

ATTACHMENT E

REGIONAL SOCCER COMPLEX
(CONSTITUTION BOULEVARD, SALINAS, CALIFORNIA)

MASTER LEASE

This lease ("Master Lease") is entered into this ____ day of _____, 2017, by and between the County of Monterey, a general law county of the State of California ("County"), and the City of Salinas, a Charter City of the State of California ("City").

RECITALS

WHEREAS, the County of Monterey ("County") owns certain real property within the corporate limits of the City of Salinas ("City") located in the general vicinity of the intersection of Laurel Drive and Constitution Boulevard (the "Laurel – Natividad Complex"); and

WHEREAS, a portion of the Laurel – Natividad Complex, identified as Parcel A on the map attached to this Master Lease as Exhibit 1, is currently leased to and used by the City in part as a soccer complex ("Existing Site"); and

WHEREAS, an adjoining portion of County owned land, identified on Exhibit 1 as Parcel B, currently maintained as open space, is also suitable for recreational use, although not currently developed ("Expansion Site"); and

WHEREAS, the Salinas Regional Sports Authority ("Authority") is a California not for profit entity whose mission is the development and operation of public recreation opportunities for the residents of the County; and

WHEREAS, Authority desires to develop the Expansion Site as a regional soccer complex consistent with Authority's mission (the "Project"); and

WHEREAS, County, City and Authority have entered into a Memorandum of Understanding ("2017 MOU") in order to set forth the mutual undertakings by which the Project may be developed; and

WHEREAS, County and City (each a "Party" and collectively the "Parties") desire to provide benefits to the residents of the County and City, and implement their respective obligations pursuant to the MOU with respect to the development, operation, management, and maintenance of a regional soccer complex.

NOW THEREFORE, the Parties agree as follows:

1. EFFECTIVE DATE, TERM, AND EXTENSION

This Master Lease shall become effective on the date last signed by either of the Parties (the "Effective Date").

The basic term of this Lease shall commence on the date that construction commences on the first phase of the Project (the "Commencement Date") and shall end at midnight on the

day thirty (30) years thereafter, unless earlier terminated as provided in Sections 12 or 13 below (the "Basic Term"); however, the Commencement Date shall not be a date that is more than five (5) years following the Effective Date. The Parties shall execute a certificate in the form attached hereto as Exhibit 2 memorializing the Commencement Date, which certificate shall constitute an addendum to this Lease

The City shall have an option to extend the term of this Master Lease for one additional term of twenty (20) years, on the same terms and conditions as contained herein. The option shall be exercised in writing by the City by written notice of exercise delivered to the County not less than one year and not more than two years prior to the expiration of the Basic

2. LEASE OF THE EXPANSION SITE

County hereby leases to City during the term of this Master Lease the Expansion Site, depicted as Parcel B on Exhibit 1, and more particularly described in Exhibit 2, each of which exhibits are incorporated herein by reference. The Expansion Site is leased to City in an "as-is" condition, and County makes no warranties or representations regarding the usefulness of the Expansion Site for the purposes set forth herein. City understands and acknowledges that portions of the Expansion Site are within the 100 year flood plain as determined and mapped by the Federal Emergency Management Agency ("FEMA").

3. CONSIDERATION

City shall hereby pay to County the sum of one dollar (\$1) per year, payable annually in advance, with the first payment due and payable upon the Effective Date, and on each anniversary thereof through the term of this Master Lease. City may satisfy this requirement by payment of the total sum of thirty dollars (\$30) upon the Effective Date, and the payment of an additional twenty dollars (\$20) upon approval of a Master Lease extension as set forth in Section.

4. SUB-LETTING AND NON-ASSIGNMENT

This Master Lease may not be assigned in whole or in part without the express written consent of County obtained in advance; however, City may sub-lease the Expansion Site to Authority for the purposes of developing and operating the Project, consistent with the terms of this Master Lease. City may not sub-lease the Expansion Site to any person or entity other than Authority without the express written consent of County obtained in advance, which consent the County will not unreasonably delay or withhold. City shall prohibit Authority from assigning any sub-lease to any other person or entity, or from further sub-leasing the Expansion Site to any other person or entity, without the express written consent of County obtained in advance, which the County will not unreasonably delay or withhold. City shall provide County with a copy of any proposed sub-lease, whether to Authority or other approved sub-lessee, for County's reasonable review at least fourteen (14) days prior to approval of such sub-lease. Nothing contained in this Section 4 shall prohibit the Authority or any other approved sub-lessee from granting licenses or other entitlements for use otherwise consistent with the terms of this Master Lease for management, training activities or concessions.

4. USE

A. The Expansion Site shall be held, maintained, and used by City solely to construct, operate, manage and maintain the Project as described herein. City shall develop the Project itself, or shall cause the development of the Project by Authority consistent with the terms of this Master Lease and the MOU. Until such time as development and construction of the Project commences, the Expansion Site shall be held by City as open space, and no other use of the Expansion Site shall be allowed without the written consent of County. Portions of the Expansion Site not developed for the Project shall be held and used solely for open space, or for such other recreational purposes as may be approved in writing by County. City shall use all reasonable efforts to limit access to the Expansion Site in order to minimize liability exposure to the Parties, such efforts to include appropriate signage and barriers. The term "open space" as used herein shall have the meaning set forth in Section 51075(a) of the Government Code.

B. City shall ensure that the Expansion Site is used consistent with any Management Plan approved by County as set forth in Section 6, below, which shall provide that the facilities will remain as accessible as possible to the general public. Failure to use the Expansion Site consistent with any approved Management Plan shall constitute a material breach of this Master Lease and a cause for a declaration of default as set forth in Section 12, below.

C. City shall cause the Project to be open and operating, or if developed in phases, the first phase open and operating, within five (5) years of the Effective Date. Failure to cause the Project or first phase of the Project to be open and operating within five (5) years of the Effective Date shall constitute a material breach of this Master Lease and a cause for a declaration of default as set forth in Section 12, below.

5. RESPONSIBILITY FOR COSTS

County shall not be liable in any manner for any costs associated with the use of the Expansion Site, for the Project or otherwise, by City, Authority, or any approved sub-lessee or assignee, including costs for planning, development, construction, operation, use or maintenance of the Expansion Site, either for the Project, or as open space or other approved recreational purposes.

Notwithstanding the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), the California Polanco Act (Health & Safety Code sections 33459-33459.8), or any other applicable law or statute, City understands and agrees that the Expansion Site will be leased in an "as-is" condition. County will not be obligated to undertake any environmental remediation of the Expansion Site, or adjacent property, and City waives any right it may have, for itself or on behalf of any third-party, for recovery against County for contamination or remediation of the Expansion Site, or for remediation of adjacent property that may affect the Expansion Site. City shall defend, indemnify, and hold harmless County from and against any and all claims arising out of or related to the alleged contamination of the Expansion Site, or adjacent property to the extent the alleged contamination of adjacent property affects the use of the Expansion Site, or the remediation thereof, including all costs and attorneys fees associated therewith.

City shall cause any sub-lease to Authority, or any other approved sub-lease, to contain language similar to this Section 5 in favor of County to be included in any sub-lease for the Expansion Site.

6. CONDITIONS PRECEDENT TO USE OF THE EXPANSION SITE

The following are conditions precedent to the use of the Expansion Site for the Project:

A. County shall have approved a Financing Plan for the Project, such approval not to be unreasonably withheld or delayed;

B. County shall have approved a Management Plan for the Project, such approval not to be unreasonably withheld or delayed; and

C. County shall have approved a Conceptual Plan for the Project, including a proposed development schedule, such approval not to be unreasonably withheld or delayed.

D. If the Expansion Site, or any portion thereof, is used for purposes other than the Project, County shall have approved a Management Plan for such use, such approval not to be unreasonably withheld or delayed.

F. Compliance with the California Environmental Quality Act ("CEQA"). City shall be the lead agency for CEQA compliance with respect to the execution of this Master Lease and use of the Expansion Site for the Project or other approved use. City shall undertake any and all actions necessary to comply with CEQA for the execution of this Master Lease or use of the Expansion Site pursuant to its terms. County shall not be the lead agency, and shall be a responsible agency only for purposes of CEQA.

7. FORCE MAJUERE

Should any Party be delayed in, or prevented, in whole or in part, from performing any obligation under this Master Lease by reason of the following: any act of God; strike; lockout or other industrial disturbance during the construction of the Project; act of public enemy; blockade; war; insurrection; civil disturbance; explosion; riot; epidemic; landslide; earthquake; fire; storm; flood; washout; governmental restraint, action or inaction, either federal, state, municipal, civil or military; initiative; or, referendum, that Party shall be excused from performing that obligation for so long as the Party is delayed or prevented from performing, and for a period of thirty calendar days thereafter, and any affected deadlines shall be similarly extended.

9. COMPLIANCE WITH LAWS AND NON-DISCRIMINATION

In the planning, construction, operation, management, and maintenance of the Expansion Site and Project, and the maintenance of the Expansion Site prior to construction of the Project, City, its officers, employees and agents, shall comply with all federal, state, and local laws and regulations, and shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical

condition, marital status, age, or sexual orientation. City shall require any sub-lessee or approved assignee to comply with the terms of this provision.

10. INSURANCE AND INDEMNIFICATION

At all times during the term of this Master Lease, City shall maintain in effect a policy or policies of insurance as may be required by County, with minimum limits of liability as designated by County, and shall cause County, its officers, employees and agents to be named as additional insureds. Within thirty days of the execution of this Master Lease, City shall file certificates of insurance with County evidencing the required coverage during the time in which the Expansion Site is to be used and maintained as open space. Prior to the commencement of construction of the Project, City shall file certificates of insurance with County evidencing the required coverage during the construction of the Project. Prior to the commencement of operation of the Project, City shall file with County certificates of insurance evidencing the required coverage for the operation, management, and maintenance of the Project. City shall file new certificates within thirty days if any change is made to the policy or policies that would alter the information on the certificate then on file with County. City shall, without demand, send annual certificates to County evidencing the required coverage. City shall be solely responsible for any deductible for the required policies of insurance. City shall require any sub-lessee or approved assignee to maintain the same insurance policies and require that the County, its officers, employees and agents to be named as additional insureds on such policies.

If City is self-insured, in whole or in part, City shall maintain such reserves as are reasonable to provide the necessary liability protection. City's self-inured status will not relieve City of the obligation to require any sub-lessee or assignee to provide the required policies of insurance.

Failure to maintain in effect the policy or policies of insurance as required by this section, or to require any sub-lessee or assignee to maintain in effect such policy or policies of insurance, shall be an event of default pursuant to which County may terminate this Master Lease as set forth in Section 12.

In addition to the obligation to provide insurance, City shall defend, indemnify and hold the County, its officers, employees, and agents harmless from all claims, lawsuits, losses or damages of every kind, including costs and attorney's fees, resulting from or arising out of the lease and use of the Expansion Site, or the planning, construction, operation, management or maintenance of the Project, by City, except for the gross negligence or willful misconduct of County, its officers, employees or agents. City shall require a similar provision in favor of County to be included in any sub-lease of the Expansion Site.

11. POSSESSORY INTEREST TAX

This Master Lease may create a taxable possessory interest. County shall not be responsible, in whole or in part, for the payment of any such tax, which shall be the sole responsibility of City, or any sub-lessee or approved assignee. The Parties acknowledge that it is the intent of the Authority to qualify for the tax exemption provided in Revenue & Taxation Code section 214.

12. DEFAULT

A default shall exist pursuant to this Master Lease if 1) the Project is not under development within five (5) years of the Effective Date; 2) the Project is not open and operating within eight (8) years of the Effective Date; 3) at any time following the Effective Date, the Expansion Site is not maintained or used as set forth in this Master Lease; 4) at any time following the Effective Date, the Project is not operated, managed or maintained consistent with the Management Plan approved by County as set forth in this Master lease and the MOU; or 5) the required policy or policies of insurance, or appropriate self-insured reserves are not maintained in effect as required in Section 10. In the event of a default pursuant to this section, and in addition to any other remedy available to County in law or equity, County may terminate this Master Lease and any ancillary agreements upon thirty days written notice. During the thirty day notice period, City shall have the opportunity to cure the condition or conditions giving rise to the default, and if County finds in its sole discretion that the default has been cured, this Master Lease and any ancillary agreements shall not be terminated, but shall continue in force and effect. Notwithstanding the foregoing, County agrees that if the default complained of is of such a nature that the same cannot be rectified or cured within the thirty (30) day period requiring such rectification or curing as specified in County's written notice, then such default shall be tolled if, and for so long as, City within such thirty (30) day period has commenced to rectify and cure the default and continues thereafter with all due diligence to pursue such rectification and curing to its completion.

Upon a default and termination of the Master Lease as set forth in this Section 12, County may elect to take title to any improvements, and County shall notify City of such election by the end of the cure period set forth above. If County does not elect to take title to any improvements City must remove at its cost any improvements to the Expansion Site and return the Expansion Site to its condition prior to the Effective Date.; or 2). In the event County elects to take title to any improvements, City shall cooperate with any necessary transfer of title, and shall require any sub-lease to contain a provision requiring transfer of title to any improvements to County upon a default and termination of the Master Lease.

13. EARLY TERMINATION

The Parties acknowledge that it is the intent of City and Authority to utilize the Existing Site and Expansion Site for purposes of the Project. County agrees to negotiate in good faith with City for a consolidation of this Master Lease and the lease for the Existing Site. If agreement is reached accordingly between the Parties, this Master Lease may be terminated prior to its expiration date and substituted with a master lease for both the Existing Site and Expansion Site.

14. CONFLICT IN PROVISIONS

In the event of any conflict in the interpretation or application of the provisions of the 2017 MOU and this Master Lease, the provisions of the 2017 MOU shall prevail.

15. MISCELLANEOUS

A. Amendments

This Master Lease may be amended only by written agreement signed by both of the Parties.

B. Waivers

No waiver of any provision of this Master Lease will be valid unless it is in writing and signed by both Parties. Waiver by either Party at any time of any breach of this Master Lease cannot be deemed a waiver of or consent to a breach of the same or any other provision of this Master Lease. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any later occasion or a consent or approval of any other action.

C. Binding Effect

This Master Lease shall be binding upon and inure to the benefit of the Parties and their permitted successors, sub-lessees and assigns. This Master Lease is for the benefit only of the Parties, and no third parties are intended to be benefited by this Master Lease except as specifically set forth herein.

D. Governing Law

This Master Lease, and the Parties' performance under this Master Lease, will be exclusively governed by the laws of the State of California without regard to its conflict of law provisions.

E. Construction

The headings used in this Master Lease are for convenience only and will not affect the meaning or interpretation of this Master Lease. This Master Lease will not be construed against any Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively.

F. Capitalized Terms

Capitalized terms have the meanings given to them in this Master Lease.

G. Severability

If any term of this Master Lease is inconsistent with applicable law, then upon the request of either Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with law, but all parts of this Master Lease not affected by the inconsistency will remain in full force and effect.

H. Further Assurances

County and City agree to cooperate reasonably and in good faith with one another to implement the terms of this Master Lease, and to negotiate and execute any further

agreements and perform any additional acts that are reasonably necessary to carry out the terms of this Master Lease.

I. Notices

Any notices or other communications to be sent by one Party to the other under this Master Lease shall be in writing and shall be given by personal delivery to the persons designated below, with copies delivered as indicated, or by U.S. Mail, return receipt requested, with copies mailed as indicated.

For County: County Administrative Officer
168 W. Alisal Street
Salinas, CA 93901-2439

Copy: County Counsel
168 W. Alisal Street
Salinas, CA 93901-2439

For City: City Manager
200 Lincoln Avenue
Salinas, CA 93901

Copy: Salinas City Attorney
200 Lincoln Avenue
Salinas, CA 93901

J. Consents

Any consents required by any Party shall be given or denied within fifteen (15) days of the date such consent is requested. In the event that a request for consent is denied, the Party denying such request shall provide a written explanation of the basis for such denial and a statement indicating the conditions required in order to obtain such consent, if any such conditions exist.

K. Memorandum of Lease

Upon request of either Party, the Parties shall execute and cause to be recorded a memorandum of this Master Lease in the form attached hereto as Exhibit 3.

L. Right of Entry

At all times County, through its designated representatives, shall have a right to enter upon the Expansion Site at no cost to ensure that it is being used consistent with the terms of this Master Lease and the 2017 MOU. County shall provide to City the identity of the designees who may exercise this right of entry. Such entry shall at all times be conducted in a reasonable manner and shall not interfere with any events being held on the Expansion Site or at the

Project. City shall ensure that any sub-lease contains the same or similar terms as this Paragraph L in favor of the County.

IN WITNESS WHEREOF, the Parties have caused this Master Lease to be executed as of the date first set forth above.

CITY OF SALINAS	COUNTY OF MONTEREY
A California charter city and municipal corporation	A political subdivision of the State of California
By: Joe Gunter, Mayor	By: Mary Adams, Chair of the Board of Supervisors
Approved as to Form:	Approved as to Form:
Christopher A. Callihan, City Attorney	Leslie J. Girard, Chief Assistant County Counsel

EXHIBIT 1

Soccer Master Lease Ex. 1



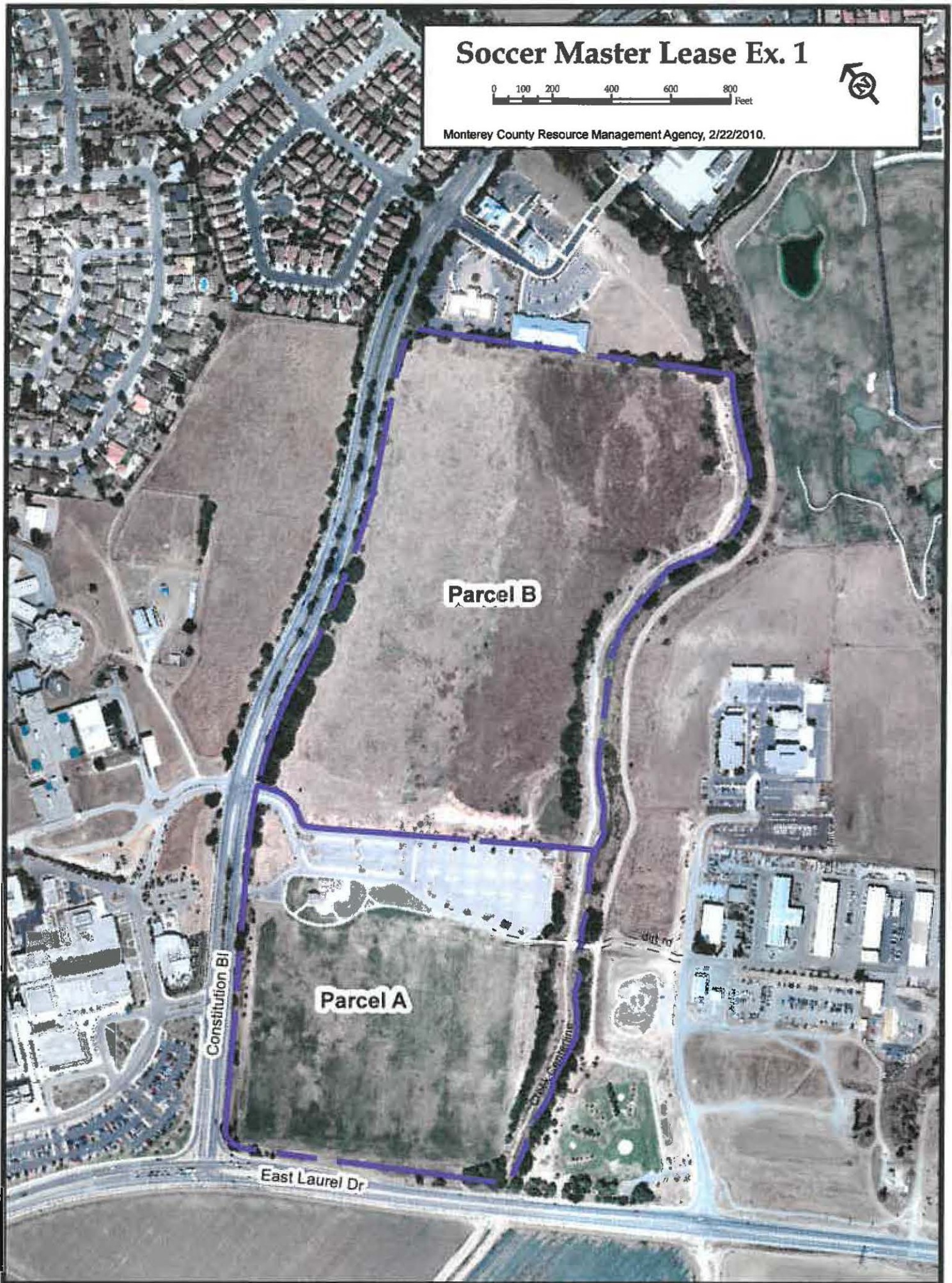
Monterey County Resource Management Agency, 2/22/2010.

Parcel B

Parcel A

Constitution Bl

East Laurel Dr



MASTER LEASE EXHIBIT 2

**CERTIFICATION OF COMMENCEMENT
DATE**

MASTER LEASE EXHIBIT 3

LEGAL DESCRIPTION

MASTER LEASE EXHIBIT 4

MEMORANDUM OF LEASE