



City Council Staff Report

Date: June 7, 2017

NEW BUSINESS

Subject: APPROVAL OF A LEASE AGREEMENT WITH RIVERSIDE COUNTY FOR PROPERTY LOCATED AT 63775 DILLON ROAD, APN 666-140-024

From: David H. Ready, City Manager

Initiated by: Community & Economic Development Department

SUMMARY

In accordance with Government Code Sections 54220 – 54232, Riverside County has made available to public agencies real property it has determined as surplus land located at 63775 Dillon Road that previously operated as Riverside County Fire Station No. 36. It currently remains available to public agencies prior to the Board of Supervisors adopting a Resolution declaring its intention to sell the property and holding a public auction to sell the property to the highest bidder.

This action would consider the City Council's approval of a lease agreement with Riverside County to lease the property for a period of 5 years, at a cost of \$1.

RECOMMENDATION:

- 1) Approve Agreement No. _____, a Revenue Lease Agreement with the County of Riverside for use of the property located at 63775 Dillon Road identified by Assessor's Parcel Number 666-140-024, through June 30, 2020;
- 2) Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

Riverside County has declared its existing property located at 63775 Dillon Road, identified as Assessor's Parcel Number (APN) 666-140-024, as surplus property. This property previously operated as Riverside County Fire Station No. 36 until 2015. On August 4, 2016, Riverside County provided notice to the City pursuant to California Government Code Sections 54220 – 54232 which require that a public agency, prior to disposing of surplus land at public auction to the highest bidder, send notice to other public agencies offering the surplus land for sale.

ITEM NO. 5.B.

The property is located immediately west of N. Indian Canyon Drive on Dillon Road in unincorporated Riverside County, within the City of Palm Springs sphere of influence. The property is located adjacent to the Carefree Mobile Home Park, which is considered a Disadvantaged Unincorporated Community by the Riverside County Local Agency Formation Commission (LAFCO).

Aerial maps and photos of the property are included in the following figures.



Figure 1 – Vicinity Map



Figure 2 – North View



Figure 3 – South View

The property is 0.96 acres, and includes three buildings:

- 1) 2,600 square feet community building including a 1,400 square feet meeting room and 1,200 square feet open garage/apparatus room;
- 2) 2,900 square feet vacant fire station building including 2,100 square feet of livable area and 800 square feet of open garage/shop room;
- 3) 192 square feet storage building

The property was constructed in 1959 and is reported in average condition by Riverside County. The community building has a kitchen, 1 full bathroom, and 1 half bathroom; the fire station building has a kitchen, 3 bedrooms, and 2 full bathrooms.

The property is currently designated as “Rural Desert (RD)” on the Riverside County General Plan, requiring a minimum 10 acre lot size, and as W-2 “Controlled Development” on the Riverside County Zoning Map, requiring a minimum 20,000 square foot lot size. On the City of Palm Springs General Plan, the property has a pre-annexation designation of Desert, with a wind energy overlay.

Staff previously presented this item to the City Council during its closed session meetings to discuss the requested real property acquisition through a lease agreement with Riverside County. On the basis of the direction received from City Council, staff

performed several site inspections and determined that the condition of the property is in fair to good condition. Staff coordinated a site inspection with DW Johnston to provide an order of magnitude cost estimate for performing required repairs and upgrades to the existing buildings. DW Johnston provided an estimate of approximately \$300,000 to replace air conditioning equipment, update public restrooms, and convert the existing fire engine apparatus bay to an enclosed and habitable space.

The property and buildings represent the potential for public use for a variety of purposes, and Riverside County has provided the City with a proposed lease agreement of the property for a period of 5 years at a cost of \$1. A copy of the lease agreement is included as **Attachment 1**.

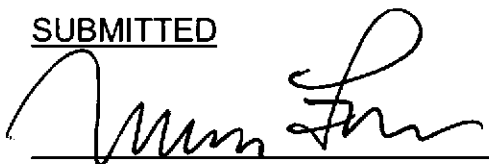
ENVIRONMENTAL IMPACT:

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act ("CEQA"). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 "Existing Facilities," Class 1 projects consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities; therefore, approval of a lease agreement with Riverside County is considered categorically exempt from CEQA.

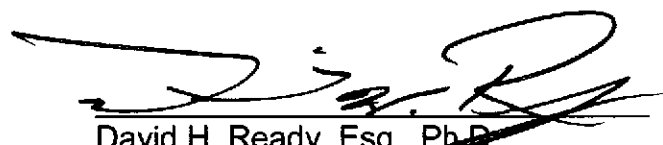
FISCAL IMPACT:

The cost to lease the property for a period of 5 years is \$1. The City has obtained a contractor's probable cost estimate of approximately \$300,000 for repairing and upgrading the existing buildings. Utility costs will be dependent upon the type of uses anticipated for the buildings, and is estimated to cost \$50,000 annually. Funding for the capital investment to repair and upgrade the property, as well as annual utility costs, will need to be identified. Future operational costs for the range of public services that might be provided at the facility will need to be identified dependent upon the specific type of uses anticipated.

SUBMITTED



Marcus L. Fuller, MPA, P.E., P.L.S.
Assistant City Manager/City Engineer



David H. Ready, Esq., Ph.D.
City Manager

1 **REVENUE LEASE**

2 County of Riverside and

3 City of Palm Springs

4 63775 Dillon Road, County of Riverside, California

5
6 This Revenue Lease ("Lease") is entered into as of the ____ day of
7 _____, 20____ by and between the **COUNTY OF RIVERSIDE** ("Lessor" or
8 "County"), and **CITY OF PALM SPRINGS**, a California charter city and municipal
9 corporation, ("Lessee") for property located at 63775 Dillon Road, County of Riverside,
10 California.

11 In consideration of mutual covenants and other good and valuable
12 consideration, the parties do hereby agree as follows:

13 **1. Description.** The leased premises consist of approximately 5,692
14 square feet located at 63775 Dillon Road, California, and consisting of two buildings on
15 approximately .98 acres of land as more particularly shown on Exhibit "A," attached
16 hereto and incorporated herein (the "Property").

17 **2. Use.**

18 (a) The Lessee intends to use, or allow authorized operators to use
19 the Property for emergency housing and social service programs, including an
20 emergency cooling center, and administer a wide variety of associated social service
21 programs to serve very low income and underprivileged adults and children, including
22 homeless individuals.

23 (b) The Property shall not be used for any other purpose without first
24 obtaining the written consent of County, which consent shall not be unreasonably
25 withheld.

26 (c) Lessee shall have the exclusive use of the Property.

27 **3. Term.** This Lease shall be for a period of five (5) years, effective as of
28 July 1, 2017, and terminating June 30, 2022.

1 **4. Rent.** Lessee shall pay the sum of \$1 to County as rent for the Property,
2 payable upon execution of this Lease.

3 **5. On-Site Improvements by Lessee.**

4 (a) Any alterations, improvements or installation of fixtures to be
5 undertaken by Lessee shall have the prior written consent of County after Lessee has
6 submitted proposed plans for such alterations, improvements or fixtures to County in
7 writing.

8 (b) All alterations and improvements to be made, and fixtures
9 installed, or caused to be made and installed, by Lessee shall become the property of
10 County with the exception of trade fixtures as such term is used in section 1019 of the
11 California Civil Code. At or prior to the expiration of this Lease, Lessee may remove
12 such trade fixtures; provided, however, that such removal does not cause injury or
13 damage to the Property, or in the event it does, Lessee shall restore the Property to its
14 original shape and condition as nearly as practicable. In the event such trade fixtures
15 are not removed, County may, at its election, either: (1) remove and store such fixtures
16 and restore the premises for the account of Lessee, and in such event, Lessee shall
17 within thirty (30) days after billing and accounting therefore reimburse County for the
18 costs so incurred, or (2) take and hold such fixtures as its sole property.

19 **6. Signs.** Lessee shall not erect, maintain or display any signs or other
20 forms of advertising upon the Property without first obtaining the written approval of
21 County, which approval shall not be unreasonably withheld.

22 **7. Utilities.**

23 (a) Lessee shall provide and pay for all utilities.

24 (b) Lessee shall provide and pay for all telephone and information
25 technology services.

26 **8. Maintenance.**

27 (a) Lessee shall be responsible and pay for all maintenance of the
28 Property, including both capital and reoccurring maintenance.

1 (b) Lessee shall be responsible for providing routine monitoring and
2 maintenance of the fire alarm system, fire extinguishers, and the fire sprinkler system,
3 if applicable.

4 (c) Lessee shall maintain the mechanical room and other major
5 equipment connected to the Property. Lessee shall provide an escort to the County
6 maintenance person or persons for this service.

7 (d) In the event any damage or injury to the Property is caused by the
8 negligent acts of Lessee, its officers, employees, clients, agents, guests, invitees,
9 subcontractors or independent contractors, any repairs made, or caused to be made by
10 County as may be necessary to restore the Property as a result of such damage or
11 injury shall be paid forthwith by Lessee to County upon a billing and accounting
12 thereof, in writing, by County to Lessee.

13 **9. Custodial Services.** Lessee shall provide, or cause to be provided, and
14 pay for all custodial services in connection with the Property.

15 **10. Security Services.** Lessee shall provide, or cause to be provided, and
16 pay for all security services in connection with the Property.

17 **11. Inspection of Premises.** County, through its duly authorized agents,
18 shall have the right to enter the Property for the purpose of inspecting, monitoring, and
19 evaluating the obligations of Lessee hereunder and for the purpose of doing any and
20 all things which it is obligated and has a right to do under this Lease.

21 **12. Quiet Enjoyment.** Lessee shall have, hold and quietly enjoy the use of
22 the Property so long as it shall fully and faithfully perform the terms and conditions that
23 it is required to do under this Lease.

24 **13. Compliance with Government Regulations.** Lessee shall, at Lessee's
25 sole cost and expense, comply with the requirements of all local, state and federal
26 statutes, regulations, rules, ordinances and orders now in force or which may be
27 hereafter in force, pertaining to the Property. Any final judgment, decree or order of
28 any court of competent jurisdiction, or the admission of Lessee in any action or

1 proceedings against Lessee that Lessee has violated any such statutes, regulations,
2 rules, ordinances or orders in the use of the Property, shall be conclusive of that fact as
3 between County and Lessee.

4 **14. Nondiscrimination.** Lessee herein covenants by and for himself or herself,
5 his or her heirs, executors, administrator, and assigns, and all persons claiming under
6 or through them, that this Lease is made and accepted upon and subject to the
7 following conditions: That there shall be no discrimination against or segregation of any
8 person or group of persons on account of any basis listed in section 12955 of the
9 Government Code, and also defined in sections 12926 and 12926.1 in the leasing,
10 subleasing, transferring, use, occupancy, tenure or enjoyment of the Property herein
11 leased, nor shall the Lessee himself or herself, or any persons claiming under or
12 through him or her, establish or permit any such practice or practices of discrimination
13 or segregation with reference to the selection, location, number, use or occupancy of
14 tenants, lessees, subtenants, subleases or vendees in the Property herein conveyed.
15 The foregoing covenants shall run with the land.

16 **15. Default.**

17 (a) Lessee shall be in default if the Premises is used for any purpose other
18 than that authorized in the Lease, fails to maintain the Premises or the improvements
19 in the manner provided for in the Lease, fails to pay any installment of rent or other
20 sum when due as provided for in the Lease, fails to comply with or perform any other
21 covenant, condition, provision or restriction provided for in the Lease, abandons the
22 Premises, allows the Premises to be attached, levied upon, or seized under legal
23 process; or, if the Lessee files or commits an act of bankruptcy, has a receiver or
24 liquidator appointed to take possession of the Premises, or commits or permits waste
25 on the Premises (collectively referred to as a "Default"), then the Lessee shall be
26 deemed in default under the terms of the Lease.

27 (b) In case of Default, County shall provide a thirty (30) day written notice to
28 Lessee to remedy any and all defaults. Upon the failure of Lessee to promptly remedy

1 such Default, County shall have the right to terminate this Lease and retake
2 possession of the Property together with all additions, alterations, and improvements
3 thereto. County shall also retain all rights to seek any and all remedies at law or in
4 equity.

5 **16. Termination by County.** Notwithstanding the provisions of Default, County
6 shall have the right to immediately terminate this Lease for the following:

7 (a) In the event a petition is filed for voluntary or involuntary
8 bankruptcy for the adjudication of Lessee as debtors.

9 (b) In the event that Lessee makes a general assignment, or Lessee's
10 interest hereunder is assigned involuntarily or by operation of law, for the benefit of
11 creditors.

12 (c) In the event of abandonment of the Property by Lessee.

13 **17. Insurance.** Without limiting or diminishing the Lessee's obligation to
14 indemnify or hold the County harmless, Lessee shall procure and maintain or cause to
15 be maintained, at its sole cost and expense, the following insurance coverage's during
16 the term of this Agreement. As respects to the insurance section only, the County
17 herein refers to the County of Riverside, its Agencies, Districts, Special Districts and
18 Departments, their respective directors, officers, Board of Supervisors, employees,
19 elected or appointed officials, agents or representatives as Additional Insureds.

20 A. **Workers' Compensation:**

21 If the Lessee has employees as defined by the State of California, the
22 Lessee shall maintain statutory Workers' Compensation. Insurance (Coverage A) as
23 prescribed by the laws of the State of California. Policy shall include Employers'
24 Liability (Coverage B) including Occupational Disease with limits not less than
25 \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation
26 in favor of The County of Riverside.

27 B. **Commercial General Liability:**

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1 Commercial General Liability insurance coverage, including but not
2 limited to, premises liability, unmodified contractual liability, products and completed
3 operations liability, personal and advertising injury, and cross liability coverage,
4 covering claims which may arise from or out of Lessee's performance of its obligations
5 hereunder. Policy shall name the County as Additional Insured. Policy's limit of liability
6 shall not be less than \$1,000,000 per occurrence combined single limit. If such
7 insurance contains a general aggregate limit, it shall apply separately to this agreement
8 or be no less than two (2) times the occurrence limit.

9 C. Vehicle Liability:

10 If vehicles or mobile equipment are used in the performance of the
11 obligations under this Agreement, then Lessee shall maintain liability insurance for all
12 owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000
13 per occurrence combined single limit. If such insurance contains a general aggregate
14 limit, it shall apply separately to this agreement or be no less than two (2) times the
15 occurrence limit. Policy shall name the County as Additional Insureds.

16 D. General Insurance Provisions – All lines:

17 1) Any insurance carrier providing insurance coverage hereunder
18 shall be admitted to the State of California and have an A M BEST rating of not less
19 than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk
20 Manager. If the County's Risk Manager waives a requirement for a particular insurer
21 such waiver is only valid for that specific insurer and only for one policy term.

22 2) The Lessee must declare its insurance self-insured retention for
23 each coverage required herein. If any such self-insured retention exceeds \$500,000
24 per occurrence each such retention shall have the prior written consent of the County
25 Risk Manager before the commencement of operations under this Agreement. Upon
26 notification of self-insured retention unacceptable to the County, and at the election of
27 the County's Risk Manager, Lessee's carriers shall either; 1) reduce or eliminate such
28 self-insured retention as respects this Agreement with the County, or 2) procure a bond

1 which guarantees payment of losses and related investigations, claims administration,
2 and defense costs and expenses.

3 3) Lessee shall cause Lessee's insurance carrier(s) to furnish the
4 County of Riverside with either 1) a properly executed original Certificate(s) of
5 Insurance and certified original copies of Endorsements effecting coverage as required
6 herein, and 2) if requested to do so orally or in writing by the County Risk Manager,
7 provide original Certified copies of policies of insurance shall contain the covenant of
8 the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given
9 to the County of Riverside prior to any material modification, cancellation, expiration or
10 reduction in coverage of such insurance. If Lessee's insurance carrier(s) policies does
11 not meet the minimum notice requirement found herein, Lessee shall cause Lessee's
12 insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

13 4) In the event of a material modification, cancellation, expiration, or
14 reduction in coverage, this Agreement shall terminate forthwith, unless the County of
15 Riverside receives, prior to such effective date, another properly executed original
16 Certificate of Insurance and original copies of endorsements or certified original
17 policies, including all endorsements and attachments thereto evidencing coverage's set
18 forth herein and the insurance required herein is in full force and effect. Lessee shall
19 not commence operations until the County has been furnished original Certificate(s) of
20 Insurance and certified original copies of endorsements and if requested, certified
21 original policies of insurance including all endorsements and any and all other
22 attachments as required in this Section. An individual authorized by the insurance
23 carrier to do so on its behalf shall sign the original endorsements for each policy and
24 the Certificate of Insurance.

25 5) It is understood and agreed to by the parties hereto that the
26 Lessee's insurance shall be construed as primary insurance, and the County's
27 insurance and/or deductibles and/or self-insured retention's or self-insured programs
28 shall not be construed as contributory.

1 6) If, during the term of this Agreement or any extension thereof,
2 there is a material change in the scope of services; or, there is a material change in the
3 equipment to be used in the performance of the scope of work; or, the term of the
4 Agreement, including any extensions thereof, exceeds five (5) years; the County
5 reserves the right to adjust the types of insurance and the monetary limits of liability
6 required under this Agreement, if in the County Risk Manager's reasonable judgment,
7 the amount or type of insurance carried by the Lessee has become inadequate.

8 7) Lessee shall pass down the insurance obligations contained
9 herein to all tiers of subcontractors working under this Agreement.

10 8) The insurance requirements contained in this Agreement may be
11 met with a program(s) of self-insurance acceptable to the County.

12 9) Lessee agrees to notify County of any claim by a third party or any
13 incident or event that may give rise to a claim arising from the performance of this
14 Agreement.

15 **18. Hold Harmless.** Lessee shall indemnify and hold harmless the County of
16 Riverside, its Agencies, Districts, Special Districts and Departments, their respective
17 directors, officers, Board of Supervisors, elected and appointed officials, employees,
18 agents and representatives (individually and collectively hereinafter referred to as
19 Indemnitees) from any liability whatsoever, based or asserted upon any services of
20 Lessee, its officers, employees, subtenants, agents or representatives arising out of or
21 in any way relating to this Agreement, including but not limited to property damage,
22 bodily injury, or death or any other element of any kind or nature whatsoever arising
23 from the performance of Lessee, its officers, employees, subtenants, agents or
24 representatives Indemnitors from this Agreement. Lessee shall defend, at its sole
25 expense, all costs and fees including, but not limited, to attorney fees, cost of
26 investigation, defends and settlements or awards, the Indemnitees in any claim or
27 action based upon such alleged acts or omissions

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1 With respect to any action or claim subject to indemnification herein by Lessee,
2 Lessee shall, at their sole cost, have the right to use counsel of their own choice and
3 shall have the right to adjust, settle, or compromise any such action or claim without
4 the prior consent of County; provided, however, that any such adjustment, settlement
5 or compromise in no manner whatsoever limits or circumscribes Lessee's
6 indemnification to Indemnitees as set forth herein.

7 Lessee's obligation hereunder shall be satisfied when Lessee has provided to
8 County the appropriate form of dismissal relieving County from any liability for the
9 action or claim involved.

10 The specified insurance limits required in this Agreement shall in no way limit or
11 circumscribe Lessee's obligations to indemnify and hold harmless the Indemnitees
12 herein from third party claims.

13 In the event there is conflict between this clause and California Civil Code
14 Section 2781, this clause shall be interpreted to comply with Civil Code 2782. Such
15 Interpretation shall not relieve the Lessee from indemnifying the Indemnitees to the
16 fullest extent allowed by law.

17 **19. Assignment.** Lessee cannot assign, sublet, mortgage, hypothecate or
18 otherwise transfer in any manner any of its rights, duties or obligations hereunder to
19 any person or entity without the prior written consent of County being first obtained,
20 which consent shall be in the absolute discretion of County. In the event of any such
21 transfer, as provided in this Section, Lessee expressly understands and agrees that it
22 shall remain liable with respect to any and all of the obligations and duties contained in
23 this Lease.

24 **20. Indemnification.** Unless due to the active negligence of the County,
25 Lessee shall indemnify and hold harmless the County of Riverside, its agencies,
26 districts, special districts and departments, their respective directors, officers, Board of
27 Supervisors, elected and appointed officials, employees, agents and representatives
28 ("County Parties") from any liability whatsoever, based or asserted upon any act or

1 omission of Lessee, its officers, employees, subcontractors, agents or representatives
2 arising out of or in any way relating to or in any way connected with the Property or this
3 Lease, including but not limited to property damage, bodily injury, or death or any other
4 element of any kind or nature whatsoever. Lessee shall defend, at its sole expense, all
5 costs and fees including, but not limited, to attorney fees, cost of investigation, defense
6 and settlements or awards, County Parties in any claim or action based upon such
7 alleged acts or omissions.

8 With respect to any action or claim subject to indemnification herein by Lessee,
9 Lessee shall, at their sole cost, have the right to use counsel of their own choice and
10 shall have the right to adjust, settle, or compromise any such action or claim without
11 the prior consent of County; provided, however, that any such adjustment, settlement
12 or compromise in no manner whatsoever limits or circumscribes Lessee's
13 indemnification to County as set forth herein.

14 Lessee's obligation hereunder shall be satisfied when Lessee has provided to
15 County the appropriate form of dismissal relieving County from any liability for the
16 action or claim involved.

17 The specified insurance limits required in this Agreement shall in no way limit or
18 circumscribe Lessee's obligations to indemnify and hold harmless the County herein
19 from third party claims.

20 In the event there is conflict between this clause and California Civil Code
21 section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such
22 interpretation shall not relieve the Lessee from indemnifying the County to the fullest
23 extent allowed by law.

24 Survival of Indemnification. The paragraphs of this Section shall survive the
25 expiration or earlier termination of this Lease until all claims against County Parties
26 involving any of the indemnified matters are fully, finally, and absolutely barred by the
27 applicable statutes of limitations.

28

1 **21. Toxic Materials.** During the term of the Lease and any extensions thereof,
2 Lessee shall not violate any federal, state or local law, ordinance or regulation, relating
3 to industrial hygiene or to the environmental condition on, under or about the Property,
4 including, but not limited to, soil and groundwater conditions. Further, Lessee, its
5 successors, assigns and sublessees, shall not use, generate, manufacture, produce,
6 store or dispose of on, under or about the Property or transport to or from the Property
7 any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic
8 substances or related injurious materials, whether injurious by themselves or in
9 combination with other materials (collectively, "hazardous substances," "hazardous
10 materials" or "toxic substances") in the Comprehensive Environmental Response,
11 Compensation and Liability Act of 1980, as amended, 42 U.S.C. section 9601, et seq;
12 the Hazardous Materials Transportation Act, 49 U.S.C. section 1801, et seq; the
13 Resource Conservation and Recovery Act, 42 U.S.C. section 6901, et seq; and those
14 substances defined as "Hazardous Wastes" in section 25117 of the California Health
15 and Safety Code or as "Hazardous Substances" in section 25316 of the California
16 Health and Safety Code; and in the regulations adopted in publications promulgated
17 pursuant to said laws.

18 **22. Free From Liens.** Lessee shall pay, when due, all sums of money that
19 may become due for any labor, services, material, supplies, or equipment, alleged to
20 have been furnished or to be furnished to Lessee, in, upon, or about the Property, and
21 which may be secured by a mechanics', materialman's or other lien against the
22 Property or County's interest therein, and will cause each such lien to be fully
23 discharged and released at the time the performance of any obligation secured by such
24 lien matures or becomes due; provided, however, that if Lessee desires to contest any
25 such lien, it may do so, but notwithstanding any such contest, if such lien shall be
26 reduced to final enforcement thereof is not promptly stayed, or if so stayed, and said
27 stay thereafter expires, then and in such event, Lessee shall forthwith pay and
28 discharge said judgment.

1 **23. Employees and Agents of Lessee.** It is understood and agreed that all
2 persons hired or engaged by Lessee shall be considered to be employees or agents
3 only of Lessee and not of County.

4 **24. Binding of Successors.** Lessee, its assigns and successors in interest,
5 shall be bound by all the terms and conditions contained in this Lease, and all the
6 parties thereto shall be jointly and severally liable hereunder.

7 **25. Waiver of Performance.** No waiver by County at any time of any of the
8 terms and conditions of this Lease shall be deemed or construed as a waiver at any
9 time thereafter of the same or of any other terms or conditions contained herein or of
10 the strict and timely performance of such terms and conditions.

11 **26. Severability.** The invalidity of any provision in this Lease as determined by
12 a court of competent jurisdiction shall in no way affect the validity of any other provision
13 hereof.

14 **27. Governing Law; Venue.** This Agreement shall be governed by and
15 construed in accordance with the laws of the State of California. The County and
16 Lessee agree that this Agreement has been entered into at Riverside, California, and
17 that any legal action related to the interpretation or performance of the Agreement shall
18 be filed in the Superior Court for the State of California in Riverside, and the parties
19 hereby waive all provisions of law providing for a change of venue in such proceedings
20 to any other county.

21 **28. Notices.** Any notice shall be addressed to the respective parties as set
22 forth below:

23
24 County:
25 Real Estate Division
26 Economic Development Agency
27 3403 10th Street, Suite 400
Riverside, California 92501
(951) 955-4820

Lessee:
City Manager
City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, California 92262
(760) 323-8201

1 or to such other addresses as from time to time shall be designated by the respective
2 parties.

3 **29. Amendments.** This Lease shall not be modified unless mutually agreed
4 upon in writing by the County and the Lessee and shall be incorporated in executed
5 amendments to this Lease.

6 **30. No Third Party Beneficiaries.** This Lease is made and entered into for
7 the sole protection and benefit of the parties hereto. No other person or entity shall
8 have any right of action based upon the provisions of this Lease.

9 **31. Permits, Licenses and Taxes.** Lessee shall secure and maintain, at its
10 expense, all necessary permits and licenses as it may be required to obtain and/or
11 hold, and Lessee shall pay for all fees and taxes levied or required by any authorized
12 public entity.

13 **32. County's Representative.** County hereby appoints the Assistant County
14 Executive Officer of the Economic Development Agency as its authorized
15 representatives to administer this Lease.

16 **33. Agent for Service of Process.** It is expressly understood and agreed that
17 in the event Lessee is not a resident of the State of California or it is an association or
18 partnership without a member or partner resident of the State of California, or it is a
19 foreign corporation, then in any such event, Lessee shall file with the Assistant County
20 Executive Officer of the Economic Development Agency, upon its execution hereof, a
21 designation of a natural person residing in the State of California, giving his or her
22 name, residence and business addresses, as its agent for the purpose of services of
23 process in any court action arising out of or based upon this Lease, and the delivery to
24 such agent of a copy of any process in any such action shall constitute valid service
25 upon Lessee. It is further expressly understood and agreed that if for any reason
26 service of such process upon such agent is not feasible, then, in such event, Lessee
27 may be personally served with such process out of the State and that such service
28 shall constitute valid service upon Lessee. It is further expressly understood and

1 agreed that Lessee is amenable to the process so served, submits to the jurisdiction of
2 the court so obtained and waives any and all objections and protests thereto.

3 **34. Entire Lease.** This Lease is intended by the parties hereto as a final
4 expression of their understanding with respect to the subject matter hereof and as a
5 complete and exclusive statement of the terms and conditions thereof and supersedes
6 any and all prior and contemporaneous leases, agreements and understandings, oral
7 or written, in connection therewith. The Lease may be changed or modified only upon
8 the written consent of the parties hereto.

9 **35. Authority to Execute.** The persons executing this Lease on behalf of the
10 parties to this Lease hereby warrant and represent that they have the authority to
11 execute this Lease and warrant and represent that they have the authority to bind the
12 respective parties to this Lease and to the performance of its obligations hereunder.

13 **36. Approval.** Anything to the contrary notwithstanding, this Lease shall not be
14 binding or effective until its execution by the County of Riverside.

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1 IN WITNESS WHEREOF, County and Lessee have executed this Lease on this
2 day _____ of _____, 20__.

3
4 COUNTY:

LESSEE:

5 County of Riverside, a Political
6 subdivision of the State of California

City of Palm Springs, a California charter
city and municipal corporation

7
8 By: _____
9 Robert Field, Assistant County
Executive Officer / EDA

By: _____
David H. Ready, City Manager

10 APPROVED AS TO FORM:

ATTESTED BY:

11 Gregory P. Priamos
12 County Counsel

By: _____
13 Kathleen D. Hart, Interim City Clerk

14
15 By: _____
Deputy County Counsel

APPROVED AS TO FORM:

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17 By: _____
Edward Z. Kotkin, City Attorney

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28 CAO:tg/051717/292FM/19.042

EXHIBIT "A"

All that certain real property situated in the County of Riverside, State of California, described as follows:

That portion of the Northwest One Quarter of the Northeast One Quarter of the Southeast One Quarter of Section 10, Township 3 South, Range 4 East, San Bernardino Base and Meridian, in the County of Riverside, State of California, described as follows:

Beginning at the Northeast corner of said Northwest One Quarter of the Northeast One Quarter of the Southeast One Quarter of Section 10;
Thence South $00^{\circ}09'20''$ West along the Easterly line thereof a distance of 240.00 feet;
Thence South $89^{\circ}47'20''$ West parallel with the Northerly line of said Southeast One Quarter of Section 10, a distance of 225.00 feet;
Thence North $00^{\circ}00'20''$ East parallel with said Easterly line of the Northeast One Quarter of the Northeast One Quarter of the Southeast One Quarter of Section 10 a distance of 240.00 feet to the Northerly line thereof.
Thence North $89^{\circ}47'20''$ East along said Northerly line a distance of 225.00 feet to the point of beginning;

Excepting the Northerly 55 feet thereof;

Also excepting that portion lying within the Parcel of land conveyed to the County of Riverside by deed recorded February 4, 1958 as Instrument No. 8232, in Book 2216, Page 512 of Official Records of said County.

Assessor's Parcel No: 666-140-024-1