

CITY OF GARDEN GROVE

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: City Manager
Subject: LEASE AGREEMENTS WITH
COUNTY OF ORANGE FOR
GARDEN GROVE LIBRARY
BRANCHES

From: Chet Yoshizaki
Dept: Economic Development
Date: January 26, 2010

OBJECTIVE

It is requested that the City Council consider a request from the County of Orange ("County") to enter into new lease agreements for occupancy of two (2) library sites located at 9192 Chapman Avenue ("Chapman") and 11962 Bailey Street ("Bailey").

BACKGROUND

On May 1, 1968, the City of Garden Grove ("City") and the County entered into a thirty (30) year Facility Lease Agreements ("Leases") for the use of Chapman and Bailey library facilities. On August 8, 1995, the City approved amendments to the Leases waiving rent for the remainder of the term, as a direct result of the County bankruptcy. On March 16, 1999, the City of Garden Grove ("City") entered into 10-year lease agreements with the County for continued use of City library facilities rent-free. The City currently has an additional lease with the County for the operation of the Garden Grove Regional Library located at 11200 Stanford Avenue, which expires July 31, 2018.

DISCUSSION

The County is proposing new Leases for continued occupancy of the Chapman and Bailey library branches. The terms of the new Leases are as follows:

- Premises: Each facility is approximately 5,094 square feet.
- Term: Expires on July 31, 2018.
- Rent: None. Free library services are provided to the community.
- Termination: If the County's funding source is significantly reduced or terminated, either party may terminate the Leases with a one hundred twenty (120) days written notice from one party to the other party.

LEASE AGREEMENTS WITH COUNTY OF ORANGE FOR
GARDEN GROVE LIBRARY BRANCHES

January 26, 2010

Page 2

- Repairs and Maintenance: County will provide janitorial and interior maintenance. City will provide carpet replacement and exterior paint if needed.
- Exterior Maintenance: City will provide exterior maintenance and landscaping.
- ADA compliance: City shall comply with Americans with Disabilities Act by upgrading restrooms in each facility to the current standard. Upgrading estimates are \$40,000 per facility.

There are similar lease terms for library facilities between the County and nine other cities in Orange County.

FINANCIAL IMPACT

- There is no impact to the General Fund, other than costs for exterior maintenance and landscaping.

RECOMMENDATION

It is recommended that the City Council:

- Approve the Lease Agreements with the County of Orange for continued use of the City-owned library facilities;
- Authorize the City Manager to execute the Lease Agreements.


CHET YOSHIZAKI
Economic Development Director

By: Carlos Marquez
Real Property Agent

Recommended for Approval


Matthew Fertal
City Manager

Attachment 1: Lease Agreement for Bailey Street Branch
Attachment 2: Lease Agreement for Chapman Avenue Branch

1 GG 28-L -B.R2
2 Garden Grove/West Branch
3 11962 Bailey Street, Garden Grove

4 LEASE

5 THIS IS A LEASE, hereinafter referred to as "Lease," made _____, 20___, by and between
6 the CITY OF GARDEN GROVE, a municipal corporation, hereinafter referred to as "CITY," and the
7 COUNTY OF ORANGE, a political subdivision of the State of California, hereinafter referred to as
"COUNTY," without regard to number and gender. The term "COUNTY" shall mean the Board of
Supervisors of the political body that executed this agreement or its authorized representative.

8 1. DEFINITIONS (1.2 N)

9 "Board of Supervisors" means the Board of Supervisors of the County of Orange, a political
10 subdivision of the State of California.

11 "County Executive Officer" means the County Executive Officer, County Executive Office, County
12 of Orange, or designee, or upon written notice to CITY, such other person or entity as shall be
designated by the Board of Supervisors.

13 "County Counsel" means the County Counsel, County of Orange, or designee, or upon written notice
14 to CITY, such other person or entity as shall be designated by the County Executive Officer or the
15 Board of Supervisors.

16 "County Librarian" means the County Librarian, OC Public Libraries, County of Orange, or designee,
17 or upon written notice to CITY, such other person or entity as shall be designated by the County
Executive Officer or the Board of Supervisors.

18 "Director of CEO/Administrative Services" means the Director, County Executive Office,
19 Administrative Services, County of Orange, or designee, or upon written notice to CITY, such other
person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

20 "Corporate Real Estate" means OC Public Works, OC Facilities, Real Estate and Asset Management,
21 Corporate Real Estate, County of Orange, or upon written notice to CITY, such other entity as shall
be designated by the Director of OC Public Works.

22 "Manager of Corporate Real Estate" means the Manager, OC Public Works, OC Facilities, Real
23 Estate and Asset Management, Corporate Real Estate, County of Orange, or designee or upon written
24 notice to CITY, such other person or entity as shall be designated by the Director of OC Public
Works.

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1 2. PREMISES (1.3A S)

2 CITY leases to COUNTY that certain property hereinafter referred to as "Premises," described in
3 "Exhibit A" and shown on "Exhibit B", which exhibits are attached hereto and by reference made a
4 part hereof.

5 3. PARKING (1.4 N)

6 CITY, throughout the term of this Lease, shall provide posted parking spaces for COUNTY's free and
7 exclusive use. Said parking spaces are to be located in the parking area shown on Exhibit B.

8 In addition to said parking spaces, CITY shall also provide parking for disabled persons in
9 accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform
10 Building Code and the applicable codes and/or ordinances relating to parking for disabled persons as
11 established by the local jurisdiction in which the Premises is located where the provisions of such
12 local codes and/or ordinances exceed or supersede the State requirements.

13 4. TERMINATION OF PRIOR AGREEMENTS (1.5 S)

14 It is mutually agreed that this Lease shall terminate and supersede any prior agreement between the
15 parties hereto covering all or any portion of the Premises, including that certain lease dated March 16,
16 1999, except for those terms relating to continuing obligations for events during the terms of that
17 prior agreement between the parties hereto, including but not limited to indemnification, EXCEPT
18 that all personal property and/or equipment (e.g., fixtures, partitions, counters, shelving) attached to
19 and/or placed upon any portion of the Premises by COUNTY pursuant to the terms of any prior
20 agreement between the parties hereto shall remain the personal property of COUNTY, who shall have
21 the right to remove same.

22 5. USE (2.1 N)

23 COUNTY shall use the Premises for free public library purposes and for no other purpose.

24 6. TERM (2.2A N)

25 The term of this Lease shall commence the first day of the first full calendar month following the date
26 of execution by COUNTY ("Commencement Date") and end on July 31, 2018.

27 Parties agree that the Commencement Date of this Lease will be confirmed in writing by either party
28 upon demand by the other.

7. OPTION TO TERMINATE LEASE (2.4B N)

This Lease may be contingent upon Federal, State, and COUNTY funding. If, in the opinion of
COUNTY or CITY, a funding source is significantly reduced or terminated, COUNTY or CITY shall
have the right to terminate this Lease upon one hundred and twenty (120) day's prior written notice.

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1 8. CONSIDERATION (3.1 N)

2 In consideration of the free library services provided by COUNTY, COUNTY's use of the Premises
3 shall be rent-free throughout the term of this Lease.

4 9. ALTERATIONS (4.4 N)

5 COUNTY may make improvements and changes in the Premises, including but not limited to the
6 installation of fixtures, partitions, counters, shelving, and equipment as deemed necessary or
7 appropriate. It is agreed that any such fixtures, partitions, counters, shelving, or equipment attached
8 to or placed upon the Premises by COUNTY shall be considered as personal property of COUNTY,
9 who shall have the right to remove same. COUNTY agrees that the Premises shall be left in as good
10 condition as when received, reasonable wear and tear excepted. County shall obtain written
11 authorization from CITY for any and all exterior improvements prior to commencement of
12 construction. All improvements, whether interior or exterior, which require permits will be completed
13 in conformance with state and local ordinances.

14 10. REPAIR AND MAINTENANCE (5.1A N)

15 COUNTY shall provide, at its own cost and expense, all janitorial supplies and services to the
16 Premises, including the supplying of rest room expendables and replacement of light bulbs, ballasts
17 and fluorescent tubes. COUNTY shall also provide, at its own cost and expense, the cleaning and
18 refinishing of interior surfaces (stripping and waxing of floors) and repair of all damage caused by
19 misuse of the Premises by COUNTY's patrons and employees and others under the direct care,
20 control and supervision of COUNTY. COUNTY shall also be responsible for repair and maintenance
21 of the building security system installed by the COUNTY.

22 If COUNTY fails to provide satisfactory repair and maintenance of interior surfaces to the Premises,
23 in a manner consistent with the maintenance levels of other branch libraries throughout Orange
24 County, CITY may notify COUNTY in writing; and if COUNTY does not instigate measures within
25 a reasonable time after CITY has placed such notice in the mail to COUNTY directed to the address
26 shown for COUNTY in "NOTICES" clause below, or has personally delivered such notice to
27 COUNTY, CITY may provide the repair and maintenance necessary to remedy the unsatisfactory
28 conditions and assure satisfactory service or have others do so, and bill the cost thereof to COUNTY,
including labor, materials and overhead.

CITY shall provide, at its own cost and expense, all other repair and maintenance items, including,
but not limited to, maintenance of the heating and air conditioning system. CITY's repair and
maintenance standards shall be consistent with the maintenance levels at other branch libraries
throughout Orange County.

If CITY fails to provide satisfactory repair and maintenance (including fire extinguishers) to the
Premises in a manner consistent with the maintenance levels of other branch libraries throughout
Orange County, COUNTY's OC Public Libraries may notify CITY in writing; and if CITY does not
instigate measures to provide satisfactory service and/or to remedy the unsatisfactory conditions
within a reasonable time after COUNTY has placed such notice in the mail to CITY directed to the
address shown for CITY in the clause entitled (NOTICES) below, or has personally delivered such

1 notice to CITY, COUNTY may provide the repair and maintenance necessary to remedy the
2 unsatisfactory conditions and assure satisfactory service or have others do so, and bill the cost thereof
3 to CITY, including labor, materials, and overhead. CITY shall have nine months from completion of
repairs to pay for costs.

4 If CITY or CITY's representative cannot be contacted by COUNTY for emergency repairs and/or
5 services the same day any emergency repairs and/or services are necessary to remedy the emergency
6 condition, or if CITY following such contact by COUNTY is unable to make the necessary repairs or
7 provide the necessary services, COUNTY may, at its option, have the necessary repairs made and/or
provide services to remedy the emergency condition, and bill CITY the cost thereof including labor,
materials, and overhead.

8 Notwithstanding the above, COUNTY may communicate a notice of a deficiency to CITY by
9 telephone and confirming facsimile. The date and time stamped on the facsimile confirmation page
shall determine the date and time notice was first given to CITY.

10 Should COUNTY be forced to shut down its operations within the Premises due to CITY's failure to
11 provide services required by this clause, CITY shall be responsible for the cost, to the COUNTY, of
such a shutdown.

12 11. UTILITIES (5.2 N)

13 COUNTY shall be responsible for and pay, prior to the delinquency date, all charges for utilities
14 supplied to the Premises.

15 12. INSURANCE (5.3 N)

16 **Property/Fire Insurance:** If CITY is self-insured, CITY shall provide COUNTY with a written
17 acknowledgement of this fact at the time of the execution of this Lease. CITY shall annually
18 thereafter, on the anniversary of the date of this Lease, provide COUNTY with a written
19 acknowledgement of the continuation of its self-insured status. If, at any time after the execution of
the Lease, CITY abandons its self-insured status, CITY shall immediately notify COUNTY of this
fact.

20 If CITY is not self-insured, CITY shall obtain and keep in force during the term of this Lease a policy
21 or policies of property and fire insurance with extended coverage, covering the loss or damage to the
22 Premises to the full insurable value of the improvements located on the Premises (including the full
23 value of all improvements and fixtures owned by CITY) at least in the amount of the full replacement
24 cost thereof, and in no event less than the total amount required by any lender holding a security
interest, against all perils included within the classification of fire, extended coverage, vandalism,
25 malicious mischief, special extended perils ("all risk" as such term is used in the insurance industry,
including earthquake and flood) and shall name the COUNTY as an additional insured.

26 Included in the policy or policies of property and fire insurance shall be a standard waiver of right of
27 subrogation against COUNTY by the insurance company issuing said policy or policies. CITY shall
provide COUNTY with evidence of compliance with these requirements.

1 CITY's insurance (a) shall be in a form satisfactory to COUNTY and carried with a company (or
2 companies) acceptable to COUNTY and licensed to do business in the state of California, (b) shall
3 provide that such policies shall not be subject to material alteration or cancellation without at least
4 thirty (30) days prior written notice to COUNTY, and (c) shall be primary, and any insurance carried
5 by COUNTY shall be non-contributing. CITY's policy or policies, or duly executed certificates for
6 them, shall be deposited with COUNTY prior to the Commencement Date of this Lease, and prior to
7 renewal of such policies. If CITY fails to procure and maintain the insurance required to be procured
8 by CITY under this Lease, COUNTY may, but shall not be required to, order such insurance and bill
9 CITY the cost thereof plus any COUNTY administrative charges.

10 13. INDEMNIFICATION (5.5A S)

11 COUNTY shall defend, indemnify and save harmless CITY, its officers, agents, and employees, from
12 and against any and all claims, demands, losses, or liabilities of any kind or nature which CITY, its
13 officers, agents, and employees may sustain or incur or which may be imposed upon them for injury
14 to or death of persons, or damage to property as a result of, or arising out of, the negligence of
15 COUNTY, its officers, agents, employees, subtenants, invitees, or licensees, in connection with the
16 occupancy and use of the Premises by COUNTY.

17 Likewise CITY shall defend, indemnify and save harmless COUNTY, its officers, agents, and
18 employees from and against any and all claims, demands, losses, or liabilities of any kind or nature
19 which COUNTY, its officers, agents, and employees may sustain or incur or which may be imposed
20 upon them for injury to or death of persons, or damage to property as a result of, or arising out of, the
21 negligence of CITY, its officers, agents, employees, invitees, or licensees, in connection with the
22 ownership, maintenance, or use of the Premises.

23 14. TAX EXEMPTION (5.6A S)

24 It is mutually understood and agreed that the rental rate set forth in this Lease is made in anticipation
25 that the Premises will be used for a public library and as such will be exempt from real property taxes
26 (but not from special assessments and special assessment district levies) as provided for in Section
27 202 of the Revenue and Taxation Code. It is also understood and agreed that it is CITY's
28 responsibility to properly claim said exemption through the Orange County Assessor's Office. If
CITY has properly claimed said tax exemption and the Premises fails to qualify for said tax
exemption under the above-mentioned code section, the CITY agrees to pay the real property taxes
prior to delinquency, and the COUNTY agrees to reimburse the CITY for the amount of any such
taxes, but not for any delinquent or other penalties thereon.

Any reimbursement made under the provisions as set forth above will not include payment of special
assessments and special assessment district levies.

15. BUILDING AND SAFETY REQUIREMENTS (5.7 N)

During the full term of this Lease, CITY, at CITY's sole cost, agrees to maintain the Premises in
compliance with all applicable laws, rules, regulations, building codes, statutes, and orders as they are
applicable on the date of this Lease, and as they may be subsequently amended.

1 Included in this provision is compliance with the Americans with Disabilities Act (ADA) and all
2 other federal, state, and local codes, statutes, and orders relating to disabled access as they are
3 applicable on the dates of this Lease, and as they may be subsequently amended.

4 CITY further agrees to maintain the Premises as a "safe place of employment," as defined in the
5 California Occupational Safety and Health Act (California Labor Code, Division 5, Part 1, Chapter 3,
6 beginning with Section 6400) and the Federal Occupational Safety and Health Act, where the
7 provisions of such Act exceed, or supersede, the California Act, as the provisions of such Act are
8 applicable on the date of this Lease, and as they may be subsequently amended.

9 In the event CITY neglects, fails, or refuses to maintain said Premises as aforesaid, COUNTY may,
10 notwithstanding any other termination provisions contained herein:

11 A. Terminate this Lease upon written notice to CITY; or

12 B. At COUNTY's sole option, cure any such default by performance of any act, including
13 payment of money, and bill CITY the cost thereof plus reasonable administrative costs.

14 16. TOXIC MATERIALS (5.9 S)

15 COUNTY hereby warrants and represents that COUNTY will comply with all laws and regulations
16 relating to the storage, use and disposal of hydrocarbon substances and hazardous, toxic or
17 radioactive matter, including, but not limited to, those materials identified in Title 26 of the
18 California Code of Regulations (collectively "Toxic Materials"). COUNTY shall be responsible for
19 and shall defend, indemnify and hold CITY, its officers, directors, employees, agents, and
20 representatives, harmless from and against all claims, costs and liabilities, including attorneys' fees
21 and costs arising out of or in connection with the storage, use, and disposal of Toxic Materials on the
22 Premises by COUNTY. If the storage, use, and disposal of Toxic Materials on the Premises by
23 COUNTY results in contamination or deterioration of water or soil resulting in a level of
24 contamination greater than maximum allowable levels established by any governmental agency
25 having jurisdiction over such contamination, COUNTY shall promptly take any and all action
26 necessary to clean up such contamination.

27 Likewise, CITY hereby warrants and represents that CITY has in the past and will hereafter comply
28 with all laws and regulations relating to the storage, use and disposal of "Toxic Materials". CITY
shall be responsible for and shall defend, indemnify and hold COUNTY, its officers, directors,
employees, agents, and representatives, harmless from and against all claims, costs and liabilities,
including attorneys' fees and costs arising out of or in connection with the previous, current and
future storage, use and disposal of Toxic Materials on the Premises (or building if the Premises
comprises only a portion of said building) by CITY. If the previous, current and future storage, use,
and disposal of Toxic Materials on the Premises by CITY results in contamination or deterioration of
water or soil resulting in a level of contamination greater than maximum allowable levels established
by any governmental agency having jurisdiction over such contamination, CITY shall promptly take
any and all action necessary to clean up such contamination.

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1 17. ASSIGNMENT AND SUBLETTING (N)

2 No party to this Lease shall have the right to assign or sublet this Lease or any interest, right, or
3 obligation under this Lease.

4 18. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE (6.4 S)

5 This Lease and all rights of the COUNTY hereunder are subject and subordinate to any mortgage or
6 deed of trust which may hereafter cover the Premises or any interest of CITY therein, and to any and
7 all advances made on the security thereof, and to any and all increases, renewals, modifications,
8 consolidations, replacements and extensions of any such mortgage or deed of trust except, insofar as
COUNTY is meeting its obligations under this Lease, any foreclosure of any mortgage or deed of
trust shall not result in the termination of this Lease or the displacement of COUNTY.

9 In the event of transfer of title of the Premises, including any proceedings brought for foreclosure or
10 in the event of the exercise of the power of sale under any mortgage or deed of trust, or by any other
11 transfer of title covering the Premises, COUNTY shall attorn to and recognize any subsequent title
12 holder as the CITY under all terms, covenants and conditions of this Lease. COUNTY's possession
13 of the Premises shall not be disturbed by the CITY, or its successors in interest, and this Lease shall
remain in full force and effect. Said attornment shall be effective and self-operative immediately
upon succession of the current title holder, or its successors in interest, to the interest of CITY under
this Lease.

14 If CITY executes a deed of trust or mortgage during the term of this Lease, then CITY shall facilitate
15 and cooperate with COUNTY to obtain a *Subordination, Attornment and Non-Disturbance*
16 *Agreement* from holder of deed of trust or lienholder, within sixty (60) days upon CITY executing a
17 deed of trust or mortgage. CITY shall require all future lenders on the Premises, upon initiation of
18 their interest in the Premises, to enter into a *Subordination, Attornment and Non-Disturbance*
19 *Agreement* with COUNTY, thereby insuring COUNTY of its leasehold interests in the Premises.
Said *Subordination, Attornment and Non-Disturbance Agreement* shall be in the form of COUNTY's
standard form *Subordination, Attornment and Non-Disturbance Agreement* or in a form approved by
County Librarian, Corporate Real Estate and County Counsel.

20 Foreclosure shall not extinguish this Lease, and any lender or any third party purchasing the Premises
21 at foreclosure sale shall do so subject to this Lease and shall thereafter perform all obligations and be
responsible for all liabilities of the CITY under the terms of this Lease.

22 Upon default by CITY of any note or deed of trust, COUNTY may, at its option, make all lease
23 payments directly to Lender, and same shall be applied to the payment of any and all delinquent or
future installments due under such note or deed of trust.

24 19. ESTOPPEL CERTIFICATE (6.5 S)

25 COUNTY agrees the County Librarian, shall furnish from time to time upon receipt of a written
26 request from CITY or the holder of any deed of trust or mortgage covering the Premises or any
27 interest of CITY therein, COUNTY's standard form *Estoppel Certificate* containing information as to
the current status of the Lease. The *Estoppel Certificate* shall be approved by the County Librarian,
Corporate Real Estate, and County Counsel.

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2 20. DEFAULTS AND REMEDIES (6.8 N)

3 The occurrence of any of the following shall constitute an event of default:

- 4 • Failure to perform any obligation, agreement or covenant under this Lease.

5 In the event of any non-monetary breach of this Lease by COUNTY, CITY shall notify COUNTY in
6 writing of such breach, and COUNTY shall have fifteen (15) days in which to initiate action to cure
7 said breach.

8 In the event of any non-monetary breach of this Lease by CITY, COUNTY shall notify CITY in
9 writing of such breach and CITY shall have fifteen (15) days in which to initiate action to cure said
10 breach.

11 21. LABOR CODE COMPLIANCE (6.10 S)

12 CITY acknowledges and agrees that all improvements or modifications required to be performed as a
13 condition precedent to the Commencement Date of the term of this Lease or any such future
14 improvements or modifications performed by CITY at the request of COUNTY shall be governed by,
15 and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the
16 Labor Code of the State of California (Sections 1770, et seq.). These provisions are applicable to
17 improvements or modifications costing more than \$1,000.

18 Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the Orange
19 County Board of Supervisors has obtained the general prevailing rate of per diem wages and the
20 general prevailing rate for holiday and overtime work in the locality applicable to this Lease for each
21 craft, classification, or type of workman needed to execute the aforesaid improvements or
22 modifications from the Director of the State Department of Industrial Relations. Copies of said
23 prevailing wage rates may be obtained from the State of California, Department of Industrial
24 Relations or the Clerk of the Board.

25 As required by applicable law, CITY hereby agrees to pay or cause its contractors and/or
26 subcontractors to pay said prevailing wage rates at all times for all improvements or modifications to
27 be completed for COUNTY within the Premises, and CITY herein agrees that CITY shall post, or
28 cause to be posted, a copy of the most current, applicable prevailing wage rates at the site where the
improvements or modifications are performed.

As required by applicable law, CITY shall maintain certified payroll records for all workers that will
be assigned to the improvements or modifications and shall produce such records upon request by
COUNTY or other applicable State agency. Said payroll records shall contain, but not be limited to,
the complete name, address, telephone number, social security number, job classification, and
prevailing wage rate for each worker.

If CITY neglects, fails, or refuses to provide said payroll records to OC Public Libraries upon
request, and CITY was otherwise required to maintain such records by applicable law, such

1 occurrence shall constitute an event of default of this Lease and COUNTY may, notwithstanding any
2 other termination provisions contained herein:

3 A. Terminate this Lease upon written notice to CITY; or

4 B. At COUNTY's sole option, COUNTY may deduct future rent payable to CITY by
5 COUNTY as a penalty for such non-compliance of paying prevailing wage, which rent
6 deduction would be COUNTY's estimate, in its sole discretion, of such prevailing wage
7 rates not paid by CITY.

8 Except as expressly set forth in this Lease, nothing herein is intended to grant authority for CITY to
9 perform improvements or modifications on space currently leased by COUNTY or for which
10 COUNTY has entered into a lease or lease amendment.

11 22. RIGHT TO WORK AND MINIMUM WAGE LAWS (6.13S)

12 In accordance with the United States Immigration Reform and Control Act of 1986, CITY shall
13 require its employees that directly or indirectly service the Premises or terms and conditions of this
14 Lease, in any manner whatsoever, to verify their identity and eligibility for employment in the United
15 States. CITY shall also require and verify that its contractors or any other persons servicing the
16 Premises or terms and conditions of this Lease, in any manner whatsoever, verify the identity of their
17 employees and their eligibility for employment in the United States.

18 Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of
19 California Labor Code, Section 1178.5, CITY shall pay no less than the greater of the Federal or
20 California Minimum Wage to all its employees that directly or indirectly service the Premises, in any
21 manner whatsoever. CITY shall require and verify that all its contractors or other persons servicing
22 the Premises on behalf of the CITY also pay their employees no less than the greater of the Federal or
23 California Minimum Wage.

24 CITY shall comply and verify that its contractors comply with all other Federal and State of
25 California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant
26 to the servicing of the Premises or terms and conditions of this Lease.

27 Notwithstanding the minimum wage requirements provided for in this clause, CITY, where
28 applicable, shall comply with the prevailing wage and related requirements, as provided for in the
Clause entitled (LABOR CODE COMPLIANCE), of this Lease.

29 23. NOTICES (8.1 S)

All written notices pursuant to this Lease shall be addressed as set forth below or as either party may
hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery
by facsimile machine, or seventy-two (72) hours after deposit in the United States Mail.

30 TO: CITY

30 TO: COUNTY

31 City of Garden Grove
32 P.O. Box 3070

31 County of Orange
32 OC Public Libraries

1 11222 Acacia Parkway
2 Garden Grove, CA 92842
3 Attn: Real Property Division

1501 East. St. Andrew Place
Santa Ana, CA 92705
Attn: County Librarian

4 24. ATTACHMENTS (8.2 N)

5 This Lease includes the following, which are attached hereto and made a part hereof:

6 I. GENERAL CONDITIONS

7 II. EXHIBITS

8 A. Description - Premises

9 B. Plot Plan – Premises

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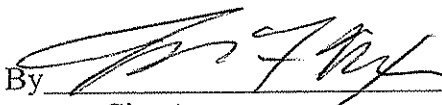
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1 IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

2 APPROVED AS TO FORM:

CITY
CITY OF GARDEN GROVE, a municipal
corporation

3
4 By  _____
5 City Attorney

By _____
City Manager

6 ATTEST:

7
8 By _____
City Clerk

9 APPROVED AS TO FORM:
10 OFFICE OF COUNTY COUNSEL

COUNTY
COUNTY OF ORANGE

11
12 By _____
Deputy County Counsel

_____ Chair, Board of Supervisors
Orange County, California

13
14 Date _____

15
16 RECOMMENDED FOR APPROVAL:
OC PUBLIC LIBRARIES

17
18 By _____

19
20 Signed and certified that a copy of this
21 document has been delivered to the Chair of
the Board per G.C. Sec. 25103, Resolution
22 79-1535

23 Attest:

24 _____
25 Darlene J. Bloom
26 Clerk of the Board of Supervisors
Orange County, California

1 GENERAL CONDITIONS

2 1. LEASE ORGANIZATION (9.1 S)

3 The various headings in this Lease, the numbers thereof, and the organization of the Lease into
4 separate sections and paragraphs are for purposes of convenience only and shall not be considered
5 otherwise.

6 2. INSPECTION (9.2 S)

7 CITY or its authorized representative shall have the right at all reasonable times and upon reasonable
8 advance notice to COUNTY to inspect the Premises to determine, if COUNTY is complying with all
9 the provisions of this Lease.

10 3. SUCCESSORS IN INTEREST (9.3 S)

11 Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall
12 apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto,
13 all of who shall be jointly and severally liable hereunder.

14 4. DESTRUCTION OF OR DAMAGE TO PREMISES (9.4 N)

15 "**Partial Destruction**" of the Premises shall mean damage or destruction to the Premises, for which
16 the repair cost is less than 25% of the then replacement cost of the Premises (including tenant
17 improvements), excluding the value of the land.

18 "**Total Destruction**" of the Premises shall mean damage or destruction to the Premises, for which
19 the repair cost is 25% or more of the then replacement cost of the Premises (including tenant
20 improvements), excluding the value of the land.

21 In the event of a Partial Destruction of the Premises, COUNTY and CITY shall commence
22 discussions on the condition of the building, and if a mutually written agreement is reached, CITY
23 shall immediately pursue completion of all repairs necessary to restore the Premises to the condition
24 which existed immediately prior to said Partial Destruction. Said restoration work (including any
25 demolition required) shall be completed by CITY, at CITY's sole cost, within one hundred eighty
26 (180) days of the occurrence of said Partial Destruction or within an extended time frame as may be
27 agreed upon, in writing, by COUNTY and CITY. If a mutually written agreement is not reached or if
28 City is unable to restore the Premises to an occupiable condition (including replacement of all tenant
improvements), CITY and COUNTY may each exercise its option to terminate this Lease.

In the event of Total Destruction of the Premises or the Premises being legally declared unsafe or
unfit for occupancy, this Lease and/or any option shall in no way be rendered null and void and
COUNTY and CITY shall commence discussions on the condition of the building, and if a mutually
written agreement is reached, CITY shall immediately instigate action to rebuild or make repairs, as
necessary, to restore the Premises (including replacement of all tenant improvements) to the
condition which existed immediately prior to the destruction.

1 In the event CITY refuses to diligently pursue or is unable to restore the Premises to an occupiable
2 condition (including replacement of all tenant improvements) within 180 days of the occurrence of
3 said destruction or within an extended time frame as may be agreed upon, in writing, COUNTY and
CITY may each exercise its option, to terminate this Lease.

4 Further, CITY, at COUNTY's request, shall provide a suitable, COUNTY-approved temporary
5 facility ("Facility") for COUNTY's use during the restoration period for the Premises. The Facility
6 may be leased, at market rate, under a short term lease, for which the COUNTY will reimburse CITY
the cost thereof, on a monthly basis.

7 5. AMENDMENT (9.5 S)

8 This Lease sets forth the entire agreement between CITY and COUNTY and any modification must
9 be in the form of a written amendment.

10 6. PARTIAL INVALIDITY (9.6 S)

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

13 7. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (9.7 S)

14 If either party hereto shall be delayed or prevented from the performance of any act required
15 hereunder by reason of acts of God, performance of such act shall be excused for the period of the
16 delay; and the period for the performance of any such act shall be extended for a period equivalent to
17 the period of such delay. Financial inability shall not be considered a circumstance excusing
performance under this Lease.

18 8. STATE AUDIT (9.8 S)

19 Pursuant to and in accordance with Section 8546.7 of the California Government Code, in the event
20 that this Lease involves expenditures and/or potential expenditures of State funds aggregating in
21 excess of ten thousand dollars (\$10,000), CITY shall be subject to the examination and audit of the
22 Auditor General of the State of California for a period of three years after final payment by
COUNTY to CITY under this Lease. The examination and audit shall be confined to those matters
23 connected with the performance of the contract, including, but not limited to, the costs of
administering the contract.

24 9. WAIVER OF RIGHTS (9.9 S)

25 The failure of CITY or COUNTY to insist upon strict performance of any of the terms, conditions,
26 and covenants in this Lease shall not be deemed a waiver of any right or remedy that CITY or
COUNTY may have, and shall not be deemed a waiver of any right or remedy for a subsequent
27 breach or default of the terms, conditions, and covenants herein contained.

28 10. HOLDING OVER (9.10 S)

1 In the event COUNTY shall continue in possession of the Premises after the term of this Lease, such
2 possession shall not be considered a renewal of this Lease but a tenancy from month to month and
3 shall be governed by the conditions and covenants contained in this Lease.

4 11. HAZARDOUS MATERIALS (9.11 N)

5 CITY warrants that the Premises is free and clear of all hazardous materials or substances except as
6 identified in the Asbestos Survey dated June 15, 1992 attached hereto as Exhibit "C" and made a part
7 hereof.

8 12. EARTHQUAKE SAFETY (9.12 S)

9 CITY warrants that the Premises is in compliance with all applicable seismic safety regulations and
10 building codes.

11 13. QUIET ENJOYMENT (9.13 S)

12 CITY agrees that, subject to the terms, covenants and conditions of this Lease, COUNTY may, upon
13 observing and complying with all terms, covenants and conditions of this Lease, peaceably and
14 quietly occupy the Premises.

15 14. WAIVER OF JURY TRIAL (9.15 S)

16 Each party acknowledges that it is aware of and has had the advice of Counsel of its choice with
17 respect to its rights to trial by jury, and each party to the extent permitted by applicable law, for itself
18 and its successors and assigns, does hereby expressly and knowingly waive and release all such rights
19 to trial by jury in any action, proceeding or counterclaim brought by any party hereto against the
20 other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on
21 or with regard to any matters whatsoever arising out of or in any way connected with this agreement
22 and/or any claim of injury or damage.

23 15. GOVERNING LAW AND VENUE (9.16 S)

24 This agreement has been negotiated and executed in the State of California and shall be governed by
25 and construed under the laws of the State of California. In the event of any legal action to enforce or
26 interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction
27 located in Orange County, California, and the parties hereto agree to and do hereby submit to the
28 jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

16. TIME (9.17 S)

Time is of the essence of this Lease.

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HC: 6/9/09
GG/West

EXHIBIT A

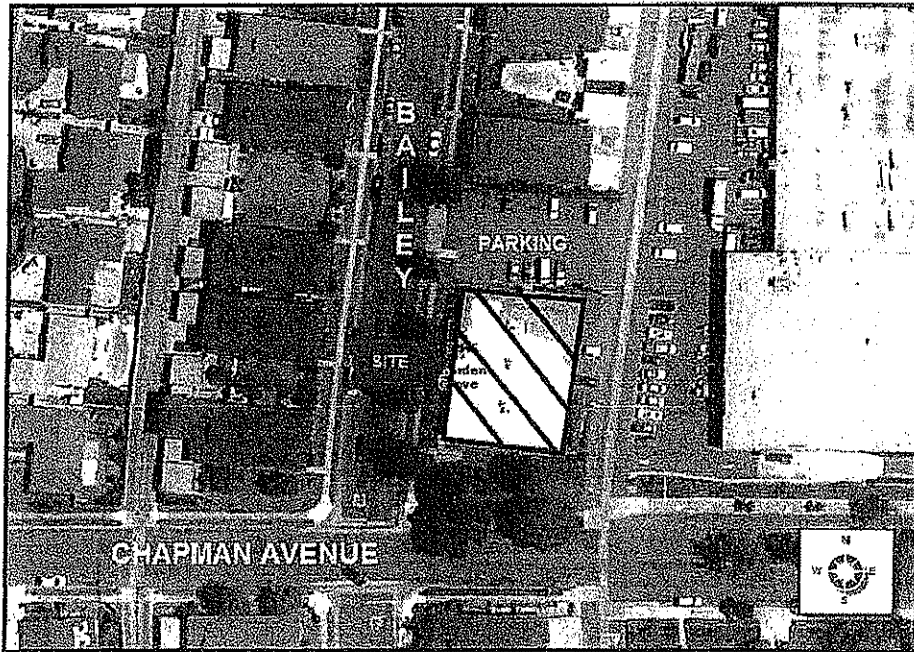
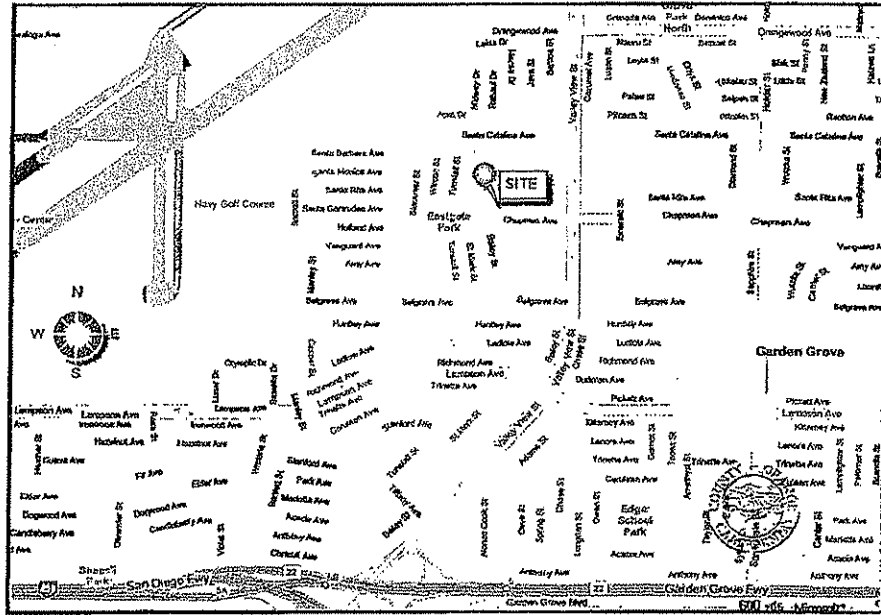
LEASE DESCRIPTION


PROJECT NO: GG 28-L-B.R2 DATE: November 19, 2009
PROJECT: Garden Grove/West Branch VERIFIED BY: Heather Condon

All the Premises shown crosshatched on a plot plan marked Exhibit B, attached hereto and made a part hereof, being that certain one (1) story building located at 11962 Bailey Street, in the City of Garden Grove, County of Orange, State of California, and located on Lots 22, 23 and 24 of Tract No. 3624 per map recorded in Book 125, pages 31, 32 and 33 of Miscellaneous Maps in the office of the County Recorder of the County of Orange.

NOT TO BE RECORDED

EXHIBIT B



GG 28-L-B.R2 Garden Grove West Branch 11961 Bailey Street Garden Grove, CA 92660	Prepared By: H. Condon	COUNTY OF ORANGE  OC LIBRARIES
	Checked By:	
	Date:	
	2/24/2009	

1 GG 27-L -B.R2
2 Garden Grove/Chapman Branch
3 9182 Chapman Avenue, Garden Grove

4 LEASE

5 THIS IS A LEASE, hereinafter referred to as "Lease," made _____, 20___, by and between
6 the CITY OF GARDEN GROVE, a municipal corporation, hereinafter referred to as "CITY," and the
7 COUNTY OF ORANGE, a political subdivision of the State of California, hereinafter referred to as
8 "COUNTY," without regard to number and gender. The term "COUNTY" shall mean the Board of
9 Supervisors of the political body that executed this agreement or its authorized representative.

10 1. DEFINITIONS (1.2 N)

11 "Board of Supervisors" means the Board of Supervisors of the County of Orange, a political
12 subdivision of the State of California.

13 "County Executive Officer" means the County Executive Officer, County Executive Office, County
14 of Orange, or designee, or upon written notice to CITY, such other person or entity as shall be
15 designated by the Board of Supervisors.

16 "County Counsel" means the County Counsel, County of Orange, or designee, or upon written notice
17 to CITY, such other person or entity as shall be designated by the County Executive Officer or the
18 Board of Supervisors.

19 "County Librarian" means the County Librarian, OC Public Libraries, County of Orange, or designee,
20 or upon written notice to CITY, such other person or entity as shall be designated by the County
21 Executive Officer or the Board of Supervisors.

22 "Director of CEO/Administrative Services" means the Director, County Executive Office,
23 Administrative Services, County of Orange, or designee, or upon written notice to CITY, such other
24 person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

25 "Corporate Real Estate" means OC Public Works, OC Facilities, Real Estate and Asset Management,
26 Corporate Real Estate, County of Orange, or upon written notice to CITY, such other entity as shall
27 be designated by the Director of OC Public Works.

28 "Manager of Corporate Real Estate" means the Manager, OC Public Works, OC Facilities, Real
Estate and Asset Management, Corporate Real Estate, County of Orange, or designee or upon written
notice to CITY, such other person or entity as shall be designated by the Director of OC Public
Works.

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1 2. PREMISES (1.3A S)

2 CITY leases to COUNTY that certain property hereinafter referred to as "Premises," described in
3 "Exhibit A" and shown on "Exhibit B", which exhibits are attached hereto and by reference made a
4 part hereof.

5 3. PARKING (1.4 N)

6 CITY, throughout the term of this Lease, shall provide posted parking spaces for COUNTY's free and
7 exclusive use. Said parking spaces are to be located in the parking area shown on Exhibit B.

8 In addition to said parking spaces, CITY shall also provide parking for disabled persons in
9 accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform
10 Building Code and the applicable codes and/or ordinances relating to parking for disabled persons as
11 established by the local jurisdiction in which the Premises is located where the provisions of such
12 local codes and/or ordinances exceed or supersede the State requirements.

13 4. TERMINATION OF PRIOR AGREEMENTS (1.5 S)

14 It is mutually agreed that this Lease shall terminate and supersede any prior agreement between the
15 parties hereto covering all or any portion of the Premises, including that certain lease dated March 16,
16 1999, except for those terms relating to continuing obligations for events during the terms of that
17 prior agreement between the parties hereto, including but not limited to indemnification, EXCEPT
18 that all personal property and/or equipment (e.g., fixtures, partitions, counters, shelving) attached to
19 and/or placed upon any portion of the Premises by COUNTY pursuant to the terms of any prior
20 agreement between the parties hereto shall remain the personal property of COUNTY, who shall have
21 the right to remove same.

22 5. USE (2.1 N)

23 COUNTY shall use the Premises for free public library purposes and for no other purpose.

24 6. TERM (2.2A N)

25 The term of this Lease shall commence the first day of the first full calendar month following the date
26 of execution by COUNTY ("Commencement Date") and end on July 31, 2018.

27 Parties agree that the Commencement Date of this Lease will be confirmed in writing by either party
28 upon demand by the other.

OPTION TO TERMINATE LEASE (2.4B N)

This Lease may be contingent upon Federal, State, and COUNTY funding. If, in the opinion of
COUNTY or CITY, a funding source is significantly reduced or terminated, COUNTY or CITY shall
have the right to terminate this Lease upon one hundred and twenty (120) day's prior written notice.

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1 8. CONSIDERATION (3.1 N)

2 In consideration of the free library services provided by COUNTY, COUNTY's use of the Premises
3 shall be rent-free throughout the term of this Lease.

4 9. ALTERATIONS (4.4 N)

5 COUNTY may make improvements and changes in the Premises, including but not limited to the
6 installation of fixtures, partitions, counters, shelving, and equipment as deemed necessary or
7 appropriate. It is agreed that any such fixtures, partitions, counters, shelving, or equipment attached
8 to or placed upon the Premises by COUNTY shall be considered as personal property of COUNTY,
9 who shall have the right to remove same. COUNTY agrees that the Premises shall be left in as good
10 condition as when received, reasonable wear and tear excepted. County shall obtain written
11 authorization from CITY for any and all exterior improvements prior to commencement of
12 construction. All improvements, whether interior or exterior, which require permits will be completed
13 in conformance with state and local ordinances.

14 10. REPAIR AND MAINTENANCE (5.1A N)

15 COUNTY shall provide, at its own cost and expense, all janitorial supplies and services to the
16 Premises, including the supplying of rest room expendables and replacement of light bulbs, ballasts
17 and fluorescent tubes. COUNTY shall also provide, at its own cost and expense, the cleaning and
18 refinishing of interior surfaces (stripping and waxing of floors) and repair of all damage caused by
19 misuse of the Premises by COUNTY's patrons and employees and others under the direct care,
20 control and supervision of COUNTY. COUNTY shall also be responsible for repair and maintenance
21 of the building security system installed by the COUNTY.

22 If COUNTY fails to provide satisfactory repair and maintenance of interior surfaces to the Premises,
23 in a manner consistent with the maintenance levels of other branch libraries throughout Orange
24 County, CITY may notify COUNTY in writing; and if COUNTY does not instigate measures within
25 a reasonable time after CITY has placed such notice in the mail to COUNTY directed to the address
26 shown for COUNTY in "NOTICES" clause below, or has personally delivered such notice to
27 COUNTY, CITY may provide the repair and maintenance necessary to remedy the unsatisfactory
28 conditions and assure satisfactory service or have others do so, and bill the cost thereof to COUNTY,
including labor, materials and overhead.

CITY shall provide, at its own cost and expense, all other repair and maintenance items, including,
but not limited to, maintenance of the heating and air conditioning system. CITY's repair and
maintenance standards shall be consistent with the maintenance levels at other branch libraries
throughout Orange County.

If CITY fails to provide satisfactory repair and maintenance (including fire extinguishers) to the
Premises in a manner consistent with the maintenance levels of other branch libraries throughout
Orange County, COUNTY's OC Public Libraries may notify CITY in writing; and if CITY does not
instigate measures to provide satisfactory service and/or to remedy the unsatisfactory conditions
within a reasonable time after COUNTY has placed such notice in the mail to CITY directed to the
address shown for CITY in the clause entitled (NOTICES) below, or has personally delivered such

1 notice to CITY, COUNTY may provide the repair and maintenance necessary to remedy the
2 unsatisfactory conditions and assure satisfactory service or have others do so, and bill the cost thereof
3 to CITY, including labor, materials, and overhead. CITY shall have nine months from completion of
repairs to pay for costs.

4 If CITY or CITY's representative cannot be contacted by COUNTY for emergency repairs and/or
5 services the same day any emergency repairs and/or services are necessary to remedy the emergency
6 condition, or if CITY following such contact by COUNTY is unable to make the necessary repairs or
7 provide the necessary services, COUNTY may, at its option, have the necessary repairs made and/or
provide services to remedy the emergency condition, and bill CITY the cost thereof including labor,
materials, and overhead.

8 Notwithstanding the above, COUNTY may communicate a notice of a deficiency to CITY by
9 telephone and confirming facsimile. The date and time stamped on the facsimile confirmation page
shall determine the date and time notice was first given to CITY.

10 Should COUNTY be forced to shut down its operations within the Premises due to CITY's failure to
11 provide services required by this clause, CITY shall be responsible for the cost, to the COUNTY, of
such a shutdown.

12 11. UTILITIES (5.2 N)

13 COUNTY shall be responsible for and pay, prior to the delinquency date, all charges for utilities
14 supplied to the Premises.

15 12. INSURANCE (5.3 N)

16 **Property/Fire Insurance:** If CITY is self-insured, CITY shall provide COUNTY with a written
17 acknowledgement of this fact at the time of the execution of this Lease. CITY shall annually
18 thereafter, on the anniversary of the date of this Lease, provide COUNTY with a written
19 acknowledgement of the continuation of its self-insured status. If, at any time after the execution of
the Lease, CITY abandons its self-insured status, CITY shall immediately notify COUNTY of this
fact.

20 If CITY is not self-insured, CITY shall obtain and keep in force during the term of this Lease a policy
21 or policies of property and fire insurance with extended coverage, covering the loss or damage to the
22 Premises to the full insurable value of the improvements located on the Premises (including the full
value of all improvements and fixtures owned by CITY) at least in the amount of the full replacement
23 cost thereof, and in no event less than the total amount required by any lender holding a security
interest, against all perils included within the classification of fire, extended coverage, vandalism,
24 malicious mischief, special extended perils ("all risk" as such term is used in the insurance industry,
including earthquake and flood) and shall name the COUNTY as an additional insured.

25 Included in the policy or policies of property and fire insurance shall be a standard waiver of right of
26 subrogation against COUNTY by the insurance company issuing said policy or policies. CITY shall
27 provide COUNTY with evidence of compliance with these requirements.

1 CITY's insurance (a) shall be in a form satisfactory to COUNTY and carried with a company (or
2 companies) acceptable to COUNTY and licensed to do business in the state of California, (b) shall
3 provide that such policies shall not be subject to material alteration or cancellation without at least
4 thirty (30) days prior written notice to COUNTY, and (c) shall be primary, and any insurance carried
5 by COUNTY shall be non-contributing. CITY's policy or policies, or duly executed certificates for
6 them, shall be deposited with COUNTY prior to the Commencement Date of this Lease, and prior to
7 renewal of such policies. If CITY fails to procure and maintain the insurance required to be procured
8 by CITY under this Lease, COUNTY may, but shall not be required to, order such insurance and bill
9 CITY the cost thereof plus any COUNTY administrative charges.

10 13. INDEMNIFICATION (5.5A S)

11 COUNTY shall defend, indemnify and save harmless CITY, its officers, agents, and employees, from
12 and against any and all claims, demands, losses, or liabilities of any kind or nature which CITY, its
13 officers, agents, and employees may sustain or incur or which may be imposed upon them for injury
14 to or death of persons, or damage to property as a result of, or arising out of, the negligence of
15 COUNTY, its officers, agents, employees, subtenants, invitees, or licensees, in connection with the
16 occupancy and use of the Premises by COUNTY.

17 Likewise CITY shall defend, indemnify and save harmless COUNTY, its officers, agents, and
18 employees from and against any and all claims, demands, losses, or liabilities of any kind or nature
19 which COUNTY, its officers, agents, and employees may sustain or incur or which may be imposed
20 upon them for injury to or death of persons, or damage to property as a result of, or arising out of, the
21 negligence of CITY, its officers, agents, employees, invitees, or licensees, in connection with the
22 ownership, maintenance, or use of the Premises.

23 14. TAX EXEMPTION (5.6A S)

24 It is mutually understood and agreed that the rental rate set forth in this Lease is made in anticipation
25 that the Premises will be used for a public library and as such will be exempt from real property taxes
26 (but not from special assessments and special assessment district levies) as provided for in Section
27 202 of the Revenue and Taxation Code. It is also understood and agreed that it is CITY's
28 responsibility to properly claim said exemption through the Orange County Assessor's Office. If
CITY has properly claimed said tax exemption and the Premises fails to qualify for said tax
exemption under the above-mentioned code section, the CITY agrees to pay the real property taxes
prior to delinquency, and the COUNTY agrees to reimburse the CITY for the amount of any such
taxes, but not for any delinquent or other penalties thereon.

Any reimbursement made under the provisions as set forth above will not include payment of special
assessments and special assessment district levies.

15. BUILDING AND SAFETY REQUIREMENTS (5.7 N)

During the full term of this Lease, CITY, at CITY's sole cost, agrees to maintain the Premises in
compliance with all applicable laws, rules, regulations, building codes, statutes, and orders as they are
applicable on the date of this Lease, and as they may be subsequently amended.

1 Included in this provision is compliance with the Americans with Disabilities Act (ADA) and all
2 other federal, state, and local codes, statutes, and orders relating to disabled access as they are
3 applicable on the dates of this Lease, and as they may be subsequently amended.

4 CITY further agrees to maintain the Premises as a "safe place of employment," as defined in the
5 California Occupational Safety and Health Act (California Labor Code, Division 5, Part 1, Chapter 3,
6 beginning with Section 6400) and the Federal Occupational Safety and Health Act, where the
7 provisions of such Act exceed, or supersede, the California Act, as the provisions of such Act are
8 applicable on the date of this Lease, and as they may be subsequently amended.

9 In the event CITY neglects, fails, or refuses to maintain said Premises as aforesaid, COUNTY may,
10 notwithstanding any other termination provisions contained herein:

11 A. Terminate this Lease upon written notice to CITY; or

12 B. At COUNTY's sole option, cure any such default by performance of any act, including
13 payment of money, and bill CITY the cost thereof plus reasonable administrative costs.

14 16. TOXIC MATERIALS (5.9 S)

15 COUNTY hereby warrants and represents that COUNTY will comply with all laws and regulations
16 relating to the storage, use and disposal of hydrocarbon substances and hazardous, toxic or
17 radioactive matter, including, but not limited to, those materials identified in Title 26 of the
18 California Code of Regulations (collectively "Toxic Materials"). COUNTY shall be responsible for
19 and shall defend, indemnify and hold CITY, its officers, directors, employees, agents, and
20 representatives, harmless from and against all claims, costs and liabilities, including attorneys' fees
21 and costs arising out of or in connection with the storage, use, and disposal of Toxic Materials on the
22 Premises by COUNTY. If the storage, use, and disposal of Toxic Materials on the Premises by
23 COUNTY results in contamination or deterioration of water or soil resulting in a level of
24 contamination greater than maximum allowable levels established by any governmental agency
25 having jurisdiction over such contamination, COUNTY shall promptly take any and all action
26 necessary to clean up such contamination.

27 Likewise, CITY hereby warrants and represents that CITY has in the past and will hereafter comply
28 with all laws and regulations relating to the storage, use and disposal of "Toxic Materials". CITY
29 shall be responsible for and shall defend, indemnify and hold COUNTY, its officers, directors,
30 employees, agents, and representatives, harmless from and against all claims, costs and liabilities,
31 including attorneys' fees and costs arising out of or in connection with the previous, current and
32 future storage, use and disposal of Toxic Materials on the Premises (or building if the Premises
33 comprises only a portion of said building) by CITY. If the previous, current and future storage, use,
34 and disposal of Toxic Materials on the Premises by CITY results in contamination or deterioration of
35 water or soil resulting in a level of contamination greater than maximum allowable levels established
36 by any governmental agency having jurisdiction over such contamination, CITY shall promptly take
37 any and all action necessary to clean up such contamination.

38 //

1 17. ASSIGNMENT AND SUBLETTING (N)

2 No party to this Lease shall have the right to assign or sublet this Lease or any interest, right, or
3 obligation under this Lease.

4 18. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE (6.4 S)

5 This Lease and all rights of the COUNTY hereunder are subject and subordinate to any mortgage or
6 deed of trust which may hereafter cover the Premises or any interest of CITY therein, and to any and
7 all advances made on the security thereof, and to any and all increases, renewals, modifications,
8 consolidations, replacements and extensions of any such mortgage or deed of trust except, insofar as
COUNTY is meeting its obligations under this Lease, any foreclosure of any mortgage or deed of
trust shall not result in the termination of this Lease or the displacement of COUNTY.

9 In the event of transfer of title of the Premises, including any proceedings brought for foreclosure or
10 in the event of the exercise of the power of sale under any mortgage or deed of trust, or by any other
11 transfer of title covering the Premises, COUNTY shall attorn to and recognize any subsequent title
12 holder as the CITY under all terms, covenants and conditions of this Lease. COUNTY's possession
13 of the Premises shall not be disturbed by the CITY, or its successors in interest, and this Lease shall
remain in full force and effect. Said attornment shall be effective and self-operative immediately
upon succession of the current title holder, or its successors in interest, to the interest of CITY under
this Lease.

14 If CITY executes a deed of trust or mortgage during the term of this Lease, then CITY shall facilitate
15 and cooperate with COUNTY to obtain a *Subordination, Attornment and Non-Disturbance*
16 *Agreement* from holder of deed of trust or lienholder, within sixty (60) days upon CITY executing a
17 deed of trust or mortgage. CITY shall require all future lenders on the Premises, upon initiation of
18 their interest in the Premises, to enter into a *Subordination, Attornment and Non-Disturbance*
19 *Agreement* with COUNTY, thereby insuring COUNTY of its leasehold interests in the Premises.
Said *Subordination, Attornment and Non-Disturbance Agreement* shall be in the form of COUNTY's
standard form *Subordination, Attornment and Non-Disturbance Agreement* or in a form approved by
County Librarian, Corporate Real Estate and County Counsel.

20 Foreclosure shall not extinguish this Lease, and any lender or any third party purchasing the Premises
21 at foreclosure sale shall do so subject to this Lease and shall thereafter perform all obligations and be
responsible for all liabilities of the CITY under the terms of this Lease.

22 Upon default by CITY of any note or deed of trust, COUNTY may, at its option, make all lease
23 payments directly to Lender, and same shall be applied to the payment of any and all delinquent or
future installments due under such note or deed of trust.

24 19. ESTOPPEL CERTIFICATE (6.5 S)

25 COUNTY agrees the County Librarian, shall furnish from time to time upon receipt of a written
26 request from CITY or the holder of any deed of trust or mortgage covering the Premises or any
27 interest of CITY therein, COUNTY's standard form *Estoppel Certificate* containing information as to
the current status of the Lease. The *Estoppel Certificate* shall be approved by the County Librarian,
Corporate Real Estate, and County Counsel.

1
2 20. DEFAULTS AND REMEDIES (6.8 N)

3 The occurrence of any of the following shall constitute an event of default:

- 4 • Failure to perform any obligation, agreement or covenant under this Lease.

5 In the event of any non-monetary breach of this Lease by COUNTY, CITY shall notify COUNTY in
6 writing of such breach, and COUNTY shall have fifteen (15) days in which to initiate action to cure
said breach.

7 In the event of any non-monetary breach of this Lease by CITY, COUNTY shall notify CITY in
8 writing of such breach and CITY shall have fifteen (15) days in which to initiate action to cure said
9 breach.

10 21. LABOR CODE COMPLIANCE (6.10 S)

11 CITY acknowledges and agrees that all improvements or modifications required to be performed as a
12 condition precedent to the Commencement Date of the term of this Lease or any such future
13 improvements or modifications performed by CITY at the request of COUNTY shall be governed by,
and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the
14 Labor Code of the State of California (Sections 1770, et seq.). These provisions are applicable to
improvements or modifications costing more than \$1,000.

15 Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the Orange
16 County Board of Supervisors has obtained the general prevailing rate of per diem wages and the
17 general prevailing rate for holiday and overtime work in the locality applicable to this Lease for each
18 craft, classification, or type of workman needed to execute the aforesaid improvements or
19 modifications from the Director of the State Department of Industrial Relations. Copies of said
20 prevailing wage rates may be obtained from the State of California, Department of Industrial
21 Relations or the Clerk of the Board.

22 As required by applicable law, CITY hereby agrees to pay or cause its contractors and/or
23 subcontractors to pay said prevailing wage rates at all times for all improvements or modifications to
24 be completed for COUNTY within the Premises, and CITY herein agrees that CITY shall post, or
25 cause to be posted, a copy of the most current, applicable prevailing wage rates at the site where the
improvements or modifications are performed.

26 As required by applicable law, CITY shall maintain certified payroll records for all workers that will
27 be assigned to the improvements or modifications and shall produce such records upon request by
28 COUNTY or other applicable State agency. Said payroll records shall contain, but not be limited to,
the complete name, address, telephone number, social security number, job classification, and
prevailing wage rate for each worker.

29 If CITY neglects, fails, or refuses to provide said payroll records to OC Public Libraries upon
30 request, and CITY was otherwise required to maintain such records by applicable law, such

1 occurrence shall constitute an event of default of this Lease and COUNTY may, notwithstanding any
2 other termination provisions contained herein:

3 A. Terminate this Lease upon written notice to CITY; or

4 B. At COUNTY's sole option, COUNTY may deduct future rent payable to CITY by
5 COUNTY as a penalty for such non-compliance of paying prevailing wage, which rent
6 deduction would be COUNTY's estimate, in its sole discretion, of such prevailing wage
7 rates not paid by CITY.

8 Except as expressly set forth in this Lease, nothing herein is intended to grant authority for CITY to
9 perform improvements or modifications on space currently leased by COUNTY or for which
10 COUNTY has entered into a lease or lease amendment.

11 22. RIGHT TO WORK AND MINIMUM WAGE LAWS (6.13S)

12 In accordance with the United States Immigration Reform and Control Act of 1986, CITY shall
13 require its employees that directly or indirectly service the Premises or terms and conditions of this
14 Lease, in any manner whatsoever, to verify their identity and eligibility for employment in the United
15 States. CITY shall also require and verify that its contractors or any other persons servicing the
16 Premises or terms and conditions of this Lease, in any manner whatsoever, verify the identity of their
17 employees and their eligibility for employment in the United States.

18 Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of
19 California Labor Code, Section 1178.5, CITY shall pay no less than the greater of the Federal or
20 California Minimum Wage to all its employees that directly or indirectly service the Premises, in any
21 manner whatsoever. CITY shall require and verify that all its contractors or other persons servicing
22 the Premises on behalf of the CITY also pay their employees no less than the greater of the Federal or
23 California Minimum Wage.

24 CITY shall comply and verify that its contractors comply with all other Federal and State of
25 California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant
26 to the servicing of the Premises or terms and conditions of this Lease.

27 Notwithstanding the minimum wage requirements provided for in this clause, CITY, where
28 applicable, shall comply with the prevailing wage and related requirements, as provided for in the
Clause entitled (LABOR CODE COMPLIANCE), of this Lease.

29 23. NOTICES (8.1 S)

30 All written notices pursuant to this Lease shall be addressed as set forth below or as either party may
31 hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery
32 by facsimile machine, or seventy-two (72) hours after deposit in the United States Mail.

33 TO: CITY

33 TO: COUNTY

34 City of Garden Grove
35 P.O. Box 3070

34 County of Orange
35 OC Public Libraries

1 11222 Acacia Parkway
2 Garden Grove, CA 92842
3 Attn: Real Property Division

1501 East. St. Andrew Place
Santa Ana, CA 92705
Attn: County Librarian

4 24. ATTACHMENTS (8.2 N)

5 This Lease includes the following, which are attached hereto and made a part hereof:

6 I. GENERAL CONDITIONS

7 II. EXHIBITS

8 A. Description - Premises

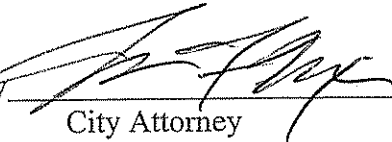
9 B. Plot Plan – Premises

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1 IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

2 APPROVED AS TO FORM:

CITY
CITY OF GARDEN GROVE, a municipal
corporation

3
4 By 
5 City Attorney

By _____
City Manager

6 ATTEST:

7
8 By _____
City Clerk

9 APPROVED AS TO FORM:
10 OFFICE OF COUNTY COUNSEL

COUNTY
COUNTY OF ORANGE

11
12 By _____
Deputy County Counsel

Chair, Board of Supervisors
Orange County, California

13
14 Date _____

15
16 RECOMMENDED FOR APPROVAL:
OC PUBLIC LIBRARIES

17
18 By _____

19
20 Signed and certified that a copy of this
21 document has been delivered to the Chair of
the Board per G.C. Sec. 25103, Resolution
79-1535

22
23 Attest:

24 _____
25 Darlene J. Bloom
Clerk of the Board of Supervisors
26 Orange County, California

1 GENERAL CONDITIONS

2 1. LEASE ORGANIZATION (9.1 S)

3 The various headings in this Lease, the numbers thereof, and the organization of the Lease into
4 separate sections and paragraphs are for purposes of convenience only and shall not be considered
5 otherwise.

6 2. INSPECTION (9.2 S)

7 CITY or its authorized representative shall have the right at all reasonable times and upon reasonable
8 advance notice to COUNTY to inspect the Premises to determine, if COUNTY is complying with all
9 the provisions of this Lease.

10 3. SUCCESSORS IN INTEREST (9.3 S)

11 Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall
12 apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto,
13 all of who shall be jointly and severally liable hereunder.

14 4. DESTRUCTION OF OR DAMAGE TO PREMISES (9.4 N)

15 "**Partial Destruction**" of the Premises shall mean damage or destruction to the Premises, for which
16 the repair cost is less than 25% of the then replacement cost of the Premises (including tenant
17 improvements), excluding the value of the land.

18 "**Total Destruction**" of the Premises shall mean damage or destruction to the Premises, for which
19 the repair cost is 25% or more of the then replacement cost of the Premises (including tenant
20 improvements), excluding the value of the land.

21 In the event of a Partial Destruction of the Premises, COUNTY and CITY shall commence
22 discussions on the condition of the building, and if a mutually written agreement is reached, CITY
23 shall immediately pursue completion of all repairs necessary to restore the Premises to the condition
24 which existed immediately prior to said Partial Destruction. Said restoration work (including any
25 demolition required) shall be completed by CITY, at CITY's sole cost, within one hundred eighty
26 (180) days of the occurrence of said Partial Destruction or within an extended time frame as may be
27 agreed upon, in writing, by COUNTY and CITY. If a mutually written agreement is not reached or if
28 City is unable to restore the Premises to an occupiable condition (including replacement of all tenant
improvements), CITY and COUNTY may each exercise its option to terminate this Lease.

In the event of Total Destruction of the Premises or the Premises being legally declared unsafe or
unfit for occupancy, this Lease and/or any option shall in no way be rendered null and void and
COUNTY and CITY shall commence discussions on the condition of the building, and if a mutually
written agreement is reached, CITY shall immediately instigate action to rebuild or make repairs, as
necessary, to restore the Premises (including replacement of all tenant improvements) to the
condition which existed immediately prior to the destruction.

1 In the event CITY refuses to diligently pursue or is unable to restore the Premises to an occupiable
2 condition (including replacement of all tenant improvements) within 180 days of the occurrence of
3 said destruction or within an extended time frame as may be agreed upon, in writing, COUNTY and
4 CITY may each exercise its option, to terminate this Lease.

5 Further, CITY, at COUNTY's request, shall provide a suitable, COUNTY-approved temporary
6 facility ("Facility") for COUNTY's use during the restoration period for the Premises. The Facility
7 may be leased, at market rate, under a short term lease, for which the COUNTY will reimburse CITY
8 the cost thereof, on a monthly basis.

9 5. AMENDMENT (9.5 S)

10 This Lease sets forth the entire agreement between CITY and COUNTY and any modification must
11 be in the form of a written amendment.

12 6. PARTIAL INVALIDITY (9.6 S)

13 If any term, covenant, condition, or provision of this Lease is held by a court of competent
14 jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain
15 in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

16 7. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (9.7 S)

17 If either party hereto shall be delayed or prevented from the performance of any act required
18 hereunder by reason of acts of God, performance of such act shall be excused for the period of the
19 delay; and the period for the performance of any such act shall be extended for a period equivalent to
20 the period of such delay. Financial inability shall not be considered a circumstance excusing
21 performance under this Lease.

22 8. STATE AUDIT (9.8 S)

23 Pursuant to and in accordance with Section 8546.7 of the California Government Code, in the event
24 that this Lease involves expenditures and/or potential expenditures of State funds aggregating in
25 excess of ten thousand dollars (\$10,000), CITY shall be subject to the examination and audit of the
26 Auditor General of the State of California for a period of three years after final payment by
27 COUNTY to CITY under this Lease. The examination and audit shall be confined to those matters
28 connected with the performance of the contract, including, but not limited to, the costs of
administering the contract.

9. WAIVER OF RIGHTS (9.9 S)

The failure of CITY or COUNTY to insist upon strict performance of any of the terms, conditions,
and covenants in this Lease shall not be deemed a waiver of any right or remedy that CITY or
COUNTY may have, and shall not be deemed a waiver of any right or remedy for a subsequent
breach or default of the terms, conditions, and covenants herein contained.

10. HOLDING OVER (9.10 S)

1 In the event COUNTY shall continue in possession of the Premises after the term of this Lease, such
2 possession shall not be considered a renewal of this Lease but a tenancy from month to month and
3 shall be governed by the conditions and covenants contained in this Lease.

4 11. HAZARDOUS MATERIALS (9.11 N)

5 CITY warrants that the Premises is free and clear of all hazardous materials or substances except as
6 identified in the Asbestos Survey dated June 15, 1992 attached hereto as Exhibit "C" and made a part
7 hereof.

8 12. EARTHQUAKE SAFETY (9.12 S)

9 CITY warrants that the Premises is in compliance with all applicable seismic safety regulations and
10 building codes.

11 13. QUIET ENJOYMENT (9.13 S)

12 CITY agrees that, subject to the terms, covenants and conditions of this Lease, COUNTY may, upon
13 observing and complying with all terms, covenants and conditions of this Lease, peaceably and
14 quietly occupy the Premises.

15 14. WAIVER OF JURY TRIAL (9.15 S)

16 Each party acknowledges that it is aware of and has had the advice of Counsel of its choice with
17 respect to its rights to trial by jury, and each party to the extent permitted by applicable law, for itself
18 and its successors and assigns, does hereby expressly and knowingly waive and release all such rights
19 to trial by jury in any action, proceeding or counterclaim brought by any party hereto against the
20 other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on
21 or with regard to any matters whatsoever arising out of or in any way connected with this agreement
22 and/or any claim of injury or damage.

23 15. GOVERNING LAW AND VENUE (9.16 S)

24 This agreement has been negotiated and executed in the State of California and shall be governed by
25 and construed under the laws of the State of California. In the event of any legal action to enforce or
26 interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction
27 located in Orange County, California, and the parties hereto agree to and do hereby submit to the
28 jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

16. TIME (9.17 S)

Time is of the essence of this Lease.

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EXHIBIT A

LEASE DESCRIPTION

PROJECT NO: GG 27-L-B.R2

DATE:

November 19, 2009

PROJECT: Garden Grove/Chapman Branch

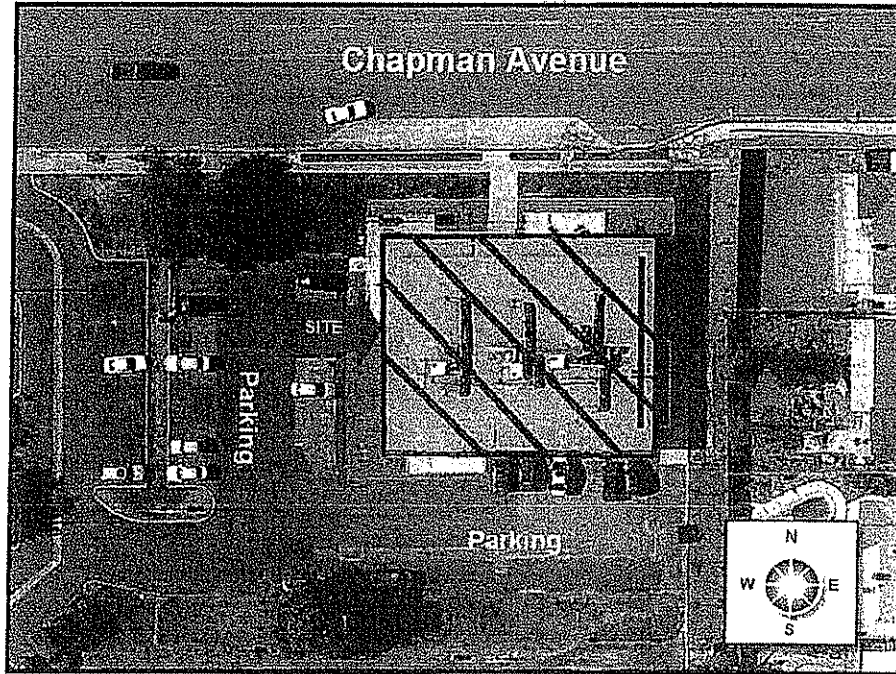
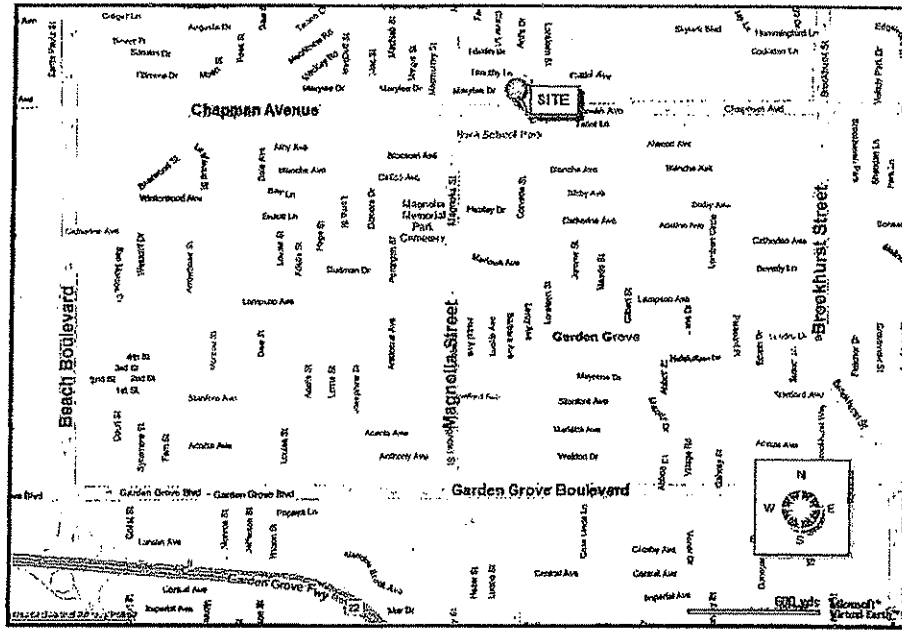
VERIFIED BY:

Heather Condon

All the Premises shown crosshatched on a plot plan marked Exhibit B, attached hereto and made a part hereof, being that certain one (1) story building located at 9182 Chapman Avenue, in the City of Garden Grove, County of Orange, State of California and located on a portion of the northwest quarter of the northwest quarter of Section 31, T4S, R10W, in the Rancho Los Alamitos, as shown on a Map filed in Book 51, Page 10 of Miscellaneous Maps in the office of the County Recorder of the County of Orange, together with exclusive use of all the parking spaces in the parking lot shown on Exhibit B.

NOT TO BE RECORDED

EXHIBIT B



GG 27-L-B.R2
Garden Grove – Chapman Branch
9182 Chapman Avenue
Garden Grove, CA 92841

Prepared By: **H. Condon**
 Checked By:
 Date: **2/26/2009**

COUNTY OF ORANGE



OC PUBLIC LIBRARIES