and all claims for relocation benefits.

SECTION 8. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REPORTING REQUIREMENTS

CDBG regulations require that all Ruben Castro Human Services Building tenants operate their facilities for Low Mod Limited Clientele (LMC) CDBG eligible individuals. Under this category, fifty-one percent (51%) of the beneficiaries have to be Low Mod Limited Individuals. To ensure long-term compliance with program requirements and comprehensive planning requirements Annual Certification of Continued CDBG Project Operations is to be submitted to the County Executive Office, annually, on July 30 for the five (5) consecutive years from the time the facility is put into operation. Additional tracking and reporting requirements include race, ethnicity, and income of beneficiaries, according to CDBG guidelines. Tenant must report such information to the City of Moorpark Community Development Department after the first three (3) months of operation and annually on July 30 for the five (5) consecutive years from the time the facility is put into operation.

SECTION 9. USE

Tenant shall use the Premises to provide public programs including case management, financial services, material services and food pantry and distribution services. The Premises shall not be used for any other purpose, except with the prior written consent of the City Manager of the City of Moorpark, which consent Tenant agrees may be withheld by the City Manager at his/her sole and absolute discretion.

SECTION 10. USE OF SHARED SPACE

Use of the Shared Space (Conference Room 104) by tenants of Building B shall be scheduled by and reserved through the City or its authorized agent. Tenant shall be required to complete a Facility Rental Application. Multiple events for a recurring class or function can be combined on one (1) rental application and reservation. A nominal cleaning deposit in an amount set by the City will be held by the City. In the event that cleaning of the room is required following an event, the Tenant will be billed for actual staff time expended.

SECTION 11. UTILITIES, COMMON AREA MAINTENANCE, JANITORIAL AND SECURITY

City responsibilities:

The City, at its cost, will provide heating, ventilating and air conditioning, power, water and sewer service, and solid waste collection to the Premises in quantities customary for normal office purposes and shall make payments directly to the utility company furnishing such services. The City shall provide Common Area Maintenance per Exhibit D of the Lease Agreement. The City shall provide janitorial service for the Main Lobby at a service level determined by the City. The City shall provide annual service for fire extinguishers located in the Main Lobby area and within Tenant's Leased Space. At City's option security monitoring service only for the Main Lobby area of Building B may be provided.

Tenant responsibilities:

Tenant shall be responsible for telephone service, cable television, internet and janitorial services to the Lease Space. Tenant shall be responsible for installation of security equipment to serve their Lease Space and payment for monthly monitoring of security services at Tenant's sole cost and expense in the event Tenant elects to have such additional service. Tenant shall be responsible to pay for its share of any services shared in common with other tenants of Building B.

SECTION 12. PARKING

Parking spaces on the Premise for patrons and clients are available for use on a first-come, first-served basis. Eight (8) spaces have been designated for Tenant employee parking and are depicted on Exhibit C. No additional parking spaces shall be reserved by individual tenants of the building.

Overnight parking at the Ruben Castro Human Services Center (between the hours of 10:00 p.m. and 6:00 a.m.) is prohibited by the City. Vehicles parked overnight may be cited and be towed at the vehicle owner's expense. Overnight parking of tenant-operated pool vehicles shall occur on a permit-only basis. Such arrangements must be made in writing with the City, and Tenant shall bear the cost of producing and installing signage for specified stall(s).

SECTION 13. TAXES, ASSESSMENTS, AND LIENS

Tenant shall pay directly to the tax collector, when due, all taxes and assessments which may be levied against Tenant's possessory interest in the Premises and upon all improvements and personal property which are located on the Premises. Within five (5) days after the date when any tax or assessment would become delinquent, Tenant shall serve upon City receipts or other appropriate evidence establishing the payment.

Tenant shall keep the Premises and improvements free from all liens and encumbrances by reason of the use or occupancy of the Premises by Tenant. If any liens or encumbrances are filed thereon, Tenant shall remove the same at their own cost and expense and shall pay any judgment and penalties which may be entered thereon. Should Tenant fail, neglect, or refuse to do so, City shall have the rights to pay any amount required to release any lien or encumbrance or to defend any action brought thereon, and to pay any judgment or penalty, and Tenant shall be liable to City for all costs, damages, and attorneys' fees, and any amounts expended in defending any proceedings, or in the payment of any lien, encumbrance, judgment, or penalty. City may post and maintain upon the Premises notices of non-responsibility as provided by laws. Upon demand by City, Tenant shall post the bond contemplated by Civil Code Section 3143.

SECTION 14. INSTALLATION BY TENANT

Tenant shall not make any alterations, additions, or improvements upon the Lease Space and/or Premises or without the prior written consent of the City Manager. Any alterations, or additions or improvements installed or caused to be installed to the site, or any signage, fencing, exterior lighting, or any other improvements on the Lease Space and/or Premises (collectively "Installations") shall be solely at Tenant's cost and is not reimbursable by the City at any time, including at the time of termination of the Lease by either the Tenant or City. All alterations, additions and improvements shall be temporary in nature and done in a good and workmanlike manner and diligently prosecuted to completion, and shall be performed and maintained in strict accord with all federal, state, county, and local laws, ordinances, codes, standards, and requirements relating thereto. Unless otherwise expressly agreed to by the City, any alterations, additions and improvements shall remain on and be surrendered with the Lease Space and/or Premises upon the expiration or termination of this Lease. Tenant agrees to and shall indemnify, defend, and save City free and harmless against all liability, loss, damage, costs, attorneys' fees, and other expenses of any nature resulting from any Tenant alterations, additions, or improvements to the Lease Space and/or Premises.

SECTION 15. REMEDIES

In case of the failure or refusal of Tenant to comply with and perform each and all

of the terms and covenants on their part herein contained, this Lease and all rights hereby given shall, at the option of the City, cease and terminate, and the City shall have the right forthwith to remove Tenant's personal property from the Lease Space and/or Premises at the sole cost, expense and risk of Tenant, which cost and expense Tenant agrees to pay to City upon demand, together with interest thereon at the maximum rate allowed by law from the date of expenditure by City. Such action shall be preceded by thirty (30) days written notice.

SECTION 16. MAINTENANCE

Tenant's use of the Lease Space and Premises will conform to all City codes and requirements concerning signage, maintenance, parking, and exterior and interior use. City's responsibilities for maintenance of the Common Areas of the Premises are attached hereto as Exhibit D ("Common Area Maintenance").

City may elect to perform any obligation of Tenant pursuant to this Section due to Tenant's failure or refusal to do so and at Tenant's waiver of any rights or remedy for Tenant's default. Tenant shall reimburse City for the cost and expense they incurred in the performance of Tenant's obligation within fifteen (15) days of City's request for payment, plus any interest or fees, with an additional fifteen percent (15%) administrative fee. Should City perform any of the foregoing, such services shall be at the sole discretion of City, and the performance of such services shall not be construed as an obligation or warranty by City of the future or ongoing performance of such services. Failure to maintain Premises as outlined herein shall be considered grounds for termination of this Lease.

Tenant shall also indemnify, defend with legal counsel approved by City and hold harmless City and its officers, employees, servants and agents from and against all claims, actions, liabilities, losses, damages, costs, attorneys' fees, and other expenses of any nature for loss or damage to property, or injury to or death of persons, arising in any manner whatsoever, directly or indirectly, from Tenant's performance pursuant to this Section. The indemnification, legal defense and hold harmless provisions of this Lease shall survive the termination of the tenancy.

SECTION 17. PESTICIDES AND HERBICIDES

Tenant shall use pesticides and herbicides on the Premises only in strict accordance with all applicable statutes, ordinances, rules and regulations. Such pesticides and herbicides shall be limited to those that are permitted for residential use.

SECTION 18. HAZARDOUS MATERIALS INDEMNITY

As used in this Section, Hazardous Materials means any substance, product, waste, or other material of any nature whatsoever which is or becomes listed, regulated or addressed pursuant to: (1) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C., Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C., Section 6901, et seq.; the Substances Control Act, 15 U.S.C., Section 2601, et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5 et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq.; (Hazardous Materials Response Plans and Inventory); or the Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq. all as amended, (2) any other federal or state law or any local law regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now is, or at any time hereafter may be, in effect, and (3) any rule or regulation adopted or promulgated under or pursuant to any of said laws.

If Tenant receives any notice, whether oral or written, of any inquiry, test, investigation, enforcement proceeding, environmental audit, or the like regarding any Hazardous Material within the Lease Space or on the Premises, Tenant shall immediately serve City with a copy of such notice.

In no case shall Tenant cause or allow the deposit or disposal of any such substance within the Lease Space or on the Premises. However, household products necessary for routine cleaning and maintenance of the Lease Space or Premises may be kept in the Lease Space in quantities reasonable for current needs.

The provisions of this Section shall survive the termination of the tenancy and shall relate back to all periods of Tenant's possession of the Lease Space. The provisions of this Section are intended to operate as an agreement pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9707(e), and California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify City from any liability pursuant to such law.

SECTION 19. NO WARRANTIES BY CITY

Except as contained in Section 14, the Lease Space and Premises are accepted by Tenant in an "as is" condition and without any representation or warranty by City as to the condition of the Lease Space or as to fitness of the Lease Space for Tenant's use.

SECTION 20. CASUALTY INSURANCE

City shall not be obligated to keep the Lease Space and the improvements thereon insured against any insurable risk; nor shall City insure Tenant for any personal injury or property damage. Tenant hereby and forever waives all right to claim or recover damages from City in any amount as the result of any damage to the Lease Space or Premises or any improvement thereon or as a result of any injury to any person upon the Lease Space or Premises.

SECTION 21. INSURANCE

Tenant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit A attached to and part of this Agreement. The policy shall name Tenant as the insured and the City of Moorpark as additional insured.

SECTION 22. GOVERNING LAW

Tenant agrees that in the exercise of their rights under this Lease, Tenant shall comply with all applicable federal, state, county and local laws and regulations in connection with its use of the Lease Space and Premises. The existence, validity, construction, operation and effect of this Lease and all of its terms and provisions shall be determined in accordance with the laws of the state of California.

SECTION 23. ENTRY BY CITY

During the tenancy, City may enter the Lease Space upon not less than twenty-four (24) hours advance notice and Tenant shall make the Lease Space available during normal business hours to the City's authorized agent or representative for the purpose of; (1) to show the Lease Space to prospective or actual purchasers, mortgagee, tenants, workmen, or contractors, (2) to make necessary or agreed repairs, decorations, alterations, or improvements, and (3) at all reasonable times to examine the condition thereof, including its environmental condition. In an emergency, City's agent or authorized representative may enter the Lease Space at any time without securing prior permission from Tenant.

SECTION 24. ASSIGNMENT AND SUBLETTING

No portion of the Lease Space or Premises or of Tenant's interest in this Lease shall be transferred by way of sublease, assignment or other voluntary or involuntary transfer or encumbrance, without the prior written consent of the City Manager. Such consent shall be at City's sole discretion.

Any transfer without consent shall be void, and shall, at the option of the City, terminate this Lease.

SECTION 25. DEFAULT OR BREACH

Except as otherwise provided, at any time one party to this Lease is in default or breach in the performance of any of the terms and conditions of this Lease, the other party shall give written notice to remedy such default or breach. If the default or breach is remedied within thirty (30) days following such notice, then this Lease shall continue in full force and effect. If such default or breach is not remedied within thirty (30) days following such notice or if the nature of the default is such that it cannot reasonably be cured within thirty (30) days, if Tenant fails to commence to cure within the thirty (30) day period, the other party may, at its option, terminate this 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 Lease shall be deemed to be both a covenant and a condition.

SECTION 26. INSOLVENCY OR BANKRUPTCY

If Tenant shall be adjudged bankrupt or insolvent, this Lease shall thereupon immediately terminate and the same shall not be assignable by any process of law, or be treated as an asset of the Tenant under such adjudication, nor shall it pass under the control of any trustee or assignee by virtue of any process in bankruptcy or insolvency, or by execution or assignment for the benefit of creditors. If any such event occurs, this Lease shall immediately become null and void and of no effect, and City may thereupon repossess said Lease Space and all rights of the Tenant thereupon shall cease and terminate.

SECTION 27. DISPOSSESSION

In the event Tenant is lawfully deprived of the possession of the Lease Space, Premises or any part thereof, at any time during the tenancy, by anyone other than City, they shall notify City in writing, setting forth in full the circumstances in relation thereto. Upon receipt of said notice, City may, at its option, either install Tenant in possession of the Premises or terminate the tenancy and refund to Tenant the pro rata amount of any pre-paid rent. No claim for damages or whatsoever kind or character incurred by Tenant by reason of such dispossession shall be chargeable against City.

SECTION 28. CONDEMNATION

If the whole of the Premises should be taken by a public authority under the power of eminent domain, then the term of this Lease shall cease on the day of possession by the public authority. If only a part of the Premises should be taken under erninent domain, Tenant shall have the right to either terminate this Lease or to continue in possession of the remainder of the Premises. If Tenant remains in possession, all of the terms hereof shall continue in effect, the rental payable being reduced proportionately for the balance of the Lease term. If a taking under the power of eminent domain occurs, those payments attributable to the leasehold interest of the Tenant shall belong to the Tenant, and those payments attributable to the reversionary interest of the City shall belong to the City.

SECTION 29. WAIVER

A waiver by either party of any default or breach by the other party of any provision of this Lease shall not constitute or be deemed to be a waiver of any subsequent or other default or breach. No waiver shall be binding, unless executed in writing by the party making the waiver. No waiver, benefit, privilege, or service voluntarily given or performed by either party shall give the other party any contractual right by custom, estoppel, or otherwise. The subsequent acceptance of rent pursuant to the Lease shall not constitute a waiver of any preceding default or breach by Tenant other than default in the payment of the particular rental payment so accepted, regardless of City's knowledge of the preceding default or breach at the time of accepting the rent; nor shall acceptance of rent or any other payment after termination of the tenancy constitute a reinstatement, extension, or renewal of the Lease or revocation of any notice or other act by City.

SECTION 30. 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 rights to insist upon strict performance of the terms hereof in any subsequent instance.

SECTION 31. PARTIES BOUND AND BENEFITTED

The covenants and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

SECTION 32. CONDITION UPON TERMINATION OR CESSATION

Upon termination of the tenancy, Tenant shall surrender the Lease Space to City including all improvements, clean and in good condition, except for ordinary wear and tear which Tenant was otherwise obligated to remedy under SECTION 15 above. Any installation which Tenant installs during occupancy with in accordance with Section 14 of this Lease, and has not removed at the termination of the Lease, shall become the possession of the City. Tenant shall repair at Tenant's expense, any damage to the Lease Space or Premises caused by the removal of any improvement made by Tenant from such installation. Any installations, improvements, or additions to the Lease Space or Premises prior to the execution of this Lease shall be deemed as part of the Lease Space and Premises and shall be the possession of the City.

SECTION 33. TENANT'S FAILURE TO REMOVE PERSONAL PROPERTY

Upon termination of the tenancy, City may reenter and retake possession of the Lease Space and store Tenant's personal property for a period of thirty (30) days at Tenant's cost and expense. If Tenant fails to pick up said personal property and pay said cost and expenses during said thirty (30) day period, City may dispose of any or all of such personal property in any manner that City, in its sole and absolute discretion, deems appropriate.

If any of Tenant's personal property remains on the Lease Space or Premises after the termination of the tenancy, City may use, dispose of, or sell any of said property, in its sole and absolute discretion, without compensating Tenant for the same and without the City having any liability whatsoever therefore.

SECTION 34. NO RECORDATION

Neither this Lease Agreement nor a memorandum thereof shall be recorded by Tenant.

SECTION 35. ATTORNEYS' FEES

In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of, any right or obligation pursuant to, this Lease or as a result of any alleged breach of any provision of this Lease, or for an unlawful detainer action, the prevailing party shall be entitled to recover its costs and expenses, including attorneys' fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

SECTION 36. NOTICES AND PAYMENTS

All notices required under this Lease, including notices of change of address, shall be in writing, and all notices and payments shall be addressed as follows:

City: City Manager
City of Moorpark
799 Moorpark Avenue
Moorpark, California 93021

Tenant: Mr. Erik Sternad, Executive Director
Interface Children and Family Services
1305 Del Norte Road, Suite #200
Camarillo, California 93010-8366

Either party may, from time to time, by written notice to the other, designate a different address which shall be substituted for the one specified above. Except as otherwise provided by statute, notice shall be deemed served and received upon receipt by personal delivery or upon the second (2nd) day after deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid.

SECTION 37. PARTIAL INVALIDITY

If any provision of this Lease is found by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Lease shall nonetheless remain in full force and effect to the full extent allowed by law.

SECTION 38. GENDER AND NUMBER

For the purpose of this 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.

SECTION 39. SECTION HEADINGS

Section headings in this Lease are for convenience only, and they are not intended to be used in interpreting or construing the terms, covenants and conditions of this Lease.

SECTION 40. INTEGRATION AND MODIFICATION

This Lease constitutes the entire agreement of the parties concerning the subject matter hereof and all prior agreements and understandings, oral or written, are hereby merged herein. This Lease may not be modified or amended except; (1)

in a writing signed by all of the parties hereto; or (2) upon expiration of thirty (30) days service in accordance with Civil Code Section 1946, or any successor statute in effect on the date the written notice is served, by City on Tenant of a written notice setting forth the modification or amendment.

The parties agree that no estoppel argument can be raised during legal proceedings in order to avoid the provisions of this Section.

SECTION 41. INTERPRETATION

Should interpretation of this Lease, or any portion thereof, be necessary, it is deemed that the Lease was prepared by the parties jointly and equally, and the Lease shall not be interpreted against either party on the ground that the party prepared it or caused it to be prepared.

SECTION 42. VENUE

This Lease is made, entered into, and executed in Ventura County, California, and any action filed in any court for the interpretation, enforcement or other action arising from any term, covenant or condition herein shall be filed in the applicable court in Ventura County, California.

SECTION 43. TERMINATION

The City may terminate this Lease upon ninety (90) days written notice served upon Tenant. Tenant is obligated to continue lease payments up until the time that possession of the Lease Space is returned to the City.

SECTION 44. REDEVELOPMENT DISSOLUTION LEGISLATION

The parties acknowledge the recent enactment of ABx1 26, which provides for the dissolution of California redevelopment agencies. The parties understand that ABx1 26 purports to invalidate certain activities of redevelopment agencies extending back to January 1, 2011, including the transfer of assets to other public agencies. The parties further acknowledge that the Premises were transferred from the Redevelopment Agency of the City of Moorpark (Agency) to Successor Agency. Tenant hereby waives and releases Successor Agency from any and all claims arising from the enactment of ABx1 26 and any effect it may have on the validity of this Lease and holds Successor Agency harmless from any claims of successors, assigns, contractors, suppliers, or other agents of Tenant arising out from the enactment of ABx1 26

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

CITY OF MOORPARK

By: _____
Steven Kueny, City Manager

INTERFACE CHILDREN AND FAMILY SERVICES

By: _____
Erik Sternad, Executive Director

ATTEST:

By: _____
Maureen Benson, City Clerk

EXHIBIT A

Insurance Requirements

Tenant will maintain insurance in conformance with the requirements set forth below. Tenant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Tenant agrees to amend, supplement or endorse the existing coverage to do so. Tenant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to CITY in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to CITY.

Tenant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than $1,000,000 per occurrence and $2,000,000 in aggregate.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than $1,000,000 per accident and $2,000,000 in aggregate. If Tenant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Tenant or Tenant's employees will use personal autos in any way on this project, Tenant shall provide evidence of personal auto liability coverage for each such person.

Pollution Liability Insurance shall be written on a Contractor's Pollution Liability form or other form acceptable to the City providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than $1,000,000 per claim and aggregate.

Worker's Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than $1,000,000 per accident or disease.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the State of California and with an A.M. Best rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Tenant. Tenant and CITY agree to the following with respect to insurance provided by Tenant:

1. Tenant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds CITY, its officials, employees, servants, agents, and independent consultants ("City indemnities"), using standard ISO endorsement No. CG 2011 with an edition prior to 1996. Tenant also agrees to require all contractors and subcontractors working on the Premise to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Tenant, or Tenant's agents, from waiving the right of subrogation prior to a loss. Tenant agrees to waive subrogation rights against CITY regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Tenant and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the CITY or its operations limits the application of such insurance coverage.

4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to CITY and approved of in writing.

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification, and additional requirements by the CITY, as the need arises. Tenant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect CITY'S protection without CITY'S prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Tenant's general liability policy, shall be delivered to CITY at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, CITY has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by CITY shall be charged to and promptly paid by Tenant or deducted from sums due Tenant, at CITY's option.

8. Certificates are to reflect that the insurer will provide 30 day notice to CITY of any cancellation of coverage. Tenant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to

mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.

9. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Tenant, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to CITY.

10. Tenant agrees to ensure that subcontractors, and any other party entering onto the Premises, provide the same minimum insurance coverage required of Tenant. Tenant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Tenant agrees that upon request, all agreements with subcontractors and other parties entering onto the Premises will be submitted to CITY for review.

11. Tenant agrees not to self-insure or to use any self-insured retention or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, or other entity or person entering onto the Premises to self-insure its obligations to CITY. If Tenant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the CITY. At that time the CITY shall review options with the Tenant, which may include reduction or elimination of the deductible of self-insured retention, substitution of other coverage, or other solutions.

12. For purposes of applying insurance coverage, only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Tenant acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform Tenant of non-compliance with any insurance requirement in no way imposes any additional obligations on CITY nor does it waive any rights hereunder in this or any other regard.

14. Tenant will renew the required coverage annually as long as CITY, or its employees or agents face an exposure from operations of any type pursuant to this Agreement. This obligation applies whether or not the Agreement is canceled or terminated for any reason. Termination of this obligation is not effective until CITY executes a written statement to that effect.

15. Tenant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has

been ordered shall be submitted prior to expiration. A coverage binder or letter from Tenant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to CITY within five days of the expiration of the coverages.

16. The provisions of any workers' compensation or sirnilar act will not limit the obligations of Tenant under this agreement. Tenant expressly agrees not to use any statutory immunity defenses under such laws with respect to CITY, its employees, officials, and agents.

17. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a give coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party of insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

20. Tenant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge CITY or Tenant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to the CITY. It is not the intent of CITY to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against CITY for payment of premiums or other amounts with respect thereto.

21. Tenant agrees to provide immediate notice to CITY of any claim or loss against Tenant arising out of the lease of the Premises. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

EXHIBIT B

Leased Space Exhibit

[SEE ATTACHED]

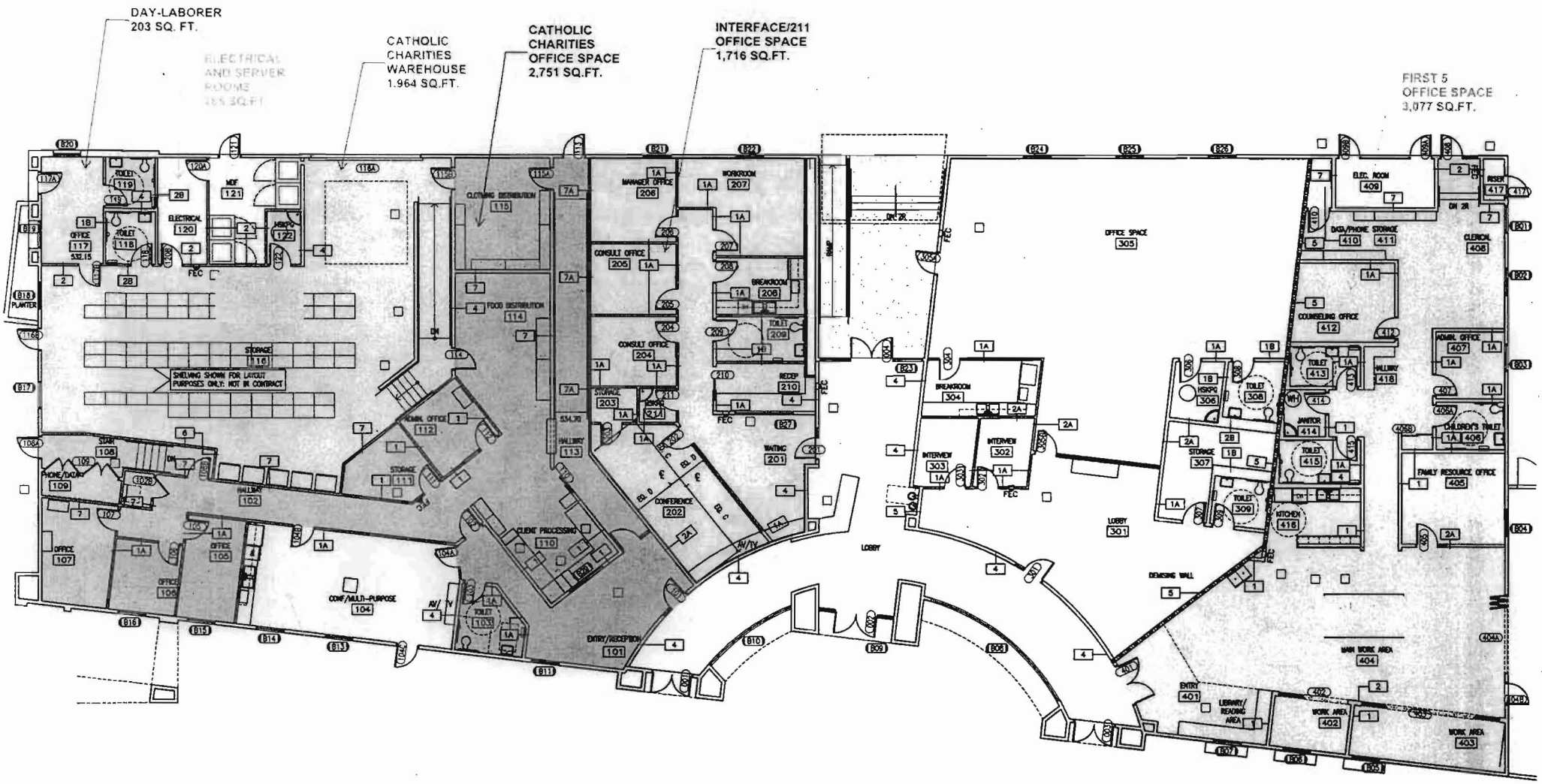
DAY-LABORER
203 SQ. FT.
ELECTRICAL
AND SERVER
ROOMS
CATHOLIC
CHARITIES
WAREHOUSE
1,964 SQ.FT.
CATHOLIC
CHARITIES
OFFICE SPACE
2,751 SQ.FT.
INTERFACE/211
OFFICE SPACE
1,716 SQ.FT.
FIRST 5
OFFICE SPACE
3,077 SQ.FT.
SHELVING SHOWN FOR LAYOUT PURPOSES ONLY; NOT IN CONTRACT
OFFICE SPACE
305
LOBBY
301
DEMISING WALL
CONF/MULTI-PURPOSE
104
ENTRY/RECEPTION
101
CLIENT PROCESSING
110
CONFERENCE
202
WAITING
201
MAIN WORK AREA
404
WORK AREA
402
WORK AREA
403
LIBRARY/
READING
AREA
ENTRY
401
FAMILY RESOURCE OFFICE
405
CHILDREN'S TOILET
406
ADMIN. OFFICE
407
CLERICAL
408
ELEC. ROOM
409
DATA/PHONE STORAGE
410
411
COUNSELING OFFICE
412
HALLWAY
418
JANITOR
414
KITCHEN
416
TOILET
415
STORAGE
307
TOILET
308
TOILET
309
BREAKROOM
304
INTERVIEW
302
INTERVIEW
303
WORKROOM
207
MANAGER OFFICE
206
BREAKROOM
208
TOILET
209
CONSULT OFFICE
205
CONSULT OFFICE
204
RECEP
210
STORAGE
203
HALLWAY
113
CLOTHING DISTRIBUTION
115
FOOD DISTRIBUTION
114
ADMIN. OFFICE
112
STORAGE
113
STORAGE
116
HALLWAY
102
OFFICE
107
OFFICE
105
OFFICE
106
TOILET
103
TOILET
119
TOILET
118
OFFICE
117
ELECTRICAL
120
MDF
121
HSKPG
122
PHONE/DATA
109
STAIR
108
PLANTER
RAMP
DN
FEC
AV/TV

EXHIBIT C

Tenant Parking Exhibit

[TO FOLLOW]

EXHIBIT D

Common Area Maintenance

1. As used in the Lease Agreement and this Exhibit, "Common Area" means all public and common facilities erected on the Premises 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 facilities, landscaped areas and other facilities and areas intended for common use, as the same may exist from time to time on the Premises. 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 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 irrigation 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.