

Attachment C



Lease Number 2026-
 Facility Number E01-1008, 1008.1, 1051.01, 1052.01 and 1053
 Location Name: Santa Ana River channel between 22 Fwy and 17th St.
 Premises Address 1800 W. Santa Clara Avenue, Santa Ana, CA 92706

LEASE

THIS IS A LEASE (hereinafter referred to as “**Lease**”) made _____, 2026, (“**Effective Date**”) by and between ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic (hereinafter referred to as “**District**” or “**Lessor**”) and CITY OF SANTA ANA, a municipal corporation and charter city, (hereinafter referred to as “**City**”). District and City may individually be referred to herein as a “**Party**” or collectively as the “**Parties.**”

RECITALS

- A. Pursuant to that certain agreement between the District and River View Golf LLC dated September 2, 1969 as amended (“**District Agreement**”), River View Golf LLC has operated River View Golf Course, a public golf course, on a portion of the District’s Santa Ana River Channel, identified as Facility Nos. E01-1008, 1008.1, 1051.01, 1052.01 and 1053 collectively containing approximately 70 acres (“**District Property**”) located along the Santa Ana River between the 22 freeway and 17th Street in the City of Santa Ana, California. The District Agreement expired on January 26, 2026, and is in holdover status for the termination of the District Agreement to be coterminous with the City Agreement, as defined below.
- B. Pursuant to that certain agreement between the City and River View Golf LLC dated August 21, 1961 as amended (“**City Agreement**”), River View Golf LLC also operates portions of the golf course, the driving range, a pro shop, parking, a bar and a restaurant on City owned property adjacent to the District Property, that is identified as 1800 W. Santa Clara Avenue, Santa Ana, CA. The City Agreement is set to expire April 30, 2026.
- C. At the expiration of both the District Agreement and City Agreement, River View Golf LLC will cease operations, and the City will take over operation of the golf course, as more fully set forth below. The City has requested that the District lease its District Property to the City to allow the continued the operation of River View Golf Course as an 18 hole public golf course.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and the City agree as follows:

1. DEFINITIONS (1.0 SR)

The following words in this Lease shall have the significance attached to them in this Clause (DEFINITIONS), unless otherwise apparent from context:

Attachment C

“Board of Supervisors” means the Board of Supervisors of the County of Orange, a political subdivision of the State of California.

“CEO/Office of Risk Management” means the Risk Manager, County Executive Office, Risk Management, 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.

“Chief Real Estate Officer” means the Chief Real Estate Officer, County Executive Office, County of Orange, or upon written notice to City, such other entity as shall be designated by the County Executive Officer.

“Chief Engineer” means the Chief Engineer, OC Public Works and/or District, County of Orange, or designee, upon written notice to City, such other person or entity as shall be designated by Director.

“County Counsel” means the County Counsel, County of Orange, or designee, or upon written notice to City, such other person or entity acting in a similar capacity as shall be designated by the Board of Supervisors.

“County Executive Officer” means the County Executive Officer, County Executive Office, County of Orange, or designee, or upon written notice to City, such other person or entity as shall be designated by the Board of Supervisors.

“Director of OC Public Works” or **“Director”** means the Director of Orange County Public Works or designee.

“Treasurer-Tax Collector” means the Treasurer-Tax Collector, County of Orange, or designee, or upon written notice to City, such other person or entity as shall be designated by the Board of Supervisors.

2. PREMISES (1.1 SR)

District hereby leases to City, and the City leases from the District, the District Property located within the Santa Ana River Channel, commonly known as River View Golf Course in Santa Ana, CA, as described in Exhibit A and shown on Exhibit B, (**“Premises”**) which exhibits are attached hereto and by this reference made a part hereof. The Premises are accepted “as is” and “where is” by City, subject to any and all existing easements and encumbrances.

3. USE (1.2 SR)

City’s use of the Premises shall be limited to continuation of the existing golf course facility and operations, including operation of an eighteen-hole public golf course and landscape improvements (*e.g.*, grading, landscape architecture, cart paths, tees, plantings, irrigation systems and any repair and maintenance related thereto). No additional landscaping, trees, shrubbery or plantings shall be added to the Premises and landscaping will not be allowed to expand outside of the existing greens, without a county permit and prior written approval of the District. Permitted activities shall include public golfing, the sale of food and beverages consistent with golf course

Attachment C

operations, golf lessons, tournaments, events, and similar functions including the use of golf equipment and motorized golf carts.

The above listed uses are the only uses permitted. City agrees not to use the Premises for any other purpose, nor to engage in or authorize any other activity within or from the Premises, without prior District approval. District approval is subject to negotiation by the Parties and may result in additional charges for Rent and/or Additional Rent as those terms are defined and used in Clause 9 (RENT) below; however, District shall have sole discretion to authorize or deny any additional activity requested by City consistent with the flood control purposes of the Facilities, as defined below. Additionally, the City shall not use the Premises or any portion thereof for any illegal or unlawful purpose and will not cause or permit a nuisance or waste to be created or maintained thereon.

City agrees that no new improvements shall be erected, placed upon, operated, or maintained within the Premises without the District's express written consent. City agrees that no business shall be conducted or carried on therein or therefrom, in violation of the terms of this Lease, or of any regulation, order of law, statute, bylaw, or ordinance of a governmental agency having jurisdiction.

4. DISTRICT'S USE RESERVATIONS AND RIGHT OF ENTRY (1.3 SR)

The Premises lie within an area required for the maintenance and operation of the Santa Ana River and the Santiago Creek flood control and water conservation facilities ("**Facilities**"). These Facilities are an integral part of a flood control and water conservation system that District operates to fulfill its primary function of protecting life and property in Orange County. Use of the Premises by City shall be at all times subordinate to use by the District for activities related to flood control or water conservation. District reserves the right for itself, and the U.S. Army Corps of Engineers ("**USACE**") from time to time, without unreasonable interference, to access, enter and use the Premises. City shall cooperate with District and/or any of the persons or entities acting for, on behalf of or cooperating with the District, during scheduled operations or unanticipated events that require access to the Premises. District shall make best efforts to plan and notify City in advance of its intent to access the Premises.

All rights reserved to the District in this Lease shall be exercised by District at its sole and absolute discretion. District shall incur no liability to City or others whose interest in the Premises stems from that of City for any action undertaken while accessing the Premises including construction, reconstruction, maintenance, operation, improvement, enlargement or modification of said Facilities by District or any of the persons or entities acting for, on behalf of or cooperating with the District.

City further waives all claims and recourse against District, including the right of contribution for loss or damage of persons or property arising from growing out of or in any way connected with this Lease, including each and every type of damage caused by flooding, erosion or otherwise to the Premises that may result from the District's flood control facilities or work on or near the Premises, except claims arising from the concurrent active or sole negligence or willful misconduct of the District.

5. PARKING (1.4 SR)

All Parking required for the City's operation of the golf course is located wholly within the City owned property. Other than golf carts in the process of play, no parking shall be permitted upon the Premises without written approval of the District.

6. TERMINATION OF PRIOR AGREEMENTS (1.5 SR)

Intentionally Deleted

7. TERM (1.6 SR)

The initial term of this Lease shall be for Twenty Five (25) years ("**Term**"), commencing May 1, 2026 at 12:01AM (**Commencement Date**), unless otherwise modified by mutual written consent of the Parties, and upon the conditions that both the District Agreement and City Agreement are no longer in effect and the prior tenant, River View Golf LLC, has vacated the Premises. The Parties agree that the Commencement Date of this Lease will be confirmed in writing by either Party upon demand by the other. Either Party may terminate this agreement at any time, without cause by giving the other Party one hundred and eighty days' (180) advance notice of such termination.

8. CITY'S OPTION TO EXTEND TERM (1.7 SR)

Provided City is not in and has not been in Default under this Lease or any approved Extension Term of this Lease, as defined in Clause 32 (DEFAULTS AND REMEDIES), City may exercise its right to extend the Lease for up to five (5) additional, five- (5) year terms (**Extension Terms**). A request from the City for an extension shall be in writing and must be made no later than one hundred and twenty (120) days prior to the expiration of this Lease or preceding Extension Term.

9. RENT (1.8 SR)

A. Base Rent. The City shall initially pay to the District annual rent in the amount of Two Hundred Thousand Dollars (\$200,000) for the first 12 months of the Term of this Agreement, payable in twelve (12) equal monthly installments. Thereafter, the City shall adjust its rent in accordance with subdivision (B) of this Clause. The first installment shall be due on the Commencement Date of this Lease.

B. CPI Adjustment. Beginning with the thirteenth (13th) month of the Term, and annually thereafter, the Rent shall be increased by an amount equal to the percentage increase in the Consumer Price Index for all urban consumers, Los Angeles-Anaheim-Riverside statistical area, all items (1982-84 = 100) published by the United States Department of Labor, Bureau of Labor Statistics ("**CPI**") for the preceding 12-month period, if any such increase has occurred. Said CPI adjustment will be capped at a maximum increase of three percent (3%) each adjustment. The adjusted rent shall be effective with the payment due at the start of each adjustment period.

C. Additional Rent. In the event that City uses or permits the Premises to be used for any activity not expressly permitted herein, City shall pay to District the greater of Five Hundred Dollars (\$500)

Attachment C

or a sum equal to one hundred percent (100%) of the gross revenue derived from such unpermitted activity. The existence of this charge or the payment or receipt of money under this Clause does not constitute authorization for City to continue such activity nor does it constitute a waiver of District's right to require City to terminate such activity. The Parties agree that District's actual damages in the event of such a breach of this Lease would be extremely difficult or impossible to determine; therefore, an amount equal to the greater of Five Hundred Dollars (\$500) or a sum equal to one hundred percent (100%) of the gross revenue derived from such activity has been negotiated and agreed upon by the Parties as the best estimate of District's reasonable damages.

The Parties agree that Rent and Additional Rent shall be absolutely net to District and that, except as otherwise provided herein, City will pay all costs, charges, insurance premiums, taxes, utilities, expenses and assessments of every kind and nature incurred for, against or in connection with the Premises which arise or become due during the Term or any Extension Term as a result of City's use and occupancy of the Premises. Under no circumstances is District obligated or required to make any payment of any kind whatsoever or be under any other obligation or liability under this Lease except as expressly provided in Clause 15 (OBLIGATIONS OF THE DISTRICT).

10. RENT PAYMENT PROCEDURE (2.0 SR)

Rent payments shall be identified within the payment instrument as River View Lease Payment along with the Lease number as shown in the header or footer of this document and shall include the month and year such payment applies to. Rent payments shall be delivered to:

Orange County Treasurer-Tax Collector
Revenue Recovery/Accounts Receivable Unit
P.O. Box 4005
Santa Ana, California 92702-4005

All sums due under this Lease shall be paid in lawful money of the United States of America, without offset or deduction or prior notice or demand. Rent payments must be made by check payable to the "Orange County Flood Control District." District may change the designated place of payment and filing at any time upon ten (10) calendar days' written notice to City. City assumes all risk of late payments if checks are unidentified, or lost, if payments are made by mail.

No payment by City or receipt by District of a lesser amount than the payment due shall be deemed to be other than on account of the payment due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and District shall accept such check or payment without prejudice to District's right to recover the balance of the amount due or pursue any other remedy in this Lease. Nor shall District's acceptance of a lesser amount due or delay in pursuing full payment act as a legal bar against District's recovery of any amount due under this Lease.

11. CHARGE FOR LATE PAYMENT (2.1 SR)

City hereby acknowledges that the late payment of Rent or any other sums due hereunder will cause District to incur costs not contemplated by this Lease, the exact amount of which will be

Attachment C

extremely difficult to ascertain. Such costs include but are not limited to costs such as administrative processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment of Rent as specified in Clause 9 (RENT) or if any other sum due District under this Lease is not received by District within fifteen (15) days after the due date, a late charge of Two Hundred Dollars (\$200) shall be added to the payment, and the total sum shall become immediately due and payable to District. An additional charge of Two Hundred Dollars (\$200) shall accrue monthly for each additional month that said payment remains unpaid.

City and District hereby agree that such late charges represent a fair and reasonable estimate of the costs that District will incur by reason of City's late payment. Acceptance of such late charges (and/or any portion of the overdue payment) by District shall in no event constitute a waiver of City's Default (as defined in Clause 32 (DEFAULTS AND REMEDIES)) with respect to such overdue payment or prevent District from exercising any of the other rights and remedies granted hereunder.

12. LEASE ADMINISTRATIVE COSTS (SRLic-2.2 SR)

Intentionally Deleted

13. SECURITY DEPOSIT (2.3 SR)

Intentionally Deleted

14. RECORDS AND ACCOUNTS (2.4 SR)

Intentionally Deleted

15. OBLIGATIONS OF THE DISTRICT

District shall maintain the Facilities adjacent to or within the Premises consistent with comparable flood control channels pursuant to District's legal obligations, which shall not be subject to the discretion of the City.

District may provide routine inspections of the Premises and Facilities and shall provide the City a copy of the most current inspection report, upon City's written request.

District reserves the right unto itself and to USACE to perform any flood control work, including but not limited to the repair, removal, construction or reconstruction of said Facilities or to do any other work necessary at any time for purposes of flood control and water conservation, which are a higher public use than the recreational purposes contemplated by the City. The District may require the City to close a portion of the Premises as necessary to ensure safety during construction, maintenance or repair activities involving the Facilities, however, City's rent shall be partially abated using a daily *pro rata* formula based on the current rent applicable to the percentage of the golf course holes closed, using the formula below:

Attachment C

$$\text{Total Abated Rent} = \frac{\text{Annual Rent}}{365} \times \text{Inoperable Days} \times \frac{\text{Closed Holes}}{\text{Total Holes}}$$

District shall review and respond to all City requests for modifications or construction through the District's encroachment permit process as set forth in Clause 16 (MAINTENANCE OBLIGATIONS OF CITY), below.

16. MAINTENANCE OBLIGATIONS OF CITY – CONDITIONS AND CARE OF PREMISES (2.5 SR)

A. City shall, to the satisfaction of District, keep and maintain, or cause to be kept and maintained, the Premises and all City Improvements (as that term is defined in Clause 19, below) of any kind in place and used, occupied, or otherwise operated or maintained by the City on the Premises prior to the Commencement Date, or which may be erected, installed, or made thereon by City or its Licensee or Licensees, during the Term or any Extension Term of this Lease, in good condition and in substantial repair, provided that in the event of (i) substantial damage to any such City Improvements it shall be at City's option whether to repair or replace such improvements (provided that if the improvements are not to be repaired or replaced, then they shall be placed into a safe condition or removed), as provided in Clause 20 (OPERATIONAL REQUIREMENTS OF CITY) below; or (ii) City or its Licensee(s) ceases to use any improvements, it shall be at City's option to not repair or replace any such improvement so long as the improvement is maintained in a safe condition or removed. Subject to the foregoing, it shall be City's responsibility to take all steps necessary or appropriate to maintain such a standard of condition and repair.

B. City shall at its sole cost and expense, keep the Premises clean and in good repair at all times during the entire term of this Lease including clean-up of any trash or debris that migrates into the adjacent Facilities from the Premises. Except as otherwise expressly set forth in this Lease, City shall be responsible for all costs relating to the operation and maintenance of the Premises.

C. City shall be solely responsible for all costs and expenses for any maintenance and repairs necessitated by the actions of City, or Licensee(s), resulting in an extraordinary load imposed on underground utilities outside the Premises which actually causes damage or contamination of Flood Control facilities or property.

D. If City fails to maintain or make repairs or replacements as required herein, District shall notify City in writing of said failure. Should City fail to correct the situation within ten (10) days after receipt of written notice specifying the condition to be corrected (provided that such 10-day period may be extended accordingly if a longer time is reasonably necessary to correct the condition and City promptly commences such cure and diligently prosecutes it to completion), District may make the necessary correction or cause it to be made and the cost thereof, including but not limited to the cost of labor, materials, equipment, shall be paid by City within ten (10) days of receipt of a statement, including reasonable supporting documentation, of said cost from District.

E. If City receives an inspection notice or a deficiency notice following an inspection by any public or regulatory agency having jurisdiction, City agrees to make any and all corrections in the manner required immediately upon receipt of such notice, provided such items and/or corrections fall within the purview of City's responsibilities as set forth herein. City's failure to comply with

Attachment C

the provisions of this Clause 16 shall constitute a City Default and the District may proceed with any and all District Remedies as defined in Clause 32 (DEFAULTS AND REMEDIES), and this Lease shall be subject to termination at District's option.

F. District shall have no obligation or responsibility to dredge, remove debris, or to maintain, repair, or replace improvements constructed within the Premises, except as otherwise required by applicable law, including but not limited to the Orange County Flood Control Act. City shall have no obligation to dredge the Premises nor to maintain, supervise, repair or replace any improvements installed by District.

G. City shall be responsible for routine and detailed inspections of the Premises to self-identify, maintain and repair the Premises and any Facilities impacted by golf play, to its current condition, as shown depicted in Exhibit B, attached hereto. This includes, but is not limited to, removal of all trash, removal of all trespassers, vegetation trimming to maintain existing vegetation limits to prevent vegetation migration into the drainage outlets, herbicide spray program for slopes and invert, rodent control, hazardous spill cleanup, minor slope erosion, bridge abutment washouts, riprap repairs, removing obstructions, graffiti abatement, irrigation and landscaping repairs or modifications, BMPs (as defined hereafter) for sediment and erosion, signage, and any other maintenance deficiencies identified in writing by District or the USACE. The difference between minor slope erosion and major slope erosion shall be determined at the reasonable discretion of the District's Chief Engineer, who shall provide such support for such determination and collaborate with the City in good faith when making such determination.

H. City shall also conduct inspections prior, during, and post rain events to ensure the Premises and Facilities are fully functional and free of obstructions.

I. In the event District's flood control operations, emergency access, or post-storm activities render the golf course unplayable, City's rent shall be abated using the formula set forth in Clause 15 (OBLIGATIONS OF THE DISTRICT).

J. District agrees to continue maintaining the surrounding flood control channel as required by law and/or regulation.

17. CONSTRUCTION AND/OR ALTERATIONS BY CITY (2.6 SR)

A. District's Consent. No grading shall take place, nor any construction, structures, improvements, additional vegetation or landscaping or facilities be built, erected, altered, or made within the Premises without prior written consent of District's Chief Engineer and obtaining a permit through the County and/or United States Army Corps of Engineers permitting processes, as applicable. No pumping equipment shall be installed upon the Premises without first obtaining prior approval of such installation from the Chief Engineer. Any conditions relating to the manner, method, design, and construction of said structures, improvements, or facilities required by the District as a condition to grant such consent, shall be conditions hereof as though originally stated herein. City may, at any time, at its sole expense, install, and replace business fixtures and equipment constructed by City, within the Premises.

Attachment C

B. Strict Compliance with Plans and Specifications. All improvements constructed by City within the Premises shall be constructed in strict compliance with detailed plans and specifications approved by District's Chief Engineer and to the extent applicable, in compliance with the requirements of California Public Contract Code Section 22000 *et seq.*, which requires those improvements to be constructed as if such improvements had been constructed under the direction and supervision, or under the authority, of District.

C. Permits. All District-approved improvements to the Premises installed or constructed by City shall be constructed in accordance with valid permits and all applicable laws and in a good and workmanlike manner, including, but not limited to, (a) City shall be required to secure the faithful performance of construction and completion of construction of the improvement by appropriate contractor's bonds as required by the California Public Contracts Code and shall require its contractor or contractors to pay the prevailing rate of per diem wages for work of a similar character in the locality of the District and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 33 (LABOR CODE COMPLIANCE) of this Lease; and (b) To the extent required by applicable law, City shall comply, and shall cause any of its Sublessees, licensees, contractors and subcontractors to comply, with all County of Orange ordinances and public contracting laws regarding public works contracts, including, but not limited to, the bidding requirements under the California Public Contracts Code. City shall publicly advertise for bids for such improvements and shall provide District a list of all bids received for the contract; and (c) thereafter, with the prior written approval of District as to the winning bid, City shall award the contract or contracts for such improvements.

All preparation and processing for environmental clearance shall be at City's sole cost and expense. In the event that the environmental process results in any required mitigation measures, performance of such mitigation measures, including all associated costs and expenses shall be the sole responsibility of City.

District has no obligation to notify City regarding requirements for permits, licenses, approvals or other consents from governmental agencies, including the County of Orange in its regulatory capacity, nor shall District have any obligation to obtain permits, licenses, approvals or other consents from governmental agencies on behalf of City. District agrees to give its consent as property owner to any application made with regard to any such permits, licenses, approvals or other consents that may be required by any governmental agency or by the County of Orange in its regulatory capacity related to activities or design and construction of improvements approved by District in accordance with this Lease. Any such consent given by District as the property owner is not to be interpreted to obligate District to pay any fees related to the application or issuance of any such permit, license, approvals or other consents, nor shall such consent be deemed a waiver of any fee that may be charged by County's Property Permit department. Any conditions placed on City's design and construction or operation of the Premises as a result of the issuance of permits, licenses, approvals or other consents shall be the sole obligation of City with regard to performance responsibilities, cost and expense.

Any approvals or consents given by District under this Lease, as a party to this Lease, shall not be deemed approval as to compliance or conformance with applicable governmental codes, laws, rules and/or regulations or approval from the standpoint of structural safety, suitability for purpose or conformance with building or other codes or other governmental requirements nor shall District,

Attachment C

as a party to this Lease be responsible for permitting of any construction and/or maintenance, design, assumptions or accuracy of City's construction and/or maintenance plans.

All planning and architectural/design costs required to complete the construction shall be City's responsibility and shall be approved by the Director. Such approvals will not be unreasonably withheld or delayed and shall not relieve City of the responsibility for complying with all applicable codes and construction requirements, nor of obtaining necessary permits or approvals from the authorities of proper jurisdiction.

18. "AS-BUILT" PLANS AND CONSTRUCTION COSTS (PMD5.1 N)

Within 60 days following completion of any City Improvement within the Premises, City shall furnish Chief Engineer with a complete set of digitally reproducible files and two sets of Record Drawings ("**As-Built**") plans.

- Record Drawings: All CAD files are to be converted to Acrobat Reader (*.pdf format), which shall constitute the digitally reproducible files, and shall be in accordance with OC Public Works CAD Standards Manual.

City must obtain Chief Engineer's approval of "As-Built" plans, and the form and content of the itemized statement corresponding to the approval. City shall also furnish the Chief Engineer with all CAD data files, which shall be in the following software format:

- AutoCAD format; Microsoft Windows based system: Submission of all CAD data files shall be in accordance with OC Public Works CAD Standards Manual

No other formats are acceptable. Chief Engineer reserves the right to reject CAD files delivered in any other formats not specified above.

In addition, City, shall furnish Chief Engineer the recorded Notice of Completion (NOC) and an itemized statement of the actual construction costs of such improvement. The statement of cost shall be sworn to and signed by City or his responsible agent under penalty of perjury. City must obtain Chief Engineer's approval of "As-Built" plans, and the form and content of the itemized statement.

19. OWNERSHIP OF IMPROVEMENTS (2.7 SR)

City shall provide all equipment necessary for use of the Premises consistent with this Lease. All improvements, and facilities, exclusive of trade fixtures, constructed or placed within the Premises by City ("**City Improvements**") must, upon completion, be free and clear of all liens, claims, or liability for labor or material and, at District's option shall, become property of District at the expiration of this Lease or upon earlier termination hereof. Alternatively, District retains the right to require City, at City's cost, to remove all City Improvements located on the Premises at the expiration or termination hereof. In the event that City fails to remove said City Improvements within fifteen (15) days following receipt of written notice from District to do so, such City Improvements will be deemed abandoned, and City shall lose all right, title and interest in and thereto, and District may elect (i) at City's cost, to remove, demolish, or otherwise dispose of some or all of such items, or (ii) sell or make use of any or all such items.

Attachment C

20. OPERATIONAL REQUIREMENTS OF CITY (2.8 SR)

A. Quality and Service Standards. City shall at all times operate the Premises in a manner consistent with Clause 3 (USE) and Clause 16 (MAINTENANCE OBLIGATIONS OF CITY – CONDITIONS AND CARE OF PREMISES).

B. Standards of Operation. City shall operate the Premises in a manner similar to other comparable facilities in Southern California that offer similar services and amenities. City shall, at its sole expense, take reasonable steps to provide security measures for the protection of persons and property within the Premises.

C. Protection of Environment. City shall not permit:

1. Littering within the Premises.
2. Excessive noise emanating from the Premises.
3. Excessive light and glare from light fixtures within the Premises that could affect the safe operation of automobiles and aircraft in the area.
4. Discharge or runoff of pollutants, including fertilizer, petroleum products, waste and debris from any source on the Premises into the waters within or adjacent to the Premises or other activities that are harmful to water quality.
5. City shall immediately report any spillage, leakage, or discharge of any toxic, hazardous or polluting materials to the proper authorities and to District.

Failure by City to comply with A, B and C of this Clause shall result in City Default and District shall have the right to exercise any remedy available to it by virtue of such City Default in addition to any District Remedies defined in Clause 32 (DEFAULTS AND REMEDIES).

D. On-Site Management

1. City shall employ and designate to District a competent manager (“**Facility Manager**”) who shall be responsible for the day-to-day operation and maintenance, cleanliness, and general order of the Premises. Facility Manager shall be vested with the authority of City with respect to the supervision over the operation and maintenance of the Premises, including the authority to enforce compliance by City’s agents, employees, subcontractors, concessionaires, or licensees with the terms and conditions of this Lease and any and all rules and regulations adopted hereunder. City shall notify District in writing of the name of the Facility Manager currently employed, as well as successor managers, in the manner as provided in Clause 64 (NOTICES) below.
2. City agrees to obey, abide by, and be in conformance with all applicable governmental codes, laws, rules and/or regulations, now or hereafter promulgated, concerning operations on the Premises.

21. MECHANICS LIENS OR STOP-NOTICES (2.9 SR)

City shall at all times indemnify, defend with counsel approved in writing by District and save District harmless from all claims, losses, demands, damages, cost, expenses, or liability costs for labor or materials in connection with construction, repair, alteration, or installation of structures, improvements, equipment, or facilities within the Premises, and from the cost of defending against

Attachment C

such claims, including attorney fees and costs, unless such claims, losses, demands, damages, costs, expenses, or liability costs arise from the negligence or willful misconduct of District.

In the event a lien or stop-notice is imposed upon the Premises as a result of such construction, repair, alteration, or installation, City shall either:

- A. Record a valid Release of Lien, or
- B. Procure and record a bond in accordance with Section 3143 of the Civil Code, which frees the Premises from the claim of the lien or stop-notice and from any action brought to foreclose the lien.

Should City fail to accomplish either of the two optional actions above within fifteen (15) days after the filing of such a lien or stop-notice, the City shall be in City Default and shall be subject to immediate termination of this Lease.

22. INSURANCE (3.0 SR)

City agrees to purchase all required insurance or maintain a program of self-insurance at City's expense and to deposit with the District certificates of insurance, including all endorsements required herein, necessary to satisfy the District that the insurance provisions of this Lease have been complied with and to keep such insurance coverage and the certificates and endorsements therefore on deposit with the District during the entire term of this Lease.

City agrees that City shall not operate on the Lease Area at any time the required insurance is not in full force and effect as evidenced by a certificate of insurance and necessary endorsements or, in the interim, an official binder being in the possession of the District. In no case shall assurances by City, its employees, agents, including any insurance agent, be construed as adequate evidence of insurance. District will only accept valid certificates of insurance and endorsements, or in the interim, an insurance binder as adequate evidence of insurance. City also agrees that upon cancellation, termination, or expiration of City's insurance, District may take whatever steps are necessary to interrupt any operation from or on the Premises until such time as the District reinstates the Lease.

If City fails to provide District with a valid certificate of insurance and endorsements, or binder at any time during the term of the Lease, District and City agree that this shall constitute a material breach of the Lease. Whether or not a notice of default has or has not been sent to City, said material breach shall permit District to take whatever steps necessary to interrupt any operation from or on the Premises, and to prevent any persons, including, but not limited to, members of the general public, and City's employees and agents, from entering the Premises until such time as District is provided with adequate evidence of insurance required herein. City further agrees to hold District harmless for any damages resulting from such interruption of business and possession, including, but not limited to, damages resulting from any loss of income or business resulting from the District's action.

City may occupy the Premises only upon providing to District the required insurance stated herein and maintain such insurance for the entire term of this Lease. District reserves the right to terminate this Lease at any time City's insurance is canceled or terminated and not reinstated within ten (10)

Attachment C

days of said cancellation or termination. City shall pay District a fee of \$1000.00 for processing the reinstatement of the Lease. City shall provide to District immediate notice of said insurance cancellation or termination.

All contractors performing work on behalf of City pursuant to this Lease shall obtain insurance subject to the same terms and conditions as set forth herein for City. City shall not allow contractors or subcontractors to work if contractors have less than the level of coverage required by the District from the City under this Lease. It is the obligation of the City to provide written notice of the insurance requirements to every contractor and to receive proof of insurance prior to allowing any contractor to begin work within the Premises. Such proof of insurance must be maintained by City through the entirety of this Lease and be available for inspection by a District representative at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the District’s Risk Manager, or designee. The District reserves the right to require current audited financial reports from City. If City is self-insured, City will indemnify and defend District for any and all claims resulting or arising from City’s use of the Premises or performance in accordance with the indemnity provision stated in this Lease.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the City shall provide the minimum limits and coverage as set forth below:

<u>Coverages</u>	<u>Minimum Limits</u>
Commercial General Liability	\$5,000,000 per occurrence \$5,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 combined single limit each accident

Attachment C

<u>Coverages</u>	<u>Minimum Limits</u>
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Pollution Liability	\$1,000,000 per claims made or occurrence
Commercial Property Insurance on an “All Risk” or “Special Causes of Loss” basis covering all, contents and any City improvements including Business Interruption/Loss of Rents with a 12-month limit.	100% of the Replacement Cost Value and no coinsurance provision

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing liability coverage at least as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***Orange County Flood Control District and the County of Orange, its elected and appointed officials, officers, employees, agents*** as Additional Insureds. Blanket coverage may also be provided which will state- ***As Required By Written Agreement.***
- 2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad, evidencing that the City’s insurance is primary, and any insurance or self-insurance maintained by the District and the County of Orange shall be excess and non-contributing.

The Workers’ Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***District and the County of Orange, its elected and appointed officials, officers, agents and employees.*** Blanket coverage may also be provided which will state- ***As Required By Written Agreement.***

Attachment C

The Pollution Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement naming the Orange County Flood Control District, County of Orange, its elected and appointed officials, officers, employees, and agents, and as Additional Insureds.
- 2) A primary non-contributory endorsement evidencing that City's insurance is primary, and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

Pollution Liability insurance must include coverage for bodily injury and property damage, including coverage for loss of use and/or diminution in property value, and for clean-up costs arising out of, pertaining to, or in any way related to the actual or alleged discharge, dispersal, seepage, migration, release or escape of contaminants or pollutants resulting from any services or work performed by, or behalf of, TENANT, including the transportation of hazardous waste, hazardous materials, or contaminants.

If City's Pollution Liability policy is a claims-made policy, City shall agree to the following:

- 1) The retroactive date must be shown and must be before the date of the contract or the beginning of the Lease.
- 2) Insurance must be maintained, and evidence of insurance must be provided for at least three (3) years after expiration or earlier termination of Lease.
- 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the contract services, TENANT must purchase an extended reporting period for a minimum of three (3) years after expiration of earlier termination of the Lease.

All insurance policies required by this lease shall waive all rights of subrogation against the District and the County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

The Commercial Property policy shall contain a Loss Payee endorsement naming the District as respects the District's financial interest when applicable.

The Commercial General Liability policy shall contain a severability of interests clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy).

Insurance certificates should be forwarded to the District address provided in Clause 65 (NOTICES) below or to an address provided by Director. City has ten (10) business days to provide adequate evidence of insurance, or this Lease may be cancelled.

District expressly retains the right to require City to increase or decrease insurance of any of the above insurance types throughout the term of this Lease. Any increase or decrease in insurance

Attachment C

will be as deemed by County of Orange Risk Manager as appropriate to adequately protect District.

District shall notify City in writing of changes in the insurance requirements. If City does not deposit copies of acceptable certificates of insurance and endorsements with District incorporating such changes within thirty (30) days of receipt of such notice, this Lease may be in breach without further notice to City, and District shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit City's liability hereunder nor to fulfill the indemnification provisions and requirements of this Lease, nor in any way to reduce the policy coverage and limits available from the insurer.

23. INDEMNIFICATION (3.1 SA)

City hereby agrees to indemnify, hold harmless, and defend the County of Orange (“**County**”) and District, their elected and appointed officials, officers, agents, employees, and those special districts and agencies which the Board of Supervisors acts as the governing board, with counsel approved by District, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the ownership, maintenance, or use of the Premises, except for liability arising out of the negligence of District, its elected and appointed officials, officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom. In the event the County or District is named as co-defendant, City shall notify District of such fact and shall represent the County and District, with counsel approved by District, in such legal action unless the County and/or District undertakes to represent itself as co-defendant in such legal action, in which event City shall pay District’s litigation costs, expenses and attorneys’ fees. In the event judgment is entered against District because of the concurrent negligence of City, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

District hereby agrees to indemnify, hold harmless, and defend City, its officers, agents, and employees, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the use of the Premises, except for liability arising out of the negligence of Lessee, its officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom.

24. HAZARDOUS MATERIALS (3.2 SR)

A. Definition of Hazardous Materials. For purposes of this Lease, the term “**Hazardous Materials**” shall mean any hazardous or toxic substance, material, product, byproduct, or waste that is or shall become regulated by any governmental entity, including, without limitation, District, acting in its governmental capacity, the State of California or the United States government.

B. Use of Hazardous Materials. Except for those Hazardous materials which are customarily used in connection with any permitted use of the Premises, hereunder (which Hazardous Materials shall be used in compliance with all applicable laws and regulations), City or City’s employees, agents, independent contractors or invitees (collectively “**City Parties**”) shall not cause or authorize any Hazardous Materials to be brought upon, stored, kept, used, generated, released into the environment or disposed of on, under, from or about the Premises (which for purposes of this

Attachment C

Clause shall include the subsurface soil and ground water). Notwithstanding the foregoing, City and City Parties may keep on or about the Premises small quantities of Hazardous Materials that are used in the ordinary, customary, and lawful cleaning of and business operations on the Premises. Said permitted Hazardous Materials shall be stored in a safe location and shall be disposed of in a manner provided by law.

C. City Obligations. If the presence of any Hazardous Materials on, under or about the Premises caused or authorized by City or City Parties results in (i) injury to any person, (ii) injury to or contamination of the Premises (or a portion thereof), or (iii) injury to or contamination of any real or personal property wherever situated, City, at its sole cost and expense, shall promptly take all actions necessary or appropriate to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Without limiting any other rights or remedies of District under this Lease, City shall pay the cost of any such cleanup or remedial work performed on, under, or about the Premises as required by this Lease or by applicable laws in connection with the removal, disposal, neutralization or other treatment of such Hazardous Materials caused or authorized by City or City Parties to be introduced on, under or about the Premises. Notwithstanding the foregoing, City shall not take any remedial action in response to the presence, discharge or release, of any Hazardous Materials on, under or about the Premises caused or authorized by City or City Parties, or enter into any settlement agreement, consent decree or other compromise with any governmental or quasi-governmental entity without first obtaining the prior written consent of the Director, which consent shall not be unreasonably withheld, conditioned or delayed. All work performed or caused to be performed by City as provided for above shall be done in good and workmanlike manner and in compliance with plans, specifications, permits and other requirements for such work approved by Director, which approval shall not be unreasonably withheld, conditioned or delayed.

25. BEST MANAGEMENT PRACTICES (3.3 SR)

A. City shall conduct operations under this Lease so as to assure that pollutants do not enter municipal storm drain systems which systems are comprised of but are not limited to curbs and gutters that are part of the street systems (“**Stormwater Drainage System**”), and to ensure that pollutants do not directly impact Receiving Waters (as used herein, “**Receiving Waters**” include, but are not limited to, rivers, creeks, streams, estuaries, lakes, harbors, bays and oceans).

B. The Santa Ana Regional Water Quality Control Board has issued National Pollutant Discharge Elimination System (“**NPDES**”) permits (“**Stormwater Permits**”) to the County, Orange County Flood Control District and cities within Orange County, as co-permittees (hereinafter collectively referred to as “**District Parties**”) which regulate the discharge of urban runoff from areas within the DISTRICT, including the Premises leased under this Lease. The District Parties have enacted water quality ordinances that prohibit conditions and activities that may result in polluted runoff being discharged into the Stormwater Drainage System.

C. BMP Fact Sheets that apply to uses authorized under this Lease include the BMP Fact Sheets that are attached hereto as Exhibit C. These BMP Fact Sheets may be modified during the term of the Lease; and District shall provide City with any such modified BMP Fact Sheets. City, City’s agents, contractors, representatives and employees and all persons authorized by City to conduct activities on the Premises shall, throughout the term of this Lease, comply with the BMP Fact

Attachment C

Sheets as they exist now or are modified, and shall comply with all other requirements of the Stormwater Permits, as they exist at the time this Lease commences or as the Stormwater Permits may be modified. City agrees to maintain current copies of the BMP Fact Sheets on the Premises throughout the term of this Lease. The BMPs applicable to uses authorized under this Lease must be performed as described within all applicable BMP Fact Sheets.

D. City may propose alternative BMPs that meet or exceed the pollution prevention performance of the BMP Fact Sheets. Any such alternative BMPs shall be submitted to District for review and approval prior to implementation.

E. District may enter the Premises and/or review City's records at any time to assure that activities conducted on the Premises comply with the requirements of this Clause. City may be required to implement a self-evaluation program to demonstrate compliance with the requirements of this Clause.

F. Among other requirements, the industrial NPDES permit requires periodic stormwater inspections by the State and/or District and/or OC Watersheds staff to ensure facility compliance, which may include annual inspections of the Facilities and Premises, with follow up inspections as a result of observed violations requiring corrective actions.

G. Dependent upon the reuse of the Premises, the Premises shall have a clarifier drain that captures low flow runoff from throughout the site, which ensures all flows are properly drained without any unacceptable runoff. City shall conduct their work throughout the site and any resultant low flow discharges shall work their way to the clarifier. In regard to City Improvements, City shall designate operational zones minimally affected by storm flows that allow drainage to the clarifier, and the non-operational portions of the site are to have normal storm discharges going through the storm drain system. As the site undergoes a new NPDES Industrial Permit application process, these conditions may get re-examined.

H. The BMPs shall stipulate the process for the City to take corrective actions and state the consequences of non-compliance or District options under the Lease to self-remedy the matter. The Santa Ana and San Diego Regional Water Quality Control Boards have established penalties/consequences for non-compliance and those are to be included in this Lease. District to have the option to terminate the Lease if the City does not correct a non-compliance situation in a timely manner.

I. Work activities are to be conducted in a controlled area where pollutants shall be contained, and any heavy metals detected at significantly higher levels than the benchmarks set by the Regional Board shall be addressed. All applicable BMPs are to be properly implemented, including any and all future modifications, updates, or replacement BMPs that may be issued from time to time, shall be used by City.

J. Site modifications, such as distinctly designated work areas with controls to prevent pollutants from escaping and wastewater drain, will be required to be segregated from stormwater drain.

K. In the event City fails to comply with all applicable BMPs, District, in addition to any and all remedies available in Clause 32 (DEFAULTS AND REMEDIES), shall have the right to self-help remedies or terminate the Lease as follows:

Attachment C

1. Terminate the Lease due to non-compliance with the BMPs incorporated in the Lease and as BMPs may change from time to time, or;
2. Remedy a non-compliance situation with a chargeback to the City for the cost. The details regarding notification, timeline, and procedure are to be drafted and mutually agreed upon by both Parties to ensure all water quality issues are addressed within the Lease. In the event the City's BMP implementation is lacking or if the City allows a prohibitive discharge to occur, then the Regional Board will only take enforcement action against District. Therefore, this Lease must establish a BMP compliance partnership with the City and the Lease must ensure the protection of water quality is inherent in the City's day-to-day operations.

26. BUILDING AND SAFETY REQUIREMENTS (3.4 SR)

During the Term and any Extension Term(s) 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, including but not limited to the California Building Code, Title 24, Seismic Code, Fire and Life Safety requirements and, if applicable, California Green Building Standard Code.

Included in this provision is compliance with the Americans with Disabilities Act ("ADA") and all other federal, state, and local codes, statutes, and orders relating to disabled access as they are applicable on the dates of this Lease, and as they may be subsequently amended, and all regulations issued by the U. S. Attorney General or other agencies under the authorization of the ADA. However, City shall not be responsible for any ADA violations resulting from alterations made by District or the placement of fixtures or equipment by District.

City shall use commercially reasonable efforts to repair and maintain the Premises as a "safe place of employment," as defined in the California Occupational Safety and Health Act (California Labor Code, Division 5, Part 1, Chapter 3, beginning with Section 6400) and the Federal Occupational Safety and Health Act, where the provisions of such Act exceed, or supersede, the California Act, as the provisions of such Act are applicable on the date of this Lease, and as they may be subsequently amended. District agrees to notify City of any repair or maintenance necessary within the Premises to comply with such Act and City agrees to diligently act to repair or maintain appropriately.

In the event City neglects, fails, or refuses to maintain said Premises as aforesaid, following thirty (30) days after written notice from District to City providing notice of such neglect, failure or refusal, District may, notwithstanding any other termination provisions contained herein:

- A. Thirty (30) days following a second written notice of such neglect or failure or refusal, District may terminate this Lease with written notice to the City; or
- B. At District's sole option, cure any such City Default by performance of any act, including payment of money, and add the cost thereof plus reasonable administrative costs (ten percent (10%)) to the Rent.

Attachment C

City agrees to reimburse and indemnify, and defend District for any expenses incurred because of the failure of the Premises to conform with any and all applicable laws, rules, regulations, building codes, statutes, and orders, including the costs of making any alterations, renovations, or accommodations required by the ADA, or any governmental enforcement agency, or any court, any and all fines, civil penalties, and damages awarded against District resulting from a violation or violations of the above-cited laws, rules, regulations, building codes, statutes, and orders and regulations, and all reasonable legal expenses incurred in defending claims made under the above-referenced laws, rules, regulations, building codes, statutes, and orders, including reasonable attorneys' fees. Should City fail to comply with the provisions of this Clause 26, City may be found in City Default and the District may exercise those remedies set forth in Clause 32 (DEFAULTS AND REMEDIES).

27. DAMAGE TO OR DESTRUCTION OF CITY IMPROVEMENTS (3.5 SR)

City Improvements shall be maintained at the sole risk of the City, and District shall not be liable for any loss of or damage to said property resulting from any cause whatsoever unless such loss or damage is the result of District's negligence or willful misconduct and not otherwise waived pursuant to Clause 4 (DISTRICT'S USE RESERVATIONS AND RIGHT OF ENTRY) above.

As a result of use by the City and in the event of damage to or destruction of City Improvements located within the Premises or in the event City Improvements located within the Premises are declared unsafe or unfit for use or occupancy by a public entity with the authority to make and enforce such declaration, City shall, within thirty (30) days, commence and diligently pursue to completion the repair, replacement, or reconstruction of City Improvements to the same size and area as they existed immediately prior to the event causing the damage or destruction, as necessary to permit full use and occupancy of the Premises for the purposes required by the Lease. Repair, replacement, or reconstruction of City Improvements within the Premises shall be accomplished in a manner and according to plans approved by the Director. Except as otherwise provided herein, termination of this Lease shall not reduce or nullify City's obligation under this paragraph. With respect to damage or destruction to be repaired by District or which District elects to repair, City waives and releases its rights under California Civil Code Sections 1932 (2) and 1933 (4).

District shall not be liable for any damage to City Improvements located on the Premises, nor for the loss of or damage to any improvements of City or others by theft or otherwise. All improvements of City located or kept on the Premises shall be so kept or located at the risk of City unless such damage is caused by District willful misconduct or gross negligence.

28. CITY PERSONAL PROPERTY

City personal property kept or stored on the Premises shall be kept or stored and maintained at the risk of City and District shall not be liable for any loss of or damage to said property resulting from any cause whatsoever unless such loss or damage is the result of District's negligence or willful misconduct and not otherwise waived pursuant to Clause 4 (DISTRICT'S USE RESERVATIONS AND RIGHT OF ENTRY) above.

If City abandons or quits the Premises or is dispossessed thereof by process of law or otherwise, title to any personal property belonging to and left on the Premises fifteen (15) days after such

Attachment C

event shall, at District's option, be deemed to have been transferred to District. District shall have the right to remove and to dispose of such property without liability therefor to City or to any person claiming under City and shall have no need to account therefor.

29. ASSIGNMENT AND SUBLETTING (3.5 SR)

Subject to prior review and approval by District, City may allow for the rental, licensing, permitting, or subletting of the Premises when doing so results in providing for the uses permitted in Clause 3 (USE) above. Any mortgage, pledge, hypothecation, encumbrance, transfer, sublease, license, permit, or assignment (hereinafter in this Clause referred to collectively as “**Encumbrance**”) of City’s interest in the Premises, or any part or portion thereof without the prior written approval of District is prohibited. All Encumbrances are subject to District’s review and approval, including those Encumbrances that result in providing for the uses permitted in Clause 3 (USE) above. District approval is subject to negotiation by the Parties and may result in additional charges for Rent and/or Additional Rent as those terms are defined and used in Clause 9 (RENT) above. District may reasonably withhold such approval.

Should District consent to any Encumbrance, such consent shall not constitute a waiver of any of the terms, covenants, or conditions of this Lease or be construed as District's consent to any further Encumbrance. Such terms, covenants or conditions shall apply to each and every Encumbrance hereunder and shall be severally binding upon each and every party thereto. Any document to mortgage, pledge, hypothecate, encumber, transfer, sublet, or assign the Premises or any part thereof shall not be inconsistent with the provisions of this Lease and in the event of any such inconsistency, the provisions of this Lease shall control.

City may, with prior notice, engage the services of a professional management company and such employment shall not be construed to be an assignment or transfer of the Lease. Any license, sublease, permit, etc. issued by City shall be consistent with and subject to the terms and conditions of this Lease and shall be subject to review and approval by the District, whose approval shall not be unreasonably withheld. Each license, sublease, permit, etc. issued by City shall require adequate insurance, as determined by the District, with District and the County of Orange named as additional insured, and the Licensees shall indemnify the District and the County of Orange, its elected officials, agents, officers, and employees.

30. TAXES AND ASSESSMENTS (3.6 SR)

If applicable, all taxes and assessments including, but not limited to, possessory interest tax, if any, which become due and payable upon the Premises shall be the full responsibility of City, and City shall cause said taxes and assessments to be paid prior to the due date. Should City fail to pay taxes and assessments due upon the Premises prior to the due date, District may pay such amount due and add the cost thereof, including overhead, to the Base Rent thereafter payable.

31. ESTOPPEL CERTIFICATE (3.7 SR)

City shall furnish upon receipt of a written request from District an estoppel certificate on District’s standard form *Estoppel Certificate* (attached hereto in Exhibit D containing information as to the current status of the Lease. Said standard form *Estoppel Certificate* shall be completed by City in

Attachment C

a timely manner. The *Estoppel Certificate* shall be approved by Chief Real Estate Officer and County Counsel.

32. DEFAULTS AND REMEDIES (3.8 SR)

A. City Default. City shall be deemed in default of this Lease if: (a) in the event of any monetary breach of this Lease by City, District shall notify City in writing of such breach, and City shall have three (3) days from such notice in which to cure said breach or (b) in the event of any non-monetary breach of this Lease, City fails within fifteen (15) days after receipt by City of written notice specifying wherein such obligation of City has not been performed; provided however, that if the nature of City's obligation is such that more than fifteen (15) days after such notice are reasonably required for its performance, then City shall not be in breach of this Lease if performance is commenced as soon as reasonably possible within such fifteen (15) day period and thereafter diligently pursued to completion (each, a “**City Default**”).

B. District Default. District shall be deemed in breach of this Lease if District fails within fifteen (15) days after receipt by District of written notice specifying wherein such obligation of District has not been performed; provided however, that if the nature of District's obligation is such that more than fifteen (15) days after such notice are reasonably required for its performance, then District shall not be in breach of this Lease if performance is commenced as soon as reasonably possible within such fifteen (15) day period and thereafter diligently pursued to completion (each, a “**District Default**”).

C. City Remedies. In the event of a District Default, the City may, at the City’s sole discretion, terminate the Lease, or shall have the right to injunctive relief, and/or any other rights at law or in equity (collectively, “**City Remedies**”). No delay or omission of City to exercise any right or remedy shall be construed as a waiver of such right or remedy or of any District Default hereunder..

D. District Remedies. If the City Default is a result of a monetary breach by City in the payment of the Rent or Additional Rent, pursuant to Clause 9 (RENT), District may, at the District’s sole discretion, (a) declare all Rent payments to the end of City’s current fiscal year to be due, including any delinquent rent from prior budget years or, (b) terminate the Lease. District’s remedies as the result of City Default for monetary or non-monetary breach shall be the right to damages, injunctive relief, and/or any other rights at law or in equity. No delay or omission of District to exercise any right or remedy shall be construed as a waiver of such right or remedy or of any City Default hereunder.

33. LABOR CODE COMPLIANCE (3.9 SR)

City acknowledges and agrees that any and all improvements or modifications required to be performed by Lessor at the request of District shall be governed by, and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (Sections 1770, *et seq.*), as applicable. These provisions may be applicable to improvements or modifications costing more than \$1,000, unless an exception applies, including but not limited to the exception to the definition of public works under § 1720.2.

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the Orange District Board of Supervisors has obtained the general prevailing rate of per diem wages and the

Attachment C

general prevailing rate for holiday and overtime work in the locality applicable to this Lease for each craft, classification, or type of workman needed to execute the aforesaid improvements or modifications from the State Department of Industrial Relations. Copies of said prevailing wage rates may be obtained from the State of California, Department of Industrial Relations.

City hereby agrees to pay or cause its contractors and/or subcontractors to pay said prevailing wage rates at all times for all improvements or modifications to be completed for City within the Premises, and City herein agrees that City shall post, or cause to be posted, a copy of the most current, applicable prevailing wage rates at the site where the improvements or modifications are performed.

Prior to commencement of any improvements or modifications, City shall provide Director with the applicable certified payroll records for all workers that will be assigned to the improvements or modifications. 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. City shall provide Director bi-weekly updated, certified payroll records for all workers including, but not be limited to, the weekly hours worked, prevailing hourly wage rates, and total wages paid.

If City fails to comply with this Clause, such occurrence may constitute an event of default of this Lease and District may, notwithstanding any other termination provisions contained herein:

- A. Terminate this Lease upon written notice to City; or
- B. At District's sole option, District may deduct from City's Security Deposit, as a penalty for such non-compliance of paying prevailing wage, which Security Deposit deduction would be District's estimate, in its sole discretion, of such prevailing wage rates not paid by City.

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

34. RIGHT TO WORK AND MINIMUM WAGE LAWS (4.0 SR)

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

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

Attachment C

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

Notwithstanding the minimum wage requirements provided for in this Clause, City, where applicable, shall comply with the prevailing wage and related requirements, as provided for in Clause 33 (LABOR CODE COMPLIANCE) of this Lease.

35. SIGNAGE (4.2 SR)

City may install and maintain wayfinding and golf course signs upon or in front of the Premises. Such signage must comply with all applicable laws, zoning, and site plan requirements. All other signs to be placed on the Premises require prior review and approval by District.

36. AUTHORITY (4.3 SR)

The persons executing this Lease on behalf of District and City warrant that they have the power and authority to bind District or City, as applicable, to this Lease.

37. LEASE ORGANIZATION (4.4 SR)

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

38. SUCCESSORS IN INTEREST (4.5 SR)

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

39. AMENDMENT (4.6 SR)

This Lease sets forth the entire agreement between District and City regarding the Premises and no other prior or contemporaneous agreement or understanding, written or oral, shall be effective. Any modification of this Lease must be in the form of a written amendment.

40. PARTIAL INVALIDITY (4.7 SR)

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

41. WAIVER OF RIGHTS (4.8 SR)

The failure of City or District to insist upon strict performance of any of the terms, conditions,

Attachment C

and covenants in this Lease shall not be deemed a waiver of any right or remedy that City or District 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.

42. HOLDING OVER (4.9 SR)

In the event City shall continue in possession of the Premises after the term of this Lease, such possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease, subject to termination by the District as provided herein.

43. EARTHQUAKE SAFETY (5.0 SR)

City accepts the Premises “as is” and “where is” and District offers no warranties or representations whatsoever that the Premises is or has been in compliance with applicable seismic safety regulations and building codes at the time of construction. All such seismic, safety and building regulation compliance is the responsibility of the City.

44. QUIET ENJOYMENT (5.1 SR)

District agrees that, subject to the terms, covenants and conditions of this Lease, City may, upon observing and complying with all terms, covenants and conditions of this Lease, peaceably and quietly occupy the Premises.

45. GOVERNING LAW AND VENUE (5.3 SR)

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

46. ATTORNEYS' FEES (5.4 SA)

In the event of a dispute between City and District concerning claims arising out of this Lease, or in any action or proceeding brought to enforce or interpret any provision of this Lease or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorney fees and costs.

47. TIME (5.5 SR)

Time is of the essence of this Lease. Failure to comply with any time requirements of this Lease shall constitute a material breach of this Lease.

48. INSPECTION OF PREMISES BY A CERTIFIED ACCESS SPECIALIST (5.6 SR)

A Certified Access Specialist (“CASp”) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards

Attachment C

under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or Lessor may not prohibit the City from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of City, if requested by the City. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

Pursuant to California Civil Code 1938, District hereby represents that the Premises has not undergone an inspection by a certified access specialist, and no representations are made with respect to compliance with accessibility standards. If it is determined during this tenancy that a violation of handicapped access laws (including the Americans with Disabilities Act) exists at the Premises, City shall correct such non-compliance at City's cost.

49. FORCE MAJEURE (5.7 SR)

For purposes of this Lease, the term "**Force Majeure**" means any of the following events which are beyond the control of either Party: act of God, unavailability of equipment or materials (but only if such equipment and materials were ordered in a timely fashion), enemy or terrorist act, act of war, riot or civil commotion, strike, lockout or other labor disturbance, fire, earthquake, explosion, governmental delays (including nonstandard delays in issuance of any permit or other necessary governmental approval or the scheduling of any inspections or tests), and nonstandard delays by third party utility providers beyond the reasonable control of the Party delayed or failing to perform under this Lease despite such Party's best efforts to fulfill the obligation. "**Best Efforts**" includes anticipating any potential force majeure event and addressing the effects of any such event (a) as it is occurring and (b) after it has occurred, to prevent or minimize any resulting delay to the greatest extent possible. Force Majeure shall not include inability to obtain financing or other lack of funds. Lessor and District shall be excused for the period of any delay in the performance of any obligation hereunder when such delay is occasioned by causes beyond its control.

50. CONDEMNATION (5.8 SR)

If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively, "**Condemnation**"), this Lease shall terminate as to the part of the Premises taken as of the date the condemning authority takes title or possession, whichever first occurs. If all or a material portion of the rentable area of the Premises are taken by Condemnation, City may, at City's option, to be exercised in writing within ten (10) days after District shall have given City written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. District shall also have the right to terminate this Lease if there is a taking by Condemnation of any portion of the building or property that would have a material adverse effect on District's ability to profitably operate the remainder of the building. If neither Party terminates this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of District, whether such award shall be made as compensation for diminution in value

Attachment C

of the leasehold, the value of the part taken or severance damages. City hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, or any similar or successor Laws.

51. CONSENT OR APPROVAL (5.9 SR)

Unless expressly stated otherwise, where the consent or approval of a Party is required, such consent or approval will not be unreasonably withheld, conditioned or delayed.

52. UNENFORCEABLE PROVISIONS (6.0 SR)

If any paragraph or clause hereof shall be determined illegal, invalid or unenforceable, it is the express intention of the Parties hereto that the remainder of the Lease shall not be affected thereby, and it is also the express intentions of the Parties hereto that in lieu of each paragraph or clause of this Lease which may be determined to be illegal, invalid or unenforceable, there may be added as a part of this Lease a paragraph or clause as similar in terms to such illegal or invalid or unenforceable paragraph or clause as may be possible and may be legal, valid and enforceable.

City shall at all times comply with restrictions on operational hours established by local ordinances or regulations. City agrees that when alternate forms of packaging are available, only items packaged in a manner most compatible with the goals of reducing litter and preserving the environment shall be sold. Sale of beverages in pop-top cans or in non-returnable metal or glass containers shall not be permitted. Recyclable, push-top type beverage containers may be permitted subject to approval by the Director. City agrees that it will operate and manage the services and facilities offered in a competent and efficient manner at least comparable to other well managed operations of similar type.

City's failure to comply with the provisions of this Clause shall constitute a City Default of this Lease and District may immediately terminate this Lease.

54. LIMITATION OF THE LEASEHOLD (6.2 SR)

This Lease and the rights and privileges granted City in and to the Premises are subject to all covenants, conditions, restrictions, and exceptions of record or apparent. Nothing contained in this Lease or in any document related hereto shall be construed to imply the conveyance to City of rights in the Premises, which exceed those, owned by District, or any representation or warranty, either express or implied, relating to the nature or condition of the Premises or District's interest therein. City has accepted the Premises in its "as is" / "where is" condition.

55. PERMITS AND LICENSES (6.3 SR)

City shall be required to obtain any and all approvals, permits and/or licenses which may be required in connection with the operation of the Premises as set out herein. No permit, approval, or consent given hereunder by District, in its governmental capacity, shall affect or limit City's obligations hereunder, nor shall any approvals or consents given by District, as a party to this Lease, be deemed approval as to compliance or conformance with applicable governmental codes, laws, rules, or regulations.

56. PAYMENT CARD COMPLIANCE (6.4 SR)

Should City conduct credit/debit card transactions in conjunction with their business with the District, on behalf of the District, or as part of the business that they conduct, City covenants and warrants that it is currently Payment Card Industry Data Security Standard (“**PCI DSS**”) and Payment Application Data Security Standard (“**PA DSS**”) compliant and will remain compliant during the entire duration of this Lease. City agrees to immediately notify District in the event City should ever become non-compliant and will take all necessary steps to return to compliance and shall be compliant within ten (10) days of the commencement of any such interruption.

57. NONDISCRIMINATION (6.5 SR)

City agrees not to discriminate against any person or class of persons by reason of sex, age, race, color, creed, physical handicap, or national origin in employment practices and in the activities conducted pursuant to this Lease. City shall make its accommodation and services available to the public on fair and reasonable terms.

58. CONDITION OF PREMISES UPON TERMINATION (6.6 SR)

Except as otherwise agreed to herein, upon termination of this Lease, City shall re-deliver possession of said Premises to District in substantially the same condition that existed upon execution of this lease, reasonable wear and tear, County approved construction or modifications, flood, earthquakes, war, and any act of war, excepted. References to the "termination of the Lease" in this Lease shall include termination by reason of the expiration of the lease term.

59. QUITCLAIM OF CITY'S INTEREST UPON TERMINATION (6.8 SR)

Intentionally deleted

60. DISTRICT'S RIGHT TO RE-ENTER (PMGE23.1 S)

City agrees to yield and peaceably deliver possession of the Premises to District on the date of termination of this Lease, whatsoever the reason for such termination. Upon giving written notice of termination to City, District shall have the right to re-enter and take possession of the Premises on the date such termination becomes effective without further notice of any kind and without institution of summary or regular legal proceedings. Termination of the Lease and re-entry of the Premises by District shall in no way alter or diminish any obligation of City under the lease terms and shall not constitute an acceptance or surrender.

61. PUBLIC RECORDS (6.9 SR)

Any and all written information submitted to and/or obtained by District from City or any other person or entity having to do with or related to this Lease and/or the Premises, either pursuant to this Lease or otherwise, at the option of District, may be treated as a public record open to inspection by the public pursuant to the California Records Act (Government Code Section 6250, *et seq.*) as now in force or hereafter amended, or any Act in substitution thereof, or otherwise made available to the public and City hereby waives, for itself, its agents, employees, and any person

Attachment C

claiming by, through or under City, any right or claim that any such information is not a public record or that the same is a trade secret or confidential information and hereby agrees to indemnify and hold District harmless from any and all claims, demands, liabilities, and/or obligations arising out of or resulting from a claim by City or any third party that such information is a trade secret, or confidential, or not subject to inspection by the public, including without limitation reasonable attorneys' fees and costs.

62. RELATIONSHIP OF PARTIES (7.0 SR)

The relationship of the Parties hereto is that of Lessor and Lessee, and it is expressly understood and agreed that District does not in any way or for any purpose become a partner of or a joint venturer with City in the conduct of City's business or otherwise, and the provisions of this Lease and the agreements relating to rent payable hereunder are included solely for the purpose of providing a method by which rental payments are to be measured and ascertained.

63. NO BROKERS USED (7.1 SR)

Neither Party has employed any broker or finder or incurred any liability for any brokerage fee, commission, finder's fee, or reimbursement expenses in connection with the transactions contemplated by this Lease.

64. NOTICES (7.2 SR)

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 received upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail.

TO: CITY

City of Santa Ana
 Attn: City Clerk
 200 S. Santa Ana Blvd.
 Santa Ana, CA 92805

With a copy to:
 City of Santa Ana
 Attn: Director of Community Services
 200 S. Santa Ana Blvd, 4th Floor
 Santa Ana, CA 92805

TO: DISTRICT

Orange County Flood Control District
 Attn: Director, Flood Programs
 c/o County of Orange
 601 N. Ross Street 3rd Floor
 Santa Ana, CA 92701

With a copy to:
 County Executive Office/Real Estate
 County of Orange
 400 W. Civic Center Drive, 5th Floor
 Santa Ana, CA 92701
 Attn: Chief Real Estate Officer

OC Operations & Maintenance
 Attn: Maintenance Programs
 2301 N. Glassell St.
 Orange, CA 92865

65. ATTACHMENTS TO LEASE (7.3 SR)

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

- I. Exhibit A – Legal Description of Premises
- II. Exhibit B – Map Depicting Premises
- III. Exhibit C – Best Management Practices
- IV. Exhibit D – Estoppel Certificate

Attachment C

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

CITY

City of Santa Ana, a municipal corporation and charter city

Date _____

By: _____

Alvaro Nunez
City Manager

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
SANTA ANA, CALIFORNIA

By _____

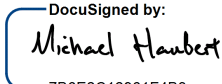
Jonathan T. Martinez
Assistant City Attorney

Date _____

Attachment C

APPROVED AS TO FORM:

OFFICE OF DISTRICT COUNSEL
ORANGE DISTRICT, CALIFORNIA

By  _____
7B0E2C12901F4B3... Deputy

Date 3/18/2026

DISTRICT

Orange County Flood Control District

By: _____
Name: Thomas A. Miller

Per M.O. _____

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

FACILITY: SANTA ANA RIVER CHANNEL DATE: 10-7-09
 ESTATE: Golf Course Lease WRITTEN: P.D.W. CHECKED: R.L.L.
 FACILITY NO: EGI
 PARCEL NO: 1

PARCEL A:

Those portions of (1) Section 2, Township 5 South, Range 10 West, in the Rancho Las Bolsas, City of Santa Ana, County of Orange, State of California, per map recorded in book 51, page 12 of Miscellaneous Maps in the office of the County Recorder of said county; (2) Lot A of Tract No. 1608, in said city, county and state, per map recorded in book 48, pages 21 to 23 inclusive of said Miscellaneous Maps; (3) the Mabury Tract, in said city, county and state, per map marked Referee's "Exhibit B" recorded in book 165, page 301 of Deeds in the office of the County Recorder of Los Angeles County, California; and (4) Lots 25 and 28 of the Potts, Borden and Sidwell Tract, partly in said city and all in said Orange County, per map recorded in book 4, page 624 of Miscellaneous Records in the office of the County Recorder of said Los Angeles County, described as a whole as follows:

Beginning at the westerly corner of the land described in the deed to the City of Santa Ana, recorded May 11, 1962, in book 6106, page 9 of Official Records in the office of said County Recorder of Orange County; thence N. 35° 49' 27" E., 1357.75 feet along the north-west line of said land to an angle point therein; thence N. 34° 48' 05" E., 1505.85 feet along said northwest line and its northeasterly prolongation to the beginning of a tangent curve, concave southeasterly and having a radius of 540.00 feet; thence North-casterly and Easterly 520.23 feet along said curve through a central angle of 55° 11' 55"; thence tangent to said curve, East 206.04 feet to an angle point in the northerly line of Lot 30 of said Tract No. 1608, distant west 71.00 feet along said northerly line from the northeast corner of said lot; thence N. 32° 08' 32" E., 129.91 feet along the northeasterly prolongation of the northwest line of said lot 30 to the north line of Lot A of said Tract No. 1608; thence West 169.17 feet along said north line to its intersection with the southerly prolongation of that certain course shown as having a bearing of N. 15° 06' 00" E. and a length of 193.19 feet in the westerly boundary line of Tract No. 6280, per map recorded in book 229, pages 45 and 46 of said Miscellaneous Maps; thence N. 15° 06' 00" E., 222.06 feet along said southerly prolongation and westerly boundary line to an angle point therein; thence N. 24° 41' 00" E., 377.00 feet along said westerly boundary line to an angle point therein; thence N. 8° 56' 14" E., 42.41 feet to a point on the northwesterly prolongation of the southwest line of lot 59 of said Tract No. 6280, distant thereon N. 69° 52' 10" W., 35.00 feet from the most westerly corner of said lot 59; thence N. 26° 03' 02" E., 60.32 feet; thence N. 27° 37' 49" E., 72.56 feet; thence N. 34° 08' 00" E., 64.01 feet to a point on the northwesterly prolongation of the north-east line of Lot 61 of said Tract No. 6280, distant thereon N. 62° 37' 26" W., 16.00 feet from the most northerly corner of said lot 61; thence S. 62° 37' 26" E., 13.89 feet along said northwesterly prolongation to the southeasterly line of the land described in deed to Newbert Protection District, recorded January 15, 1919, in book 329, page 173 of deeds in the office of said County Recorder of Orange County; thence N. 18° 23' 00" E., 292.11 feet along said southeasterly line to an angle point therein; thence N. 43° 15' 00" E., 191.60 feet along said southeasterly line to the south line of said lot 28 of the Potts, Borden and Sidwell Tract; thence S. 89° 57' 30" E., 20.80 feet along said south line and the south line of said Lot 25 of the Potts, Borden and Sidwell Tract to the southeast corner of the land described in deed to Orange County Flood Control District, recorded May 22, 1961, in book 5727, page 543 of said Official Records; thence N. 42° 56' 12" E., 168.68 feet

Attachment C

1 along the southeast line of the land described in said deed to the
 2 southerly line of that certain 80.00 foot wide strip of land described
 3 in deed to the State of California, recorded September 11, 1936, in
 4 book 843, page 304 of said Official Records; thence
 5 N. 70° 50' 40" W., 600.37 feet along said southerly line and its
 6 westerly prolongation; thence S. 28° 47' 45" W., 1735.33 feet; thence
 7 S. 89° 23' 00" W., 140.00 feet; thence S. 38° 33' 02" W., 985.34
 8 feet; thence S. 28° 28' 41" W., 216.33 feet; thence S. 27° 27' 40" W.,
 9 222.77 feet; thence S. 9° 57' 19" E., 99.58 feet; thence
 10 S. 36° 05' 50" W., 660.37 feet; thence S. 55° 12' 00" E., 44.00 feet;
 11 thence S. 36° 03' 06" W., 765.77 feet to a point on a line that
 12 passes through the point of beginning and that also passes through
 13 the most southerly corner of lot 64 of Tract No. 3834 per map recorded
 14 in book 133, pages 13 through 15 inclusive of said Miscellaneous Maps,
 15 said point being distant S. 48° 53' 15" E., 120.00 feet along said
 16 line from said most southerly corner; thence S. 48° 53' 15" E.,
 17 340.36 feet along said line to the point of beginning.

18 PARCEL "B":

19 That portion of the southeast quarter of Section 35, Township 4
 20 South, Range 10 West, in the Rancho Las Bolsas, in the County of
 21 Orange, State of California, per map recorded in book 51, page 10
 22 of Miscellaneous Maps in the office of the County Recorder of said
 23 County, together with that portion of Section 2, Township 5 South,
 24 Range 10 West, in said rancho, county and state, per map recorded
 25 in book 51, page 12 of said Miscellaneous Maps, and that portion of
 26 Lot 28 of the Potts, Borden and Sidwell Tract, partly in the city
 27 of Santa Ana, all in said county and state, per map recorded in book
 28 4, page 624 of Miscellaneous Records in the office of the County
 29 Recorder of Los Angeles County, California, described as follows:

30 Beginning at the intersection of the southwesterly prolongation
 31 of the northwesterly line of the land described in deed to Orange
 32 County Flood Control District, recorded May 11, 1939, in book 997,
 page 148 of Official Records in the office of said County Recorder of
 Orange County with the northerly line of that certain 80.00 foot wide
 strip of land described in deed to the state of California, recorded
 September 22, 1936, in book 839, page 460 of said Official Records,
 said point being a curve in said northerly line concave southerly
 and having a radius of 2040.00 feet, a radial line of said curve
 through said point bears N. 18° 57' 29" E.; thence Easterly 7.03
 feet along said curve through a central angle of 0° 11' 51"; thence
 S. 70° 50' 40" E., 683.57 feet along said northerly line and its
 easterly prolongation to a point which is N. 70° 50' 40" W., 50.00
 feet, measured along said easterly prolongation, from its inter-
 section with the easterly line of the land described in deed to Orange
 County Flood Control District, recorded May 22, 1961, in book 5727,
 page 843 of said Official Records; thence N. 13° 15' 37" E., 757.86
 feet; thence N. 23° 29' 53" E., 884.11 feet; thence
 N. 34° 04' 13" W., 282.37 feet to the easterly prolongation of that
 certain course cited as S. 88° 50' 38" E., 337.37 feet" in Parcel 1
 of the deed to the State of California, recorded November 6, 1962,
 in book 6311, page 631 of said Official Records; thence
 N. 89° 45' 18" W., 342.89 feet along said easterly prolongation to the
 westerly line of the 630.00 foot wide strip of land described as
 "Parcel 2" in the deed to the County of Orange, recorded May 25, 1932
 in book 557, page 264 of said Official Records; thence South
 23° 31' 00" W., 172.96 feet along said westerly line to the southwest
 corner of the land described as "Parcel 2" in the deed to the Orange
 County Flood Control District, recorded December 16, 1960 in book
 5552, page 302 of said Official Records; thence N. 89° 42' 30" E.,

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Attachment C

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76.59 feet along the southerly line of said last mentioned "Parcel 2" to the northeast corner of the land described in said book 997, page 148 of Official Records; thence S. 23° 31' 00" W., 510.69 feet along the southeast line of said land to the east corner of the land described as "Parcel E1-1102.2" in deed to Orange County Flood Control District, recorded January 16, 1961, in book 5589, page 559 of said Official Records; thence N. 45° 58' 10" W., 21.95 feet along the northeasterly line of said "Parcel E1-1102.2" to an angle point therein; thence N. 45° 18' 55" W., 53.10 feet along said northeasterly line to the north corner of said "Parcel E1-1102.2"; thence S. 23° 31' 00" W., 53.62 feet along the northwesterly line of said "Parcel E1-1102.2" to the west corner of said "Parcel E1-1102.2"; thence S. 45° 18' 55" E., 34.02 feet along the southwesterly line of said "Parcel E1-1102.2" to an angle point therein; thence S. 45° 58' 10" E., 40.94 feet along said southwesterly line to the south corner of said "Parcel E1-1102.2", said south corner being a point on said southeast line of the land described in book 997, page 148 of Official Records; thence S. 23° 31' 00" W., 880.28 feet along said southeast line to the southeast corner of said land; thence S. 89° 42' 30" W., 76.59 feet along the south line of said land to the westerly corner of said land; thence S. 23° 31' 00" W., 80.94 feet along the southwesterly prolongation of the northwesterly line of said land to the point of beginning.

APPROVED:

Harold L. Stott

HAROLD L. STOTT

Registered Professional Engineer

Jack W. Schwarze

JACK W. SCHWARZE

Registered Civil Engineer

Certificate No. 6856

APPROVED:

H. C. Osborne

H. C. Osborne, Chief Engineer
Orange County Flood Control District

Attachment C

1 FACILITY: SANTA ANA RIVER CHANNEL DATE: 10-7-69
 2 ESTATE: Golf Course Lease WRITTEN: P.D.W. CHECKED: R.L.L.
 3 FACILITY NO; E01
 4 PARCEL NO. 2

4 That portion of Section 2, Township 5 South, Range 10 West,
 5 in the Rancho Las Bolsas, City of Santa Ana, County of Orange,
 6 State of California, per map recorded in book 51, page 12 of Miscel-
 7 laneous Maps in the office of the County Recorder of said county,
 8 together with that portion of Lot 26 of Tract No. 2887 in said city,
 9 county and state, per map recorded in book 117, pages 28 to 30
 10 inclusive of said Miscellaneous Maps, described as follows:

8 Beginning at a point on the southerly line of that certain
 9 80.00 feet wide strip of land described in deed to the State of Cali-
 10 fornia, recorded September 22, 1936, in book 839, page 460 of Of-
 11 ficial Records in the office of said County Recorder, distant
 12 N. 70° 50' 40" W., 600.37 feet along said southerly line and its
 13 southeasterly prolongation from the intersection thereof with the
 14 southeast line of the land described in deed to the Orange County
 15 Flood Control District, recorded May 22, 1961, in book 5727, page
 16 843 of said Official Records; thence S. 28° 47' 45" W., 1735.33
 17 feet; thence S. 89° 23' 00" W., 140.00 feet; thence S. 38° 33' 02" W.,
 18 985.34 feet; thence S. 28° 28' 41" W., 216.33 feet; thence
 19 S. 27° 27' 40" W., 222.77 feet; thence S. 9° 57' 19" E., 99.58 feet;
 20 thence S. 36° 05' 50" W., 660.37 feet; thence S. 55° 12' 00" E.,
 21 44.00 feet; thence S. 36° 03' 06" W., 765.77 feet to a point on a
 22 line that passes through the most southerly corner of Lot 64 of Tract
 23 No. 3834 per map recorded in book 133, pages 13 through 15 inclusive
 24 of said Miscellaneous Maps, and which also passes through the
 25 westerly corner of the land described in deed to the City of
 26 Santa Ana, recorded May 11, 1962, in book 6106, page 9 of said Of-
 27 ficial Records, said point being distant S. 48° 53' 15" E., 120.00
 28 feet along said line from said most southerly corner of Lot 64; thence
 29 N. 48° 53' 15" W., 120.00 feet to said most southerly corner; thence
 30 N. 34° 48' 00" E., 1132.54 feet along the southeasterly boundary of
 31 said Tract No. 3834 to an angle point therein; thence
 32 N. 25° 40' 00" E., 515.15 feet along said southeasterly boundary
 line to the northeast corner of said Tract No. 3834, said corner
 being on the north line of the southwest quarter of said Section 2;
 thence N. 89° 47' 50" E., 53.40 feet along said north line to the
 northwesterly line of the land described in deed to Newbert Protection
 District, recorded October 8, 1921, in book 406, page 185 of Deeds in
 the office of said County Recorder; thence N. 25° 40' 00" E., 179.00
 feet along said northwesterly line to an angle point therein; thence
 N. 37° 38' 52" E., 36.38 feet along said northwesterly line to the
 southeast corner of Tract No. 3637 per map recorded in book 129,
 pages 18 to 20 inclusive of said Miscellaneous Maps; thence along the
 southeasterly line of said Tract No. 3637 to the most southerly corner
 of Tract No. 2762, per map recorded in book 113, pages 26 to 28
 inclusive of said Miscellaneous Maps; thence N. 39° 21' 38" E.,
 562.52 feet along the southeasterly line of said Tract No. 2762 to
 the most easterly corner of Lot 33 of said tract, said point being
 also a point on the westerly boundary line of said Tract No. 2887;
 thence S. 0° 17' 30" E., 23.90 feet along said boundary line to the
 most southerly corner of said Tract No. 2887; thence
 N. 36° 41' 05" E., 457.99 feet along the southeasterly boundary line
 of said Tract No. 2887 to an angle point therein; thence
 S. 0° 17' 30" E., 51.40 feet to the most southerly corner of Lot
 10 of said Tract No. 2887; thence N. 34° 48' 00" E., 447.80 feet along
 said southeasterly boundary line of Tract No. 2887 to the most
 southerly corner of Lot 26 of said Tract; thence N. 55° 12' 00" W.,

Attachment C

1 20.88 feet along the southwesterly line of said lot 26 to the most
 2 westerly corner of the land described in deed to Orange County Flood
 3 Control District, recorded June 16, 1965, in book 7558, page 234 of
 4 said Official Records; thence N. 27° 03' 39" E., 147.03 feet along
 5 the northwesterly line of the land described in said deed to the
 6 most northerly corner of said land; thence N. 25° 56' 24" E., 803.81
 7 feet along the westerly line of the land described as "Parcel 1" in
 8 deed to Orange County Flood Control District, recorded July 30, 1969,
 9 in book 9034, page 417 of said Official Records to the southerly line
 10 of said 80.00 feet wide strip of land described in deed to the State
 11 of California; thence S. 70° 50' 40" E., 88.16 feet along said south-
 12 erly line to the point of beginning.

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APPROVED:
Harold L. Scott
 HAROLD L. SCOTT
 Civil Engineer

Jack V. Schwartz
 JACK V. SCHWARTZ
 Registered Civil Engineer
 California No. 9554

APPROVED:
H. G. Osborne
 H. G. Osborne, Chief Engineer
 Orange County Flood Control District

Attachment C

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FACILITY: SANTA ANA RIVER CHANNEL DATE: 10-7-69
ESTATE: Golf Course Lease WRITTEN: P.D.W. CHECKED: R.L.L.
FACILITY NO: E01
PARCEL NO: 3

That portion of Lots 25 and 28 of the Potts, Borden and Sidwell Tract, partly in the City of Santa Ana, all in the County of Orange, State of California, per map recorded in book 4, page 624 of Miscellaneous Records in the office of the County Recorder of Los Angeles County, California, described as follows:

Beginning at the intersection of the northerly line of that certain 80.00 foot wide strip of land described in deed to the State of California, recorded September 11, 1936, in book 843, page 304 of Official Records in the office of the County Recorder of said Orange County, with the easterly line of the land described in deed to Orange County Flood Control District, recorded May 22, 1961, in book 5727, page 843 of said Official Records; thence N. 70° 50' 40" W., 50.00 feet along said northerly line; thence N. 13° 15' 37" E., 757.86 feet; thence N. 23° 29' 53" E., 884.11 feet; thence N. 34° 04' 13" W., 282.37 feet to the easterly prolongation of that certain course cited as "S. 88° 50' 38" E., 337.37 feet" in Parcel 1 of the deed to the State of California, recorded November 6, 1962, in book 6311, page 631 of said Official Records; thence S. 89° 45' 18" E., 324.32 feet along said easterly prolongation to the easterly line of the land described in deed to the Orange County Flood Control District, recorded May 19, 1961 in book 5726, page 405 of said Official Records; thence S. 23° 28' 50" W., 1163.57 feet along said last mentioned easterly line to an angle point therein; thence S. 13° 58' 10" W., 752.40 feet along said last mentioned easterly line and the easterly line of the land described in said deed recorded in book 5727, page 843 of Official Records to the point of beginning.

EXCEPT that portion thereof included within the proposed state highway access road which is bounded as follows:

Northerly by said easterly prolongation of said certain course; Southeasterly by said easterly line of the land described in book 5726, page 405 of Official Records; Westerly and Southwesterly by the northerly continuation of that certain curve cited as having a radius of 180.00 feet, a central angle of 69° 50' 28" and an arc length of 219.41 feet in Parcel 1 of the land described in deed to the State of California, recorded December 15, 1961, in book 5944, page 943 of said Official Records.

APPROVED:
Harold I. Scott
HAROLD I. SCOTT

Chief Engineer
Jack W. Schwaner
JACK W. SCHWANER
Professional Civil Engineer
C. No. 1265

APPROVED:

H. G. Osborne
H. G. Osborne, Chief Engineer
Orange County Flood Control District

EXHIBIT A

Page 6 of 6

NOT TO BE RECORDED

EXHIBIT B

The Premises leased here under are described in the legal description attached hereto as Exhibit A. The aerial map attached hereto as Exhibit B depicts a boundary outlining the general area associated with the Premises for operational and maintenance purposes only.

City shall be responsible for maintenance, repair, and upkeep of all the land and improvements located within the boundary shown on Exhibit B including areas that may fall outside the legal description of the Premises in Exhibit A. Notwithstanding the foregoing City shall have no maintenance, repair, or operational responsibility for that portion of the public trail located within the boundary shown on Exhibit B which shall remain the responsibility of Orange County Parks.

**Location Map
River View Golf Course Leased Land**

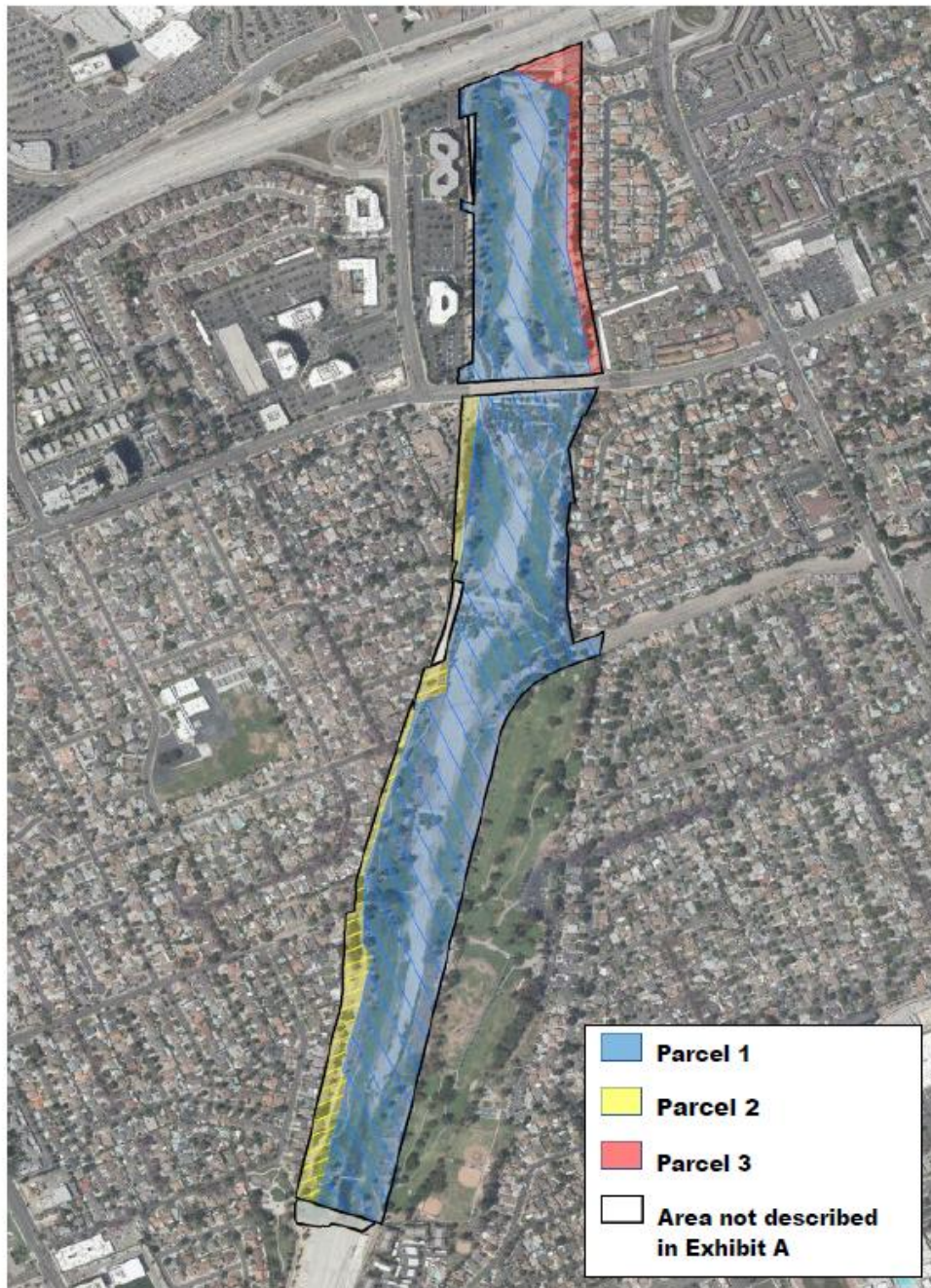


Exhibit B

Attachment C

EXHIBIT C

Best Management Practices ("BMPs" Fact Sheets)

City shall be responsible for implementing and complying with all BMP Fact Sheet requirements that apply to this City's operations. City is to be aware that the BMP Clause within this Lease, along with all related BMP Exhibits, may be revised, and may incorporate more than what is initially being presented in this Lease.

Suggested BMPs Fact Sheets may include, but may not be limited to, the following list shown below and can be found at: <http://ocwatersheds.com/documents/bmp> (website may change from time to time):

SC42	Building Repair and Construction
SC40	Contaminated or Erodible Surface Areas
SC41	Building and Grounds Maintenance
SC30	Outdoor Loading/ Unloading
SC32	Outdoor Equipment Operations
SC33	Outdoor Storage of Raw Materials
SC43	Parking / Storage Area Maintenance
SC11	Spill Prevention Control and Clean up
SC34	Waste Handling and Disposal
SC10	Non Stormwater Discharges

Attachment C

EXHIBIT D

Facility Number
Location Name: River View Golf Course,

ESTOPPEL CERTIFICATE

TO:

As of the date of this Estoppel Certificate the undersigned, as a lessee under that lease dated _____, between Orange County Flood Control District ("Lessor") and the _____ ("City"), does hereby acknowledge the following:

1. The aforesaid lease, subject to article 2 below, constitutes the entire agreement between Lessor and City and is in full force and effect.
2. (Check One)
 - The aforesaid lease has not been modified, altered, or amended.
 - The aforesaid lease has been modified pursuant to that document(s) attached hereto.
3. The term of the lease is Twenty Five (25) years. The lease commenced on _____ and will expire on _____.
4. The term of the lease is subject to City's option to terminate/extend as follows:
Five (5) Five-year (5) year mutual options. Termination Upon by either Party without cause upon 180 day advance notice to the other Party.
5. The lease rental rate is \$200,000 per year, plus additional rent as described in Clause 9 (RENT) no rent has been paid in advance except as set forth in the lease, and City has received no notice of a prior assignment, hypothecation, or pledge of the lease from Lessor.
6. City has accepted and is now in possession of the leased premises.
7. The addresses for notices to be sent to City are set forth in Clause 64 (NOTICES) of the lease.
8. City has no charge, lien, or claim of offset under this lease against rents or other charges due or to become due and, to the actual knowledge of City is not now in default under the lease.

CITY
City of Santa Ana, a municipal corporation and charter city

By: _____
Its: _____

Certificate Date: _____