

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

From: David C. Moe II, Redevelopment Manager

Date: May 1, 2013 (City Council Meeting of 5/15/13)

Subject: Consider Resolution Finding No City Purpose for the City-Owned Property Located at 798 Moorpark Avenue and Approve Lease Agreement between the City of Moorpark and Boys and Girls Club of Moorpark for Said Property

BACKGROUND/DISCUSSION

The Redevelopment Agency of the City of Moorpark ("Agency") acquired 798 Moorpark Avenue ("Property"), for redevelopment purposes. The Property has subsequently been transferred to the City of Moorpark ("City") as a housing asset. In the past, the Property at 798 Moorpark Avenue has been utilized as an office for the City Engineer/Public Works Department and leased to Adelman Enterprises as an interim use until it could be developed.

The Boys and Girls Club of Moorpark has outgrown their facility and is seeking additional office space within a reasonable distance from their current location at 200 Casey Road. The Boys and Girls Club has approached the City regarding the future plans of the Property. Staff informed the Boys and Girls Club that the Property is a housing asset of the former Agency and is intended to be developed in the future (2-5 years) for an affordable housing project. This short term timeframe is acceptable to the Boys and Girls Club and they desire to pursue a lease agreement for use of the Property.

Staff is supportive of this use of the Property. The Property is currently vacant and the City does not currently have a municipal need for the Property for the next few years. Since the Property has been unoccupied, it has been vandalized several times. Having the Property occupied will deter vandalism and reduce the City's maintenance costs.

Staff has negotiated a proposed lease agreement with the Boys and Girls Club. The Property would be utilized for office and/or other activities offered by the Boys and Girls Club. The proposed lease term is for one year with a one year extension. The rent

Honorable City Council
May 15, 2013
Page 2

would be \$1.00 per year and the Boys and Girls Club will be responsible for all utilities, maintenance, and repairs to the Property.

Staff recommends approving the proposed lease between the City and Boys and Girls Club for the Property.

FISCAL IMPACT

The proposed lease agreement is not anticipated to generate revenue for the City, but will reduce the expenses for maintaining the Property. Annually, the City spends approximately \$2,500.00 maintaining the Property. The Boys and Girls Club will be responsible for all utilities, maintenance, and repairs for the Property, which will produce a savings to the City. The City will maintain property insurance for the Property, but is not obligated to repair damage or replace improvements.

STAFF RECOMMENDATION

Adopt Resolution No. 2013 - _____, finding that there is no City purpose for the Property and approving the lease agreement between the City and the Boys and Girls Club of Moorpark subject to final language approval by the City Manager and City Attorney.

Attachment I: Resolution No. 2013- _____
Attachment II: Lease Agreement

ATTACHMENT I

RESOLUTION NO. 2013 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, FINDING THAT THE CITY OF MOORPARK HAS NO CITY PURPOSE FOR THE PROPERTY LOCATED AT 798 MOORPARK AVENUE OTHER THAN TO LEASE TO THE BOYS AND GIRLS CLUB OF MOORPARK

WHEREAS, the Redevelopment Agency of the City of Moorpark ("Agency") purchased the property located at 798 Moorpark Avenue, Assessor Parcel No. 512-0-062-120 ("Property") with tax increment funds; and

WHEREAS, the Successor Agency of the Agency transferred the Property to the City of Moorpark as a housing asset; and

WHEREAS, the City of Moorpark desires to lease the Property to Boys and Girls Club of Moorpark while the Property is being planned for development of an affordable housing project; and

WHEREAS, Section 37395 of the Government Code requires the City to declare that there is no other city purpose for the Property prior to leasing the property.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby determines that there is no City purpose for the property at 798 Moorpark Avenue, other than to lease the property to the Boys and Girls Club.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 15th day of May, 2013.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk

ATTACHMENT II

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "Lease") is made and entered into as of this _____ day of _____, 2013, by and between the City of Moorpark, a municipal corporation, the Lessor (hereinafter "City"), and Boys and Girls Club of Moorpark, a non-profit organization, (hereinafter the "Lessee").

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 Lessee, and Lessee hereby leases from the City, that certain real property known as 798 Moorpark Avenue, Moorpark, California, (hereinafter referred to as the "Premises").

SECTION 2. TERM

The term of this Lease shall commence on the 1st day of June 2013, and all terms and conditions of the Lease shall continue for one (1) year.

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

SECTION 3. OPTION TO EXTEND

Lessee has an option to extend the term of this Lease for an additional one (1) year.

SECTION 4. HOLDING OVER

It is further agreed that if Lessee 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, Lessee shall continue to be Lessee from month-to-month during such hold-over period.

Lessee 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, hereof, or as may be adjusted pursuant to the Lease.

SECTION 5. RENT

Beginning on June 1, 2013, and continuing to May 31, 2014, Lessee shall pay City, without abatement, deduction or offset, rent in the amount of one dollar (\$1.00) per year payable in advance on or before the first day of tenancy.

SECTION 6. INDEMNIFICATION AND HOLD HARMLESS

Except for the sole negligence of City, Lessee shall defend, indemnify and keep and hold City, including City's officers, employees and agents, their successors and assigns, harmless from any and all costs, liability, damage or expense (including costs of suit and fees and expenses of legal services) claimed by anyone by reason of injury to or death of persons, or damage to or destruction of property, including property of Lessee, sustained in, on or about the demised premises or arising out of Lessee's use or occupancy thereof, as a proximate result of the acts or omissions of Lessee, its employees and agents, or its contractors, licensees, invites or subtenants, their successors and assigns or arising out of the condition of the property. City shall, by appropriate, written notice to Lessee, advise Lessee as soon as practicable regarding any potential liability of Lessee under this Section.

SECTION 7. NOTICE OF NON-ELIGIBILITY FOR RELOCATION BENEFITS

Please read this notification carefully prior to signing this agreement and moving into the property. The Redevelopment Agency of the City of Moorpark purchased the Premises for redevelopment purposes and it was subsequently transferred it to the City per ABx1 26 and AB 1484. As a post-acquisition Lessee, 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, Lessee agrees to waive any and all claims for relocation benefits.

SECTION 8. USE

Lessee shall use the Premises for office space and/or any other activities related to the Boys and Girls Club.

SECTION 9. UTILITIES

Lessee agrees to pay all monthly service charges for electric current, gas, sewer and trash removal, and any other utilities which may be furnished to or used upon the Premises by Lessee during this Lease. It is further agreed that in the event Lessee shall fail to pay the above mentioned charges when due, City shall have the right to pay the same on demand, together with any interest thereon and any other fees that may be owed. The City shall be reimbursed by Lessee within five (5) days of notice from City for the amount of payment plus any interest or fees, with an additional fifteen percent (15%) administrative fee. Failure to pay monthly service charges for any above-mentioned utility in a timely fashion shall be cause for termination of this Lease.

SECTION 10. TAXES, ASSESSMENTS, AND LIENS

Lessee shall pay directly to the tax collector, when due, all taxes and assessments which may be levied against Lessee'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, Lessee shall serve upon City receipts or other appropriate evidence establishing the payment.

Lessee shall keep the Premises and improvements free from all liens and encumbrances by reason of the use or occupancy of the Premises by Lessee. If any liens or encumbrances are filed thereon, Lessee shall remove the same at their own cost and expense and shall pay any judgment and penalties which may be entered thereon. Should Lessee 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 Lessee 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, Lessee shall post the bond contemplated by Civil Code Section 3143.

SECTION 11. INSTALLATION BY LESSEE

Lessee shall not make any alterations, additions, or improvements upon the Premises without the prior written consent of the City. Any alterations, or additions or improvements installed or caused to be installed to the site, or any fencing, exterior lighting, or any other improvements on the Premises (collectively "Installations") shall be solely at Lessee's cost and are not reimbursable by the City at any time, including at the time of termination of the Lease by either the Lessee 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 Premises upon the expiration or termination of this Lease. Lessee 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 Lessee alterations, additions, or improvements to the Premises.

SECTION 12. REMEDIES

In case of the failure or refusal of Lessee 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 Lessee's personal property from the Premises at the sole cost, expense and risk of Lessee, which cost and expense Lessee 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) day written notice.

SECTION 13. MAINTENANCE

Lessee has examined the Premises and accepts it in its existing condition. Throughout the term of this Lease Lessee shall, at Lessee's sole cost and expense, maintain the Premises and all improvements thereon in good order, condition, and repair and in accordance with all applicable statutes, ordinances, rules, and regulations. Lessee shall immediately report any problems with the Premises to David C. Moe II, Property Manager, at (805) 517-6217, or other designee of the City Manager with written notice pursuant to Section 33 of this Lease. City shall not be obligated to repair or maintain the Premises or improvements in any manner throughout the term of the Lease.

City may elect to perform any obligation of Lessee pursuant to this Section due to Lessee's failure or refusal to do so and at Lessee's waiver of any rights or remedy for Lessee's default. Lessee shall reimburse City for the cost and expense they incurred in the performance of Lessee'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.

Lessee 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 Lessee'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 14. PESTICIDES AND HERBICIDES

Lessee 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 housing units.

SECTION 15. 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 Lessee receives any notice, whether oral or written, of any inquiry, test, investigation, enforcement proceeding, environmental audit, or the like regarding any Hazardous Material on the Premises, Lessee shall immediately serve City with a copy of such notice.

In no case shall Lessee cause or allow the deposit or disposal of any such substance on the Premises. However, household products necessary for routine

cleaning and maintenance of the Premises may be kept on the Premises 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 Lessee's possession of the Premises. 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 16. NO WARRANTIES BY CITY

The Premises are accepted by Lessee in an "as is" condition and without any representation or warranty by City as to the condition of the Premises or as to fitness of the Premises for Lessee's use.

SECTION 17. CASUALTY INSURANCE

City shall not be obligated to keep the Premises and the improvements thereon insured against any insurable risk; nor shall City insure Lessee for any personal injury or property damage. If the Premises have sustained any damage, Lessee shall obtain the City's written approval prior to proceeding with any repairs. City is not obligated to approve or repair the Premises, and reserves the right to deny, at its sole discretion, any requested repairs to the Premises by the Lessee. If the City denies Lessee's request to repair the Premises, this Lease shall cease and terminate immediately.

Lessee hereby and forever waives all right to claim or recover damages from City in any amount as the result of any damage to the Premises or any improvement thereon or as a result of any injury to any person upon the Premises.

SECTION 18. INSURANCE

Lessee 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 Lessee as the insured and the City of Moorpark as additional insured.***

SECTION 19. GOVERNING LAW

Lessee agrees that in the exercise of their rights under this Lease, Lessee shall comply with all applicable federal, state, county and local laws and regulations in connection with its use of the 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 20. ENTRY BY CITY

During the tenancy, City may enter the Premises upon not less than twenty-four (24) hours advance notice and Lessee shall make the Premises available during normal business hours to the City's authorized agent or representative for the purpose of: (1) to show the premises to prospective or actual purchasers, mortgagee, Lessees, 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 premises at any time without securing prior permission from Lessee.

SECTION 21. ASSIGNMENT AND SUBLETTING

No portion of the Premises or of Lessee'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. 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 22. 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 Lessee fail 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 23. INSOLVENCY OR BANKRUPTCY

If Lessee 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 Lessee 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 Premises and all rights of the Lessee thereupon shall cease and terminate.

SECTION 24. DISPOSSESSION

In the event Lessee is lawfully deprived of the possession of the 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 Lessee in possession of the Premises or terminate the tenancy and refund to Lessee the pro rata amount of any pre-paid rent. No claim for damages or whatsoever kind or character incurred by Lessee by reason of such dispossession shall be chargeable against City.

SECTION 25. 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 eminent domain, Lessee shall have the right to either terminate this Lease or to continue in possession of the remainder of the Premises. If Lessee remain 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 Lessee shall belong to the Lessee, and those payments attributable to the reversionary interest of the City shall belong to the City.

SECTION 26. 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 Lessee 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 27. 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 28. 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 29. CONDITION UPON TERMINATION

Upon termination of the tenancy, Lessee shall surrender the Premises to City including all improvements, clean and in good condition, except for ordinary wear and tear which Lessee was otherwise obligated to remedy under Section 12 above. Any installation which Lessee installs during occupancy with in accordance with Section 11 of this Lease, and has not removed at the termination of the Lease, shall become the possession of the City. Lessee shall repair at Lessee's expense, any damage to the Premises caused by the removal of any improvement made by Lessee from such installation. Any installations, improvements, or additions to the Premises prior to the execution of this Lease shall be deemed as part of the Premises and shall be the possession of the City.

SECTION 30. LESSEE'S FAILURE TO REMOVE PERSONAL PROPERTY

Upon termination of the tenancy, City may reenter and retake possession of the Premises and store Lessee's personal property for a period of thirty (30) days at Lessee's cost and expense. If Lessee 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 Lessee's personal property remains on the 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 Lessee for the same and without the City having any liability whatsoever therefore.

SECTION 31. NO RECORDATION

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

SECTION 32. 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 33. 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:

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

Lessee: Chief Professional Officer
 Boys and Girls Club of Moorpark
 200 Casey Road
 Moorpark, CA 93021

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 34. 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 35. 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 36. 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 37. 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 Lessee 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 38. 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 39. 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 40. TERMINATION

This Lease shall automatically terminate on May 31, 2014, unless extended in accordance with Section 3 of this Lease. Should Lessee's business not thrive as anticipated, Lessee shall have the right to terminate this Lease within the original term and option period with a thirty (30) day notice.

SECTION 41. REDEVELOPMENT DISSOLUTION LEGISLATION

The parties acknowledge the recent enactment of ABx1 26 and AB 1484, which provides for the dissolution of California redevelopment agencies. The parties understand that ABx1 26 and AB 1484 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 the City of Moorpark. Lessee hereby waives and releases City 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 City harmless from any claims of successors, assigns, contractors, suppliers, or other agents of Lessee arising out from the enactment of ABx1 26 and AB 1484.

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

BOYS AND GIRLS CLUB OF MOORPARK

By: _____
Steven Kueny
City Manager

By: _____
W. Scott Mosher
Chief Professional Officer

ATTEST:

By: _____
Maureen Benson
City Clerk