SUBJECT: ADOPT RESOLUTION AUTHORIZING IMPLEMENTATION OF LEASE-LEASEBACK PROJECT DELIVERY FOR THE CESAR CHAVEZ ADMINISTRATION BUILDING MODERNIZATION PROJECT AT LOS ANGELES CITY COLLEGE

Action

Adopt a Resolution (Attachment 1) authorizing the Los Angeles Community College District to utilize the Lease/Leaseback method of project procurement, according to the steps defined therein and as authorized under California law, including, without limitation, Education Code section 81335 for the Cesar Chavez Administration Building Modernization project at Los Angeles City College.

Background

The District is authorized under Education Code section 81335 to utilize the Lease-Leaseback project delivery method for construction projects. The statute provides for the following to occur: (1) the portion of the letting of real property where the project will be developed is leased by the District ("Lessor") to the Contractor ("Lessee") for a minimum of $1 per year; (2) under a second lease, the Contractor constructs, or provides for the construction of, the project during the term of the lease; and (3) title to the real property always remains with the District and title to the improvements vests in the District at the expiration of the leases.

Funding and Development Phase

Funding is through Measure J Bond proceeds. Cesar Chavez Administration Building Modernization 31C.5106.03. All Phases.

Recommended and approved by:

Adriana D. Barrera, Interim Chancellor

Student Trustee Advisory Vote

Chancellor and Secretary of the Board of Trustees

By: __________________________ Date: __________________________
SUBJECT: ADOPT RESOLUTION AUTHORIZING IMPLEMENTATION OF LEASE-LEASEBACK PROJECT DELIVERY FOR THE CESAR CHAVEZ ADMINISTRATION BUILDING MODERNIZATION PROJECT AT LOS ANGELES CITY COLLEGE

WHEREAS, the District desires to maximize efficient use of public funds in a manner consistent with all applicable laws to best serve the students within the District; and

WHEREAS, the District is authorized under the Measure J Bond ballot to provide for the work of public improvement herein described as the Cesar Chavez Administration Building Modernization project at Los Angeles City College ("Project"); and

WHEREAS, the Board of Trustees of the District has determined pursuant to Education Code section 81332 that real property owned by the District is available upon which a building to be used by the District may be constructed and has adopted plans and specifications for such building that have been approved by the Division of the State Architect; and

WHEREAS, the District proposes to enter into a Lease/Leaseback procurement that would involve the leasing by the District of a portion of the land upon which the Project will be constructed (this land being located on the Los Angeles City College campus, 855 North Vermont Avenue, Los Angeles, CA 90029) by an experienced construction firm for the following purpose: renovate an existing three-story concrete building with a basement to replace the academic programs with community-based programs which would take advantage of the proximity of the building to the periphery of the campus. The building area is 85,538 Gross Square Feet. This Project will be constructed pursuant to the following documents attached to this Resolution: Site Lease Agreement and exhibit referenced therein ("Exhibit A"); and Facilities Lease Agreement with exhibits and attachments referenced therein ("Exhibit B"); and

WHEREAS, after careful and thorough consideration the Board of Trustees has determined that it is in the best interests of the District, and for the common benefit of the citizens residing within the District’s jurisdiction, and to best serve the needs of the student population through efficient and timely construction of college facilities, to have the Project performed using the Lease Leaseback method authorized under Education Code section 81335; and

WHEREAS, the District is authorized under Education Code section 81335 to enter into a Lease/Leaseback project procurement that provides for (1) the letting of the aforementioned real property for a minimum of one dollar per year, (2) the lessee to construct, or provide for the construction of, the aforementioned building and improvements thereon for the use of the District during the term of such lease, (3) title to such building and improvements to vest in the District at the expiration of such term, and (4) such other terms and conditions as the Board of Trustees of the District may determine to be in the best interest of the District; and

WHEREAS, the Board of Trustees of the District has determined that it is in the best interest of the District to conduct the Lease/Leaseback project procurement pursuant to a competitive process designed to identify the proposer and proposal that represents the best overall value to the District, taking into consideration price and non-price factors; and

WHEREAS, the Board of Trustees, by Resolution No. FPD3 issued contemporaneously herewith, grants authority to the Executive Director of Facilities Planning and Development to file a validation action authorized by Government Code section 53511 and Code of Civil Procedure § 860 to determine the validity of the aforementioned
Lease/Leaseback project procurement if the Executive Director determines it is in the best interests of the District to do so:

NOW, THEREFORE, the Board of Trustees of the District does hereby resolve as follows:

1. **Determination Regarding Recitals.** All of the above recitals herein contained are true and correct and the Board of Trustees so finds and determines.

2. **Determination.** The District's Board of Trustees determines that, pursuant to California law and Education Code section 81335, it is appropriate to authorize a Lease/Leaseback project procurement for the construction of the building described herein.

3. **Other Acts.** The President of the Board of Trustees, the Chancellor, and other officers of the District are hereby authorized and directed to do any and all things to execute and deliver any and all documents which, in consultation with staff, they may deem necessary and advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby approved, ratified, and confirmed. Furthermore, the Chancellor or designee is authorized to finalize and execute the agreements attached to this Resolution in substantially the form now existing, subject to such additions thereto or modifications thereto as the Chancellor or designee may deem in the best interest of the District.

4. **Effective Date.** The Resolution shall take effect upon adoption of this Resolution by the Board of Trustees.

PASSED AND ADOPTED on September 11, 2013 by the following vote:

AYES:  
NOES:  
ABSENT:  

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  

I, __________________________, Secretary of the Board of Trustees, do hereby certify that the foregoing is a full and correct copy of a resolution duly passed and adopted by said Board at a regularly called and conducted meeting held on said date, September 11, 2013.

__________________________  
Clerk/Secretary of the Board of Trustees
FACILITIES LEASE

[Insert Project Name]

by and between the

LOS ANGELES COMMUNITY COLLEGE DISTRICT
as Lessee

and

[Insert Name of Contractor]
as Lessor

[INSERT MONTH AND DAY AND YEAR]

[INSERT MONTH AND DAY], 2013

EXHIBIT A

FACILITIES LEASE
This Facilities Lease, dated as of [month/day/year] ("Effective Date"), is entered into by and between the Los Angeles Community College District located at 770 Wilshire Boulevard, Los Angeles, California, 90017 which is duly organized and validly existing under the laws of the State of California, as lessee ("District"), and [insert name of Contractor], a [insert name of state of incorporation] corporation duly organized and existing under the laws of the State of [insert name of state], as lessor ("Corporation") ("Facilities Lease").

RECITALS

WHEREAS, the District desires to provide for the [insert brief description of project] to a portion of a college site located at [insert address of campus] as more particularly highlighted and described in Attachment "1" to the Site Lease, which is entered into simultaneously herewith (the "Project") ("Leased Premises");

WHEREAS, on the date hereof, the District has conveyed the Leased Premises to the Corporation via a Site Lease to accommodate construction of the Project, and the aforesaid lease is memorialized in a Site Lease dated as of the date hereof by and between the District and the Corporation;

WHEREAS, the District is authorized under Section 81335 of the Education Code of the State of California to lease the Leased Premises to the Corporation and to have the Corporation construct the improvements and Project on the Leased Premises and to lease back to the District the Leased Premises and the improvements made thereto, and has duly authorized the execution and delivery of this Facilities Lease;

WHEREAS, the Corporation, as lessor, is authorized to lease the improvements, made to the Leased Premises, as part of the Project, to the District as lessee, and has duly authorized the execution and delivery of this Facilities Lease;

WHEREAS, the Governing Board of the District, acting by and through its duly elected Trustees, has determined that it is in the best interests of the District and for the common benefit of the citizens residing within the jurisdiction of the District to construct the Project by leasing the Leased Premises to the Corporation and by immediately entering into this Facilities Lease under which the District will leaseback the improvements made to the Leased Premises from the Corporation and make Lease Payments on the dates and in the amounts set forth and/or as referenced in the payment schedule attached hereto and incorporated herein by this reference as Exhibit "A" hereto (the "Lease Payment Schedule").

WHEREAS, the District has performed all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into this Facilities Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facilities Lease;
NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained, and for other valuable consideration acknowledged by both parties, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS AND ATTACHMENTS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Facilities Lease, have the meanings herein specified.

"Construction Services Agreement" means the terms and conditions for construction services for the Project as set forth in the contract between the District and the Corporation entitled "Construction Services Agreement" dated [insert month/day/year] and all Attachments thereto, all of which are incorporated herein by this reference as Exhibit "B".

OR

[the following is optional—not used in every Facilities Lease determined on a project-by-project basis—]

"Pre-Construction and Construction Services Agreement" means the terms and conditions for [pre-construction services and for] construction services for the Project as set forth in the Contract between the District and the Corporation entitled Pre-Construction and "Construction Services Agreement" dated [insert month/day/year].

"Corporation" means [insert name of company], a [insert state of incorporation] corporation organized and existing under the General Corporation Law of the State of [insert state of incorporation], its successors and assigns.

"Corporation Representative" means the Chief Executive Officer of the Corporation, or any person authorized to act on behalf of the Corporation under or with respect to this Facilities Lease as evidenced by a resolution conferring such authorization adopted by the Board of Directors of the Corporation or as so designated by the President of the Corporation, or a person identified herein by the Corporation.

"District" means the Los Angeles Community College District, duly organized and existing under the laws of the State of California, acting by and through its Board of Trustees sometimes hereinafter referred to as "The Board" and/or "Board".

"District Representative" means the Executive Director, Facilities Planning and Development, or any other person authorized by the Board to act on behalf of the District under or with respect to this Facilities Lease.
"Event of Default" means one or more events of default as defined in Section 9.1 of this Facilities Lease.

"Facilities Lease" means this lease agreement together with all exhibits referenced herein and any duly authorized and executed amendments hereto.

"District Lease Payment" means any payment required to be made by the District pursuant to Section 4.5 of this Facilities Lease and as set forth in Exhibit "A" hereto.

"Lease Payment Schedule" shall mean the payment schedule attached hereto as Exhibit "A" hereto.

"Permitted Encumbrances" means, as of any particular time: (i) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the District may, pursuant to provisions of Section 5.1 hereof, permit to remain unpaid; (ii) the Site Lease; (iii) this Facilities Lease; (iv) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of this Facilities Lease and which will not materially impair the use of the Leased Premises; and (v) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the date of recordation of this Facilities Lease and to which the Corporation and the District consent in writing which will not impair or impede the operation of the Leased Premises.

"Project" means the improvements, work, services for the Project as more particularly described in the Construction Services Agreement dated [insert month/day/year] and all Attachments thereto, all of which are attached hereto as Exhibit "B" and incorporated herein by reference.

"Leased Premises" means that certain portion of a parcel of real property and improvements thereon (if any) more particularly described in Attachment "1" to the Site Lease for the Project, both of which are incorporated herein by reference.

"Site Lease" means the Site Lease dated as of [insert month/day/year] by and between the District and the Corporation together with Attachment 1 thereto and any duly authorized and executed amendments thereto under which the District leases the Leased Premises to the Corporation.

"Term of this Facilities Lease" or "Term" means the time during which this Facilities Lease is in effect, as provided for in Section 4.2 of this Facilities Lease.

Section 1.2. Exhibits. The following Exhibits are attached to and by reference incorporated and made a part of this Facilities Lease:

Exhibit "A" - SCHEDULE OF LEASE PAYMENTS
ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the District. The District represents, covenants and warrants to the Corporation as follows:

(a) Due Organization and Existence. The District is community college district charged by law with providing educational services to persons residing within its jurisdiction and is duly organized and existing under the Constitution and laws of the State of California.

(b) Authorization. The District has the full power and authority to enter into, to execute and to deliver this Facilities Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Facilities Lease.

(c) No Violations. Neither the execution and delivery of this Facilities Lease nor the Site Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the District, or upon the Leased Premises, except Permitted Encumbrances.

Section 2.2. Representations, Covenants and Warranties of the Corporation. The Corporation represents, covenants and warrants to the District as follows:

(a) Due Organization and Existence. The Corporation is a [insert state of incorporation] corporation duly organized and existing under the General Corporation Law of the State of [insert state of incorporation] and is, and shall continue to be, during the entire term of this Facilities Lease, duly authorized and licensed to conduct the type of business required by the Facilities Lease and its exhibits and attachments in California pursuant to the laws of the State of California, has the power to enter into this Facilities Lease and the Site Lease; is possessed of full power to own and hold real and personal property, and to lease and sell the same; and has duly authorized the execution and delivery of all of the aforesaid agreements. The Corporation is licensed and in good standing as a general contractor holding a valid A or B License issued by the California State Contractor’s License Board.

(b) No Encumbrances. The Corporation will not pledge the Lease Payments or other amounts derived from the Leased Premises and from its other rights under this Facilities Lease.
Lease, and will not mortgage or encumber the Leased Premises, except as provided under the terms of this Facilities Lease.

(c) **No Violations.** Neither the execution and delivery of this Facilities Lease or the Site Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Leased Premises, except Permitted Encumbrances.

(d) **No Assignments.** Except as provided herein, the Corporation will not assign this Facilities Lease, its right to receive Lease Payments and prepayments from the District, or its duties and obligations hereunder to any other person, firm or Corporation so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

(e) **Authorization.** The Corporation has the full power and authority to enter into, to execute, and to deliver this Facilities Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Facilities Lease.

**ARTICLE III**

**[PRE-CONSTRUCTION,] CONSTRUCTION and POST CONSTRUCTION**

Section 3.1. The Corporation agrees to cause the Project to be constructed and installed in accordance with [Preconstruction and optional if so desired] Construction Services Agreement [insert month/date/year] and all of its exhibits and attachments thereto. The Corporation agrees that it will cause the construction and installation of the Project to be diligently performed pursuant to a written construction schedule to be agreed upon by the Corporation and the District before the start of construction. Said schedule shall not extend beyond the term of this Facilities Lease. The District and the Corporation may approve changes in the plans and specifications for the Project as provided in the Construction Services Agreement and the General Conditions for the Project attached as Exhibit "A" to the Construction Services Agreement. The Corporation will cooperate at all times with the District in bringing about the timely completion of the Project. The definition and description of the Project contained herein may be amended by the District.

**ARTICLE IV**

**AGREEMENT TO LEASE; TERMINATION OF LEASE; LEASE PAYMENTS; TITLE TO THE LEASED PREMISES**

Section 4.1. **Lease of Property; No Merger.** The Corporation hereby leases the improvements and whatever interest it holds in the Leased Premises under the Site Lease to the District, and the District hereby leases said improvements and whatever interest the
Corporation holds in the Leased Premises under the Site Lease from the Corporation upon the terms and conditions set forth in this Facilities Lease. The leasing by the Corporation to the District of the improvements and other interests shall not effect or result in a merger of the District's leasehold estate pursuant to this Facilities Lease and its fee estate as lessor under the Site Lease, and the Corporation shall continue to have and hold a leasehold estate in said Leased Premises pursuant to the Site Lease throughout the term thereof and the term of this Facilities Lease. As to the Site Lease, this Facilities Lease shall be deemed and constitute a sublease.

Section 4.2. **Term of Facilities Lease.** The Term of this Facilities Lease shall commence as of the Effective Date and shall terminate on the completion of the Project and payment of the last Lease Payment, as provided in the Lease Payment Schedule.

Section 4.3. **Termination of Term.** The Term of this Facilities Lease shall not exceed _____ (__) months [insert here the duration of the construction schedule] and shall terminate upon the earliest of any of the following events:

(a) an Event of Default and the Corporation's election to terminate this Facilities Lease pursuant to Section 9.2 hereof; or

(b) the arrival of last day of the Term of this Facilities Lease and payment of all Lease Payments hereunder, or occupancy of a substantially complete Project by District, whichever comes first.

Section 4.4. **Possession.** The District may take possession of the Project hereunder before and/or when completed.

Section 4.5. **Lease Payments.**

(a) **Obligation to Pay.** Subject to the provisions of Sections III, VI and X hereof, the District agrees to pay to the Corporation, its successors and assigns, as rental for the use and occupancy of the Project and the Leased Premises, the Lease Payments in the amounts specified in the Lease Payment Schedule (Exhibit “A”). Pursuant to the Lease Payment Schedule, Lease Payments shall be made for the Leased Premises and portions of the Project as construction of the Project is completed. All Lease Payments will be subject to the Final Guaranteed Maximum Price (“GMP”) set forth in Exhibit “A” hereto.

(b) **Lease Payments to Constitute Current Expense of the District.** The District and the Corporation understand and intend that the obligation of the District to pay Lease Payments and other payments hereunder constitutes a current expense of the District and shall not in any way be construed to be a debt of the District in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the District. Lease Payments due hereunder shall be payable only from current funds which are budgeted and appropriated, or otherwise legally available, for the purpose of paying Lease Payments or other payments due hereunder as consideration for use of the Leased Premises during the fiscal year of the District for which such funds were budgeted.
and appropriated or otherwise made legally available for such purpose. This Facilities Lease shall not create an immediate indebtedness for any aggregate payments which may become due hereunder. The District has not pledged the full faith and credit of the District, the State of California or any agency or District thereof to the payment of the Lease Payments or any other payments due hereunder.

(c) **Appropriation.** The District has appropriated the GMP from local funds to be received during the District’s [insert year(s)] fiscal year, and has such funds in an account with such funds to be utilized solely for Lease/Progress Payments for the Project.

**Section 4.6. Quiet Enjoyment.** Excepting any interference resulting from the Corporation’s performance pursuant to the Construction Services Agreement during the term of this Facilities Lease, the Corporation shall provide the District with quiet use and enjoyment of the Leased Premises, and the District shall during such Term peaceably and quietly have and hold and enjoy the Leased Premises, without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Facilities Lease. The Corporation will, at the request of the District join in any legal action in which the District asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation shall have the right to inspect the Leased Premises as provided in Section 7.2 hereof.

**Section 4.7. Title.** During the Term of this Facilities Lease, the District shall hold title to the Leased Premises and obtain title to the Project and improvements constructed from the Corporation, and any and all additions which comprise futures, repairs, replacements or modifications thereof, as construction progresses and lease payments are made to Corporation. During the term of this Facilities Lease, the Corporation shall have a leasehold interest in the Leased Premises pursuant to the Site Lease. If the District prepays the Lease Payments in full pursuant to Section X hereof or makes an advance deposit pursuant to Section 10.1 hereof, or pays all Lease Payments, all remaining right, title and interest of the Corporation, if any, in and to the Project and the Leased Premises, shall be fully transferred to and vested in the District. Title shall be transferred to and vested in the District hereunder without the necessity for any further instrument of transfer.

**Section 4.8. Abatement of Rental in the Event of Substantial Interference With Use and Occupancy of the Project and the Leased Premises.** The amount of Lease Payments for the Project and the Leased Premises shall be abated during any period of delay in the completing of the Project beyond the final completion date specified in the Construction Services Agreement that deprives the District of the use and intended occupancy of the Project expected under the Construction Services Agreement. The amount of such abatement shall be agreed upon by the District and the Corporation such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portion of the Project and the Leased Premises, if any, with respect to which there is no such substantial interference. Such abatement shall continue for the period commencing with such substantial interference and ending with the termination of such interference. Nothing set forth herein shall limit the District’s remedies for a breach of the Facilities Lease and/or its exhibits and/or attachments by Corporation.
Section 4.9. **Fair Rental Value.** The Lease Payments and any prepayment thereof coming due and payable constitute the total rental for the Project and shall be paid by the District as set forth in Exhibit “A” hereto for and in consideration of the right to use and occupy, and the continued quiet use and enjoyment of, the Project during each month. District and Corporation have agreed and determined that the total Lease Payments and any prepayment thereof do not exceed the fair rental value of the Project. In making such determination, consideration has been given to the obligations of the parties under the Facilities Lease and Site Lease, the uses and purposes which may be served by the Project, and the benefits therefrom which will accrue to the District and the general public.

**ARTICLE V**

**MAINTENANCE; TAXES; AND OTHER MATTERS**

Section 5.1. **Maintenance, Utilities, Taxes and Assessments.** Except as provided for in Exhibit “B”, the repair and maintenance of the Leased Premises shall be the responsibility of the District.

**ARTICLE VI**

**EMINENT DOMAIN**

Section 6.1. **Eminent Domain.**

(a) **Eminent Domain Takings.** If all of the Project and the Leased Premises shall be taken permanently under the power of eminent domain, the term of this Facilities Lease shall cease as of the day possession shall be so taken. If less than all of the Project and the Leased Premises shall be taken permanently, or if all of the Project and the Leased Premises or any part thereof shall be taken temporarily, under the power of eminent domain:

(1) this Facilities Lease shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and

(2) there shall be a partial abatement of Lease Payments as a result of the application of the net proceeds of any eminent domain award to the prepayment of the Lease Payments hereunder.

(b) **From Eminent Domain Award.** The net proceeds of any eminent domain or condemnation shall be payable to the District.
ARTICLE VII

ACCESS

Section 7.1. The Corporation shall have the right at all reasonable times to enter upon the Leased Premises to install and construct the Project pursuant to the provisions of the Construction Services Agreement (Exhibit “B”) and all exhibits and attachments thereto. The District shall have the right at all reasonable times to enter upon the Leased Premises for whatever purpose District chooses.

ARTICLE VIII

ASSIGNMENT, SUBLEASING; AMENDMENT

Section 8.1. Assignment and Subleasing by the District. This Facilities Lease may be assigned by the District. Any assignment and/or sublease shall be subject to all of the following conditions:

(a) This Facilities Lease and the obligation of the District to make Lease Payments hereunder shall remain obligations of the District; and

(b) The District shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Corporation a true and complete copy of such assignment and/or sublease; and

(c) No such assignment and/or sublease by the District shall cause the Project or the Leased Premises to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State of California.

Section 8.2. Amendment of this Facilities Lease. Unless permitted by the Construction Services Agreement, or without the written consent of the Corporation, the District will not alter, modify or cancel, or agree or consent to alter, modify or cancel this Facilities Lease.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. The following shall be “events of Default” under this Facilities Lease and the terms “Event of Default” and “default” shall mean, whenever they are used in this Facilities Lease, any one or more of the following events:

(a) Failure by the District to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.
(b) Failure by the District or the Corporation to observe and perform any covenant, condition or agreement in this Facilities Lease on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the defaulting party; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the non defaulting party shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the defaulting party within the applicable period and diligently pursued until the default is corrected.

(c) The filing by the District or Corporation of a voluntary petition in bankruptcy, or failure by the District or Corporation promptly to lift any execution, garnishment or attachment, or adjudication of the District or Corporation as bankrupt, or assignment by the District or Corporation for the benefit of creditors, or the entry by the District or Corporation into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District or Corporation in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

(d) A written declaration by the District that the Corporation is in material breach/default of the Construction Services Agreement.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 hereof shall have occurred and be continuing, it shall be lawful for the non defaulting party to exercise any and all remedies available pursuant to law or granted pursuant to this Facilities Lease; provided, however, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the parties is expressly made a condition hereof and upon the breach thereof, the non-defaulting party may exercise any and all rights of entry and re-entry upon the Project and the Leased Premises, and also, at its option, with or without such entry, may terminate this Facilities Lease; provided, that no such termination shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided.

Section 9.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the parties is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Facilities Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Section IX it shall not be necessary to give any notice, other than such notice as may be required in this Section or by law.

Section 9.4. Attorneys’ Fees and Expenses. If either party brings an action or proceeding involving the Property or to interpret, enforce, and/or for a breach of, the terms of
this Site Lease or to declare rights hereunder, each party shall bear its own attorneys fees, expert/consulting fees, and costs.

Section 9.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Facilities Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE X

PREPAYMENT OF LEASE PAYMENTS

Section 10.1. Security Deposit. Notwithstanding any other provision of this Facilities Lease, the District may, so long as the District is not in default hereunder, on any date secure the payment of Lease Payments by a deposit with the Corporation of cash in an amount which is sufficient to pay all unpaid Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment Schedule set forth in Exhibit “A” hereto. In the event of a deposit pursuant to this Section, all obligations of the District under this Facilities Lease, and all security provided by this Facilities Lease for said obligations, shall cease and terminate, excepting only the obligation of the District to make, or cause to be made, Lease Payments from the deposit made by the District pursuant to this Section. Any title interest held by Corporation, if any, to the Project and/or the Leased Premises, shall revert to the District on the date of said deposit automatically and without further action by the District or the Corporation.

Section 10.2. Optional Prepayment. The District may prepay the Lease Payments, in whole or in part, at any time. The District shall give the Corporation written notice of its intention to exercise its option and the date and amount of such prepayment not less than fifteen (15) days in advance of the date of exercise.

ARTICLE XI

MISCELLANEOUS

Section 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received forty-eight (48) hours after deposit in the United States mail in registered or certified form with postage fully prepaid:

If to the Corporation: [insert name of company]
Attention: [insert name of person]
[insert address]

WITH A COPY TO:
[insert name of person]
The Corporation and the District, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 11.2. Binding Effect. This Facilities Lease shall inure to the benefit of and shall be binding upon the Corporation and the District and their respective successors and assigns.

Section 11.3. Severability. In the event any provision of this Facilities Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.4. Net-Net-Net Lease. This Facilities Lease shall be deemed and construed to be a "net-net-net lease" and the District hereby agrees that the Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or setoffs whatsoever, save and except for any costs, expenses and/or damages the District may claim as a result of Corporation's breach of the Facilities Lease, Site Lease, and/or the Construction Services Agreement.

Section 11.5. Further Assurances and Corrective Instruments. The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises hereby leased or intended so to be or for carrying out the expressed intention of this Facilities Lease.

Section 11.6. Execution in Counterparts. This Facilities Lease may be executed in several counterparts, each of which shall be original and all of which shall constitute but one and the same instrument.
Section 11.7. Applicable Law. This Facilities Lease shall be governed by and construed in accordance with the laws of the State of California. The venue for any dispute hereunder shall be Los Angeles County, California.

Section 11.8. Corporation and District Board. Whenever under the provisions of this Facilities Lease the approval of the Corporation or the District is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by the Corporation Representative and for the District by the Board of Trustees and/or the Executive Director of Facilities Planning and Development, and any party hereto shall be authorized to rely upon any such approval or request.

Section 11.9. Captions. The captions or headings in this Facilities Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Facilities Lease, nor the construction or interpretation of any part thereof.

Section 11.10 Prior Agreements. This Facilities Lease and the corresponding Site Lease, together with all exhibits, attachments, and amendments hereto and thereto collectively contain all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Facilities Lease and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Facilities Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest.

IN WITNESS WHEREOF, the parties hereto have caused this Facilities Lease to be executed by their respective officers thereunto duly authorized, as of the Effective Date.

LOS ANGELES COMMUNITY COLLEGE DISTRICT

Dated: [insert month and day/year]

By: James D. O'Reilly
Executive Director, Facilities Planning and Development
Its: Authorized Representative

[insert name of Corporation]

By: [name of person]
Its: President

By: [name of person]
Its: Secretary

FACILITIES LEASE
District shall make regular monthly Lease Payments for the Facilities Lease as set forth in, and to be determined by the method established in: (1) Exhibit “A” to the Construction Services Agreement.
CONSTRUCTION SERVICES AGREEMENT

[TO BE ATTACHED]
[SITELLEASE]

[Insert Project Name]

by and between the

LOS ANGELES COMMUNITY COLLEGE DISTRICT
as Lessor

and

[Insert Name of Contractor]
as Lessee

[INSERT MONTH AND DAY AND YEAR]

EXHIBIT B
This Site Lease dated as of [month/day/year] ("Effective Date"), is made and entered into by and between the Los Angeles Community College District located at 770 Wilshire Boulevard, Los Angeles, California, 90017 which is duly organized and validly existing under the laws of the State of California, as lessor ("District"), and [insert name of Contractor], a [insert name of state of incorporation] corporation duly organized and existing under the laws of the State of [name of state], as lessee ("Corporation") ("Site Lease").

RECITALS

WHEREAS, the District currently owns a parcel of land located at [insert project address] and situated as part of the campus at [insert name of college], as more particularly described in Attachment "A" attached hereto and incorporated herein by this reference. Corporation shall lease a portion of said real property to Corporation as highlighted and designated on Attachment "A" ("Leased Premises"), which are adequate to accommodate the [describe nature of project] and related improvements to the Leased Premises;

WHEREAS, the District desires have the project at the Leased Premises constructed on the Leased Premises as more particularly described in the Facilities Lease (defined below) and incorporated herein by this reference (the "Project");

WHEREAS, the Board of Trustees for the District, acting by and through its Board of Trustees has determined that it is in the best interests of the District, and for the common benefit of the citizens residing within the District’s jurisdiction, to have the Project performed by leasing the Leased Premises to the Corporation and by immediately entering into the Facilities Lease (defined below) under which the District will sublease the Leased Premises and improvements made thereon from the Corporation;

WHEREAS, the District is, authorized under Section 81335 of the Education Code of the State of California to lease the Leased Premises to the Corporation and to have the Corporation perform the Project on the Leased Premises and to lease to the District the Leased Premises and the improvements made thereon, and has duly authorized the execution and delivery of this Site Lease;

WHEREAS, the Corporation is authorized to lease the Leased Premises as lessee and to perform the Project on the Leased Premises, and has duly authorized the execution and delivery of this Site Lease; and

WHEREAS, District has performed all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into this Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Site Lease;

NOW, THEREFORE, in consideration of the promises and of the mutual agreements and covenants contained herein, the sum of One Dollar ($1.00) per month and other
valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties
hereeto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Unless the context clearly otherwise requires, all words and
phrases defined in Section 1.1 of the Facilities Lease dated as of [insert month/day/year] by and
between the District and the Corporation (the "Facilities Lease") shall have the same meaning in
this Site Lease.

ARTICLE II

DEMISING CLAUSES

Section 2.1. Lease of the Leased Premises. The District hereby leases to the
Corporation, and the Corporation hereby leases from the District the Leased Premises, subject
only to Permitted Encumbrances, in accordance with the provisions of this Site Lease, to have
and to hold for the term of this Site Lease. This Site Lease shall only take effect if the Facilities
Lease is executed by the District and Corporation within five (5) business days of execution of
this Site Lease.

Section 2.2. Rental. In consideration for the lease of the Leased Premises by
the District to the Corporation and for other good and valuable consideration, the Corporation
shall pay One Dollar ($1.00) per month to the District.

Section 2.3. No Merger. The leasing of the Leased Premises and the
improvements made thereon by the Corporation to the District pursuant to the Facilities Lease
shall not effect or result in a merger of the estates of the District in the Leased Premises, and the
Corporation shall continue to have a leasehold estate in the Leased Premises pursuant to this Site
Lease throughout the term hereof.

ARTICLE III

QUIET ENJOYMENT

Section 3.1. The parties intend that the Leased Premises will be leased back to
the District pursuant to the Facilities Lease for the term thereof. Subject to any rights the District
may have under the Facilities Lease to possession and enjoyment of the Leased Premises, the
District hereby covenants and agrees that it will not take any action to prevent the Corporation
from having quiet and peaceable possession and enjoyment of the Leased Premises during the
term hereof.
ARTICLE IV

SPECIAL COVENANTS AND PROVISIONS

Section 4.1. Waste. The Corporation agrees that at all times that it is in possession of the Leased Premises, it will not commit, suffer or permit any waste on the Leased Premises, and that it will not willfully or knowingly use or permit the use of the Leased Premises for any illegal purpose or act.

Section 4.2. Further Assurances and Corrective Instruments. The District and the Corporation agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises hereby leased or intended so to be or for carrying out the expressed intention of this Site Lease and the accompanying Facilities Lease.

Section 4.3. Right of Entry and Use By District During Lease Term. The District reserves the right for any of its duly authorized representatives, and/or third parties authorized by the District, to enter upon the Leased Premises at any reasonable time to inspect, use, and/or perform work of any and all kind thereon. Also, Corporation acknowledges that not all of the Leased Premises are needed for Corporation’s quiet use, enjoyment and intended purposes. Accordingly, for the valuable consideration of One Dollar ($1), Corporation grants to the District, during the term of the Lease, an irrevocable license for the District to use portions of the Leased Premises as determined by the District, provided such use does not directly interfere with active construction taking place pursuant to the Facilities Lease.

Section 4.4. Representations of the District. The District represents, covenants, and warrants to the Corporation as follows:

(a) Due Organization and Existence. The District is a community college district charged by law with providing educational services to certain persons residing within the District’s jurisdiction and has been duly organized and existing under the Constitution and laws of the State of California.

(b) Authorization. The District has the full power and authority to enter into, to execute and to deliver this Site Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Site Lease.

(c) No Violations. Neither the execution and delivery of this Site Lease nor the Facilities Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the District, or upon the Leased Premises, except Permitted Encumbrances.
Section 4.5. **Representations of the Corporation.** The Corporation represents, covenants, and warrants to the District as follows:

(a) **Due Organization and Existence.** The Corporation is a [insert name of state of incorporation] California corporation duly organized and existing under the General Corporation Law of the State of [name of state] and is authorized to conduct business in the State of California pursuant to California law, has the power to enter into this Site Lease and the Facilities Lease; is possessed of full power to own and hold real and personal property, and to lease and sell the same; has duly authorized the execution and delivery of all of the aforesaid agreements; and is a licensed contractor holding an A or B license issued by the California State License Board.

(b) **Authorization.** The Corporation has the full power and authority to enter into, to execute and to deliver this Site Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Site Lease.

(c) **No Violations.** Neither the execution and delivery of this Site Lease or the Facilities Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Leased Premises, except Permitted Encumbrances.

**ARTICLE V**

**ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING**

Section 5.1. **Assignment and Subleasing.** This Site Lease may be assigned and the Leased Premises subleased, as a whole or in part, by the Corporation only upon the prior written consent of the District to such sublease, or at the written direction of the District if the District has declared in writing a material breach/default by Corporation of the Facilities Lease and any attachments and/or exhibits thereto. In the case if the latter, no written agreement of the Corporation shall be required to effectuate such assignment by the District.

Section 5.2. **Restrictions on District.** The District agrees that it will not mortgage, sell, encumber, assign, transfer or convey the Leased Premises or any portion thereof during the term of this Site Lease except as otherwise permitted herein.

Section 5.3. **Liens.** Corporation agrees to keep the Leased Premises and every part thereof free and clear of any and all liens, including without limitation, pledges, charges, encumbrances, claims, stop notices, labor withholds, and other liens or encumbrances of any and all kind, and/or arising out of, or in connection with, work or labor done, services performed, or
materials, supplies, equipment, apparatus, or appliances used or furnished for or in connection with the Leased Premises or the Project. Corporation further agrees to pay promptly and fully and discharge any and all claims on which any such lien and/or encumbrance may or could be based, and to save and hold District and all of its elected officials, employees, insurers, sureties, consultants and attorneys free and harmless from any and all such liens and/or encumbrances, including without limitation, claims, causes of action, proceedings, suits, and all other proceedings pertaining thereto. The provisions of this Section shall only apply for such portions of the Work for which District has satisfied payment to the Corporation.

ARTICLE VI

IMPROVEMENTS

Section 6.1. Title to all improvements made on the Leased Premises during the term hereof shall vest subject to the terms of the Facilities Lease.

ARTICLE VII

TERM AND TERMINATION

Section 7.1. Term. The term of this Lease shall not exceed [insert length of project duration plus a period of additional time to be determined on a project by project basis] and shall commence as of [insert month/day/year] and shall terminate on the last day of the Term of the Facilities Lease, provided the District has paid to the Corporation, or its assignee, all Lease Payments and other payments which may be expressly due under the Facilities Lease, and provided this Site Lease has not terminated pursuant to Sections 4.3(a) or 4.3(c) of the Facilities Lease. The Site Lease expiration date shall not be extended by any claimed payments and/or damages sought by Corporation under the Facilities Lease.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received forty-eight (48) hours after deposit in the United States mail in registered or certified form with postage fully prepaid:

If to the Corporation: [insert name of company]
Attention: [insert name of person]
[insert address]
WITH A COPY TO:
[insert name of company]
Attention: [insert name of person]
[insert address]

If to District:
Los Angeles Community College District
770 Wilshire Boulevard,
Los Angeles, California, 90017

Attention:
Executive Director, Facilities Planning and Development

WITH A COPY TO:

Office of General Counsel
770 Wilshire Boulevard,
Los Angeles, California, 90017

Attention:
Camille Goulet
General Counsel

The Corporation and the District, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 8.2. Binding Effect. This Site Lease shall inure to the benefit of and shall be binding upon the Corporation and the District, and their respective successors and assigns.

Section 8.3. Severability. In the event any provision of this Site Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.4. Amendments, Changes and Modifications. This Site Lease shall only be amended, changed, modified, or altered with the written agreement of both parties hereto, and approved by the District’s Board of Trustees.

Section 8.5. Execution in Counterparts. This Site Lease may be executed in several counterparts, each of which shall be original and all of which shall constitute but one and the same instrument.

Section 8.6. Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State of California. The venue for any dispute hereunder shall be Los Angeles County, California.

Site Lease
Section 8.7. Corporation and District Representatives. Whenever under the provisions of this Site Lease the approval of the Corporation or the District, is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by the Corporation Representative and for the District, by the District’s Executive Director, Facilities Planning and Development, and any party hereto shall be authorized to rely upon any such approval or request.

Section 8.9. Captions. The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Site Lease.

Section 8.10 Prior Agreements. This Site Lease and the corresponding Facilities Lease collectively contain all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Site Lease and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose.

Section 8.11 Attorney’s Fees. If either party brings an action or proceeding involving the Property or to interpret, enforce, and/or for a breach of, the terms of this Site Lease or to declare rights hereunder, each party shall bear its own attorneys fees, expert/consulting fees, and costs.

IN WITNESS WHEREOF, the parties hereto have caused this Site Lease to be executed by their respective officers thereunto duly authorized, as of the Effective Date.

LOS ANGELES COMMUNITY COLLEGE DISTRICT

Dated: [insert month and day/year]

By: James D. O’Reilly
Executive Director, Facilities Planning and Development
Its: Authorized Representative

[insert name of Corporation]

By: [name of person]
Its: President

By: [name of person]
Its: Secretary
Attachment "A"

DESCRIPTION OF LEASED PREMISES

DISTRICT SHALL INSERT BELOW A SITE MAP HIGHLIGHTED WITH THOSE PORTIONS OF THE SITE THAT CONSTITUTE THE "LEASED PREMISES"
SUBJECT: ADOPT RESOLUTION AUTHORIZING IMPLEMENTATION OF LEASE-LEASEBACK PROJECT DELIVERY FOR THE DA VINCI HALL MODERNIZATION PROJECT AND THE SOUTH GYM MODERNIZATION PROJECT AT LOS ANGELES CITY COLLEGE

Action

Authorize a Resolution (Attachment 1) authorizing the Los Angeles Community College District to utilize the Lease/Leaseback method of project procurement, according to the steps defined therein and as authorized under California law, including, without limitation, Education Code section 81335 for the Da Vinci Hall Modernization project and the South Gym Modernization project at Los Angeles City College.

Background

The District is authorized under Education Code section 81335 to utilize the Lease-Leaseback project delivery method for construction projects. The statute provides for the following to occur: (1) the portion of the letting of real property where the project will be developed is leased by the District ("Lessor") to the Contractor ("Lessee") for a minimum of $1 per year; (2) under a second lease, the Contractor constructs, or provides for the construction of, the project during the term of the lease; and (3) title to the real property always remains with the District and title to the improvements vests in the District at the expiration of the leases.

Funding and Development Phase

Funding is through Measure J Bond proceeds. Da Vinci Hall Modernization 31C.5108.03, B1C.5108.03; South Gym Modernization 31C.5148.03, B1C.5148.03. All Phases.
SUBJECT: ADOPT RESOLUTION AUTHORIZING IMPLEMENTATION OF LEASE-LEASEBACK
PROJECT DELIVERY FOR THE DA VINCI HALL MODERNIZATION PROJECT AND
THE SOUTH GYM MODERNIZATION PROJECT AT LOS ANGELES CITY COLLEGE

WHEREAS, the District desires to maximize efficient use of public funds in a manner
consistent with all applicable laws to best serve the students within the District; and

WHEREAS, the District is authorized under the Measure J Bond ballot to provide for the
work of public improvement herein described as the Da Vinci Hall Modernization project
and the South Gym Modernization project at Los Angeles City College ("Project"); and

WHEREAS, the Board of Trustees of the District has determined pursuant to Education
Code section 81332 that real property owned by the District is available upon which a
building to be used by the District may be constructed and has adopted plans and
specifications for such building that have been approved by the Division of the State
Architect; and

WHEREAS, the District proposes to enter into a Lease/Leaseback procurement that
would involve the leasing by the District of a portion of the land upon which the
Project will be constructed (this land being located on the Los Angeles City College
campus, 855 North Vermont Avenue, Los Angeles, CA 90029) by an experienced
construction firm for the following purpose: (a) Modernization of an existing three-story
concrete frame building known as Da Vinci Hall. The building will be vacated and
modernized to accommodate various functions, including the Art & Architecture
Department, an Art Gallery, the Journalism Department, the Photography Department,
general assignment classrooms, administrative offices and support functions. The
building area will be 65,920 Gross Square Feet; and (b) Renovation of an existing 32,880
Gross Square Feet concrete structure building originally built in 1959 and known as the
South Gymnasium to include a new roof, HVAC, windows, power, data, plumbing and
electrical work for dance, fitness and general assignment classrooms. The building area
will remain 32,880 GSF. This Project will be constructed pursuant to the following
documents attached to this Resolution: Site Lease Agreement – Exhibit A; and Facilities
Lease Agreement – Exhibit B; and

WHEREAS, after careful and thorough consideration the Board of Trustees has
determined that it is in the best interests of the District, and for the common benefit of the
citizens residing within the District's jurisdiction, and to best serve the needs of the
student population through efficient and timely construction of college facilities, to have
the Project performed using the Lease Leaseback method authorized under Education
Code section 81335; and

WHEREAS, the District is authorized under Education Code section 81335 to enter into a
Lease/Leaseback project procurement that provides for (1) the letting of the
aforementioned real property for a minimum of one dollar per year, (2) the lessee to
construct, or provide for the construction of, the aforementioned buildings and
improvements thereon for the use of the District during the term of such lease, (3) title to
such buildings and improvements to vest in the District at the expiration of such term, and
(4) such other terms and conditions as the Board of Trustees of the District may
determine to be in the best interest of the District; and

WHEREAS, the Board of Trustees of the District has determined that it is in the best
interest of the District to conduct the Lease/Leaseback project procurement pursuant to a
competitive process designed to identify the proposer and proposal that represents the
best overall value to the District, taking into consideration price and non-price factors; and
WHEREAS, the Board of Trustees, by Resolution No. FPD4 issued contemporaneously herewith, grants authority to the Executive Director Facilities Planning and Development to file a validation action authorized by Government Code section 53511 and Code of Civil Procedure § 860 to determine the validity of the aforementioned Lease/Leaseback project procurement if the Executive Director determines it is in the best interests to do so;

NOW, THEREFORE, the Board of Trustees of the District does hereby resolve as follows:

1. **Determination Regarding Recitals.** All of the above recitals herein contained are true and correct and the Board of Trustees so finds and determines.

2. **Determination.** The District's Board of Trustees determines that, pursuant to California law and Education Code section 81335, it is appropriate to authorize a Lease/Leaseback project procurement for the construction of the building described herein.

3. **Other Acts.** The President of the Board of Trustees, the Chancellor, and other officers of the District are hereby authorized and directed to do any and all things to execute and deliver any and all documents, which, in consultation with staff, they may deem necessary and advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby approved, ratified, and confirmed. Furthermore, the Chancellor or designee is authorized to finalize and execute the agreements attached to this Resolution in substantially the form now existing, subject to such additions thereto or modifications thereto as the Chancellor or designee may deem in the best interest of the District.

4. **Effective Date.** The Resolution shall take effect upon adoption of this Resolution by the Board of Trustees.

PASSED AND ADOPTED on September 11, 2013 by the following vote:

AYES: 
NOES: 
ABSENT: 

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) ss

I, ________________________, Secretary of the Board of Trustees, do hereby certify that the foregoing is a full and correct copy of a resolution duly passed and adopted by said Board at a regularly called and conducted meeting held on said date, September 11, 2013.

                     Clerk/Secretary of the Board of Trustees
FACILITIES LEASE

[Insert Project Name]

by and between the

LOS ANGELES COMMUNITY COLLEGE DISTRICT
as Lessee

and

[Insert Name of Contractor]
as Lessor

[INSERT MONTH AND DAY AND YEAR]

[INSERT MONTH AND DAY], 2013

EXHIBIT A

FACILITIES LEASE
This Facilities Lease, dated as of [month/day/year] ("Effective Date"), is entered into by and between the Los Angeles Community College District located at 770 Wilshire Boulevard, Los Angeles, California, 90017 which is duly organized and validly existing under the laws of the State of California, as lessee ("District"), and [insert name of Contractor], a [insert name of state of incorporation] corporation duly organized and existing under the laws of the State of [insert name of state], as lessor ("Corporation") ("Facilities Lease").

RECITALS

WHEREAS, the District desires to provide for the [insert brief description of project] to a portion of a college site located at [insert address of campus] as more particularly highlighted and described in Attachment "1" to the Site Lease, which is entered into simultaneously herewith (the "Project") ("Leased Premises");

WHEREAS, on the date hereof, the District has conveyed the Leased Premises to the Corporation via a Site Lease to accommodate construction of the Project, and the aforesaid lease is memorialized in a Site Lease dated as of the date hereof by and between the District and the Corporation;

WHEREAS, the District is authorized under Section 81335 of the Education Code of the State of California to lease the Leased Premises to the Corporation and to have the Corporation construct the improvements and Project on the Leased Premises and to lease back to the District the Leased Premises and the improvements made thereto, and has duly authorized the execution and delivery of this Facilities Lease;

WHEREAS, the Corporation, as lessor, is authorized to lease the improvements, made to the Leased Premises, as part of the Project, to the District as lessee, and has duly authorized the execution and delivery of this Facilities Lease;

WHEREAS, the Governing Board of the District, acting by and through its duly elected Trustees, has determined that it is in the best interests of the District and for the common benefit of the citizens residing within the jurisdiction of the District to construct the Project by leasing the Leased Premises to the Corporation and by immediately entering into this Facilities Lease under which the District will leaseback the improvements made to the Leased Premises from the Corporation and make Lease Payments on the dates and in the amounts set forth and/or as referenced in the payment schedule attached hereto and incorporated herein by this reference as Exhibit "A" hereto (the "Lease Payment Schedule").

WHEREAS, the District has performed all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into this Facilities Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facilities Lease;
NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained, and for other valuable consideration acknowledged by both parties, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS AND ATTACHMENTS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Facilities Lease, have the meanings herein specified.

"Construction Services Agreement" means the terms and conditions for construction services for the Project as set forth in the contract between the District and the Corporation entitled "Construction Services Agreement" dated [insert month/day/year] and all Attachments thereto, all of which are incorporated herein by this reference as Exhibit "B".

OR

[the following is optional-not used in every Facilities Lease determined on a project by project basis—]

"Pre-Construction and Construction Services Agreement" means the terms and conditions for construction services for the Project as set forth in the Contract between the District and the Corporation entitled Pre-Construction and "Construction Services Agreement" dated [insert month/day/year].

"Corporation" means [insert name of company], a [insert state of incorporation] corporation organized and existing under the General Corporation Law of the State of [insert state of incorporation], its successors and assigns.

"Corporation Representative" means the Chief Executive Officer of the Corporation, or any person authorized to act on behalf of the Corporation under or with respect to this Facilities Lease as evidenced by a resolution conferring such authorization adopted by the Board of Directors of the Corporation or as so designated by the President of the Corporation, or a person identified herein by the Corporation.

"District" means the Los Angeles Community College District, duly organized and existing under the laws of the State of California, acting by and through its Board of Trustees sometimes hereinafter referred to as "The Board" and/or "Board".

"District Representative" means the Executive Director, Facilities Planning and Development, or any other person authorized by the Board to act on behalf of the District under or with respect to this Facilities Lease.
“Event of Default” means one or more events of default as defined in Section 9.1 of this Facilities Lease.

“Facilities Lease” means this lease agreement together with all exhibits referenced herein and any duly authorized and executed amendments hereto.

“District Lease Payment” means any payment required to be made by the District pursuant to Section 4.5 of this Facilities Lease and as set forth in Exhibit “A” hereto.

“Lease Payment Schedule” shall mean the payment schedule attached hereto as Exhibit “A” hereto.

“Permitted Encumbrances” means, as of any particular time: (i) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the District may, pursuant to provisions of Section 5.1 hereof, permit to remain unpaid; (ii) the Site Lease; (iii) this Facilities Lease; (iv) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of this Facilities Lease and which will not materially impair the use of the Leased Premises; and (v) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the date of recordation of this Facilities Lease and to which the Corporation and the District consent in writing which will not impair or impede the operation of the Leased Premises.

“Project” means the improvements, work, services for the Project as more particularly described in the Construction Services Agreement dated [insert month/day/year] and all Attachments thereto, all of which are attached hereto as Exhibit “B” and incorporated herein by reference.

“Leased Premises” means that certain portion of a parcel of real property and improvements thereon (if any) more particularly described in Attachment “I” to the Site Lease for the Project, both of which are incorporated herein by reference.

“Site Lease” means the Site Lease dated as of [insert month/day/year] by and between the District and the Corporation together with Attachment 1 thereto and any duly authorized and executed amendments thereto under which the District leases the Leased Premises to the Corporation.

“Term of this Facilities Lease” or “Term” means the time during which this Facilities Lease is in effect, as provided for in Section 4.2 of this Facilities Lease.

Section 1.2. Exhibits. The following Exhibits are attached to and by reference incorporated and made a part of this Facilities Lease:

Exhibit “A” - SCHEDULE OF LEASE PAYMENTS
ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the District.
The District represents, covenants and warrants to the Corporation as follows:

(a) Due Organization and Existence. The District is community college district charged by law with providing educational services to persons residing within its jurisdiction and is duly organized and existing under the Constitution and laws of the State of California.

(b) Authorization. The District has the full power and authority to enter into, to execute and to deliver this Facilities Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Facilities Lease.

(c) No Violations. Neither the execution and delivery of this Facilities Lease nor the Site Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the District, or upon the Leased Premises, except Permitted Encumbrances.

Section 2.2. Representations, Covenants and Warranties of the Corporation.
The Corporation represents, covenants and warrants to the District as follows:

(a) Due Organization and Existence. The Corporation is a [insert state of incorporation] corporation duly organized and existing under the General Corporation Law of &e State of [insert state of incorporation] and is, and shall continue to be, during the entire term of this Facilities Lease, duly authorized and licensed to conduct the type of business required by the Facilities Lease and its exhibits and attachments in California pursuant to the laws of the State of California, has the power to enter into this Facilities Lease and the Site Lease; is possessed of full power to own and hold real and personal property, and to lease and sell the same; and has duly authorized the execution and delivery of all of the aforesaid agreements. The Corporation is licensed and in good standing as a general contractor holding a valid A or B License issued by the California State Contractor’s License Board.

(b) No Encumbrances. The Corporation will not pledge the Lease Payments or other amounts derived from the Leased Premises and from its other rights under this Facilities Lease.
Lease, and will not mortgage or encumber the Leased Premises, except as provided under the terms of this Facilities Lease.

(c) **No Violations.** Neither the execution and delivery of this Facilities Lease or the Site Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Leased Premises, except Permitted Encumbrances.

(d) **No Assignments.** Except as provided herein, the Corporation will not assign this Facilities Lease, its right to receive Lease Payments and prepayments from the District, or its duties and obligations hereunder to any other person, firm or Corporation so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

(e) **Authorization.** The Corporation has the full power and authority to enter into, to execute, and to deliver this Facilities Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Facilities Lease.

**ARTICLE III**

[PRE-CONSTRUCTION,] CONSTRUCTION and POST CONSTRUCTION

Section 3.1. The Corporation agrees to cause the Project to constructed and installed in accordance with [Preconstruction and optional if so desired] Construction Services Agreement [inset month/date/year] and all of its exhibits and attachments thereto. The Corporation agrees that it will cause the construction and installation of the Project to be diligently performed pursuant to a written construction schedule to be agreed upon by the Corporation and the District before the start of construction. Said schedule shall not extend beyond the term of this Facilities Lease. The District and the Corporation may approve changes in the plans and specifications for the Project as provided in the Construction Services Agreement and the General Conditions for the Project attached as Exhibit “A” to the Construction Services Agreement. The Corporation will cooperate at all times with the District in bringing about the timely completion of the Project. The definition and description of the Project contained herein may be amended by the District.

**ARTICLE IV**

AGREEMENT TO LEASE; TERMINATION OF LEASE; LEASE PAYMENTS; TITLE TO THE LEASED PREMISES

Section 4.1. **Lease of Property; No Merger.** The Corporation hereby leases the improvements and whatever interest it holds in the Leased Premises under the Site Lease to the District, and the District hereby leases said improvements and whatever interest the
Corporation holds in the Leased Premises under the Site Lease from the Corporation upon the terms and conditions set forth in this Facilities Lease. The leasing by the Corporation to the District of the improvements and other interests shall not effect or result in a merger of the District's leasehold estate pursuant to this Facilities Lease and its fee estate as lessor under the Site Lease, and the Corporation shall continue to have and hold a leasehold estate in said Leased Premises pursuant to the Site Lease throughout the term thereof and the term of this Facilities Lease. As to the Site Lease, this Facilities Lease shall be deemed and constitute a sublease.

Section 4.2. **Term of Facilities Lease.** The Term of this Facilities Lease shall commence as of the Effective Date and shall terminate on the completion of the Project and payment of the last Lease Payment, as provided in the Lease Payment Schedule.

Section 4.3. **Termination of Term.** The Term of this Facilities Lease shall not exceed [insert here the duration of the construction schedule] and shall terminate upon the earliest of any of the following events:

(a) an Event of Default and the Corporation's election to terminate this Facilities Lease pursuant to Section 9.2 hereof; or

(b) the arrival of last day of the Term of this Facilities Lease and payment of all Lease Payments hereunder, or occupancy of a substantially complete Project by District, whichever comes first.

Section 4.4. **Possession.** The District may take possession of the Project hereunder before and/or when completed.

Section 4.5. **Lease Payments.**

(a) **Obligation to Pay.** Subject to the provisions of Sections III, VI and X hereof, the District agrees to pay to the Corporation, its successors and assigns, as rental for the use and occupancy of the Project and the Leased Premises, the Lease Payments in the amounts specified in the Lease Payment Schedule (Exhibit “A”). Pursuant to the Lease Payment Schedule, Lease Payments shall be made for the Leased Premises and portions of the Project as construction of the Project is completed. All Lease Payments will be subject to the Final Guaranteed Maximum Price (“GMP”) set forth in Exhibit “A” hereto.

(b) **Lease Payments to Constitute Current Expense of the District.** The District and the Corporation understand and intend that the obligation of the District to pay Lease Payments and other payments hereunder constitutes a current expense of the District and shall not in any way be construed to be a debt of the District in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the District. Lease Payments due hereunder shall be payable only from current funds which are budgeted and appropriated, or otherwise legally available, for the purpose of paying Lease Payments or other payments due hereunder as consideration for use of the Leased Premises during the fiscal year of the District for which such funds were budgeted.
and appropriated or otherwise made legally available for such purpose. This Facilities Lease shall not create an immediate indebtedness for any aggregate payments which may become due hereunder. The District has not pledged the full faith and credit of the District, the State of California or any agency or District thereof to the payment of the Lease Payments or any other payments due hereunder.

(c) Appropriation. The District has appropriated the GMP from local funds to be received during the District’s [insert year(s)] fiscal year, and has such funds in an account with such funds to be utilized solely for Lease/Progress Payments for the Project.

Section 4.6. Quiet Enjoyment. Excepting any interference resulting from the Corporation's performance pursuant to the Construction Services Agreement during the term of this Facilities Lease, the Corporation shall provide the District with quiet use and enjoyment of the Leased Premises, and the District shall during such Term peaceably and quietly have and hold and enjoy the Leased Premises, without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Facilities Lease. The Corporation will, at the request of the District join in any legal action in which the District asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation shall have the right to inspect the Leased Premises as provided in Section 7.2 hereof.

Section 4.7. Title. During the Term of this Facilities Lease, the District shall hold title to the Leased Premises and obtain title to the Project and improvements constructed from the Corporation, and any and all additions which comprise futures, repairs, replacements or modifications thereof, as construction progresses and lease payments are made to Corporation. During the term of this Facilities Lease, the Corporation shall have a leasehold interest in the Leased Premises pursuant to the Site Lease. If the District prepays the Lease Payments in full pursuant to Section X hereof or makes an advance deposit pursuant to Section 10.1 hereof, or pays all Lease Payments, all remaining right, title and interest of the Corporation, if any, in and to the Project and the Leased Premises, shall be fully transferred to and vested in the District. Title shall be transferred to and vested in the District hereunder without the necessity for any further instrument of transfer.

Section 4.8. Abatement of Rental in the Event of Substantial Interference With Use and Occupancy of the Project and the Leased Premises. The amount of Lease Payments for the Project and the Leased Premises shall be abated during any period of delay in the completing of the Project beyond the final completion date specified in the Construction Services Agreement that deprives the District of the use and intended occupancy of the Project expected under the Construction Services Agreement. The amount of such abatement shall be agreed upon by the District and the Corporation such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portion of the Project and the Leased Premises, if any, with respect to which there is no such substantial interference. Such abatement shall continue for the period commencing with such substantial interference and ending with the termination of such interference. Nothing set forth herein shall limit the District's remedies for a breach of the Facilities Lease and/or its exhibits and/or attachments by Corporation.

FACILITIES LEASE
Section 4.9. Fair Rental Value. The Lease Payments and any prepayment thereof coming due and payable constitute the total rental for the Project and shall be paid by the District as set forth in Exhibit “A” hereto for and in consideration of the right to use and occupy, and the continued quiet use and enjoyment of, the Project during each month. District and Corporation have agreed and determined that the total Lease Payments and any prepayment thereof do not exceed the fair rental value of the Project. In making such determination, consideration has been given to the obligations of the parties under the Facilities Lease and Site Lease, the uses and purposes which may be served by the Project, and the benefits therefrom which will accrue to the District and the general public.

ARTICLE V

MAINTENANCE; TAXES; AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Except as provided for in Exhibit “B”, the repair and maintenance of the Leased Premises shall be the responsibility of the District.

ARTICLE VI

EMINENT DOMAIN

Section 6.1. Eminent Domain.

(a) Eminent Domain Takings. If all of the Project and the Leased Premises shall be taken permanently under the power of eminent domain, the term of this Facilities Lease shall cease as of the day possession shall be so taken. If less than all of the Project and the Leased Premises shall be taken permanently, or if all of the Project and the Leased Premises or any part thereof shall be taken temporarily, under the power of eminent domain:

1. this Facilities Lease shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and

2. there shall be a partial abatement of Lease Payments as a result of the application of the net proceeds of any eminent domain award to the prepayment of the Lease Payments hereunder.

(b) From Eminent Domain Award. The net proceeds of any eminent domain or condemnation shall be payable to the District.
ARTICLE VII

ACCESS

Section 7.1. The Corporation shall have the right at all reasonable times to enter upon the Leased Premises to install and construct the Project pursuant to the provisions of the Construction Services Agreement (Exhibit "B") and all exhibits and attachments thereto. The District shall have the right at all reasonable times to enter upon the Leased Premises for whatever purpose District chooses.

ARTICLE VIII

ASSIGNMENT, SUBLEASING; AMENDMENT

Section 8.1. Assignment and Subleasing by the District. This Facilities Lease may be assigned by the District. Any assignment and/or sublease shall be subject to all of the following conditions:

(a) This Facilities Lease and the obligation of the District to make Lease Payments hereunder shall remain obligations of the District; and

(b) The District shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Corporation a true and complete copy of such assignment and/or sublease; and

(e) No such assignment and/or sublease by the District shall cause the Project or the Leased Premises to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State of California.

Section 8.2. Amendment of this Facilities Lease. Unless permitted by the Construction Services Agreement, or without the written consent of the Corporation, the District will not alter, modify or cancel, or agree or consent to alter, modify or cancel this Facilities Lease.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. The following shall be "events of Default" under this Facilities Lease and the terms "Event of Default" and "default" shall mean, whenever they are used in this Facilities Lease, any one or more of the following events:

(a) Failure by the District to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.
(b) Failure by the District or the Corporation to observe and perform any
covenant, condition or agreement in this Facilities Lease on its part to be observed or performed,
other than as referred to in clause (a) of this Section, for a period of thirty (30) days after written
notice specifying such failure and requesting that it be remedied has been given to the defaulting
party; provided, however, if the failure stated in the notice cannot be corrected within the
applicable period, the non defaulting party shall not unreasonably withhold its consent to an
extension of such time if corrective action is instituted by the defaulting party within the
applicable period and diligently pursued until the default is corrected.

(c) The filing by the District or Corporation of a voluntary petition in
bankruptcy, or failure by the District or Corporation promptly to lift any execution, garnishment
or attachment, or adjudication of the District or Corporation as bankrupt, or assignment by the
District or Corporation for the benefit of creditors, or the entry by the District or Corporation
into an agreement of composition with creditors, or the approval by a court of competent
jurisdiction of a petition applicable to the District or Corporation in any proceedings instituted
under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts
which may hereafter be enacted.

(d) A written declaration by the District that the Corporation is in material
breach/default of the Construction Services Agreement.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to
in Section 9.1 hereof shall have occurred and be continuing, it shall be lawful for the non
defaulting party to exercise any and all remedies available pursuant to law or granted pursuant to
this Facilities Lease; provided, however, there shall be no right under any circumstances to
accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be
immediately due and payable. Each and every covenant hereof to be kept and performed by the
parties is expressly made a condition hereof and upon the breach thereof, the non-defaulting
party may exercise any and all rights of entry and re-entry upon the Project and the Leased
Premises, and also, at its option, with or without such entry, may terminate this Facilities Lease;
provided, that no such termination shall be effected either by operation of law or acts of the
parties hereto, except only in the manner herein expressly provided.

Section 9.3. No Remedy Exclusive. No remedy herein conferred upon or
reserved to the parties is intended to be exclusive and every such remedy shall be cumulative and
shall be in addition to every other remedy given under this Facilities Lease or now or hereafter
existing at law or in equity. No delay or omission to exercise any right or power accruing upon
any default shall impair any such right or power or shall be construed to be a waiver thereof, but
any such right and power may be exercised from time to time and as often as may be deemed
expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this
Section IX it shall not be necessary to give any notice, other than such notice as may be required
in this Section or by law.

Section 9.4. Attorneys' Fees and Expenses. If either party brings an action or
proceeding involving the Property or to interpret, enforce, and/or for a breach of, the terms of
this Site Lease or to declare rights hereunder, each party shall bear its own attorneys fees, 
expert/consulting fees, and costs.

Section 9.5. **No Additional Waiver Implied by One Waiver.** In the event any 
agreement contained in this Facilities Lease should be breached by either party and thereafter 
waived by the other party, such waiver shall be limited to the particular breach so waived and 
shall not be deemed to waive any other breach hereunder.

**ARTICLE X**

**PREPAYMENT OF LEASE PAYMENTS**

Section 10.1. **Security Deposit.** Notwithstanding any other provision of this 
Facilities Lease, the District may, so long as the District is not in default hereunder, on any date 
secure the payment of Lease Payments by a deposit with the Corporation of cash in an amount 
which is sufficient to pay all unpaid Lease Payments, including the principal and interest 
components thereof, in accordance with the Lease Payment Schedule set forth in Exhibit “A” 
hereto. In the event of a deposit pursuant to this Section, all obligations of the District under this 
Facilities Lease, and all security provided by this Facilities Lease for said obligations, shall cease 
and terminate, excepting only the obligation of the District to make, or cause to be made, Lease 
Payments from the deposit made by the District pursuant to this Section. Any title interest held 
by Corporation, if any, to the Project and/or the Leased Premises, shall revert to the District on 
the date of said deposit automatically and without further action by the District or the 
Corporation.

Section 10.2. **Optional Prepayment.** The District may prepay the Lease 
Payments, in whole or in part, at any time. The District shall give the Corporation written notice 
of its intention to exercise its option and the date and amount of such prepayment not less than 
fifteen (15) days in advance of the date of exercise.

**ARTICLE XI**

**MISCELLANEOUS**

Section 11.1. **Notices.** All notices, certificates or other communications 
hereunder shall be sufficiently given and shall be deemed to have been received forty-eight (48) 
hours after deposit in the United States mail in registered or certified form with postage fully 
prepaid:

If to the Corporation: [insert name of company] 
Attention: [insert name of person] 
[insert address]

WITH A COPY TO: 
[insert name of person]

FACILITIES LEASE 12
The Corporation and the District, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 11.2. Binding Effect. This Facilities Lease shall inure to the benefit of and shall be binding upon the Corporation and the District and their respective successors and assigns.

Section 11.3. Severability. In the event any provision of this Facilities Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.4. Net-Net-Net Lease. This Facilities Lease shall be deemed and construed to be a “net-net-net lease” and the District hereby agrees that the Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or setoffs whatsoever, save and except for any costs, expenses and/or damages the District may claim as a result of Corporations breach of the Facilities Lease, Site Lease, and/or the Construction Services Agreement.

Section 11.5. Further Assurances and Corrective Instruments. The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises hereby leased or intended so to be or for carrying out the expressed intention of this Facilities Lease.

Section 11.6. Execution in Counterparts. This Facilities Lease may be executed in several counterparts, each of which shall be original and all of which shall constitute but one and the same instrument.
Section 11.7. Applicable Law. This Facilities Lease shall be governed by and construed in accordance with the laws of the State of California. The venue for any dispute hereunder shall be Los Angeles County, California.

Section 11.8. Corporation and District Board. Whenever under the provisions of this Facilities Lease the approval of the Corporation or the District is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by the Corporation Representative and for the District by the Board of Trustees and/or the Executive Director of Facilities Planning and Development, and any party hereto shall be authorized to rely upon any such approval or request.

Section 11.9. Captions. The captions or headings in this Facilities Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Facilities Lease, nor the construction or interpretation of any part thereof.

Section 11.10 Prior Agreements. This Facilities Lease and the corresponding Site Lease, together with all exhibits, attachments, and amendments hereto and thereto collectively contain all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Facilities Lease and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Facilities Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest.

IN WITNESS WHEREOF, the parties hereto have caused this Facilities Lease to be executed by their respective officers thereunto duly authorized, as of the Effective Date.

LOS ANGELES COMMUNITY COLLEGE DISTRICT

Dated: [insert month and day/year]

By: James D. O'Reilly
Executive Director, Facilities Planning and Development
Its: Authorized Representative

[insert name of Corporation]

By: [name of person]
Its: President

By: [name of person]
Its: Secretary

FACILITIES LEASE
Exhibit "A"

SCHEDULE OF LEASE PAYMENTS

District shall make regular monthly Lease Payments for the Facilities Lease as set forth in, and to be determined by the method established in: (1) Exhibit "A" to the Construction Services Agreement.
CONSTRUCTION SERVICES AGREEMENT

[TO BE ATTACHED]
SITE LEASE

[Insert Project Name]

by and between the

LOS ANGELES COMMUNITY COLLEGE DISTRICT
as Lessor

and

[Insert Name of Contractor]
as Lessee

[INSERT MONTH AND DAY AND YEAR]

EXHIBIT B
This Site Lease dated as of [month/day/year] ("Effective Date"), is made and entered into by and between the Los Angeles Community College District located at 770 Wilshire Boulevard, Los Angeles, California, 90017 which is duly organized and validly existing under the laws of the State of California, as lessor ("District"), and [insert name of Contractor], a [insert name of state of incorporation] corporation duly organized and existing under the laws of the State of [name of state], as lessee ("Corporation") ("Site Lease").

RECITALS

WHEREAS, the District currently owns a parcel of land located at [insert project address] and situated as part of the campus at [insert name of college], as more particularly described in Attachment "A" attached hereto and incorporated herein by this reference. Corporation shall lease a portion of said real property to Corporation as highlighted and designated on Attachment "A" ("Leased Premises"), which are adequate to accommodate the [describe nature of project and related improvements to the Leased Premises];

WHEREAS, the District desires have the project at the Leased Premises constructed on the Leased Premises as more particularly described in the Facilities Lease (defined below) and incorporated herein by this reference (the "Project");

WHEREAS, the Board of Trustees for the District, acting by and through its Board of Trustees has determined that it is in the best interests of the District, and for the common benefit of the citizens residing within the District's jurisdiction, to have the Project performed by leasing the Leased Premises to the Corporation and by immediately entering into the Facilities Lease (defined below) under which the District will sublease the Leased Premises and improvements made thereon from the Corporation;

WHEREAS, the District is, authorized under Section 81335 of the Education Code of the State of California to lease the Leased Premises to the Corporation and to have the Corporation perform the Project on the Leased Premises and to lease to the District the Leased Premises and the improvements made thereon, and has duly authorized the execution and delivery of this Site Lease;

WHEREAS, the Corporation is authorized to lease the Leased Premises as lessee and to perform the Project on the Leased Premises, and has duly authorized the execution and delivery of this Site Lease; and

WHEREAS, District has performed all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into this Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Site Lease;

NOW, THEREFORE, in consideration of the promises and of the mutual agreements and covenants contained herein, the sum of One Dollar ($1.00) per month and other
valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Unless the context clearly otherwise requires, all words and phrases defined in Section 1.1 of the Facilities Lease dated as of [insert month/day/year by and between the District and the Corporation (the "Facilities Lease") shall have the same meaning in this Site Lease.

ARTICLE II

DEMISING CLAUSES

Section 2.1. Lease of the Leased Premises. The District hereby leases to the Corporation, and the Corporation hereby leases from the District the Leased Premises, subject only to Permitted Encumbrances, in accordance with the provisions of this Site Lease, to have and to hold for the term of this Site Lease. This Site Lease shall only take effect if the Facilities Lease is executed by the District and Corporation within five (5) business days of execution of this Site Lease.

Section 2.2. Rental. In consideration for the lease of the Leased Premises by the District to the Corporation and for other good and valuable consideration, the Corporation shall pay One Dollar ($1.00) per month to the District.

Section 2.3. No Merger. The leasing of the Leased Premises and the improvements made thereon by the Corporation to the District pursuant to the Facilities Lease shall not effect or result in a merger of the estates of the District in the Leased Premises, and the Corporation shall continue to have a leasehold estate in the Leased Premises pursuant to this Site Lease throughout the term hereof.

ARTICLE III

QUIET ENJOYMENT

Section 3.1. The parties intend that the Leased Premises will be leased back to the District pursuant to the Facilities Lease for the term thereof. Subject to any rights the District may have under the Facilities Lease to possession and enjoyment of the Leased Premises, the District hereby covenants and agrees that it will not take any action to prevent the Corporation from having quiet and peaceable possession and enjoyment of the Leased Premises during the term hereof.
ARTICLE IV

SPECIAL COVENANTS AND PROVISIONS

Section 4.1. Waste. The Corporation agrees that at all times that it is in possession of the Leased Premises, it will not commit, suffer or permit any waste on the Leased Premises, and that it will not willfully or knowingly use or permit the use of the Leased Premises for any illegal purpose or act.

Section 4.2. Further Assurances and Corrective Instruments. The District and the Corporation agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises hereby leased or intended so to be or for carrying out the expressed intention of this Site Lease and the accompanying Facilities Lease.

Section 4.3. Right of Entry and Use By District During Lease Term. The District reserves the right for any of its duly authorized representatives, and/or third parties authorized by the District, to enter upon the Leased Premises at any reasonable time to inspect, use, and/or perform work of any and all kind thereon. Also, Corporation acknowledges that not all of the Leased Premises are needed for Corporation's quiet use, enjoyment and intended purposes. Accordingly, for the valuable consideration of One Dollar ($1), Corporation grants to the District, during the term of the Lease, an irrevocable license for the District to use portions of the Leased Premises as determined by the District, provided such use does not directly interfere with active construction taking place pursuant to the Facilities Lease.

Section 4.4. Representations of the District. The District represents, covenants, and warrants to the Corporation as follows:

(a) Due Organization and Existence. The District is a community college district charged by law with providing educational services to certain persons residing within the District's jurisdiction and has been duly organized and existing under the Constitution and laws of the State of California.

(b) Authorization. The District has the full power and authority to enter into, to execute and to deliver this Site Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Site Lease.

(c) No Violations. Neither the execution and delivery of this Site Lease nor the Facilities Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the District, or upon the Leased Premises, except Permitted Encumbrances.
Section 4.5. **Representations of the Corporation.** The Corporation represents, covenants, and warrants to the District as follows:

(a) **Due Organization and Existence.** The Corporation is a [insert name of state of incorporation] California corporation duly organized and existing under the General Corporation Law of the State of [name of state] and is authorized to conduct business in the State of California pursuant to California law, has the power to enter into this Site Lease and the Facilities Lease; is possessed of full power to own and hold real and personal property, and to lease and sell the same; has duly authorized the execution and delivery of all of the aforesaid agreements; and is a licensed contractor holding an A or B license issued by the California State License Board.

(b) **Authorization.** The Corporation has the full power and authority to enter into, to execute and to deliver this Site Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Site Lease.

(c) **No Violations.** Neither the execution and delivery of this Site Lease or the Facilities Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Leased Premises, except Permitted Encumbrances.

**ARTICLE V**

**ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING**

Section 5.1. **Assignment and Subleasing.** This Site Lease may be assigned and the Leased Premises subleased, as a whole or in part, by the Corporation only upon the prior written consent of the District to such sublease, or at the written direction of the District if the District has declared in writing a material breach/default by Corporation of the Facilities Lease and any attachments and/or exhibits thereto. In the case if the latter, no written agreement of the Corporation shall be required to effectuate such assignment by the District.

Section 5.2. **Restrictions on District.** The District agrees that it will not mortgage, sell, encumber, assign, transfer or convey the Leased Premises or any portion thereof during the term of this Site Lease except as otherwise permitted herein.

Section 5.3. **Liens.** Corporation agrees to keep the Leased Premises and every part thereof free and clear of any and all liens, including without limitation, pledges, charges, encumbrances, claims, stop notices, labor withholds, and other liens or encumbrances of any and all kind, and/or arising out of, or in connection with, work or labor done, services performed, or

Site Lease 5
materials, supplies, equipment, apparatus, or appliances used or furnished for or in connection with the Leased Premises or the Project. Corporation further agrees to pay promptly and fully and discharge any and all claims on which any such lien and/or encumbrance may or could be based, and to save and hold District and all of its elected officials, employees, insurers, sureties, consultants and attorneys free and harmless from any and all such liens and/or encumbrances, including without limitation, claims, causes of action, proceedings, suits, and all other proceedings pertaining thereto. The provisions of this Section shall only apply for such portions of the Work for which District has satisfied payment to the Corporation.

ARTICLE VI

IMPROVEMENTS

Section 6.1. Title to all improvements made on the Leased Premises during the term hereof shall vest subject to the terms of the Facilities Lease.

ARTICLE VII

TERM AND TERMINATION

Section 7.1. Term. The term of this Lease shall not exceed [insert length of project duration plus a period of additional time to be determined on a project by project basis] and shall commence as of [insert month/day/year] and shall terminate on the last day of the Term of the Facilities Lease, provided the District has paid to the Corporation, or its assignee, all Lease Payments and other payments which may be expressly due under the Facilities Lease, and provided this Site Lease has not terminated pursuant to Sections 4.3(a) or 4.3(c) of the Facilities Lease. The Site Lease expiration date shall not be extended by any claimed payments and/or damages sought by Corporation under the Facilities Lease.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received forty-eight (48) hours after deposit in the United States mail in registered or certified form with postage fully prepaid:

If to the Corporation: [insert name of company]
Attention: [insert name of person]
[insert address]
WITH A COPY TO:
[insert name of company]
Attention: [insert name of person]
[insert address]

If to District:

Los Angeles Community College District
770 Wilshire Boulevard,
Los Angeles, California, 90017

Attention:
Executive Director, Facilities Planning and Development

WITH A COPY TO:

Office of General Counsel
770 Wilshire Boulevard,
Los Angeles, California, 90017

Attention:
Camille Goulet
General Counsel

The Corporation and the District, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 8.2. Binding Effect. This Site Lease shall inure to the benefit of and shall be binding upon the Corporation and the District, and their respective successors and assigns.

Section 8.3. Severability. In the event any provision of this Site Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.4. Amendments, Changes and Modifications. This Site Lease shall only be amended, changed, modified, or altered with the written agreement of both parties hereto, and approved by the District’s Board of Trustees.

Section 8.5. Execution in Counterparts. This Site Lease may be executed in several counterparts, each of which shall be original and all of which shall constitute but one and the same instrument.

Section 8.6. Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State of California. The venue for any dispute hereunder shall be Los Angeles County, California.
Section 8.7. Corporation and District Representatives. Whenever under the provisions of this Site Lease the approval of the Corporation or the District, is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by the Corporation Representative and for the District, by the District’s Executive Director, Facilities Planning and Development, and any party hereto shall be authorized to rely upon any such approval or request.

Section 8.9. Captions. The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Site Lease.

Section 8.10 Prior Agreements. This Site Lease and the corresponding Facilities Lease collectively contain all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Site Lease and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose.

Section 8.11 Attorney's Fees. If either party brings an action or proceeding involving the Property or to interpret, enforce, and/or for a breach of, the terms of this Site Lease or to declare rights hereunder, each party shall bear its own attorneys fees, expert/consulting fees, and costs.

IN WITNESS WHEREOF, the parties hereto have caused this Site Lease to be executed by their respective officers thereunto duly authorized, as of the Effective Date.

LOS ANGELES COMMUNITY COLLEGE DISTRICT

Dated: [insert month and day/year]

By: James D. O’Reilly
Executive Director, Facilities Planning and Development
Its: Authorized Representative

[insert name of Corporation]

By: [name of person]
Its: President

By: [name of person]
Its: Secretary
DESCRIPTION OF LEASED PREMISES

Attachment "A"
SUBJECT: ADOPT RESOLUTION AUTHORIZING IMPLEMENTATION OF THE LEASE-LEASEBACK PROJECT DELIVERY METHOD FOR THE ATHLETIC TRAINING FACILITY PROJECT AT LOS ANGELES VALLEY COLLEGE

Action

Adopt a Resolution (Attachment 1) authorizing implementation of the Lease/Leaseback project delivery method for the Athletic Training Facility project at Los Angeles Valley College according to the steps defined therein and as authorized under California law, including, without limitation, Education Code section 81335.

Funding and Development Phase

Funding is through Measure J Bond proceeds. Athletic Training Facility 38V.5837.02. All Phases.
SUBJECT: ADOPT RESOLUTION AUTHORIZING IMPLEMENTATION OF THE LEASE-LEASEBACK PROJECT DELIVERY METHOD FOR THE ATHLETIC TRAINING FACILITY PROJECT AT LOS ANGELES VALLEY COLLEGE

WHEREAS, the District desires to maximize efficient use of public funds in a manner consistent with all applicable laws to best serve the students within the District; and

WHEREAS, the District is authorized under Bond Measure J to provide for the work of public improvement herein described as the Los Angeles Valley Athletic Training Facility ("Project"); and

WHEREAS, the Board of Trustees of the District has determined pursuant to Education Code sections 81330 and 81332 that real property owned by the District is available upon which a building to be used by the District may be constructed and has adopted plans and specifications for such building that will or have been approved by the Division of the State Architect prior to Project commencement as necessary; and

WHEREAS, the District proposes to enter into a Lease/Leaseback procurement that would involve the leasing by the District of the parcel of land upon which the Project will be constructed (this parcel being located on the Los Angeles Valley College campus, 5800 Fulton Avenue, Valley Glen, CA 91401) to an experienced construction firm for the purpose of the Athletic Training Facility project consists of two field houses, as well as baseball field and softball fields. The Stadium Field House consists of Type II B construction, load-bearing masonry walls and steel roof framing. The Baseball/Softball Field House is also of Type II B construction, load-bearing masonry walls and steel roof framing. The baseball field and softball fields include bleacher seating, press boxes, dugouts, bullpens, batting cages, and perimeter fencing. The project also includes miscellaneous site and utility work. The following documents, which are attached to this Resolution hereto, are examples of the three agreements that will be executed between the District and the selected general contractor: Exhibit A - Site Lease Agreement will lease the site from the District to the general contractor for the duration of the project, Exhibit B - Construction Services Agreement will govern the work performed by the general contractor and Exhibit C - Facilities Lease/Sublease Agreement will lease the site and project from the general contractor back to the District; and

WHEREAS, after careful and thorough consideration the Board of Trustees has determined that the Lease/Leaseback method of project procurement is in the best interest of the District and will best serve the needs of the student population through efficient and timely construction of college facilities; and

WHEREAS, the District is authorized under Education Code section 81335 to enter into a Lease/Leaseback project procurement that provides for (1) the letting of the aforementioned real property for a minimum of one dollar per year, (2) the lessee to construct, or provide for the construction of, the aforementioned building, as that term is defined in Education Code section 81330, thereon for the use of the District during the term of such lease, (3) title to such building to vest in the District at the expiration of such term, and (4) such other terms and conditions as the Board of Trustees of the District may determine to be in the best interest of the District; and

WHEREAS, the Board of Trustees of the District has determined that it is in the best interest of the District to conduct the Lease/Leaseback project procurement pursuant to a competitive process designed to identify the proposer and proposal that represents the best overall value to the District, taking into consideration price and non-price factors; and
WHEREAS, the Board of Trustees shall also consider a subsequent resolution that grants authority to file a validation action authorized by Government Code section 53511 and Code of Civil Procedure § 860 to determine the validity of the aforementioned Lease/Leaseback project procurement;

NOW, THEREFORE, the Board of Trustees of the District does hereby resolve as follows:

1. Determination Regarding Recitals. All of the above recitals herein contained are true and correct and the Board of Trustees so finds and determines.

2. Determination. The District’s Board of Trustees determines that, pursuant to California law and Education Code section 81335, it is appropriate to authorize a Lease/Leaseback project procurement for the construction of the building described herein.

3. Other Acts. The President of the Board of Trustees, the Chancellor, and other officers of the District are hereby authorized and directed to do any and all things to execute and deliver any and all documents, which, in consultation with staff, they may deem necessary and advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby approved, ratified, and confirmed. Furthermore, the Chancellor or designee is authorized to finalize and execute the agreements attached to this Resolution in substantially the form now existing, subject to such additions thereto or modifications thereto as the Chancellor or designee may deem in the best interest of the District.

4. Effective Date. The Resolution shall take effect upon adoption of this Resolution by the Board of Trustees.

PASSED AND ADOPTED on March 20, 2013 by the following vote:

AYES: ____________
NOES: ____________
ABSENT: ____________

STATE OF CALIFORNIA )
) ss
COUNTY OF LOS ANGELES )

I, XXXXXXX, Secretary of the Board of Trustees, do hereby certify that the foregoing is a full and correct copy of a resolution duly passed and adopted by said Board at a regularly called and conducted meeting held on said date, March 20, 2013.

__________________________
Clerk/Secretary of the Board of Trustees
LOS ANGELES VALLEY COLLEGE ATHLETIC TRAINING FACILITY PROJECT
SITE LEASE

Dated as of [INSERT DATE], 2012

Between

LOS ANGELES COMMUNITY COLLEGE DISTRICT

and

[INSERT CONTRACTOR NAME]
LOS ANGELES VALLEY COLLEGE ATHLETIC TRAINING FACILITY PROJECT
SITE LEASE

This SITE LEASE is dated as of September 20, 2012 and is by and between the LOS ANGELES COMMUNITY COLLEGE DISTRICT, a California community college district duly organized and existing under the laws of the State of California (the “District”) as lessor and [INSERT CONTRACTOR NAME], a California corporation organized and operating under the laws of the State of California (the “Lessee”).

WHEREAS, the District desires to provide for the construction of certain public improvements at the Los Angeles Valley College, Los Angeles, California (the “Project”); and

RECITALS:

This Site Lease is made with reference to the following facts

A. The District’s Board of Trustees has determined that it is in the best interests of the District and for the common benefit of the citizens it serves to construct the Project by leasing to the Lessee land at the Project site, at which the public improvements are to be constructed, as more specifically described in Exhibit “B” of the Sublease Agreement (the “Sublease”) and subleasing from the Lessee the Site and the Project under the Sublease by this reference incorporated herein; and

B. The District and the Lessee have entered into a Construction Services Agreement (“Construction Services Agreement”), and by this reference incorporated herein, to ensure that the Project will meet the District’s expectations; and

C. The District is authorized under Section 81335 of the California Education Code to lease the Site and its governing body has duly authorized the execution this Site Lease; and

D. The Lessee is authorized to lease the Site and to construct the Project on the Site, and has duly authorized the execution and delivery of the Sublease and this Site Lease.

OPERATIVE PROVISIONS:

NOW THEREFORE, in consideration of the covenants hereinafter set forth, District and Lessee agree as follows:

SECTION 1. DEFINITIONS. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Site Lease only, have the meanings as herein specified.

A. “Construction Services Agreement” means the Construction Services Agreement (also referred to as the “Construction Contact”) for construction of improvements on the Los Angeles Valley College Athletic Training Facility Project site by and between the District and the Lessee dated as of even date herewith.
B. "Contract Documents" means the Construction Services Agreement, this Site Lease, and the Sublease, together with all documents listed in Article I of the General Conditions, Exhibit B to the Construction Services Agreement.

C. "District" means the LOS ANGELES COMMUNITY COLLEGE DISTRICT, a community college district duly organized and existing under the laws of the State of California.

D. "District's actual current knowledge" means the actual knowledge of [INSERT NAME].

E. "Effective Date" shall mean the day on which the District issues a Notice to Proceed for the Project.

F. "General Conditions" shall mean the General Conditions to the Construction Services Agreement.

G. "Lessee" shall mean [INSERT CONTRACTOR NAME] and its successors and assigns.

H. "Project" means the totality of improvements comprising, or necessary or appurtenant to the use of, the work of improvements described generally in the Construction Services Agreement.

I. "Site" means: (1) the parcel of land owned by District on which the Project is to be constructed and such additional parcels as may be purchased by District for such construction, (2) all areas adjacent to such parcels that may be used by Lessee or its subcontractors for staging, storage, parking or temporary offices; and (3) all land areas, both private and public, adjacent to such parcels on which work is required to be performed under the Contract Documents, applicable laws, or permits relating to the Project.

J. "Site Lease" means this Site Lease, together with any duly authorized and executed amendment hereto, under which the District leases the Site to the Lessee.

K. "Sublease" means the Sublease by and between the District and the Lessee, together with any duly authorized and executed amendment thereto.

L. "Sublease Payment" means any payment required to be made by the District pursuant to Section 7 of the Sublease.

M. "Sublease Prepayment" means any payment required to be made by the District pursuant to Section 25 of the Sublease.

N. "Term of this Site Lease" or "Term" means the time during which this Site Lease is in effect, as provided for in Section 3 of this Site Lease.
SECTION 2. SITE LEASE.

The District leases to the Lessee, and the Lessee leases from the District, on the terms and conditions set forth herein, the Site situated in the County of Los Angeles, State of California, more specifically described in Exhibit "A" attached hereto, including any real property improvements now or hereafter affixed thereto.

SECTION 3. TERM.

The Term of this Site Lease commences on the Effective Date and terminates on the date of termination of the Sublease, unless sooner terminated by the District as hereinafter provided. At the termination of this Site Lease, natural or otherwise, title to the Site, and any improvements constructed thereon by the Lessee, shall vest in the District in accordance with Education Code section 81335.

SECTION 4. REPRESENTATIONS, COVENANTS, AND WARRANTIES OF THE DISTRICT.

The District represents and warrants to the Lessee, based on District’s actual current knowledge, without investigation, that:

A. The District has good and merchantable fee title to the Site and has authority to enter into and perform its obligations under this Site Lease;

B. There are no liens on the Site other than Permitted Encumbrances;

C. All taxes, assessments or impositions of any kind with respect to the Site, if applicable, except current taxes, have been paid in full;

D. The Site is properly zoned for the intended purpose and utilization of the Site or the District intends to render zoning inapplicable pursuant to Government Code section 53094;

E. The District is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to the Site;

F. There is no litigation of any kind currently pending or threatened regarding the Site or the District’s use of the Site for the purposes contemplated by this Site Lease;

G. That:

(1) no Hazardous Substances (as defined in the General Conditions), are now or have been stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released,
deposited or disposed of in, upon, under, over or from the Site, except in accordance with law;

(2) no threat exists of a discharge, release or emission of a Hazardous Substance upon or from the Site into the environment;

(3) the Site has not been used as or for a mine, a landfill, a dump or other disposal facility, industrial or manufacturing facility, or a gasoline service station;

(4) no underground storage tank is now located in the Site or has previously been located therein;

(5) no violation of any Environmental Regulation now exists relating to the Site, no notice of any such violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now any investigation or report involving the Site by any governmental entity or agency which in any way relates to Hazardous Substances;

(6) no person, party or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in (1) above;

(7) there are not now any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances, in, upon, under over or from the Site;

(8) the Site is not listed in the United States Environmental Protection Agency’s National Priorities List of Hazardous Waste Sites or any other list of Hazardous Substance sites maintained by any federal, state or local governmental agency; and

(9) the Site is not subject to any lien or claim for lien or threat of a lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance.

H. To the extent permitted by law, the District shall not abandon the Site for the use for which it is currently required by the District and further, shall not seek to substitute or acquire property to be used as a substitute for the uses for which the Site and Project are to be maintained under the Site Lease.
I. The term “Permitted Encumbrances” as used herein shall mean, as of any particular time:

(1) liens for general ad valorem taxes and assessments, if any, not then delinquent;

(2) this Site Lease; the Sublease; any right or claim of any mechanic, laborer, materialman, supplier, or vendor, if applicable, not filed or perfected in the manner prescribed by law; easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions which exist of record as of the date of this Site Lease and which will not materially impair the use of the Site;

(3) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions, or restrictions established following the date of recordation of this Site Lease and to which the Lessee and the District consent in writing and which will not impair or impede the operation of the Site.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE LESSEE. The Lessee represents and warrants to the District that:

A. The Lessee is duly organized, validly existing and in good standing under the laws of the State of California, with full corporate power and authority to lease and own real and personal property;

B. The Lessee has full power, authority and legal right to enter into and perform its obligations under this Site Lease, and the execution, delivery and performance of this Site Lease has been duly authorized by all necessary corporate actions on the part of the Lessee and does not require any further approvals or consents;

C. Execution, delivery and performance of this Site Lease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which the Lessee is a party or by which it or its property is bound;

D. There is no pending or, to the best knowledge of the Lessee, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of the Lessee to perform its obligations under this Site Lease; and

SECTION 6. RENTAL.

The Lessee shall pay to the District as and for advance rental hereunder the aggregate sum of ONE DOLLAR ($1.00) on or before the date of commencement of the Term of this Site Lease. The Lessee shall have no
obligation to make rental payments hereunder in the event the Effective Date of this Site Lease does not occur as a result of the District’s inability to issue a Notice to Proceed for the Project.

SECTION 7. PURPOSE.

The Lessee shall use the Site solely for the purpose of constructing the Project thereon and for subleasing the Site and the Project to the District; provided, that upon the occurrence of an Event of Default by the District under the Sublease, the Lessee may exercise the remedies provided for in the Construction Services Agreement, pursuant to the General Conditions contained in Exhibit B therein, or the Sublease.

SECTION 8. TERMINATION. The Lessee agrees, upon termination of this Site Lease:

A. To quit and surrender the Site in the same good order and condition as it was in at the time of commencement of the Term hereunder, reasonable wear and tear excepted, but with the Project in place;

B. To release and reconvey to the District the Site, unencumbered by any liens or encumbrances created or caused by the Lessee; and

C. That any permanent improvements and structures existing upon the Site at the time of the termination of this Site Lease shall remain thereon and title thereto shall automatically vest in the District, without additional compensation to Lessee.

Notwithstanding the District’s foregoing rights in the event of termination, the Lessee shall retain the right to full compensation for all services rendered prior to the termination, including all rights which may exist under the Construction Services Agreement and the Sublease, as well as all recourse provided by California law including common law, for the value of the work performed on the Site and/or the Project.

In the event the Construction Services Agreement is terminated pursuant to the provisions therein, this Site Lease shall immediately terminate.

SECTION 9. QUIET ENJOYMENT.

The District covenants and agrees that it will not take any action to prevent the Lessee’s quiet enjoyment of the Site during the Term hereof; and, that in the event District’s fee title to the Site is ever challenged so as to interfere with the Lessee’s right to occupy, use and enjoy the Site, the District will defend the Lessee’s right to occupy, use, and enjoy the Site. The District, however, retains the right, throughout the Term, to use the Site for District purposes, pursuant to the terms of the Sublease.
SECTION 10.  **NO LIENS.**

The District shall not mortgage, sell, assign, transfer or convey the Site or any part thereof to any person during the Term of this Site Lease, without the written consent of the Lessee. Nothing herein shall preclude the District from granting utility easements across the Site to facilitate the use and operation for which it is intended of the Project or other neighboring properties of the District.

SECTION 11.  **RIGHT OF ENTRY.**

The District reserves the right for any of its duly authorized representatives to enter upon the Site at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof, but in doing so shall not interfere with the Lessee’s operations on the Project.

SECTION 12.  **ASSIGNMENT AND SUBLEASING.**

The Lessee will not assign or otherwise dispose of or encumber the Site or this Site Lease without the written consent of the District, which may be granted or denied in District’s sole discretion.

SECTION 13.  **NO WASTE.**

The Lessee agrees that at all times that it is in possession of the Site it will not commit suffer or permit any waste on the Site, and it will not willfully or knowingly use or permit the use of the Site for any illegal act or purpose.

SECTION 14.  **HAZARDOUS SUBSTANCES.**

Hazardous Substances shall have the exact meaning as defined in the General Conditions that are incorporated by reference into this Agreement. Such meaning shall control to the extent any of the foregoing further definition conflicts with the General Conditions. In addition, to the definition within the General Conditions the following applies. The Lessee agrees that at all times that it is in possession of the Site it will not, and Lessee’s employees, agents and/or contractors shall not (i) deposit Hazardous Materials in, on or upon the Site, or (ii) permit the deposit of Hazardous Materials in, on or upon the Site, and Lessee hereby assumes any and all liability arising in connection with any such deposit of Hazardous Materials, provided that this provision shall not be construed or understood to prohibit Lessee or Lessee’s employees, agents and/or contractors from allowing Hazardous Materials to be brought upon the Site so long as they constitute Hazardous Materials which are customary and common to the normal course of business in the construction or operation of improvements similar to the Project, and so long as such Hazardous Materials are used, stored and disposed of in strict accordance with all applicable governmental laws and regulations. Lessee shall defend,
indemnify and hold District harmless from and against any claims, judgments, damages, penalties, fines, costs, liabilities and losses (including reasonable attorneys’ fees) resulting from Lessee’s or Lessee’s employees’, agents’ and/or contractors’ deposit of Hazardous Materials in, on the Site. In the event of any release of Hazardous Materials onto the Site from and after the date that possession of the Premises is delivered to Lessee, Lessee agrees to remediate such condition in accordance with all laws and in accordance with a remediation plan approved by District.

As used in this Site Lease the term “Hazardous Materials” means any hazardous, toxic, infectious or explosive substance, material, gas or waste which is or becomes regulated or under the authority of Environmental Laws, including but not limited to urea-formaldehyde, polychlorinated biphenyls (“PCB”), asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products. The term “Environmental Laws” refers to any of the following laws, and any similar law, rule or regulation: (i) the “Hazardous Waste Control Law,” California Health and Safety Code, Division 20, Chapter 6.5, (ii) the “Carpenter-Presley-Tanner Hazardous Substance Account Act,” California Health and Safety Code, Division 20, Chapter 6.8, (iii) the “Hazardous Materials Release Response Plans and Inventory,” California Health and Safety Code, Division 20, Chapter 6.95, (iv) the “Underground Storage of Hazardous Substances Act,” California Health and Safety Code, Division 20, Chapter 6.7, (v) in Division 5 of Title 22 of the California Code of Regulations, (vi) the “Federal Water Pollution Control Act,” 33 U.S.C. Section 1317, (vii) the “Clean Water Act,” 33 U.S.C. Section 1251 et seq., (viii) the “Federal Resource Conservation and Recovery Act,” 42 U.S.C. Section 6901 et seq. or (ix) the “Comprehensive Environmental Response, Compensation and Liability Act,” 42 U.S.C. Section 9601 et seq.

SECTION 15. DEFAULT.

In the event the Lessee defaults in the performance of any obligation on its part to be performed under the terms of the Construction Services Agreement or under this Site Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Lessee, the District may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Sublease shall be deemed to occur as a result thereof.

SECTION 16. EMINENT DOMAIN.

In the event the whole or any part of the Site or the improvements thereon, including but not limited to the Project, is taken by eminent domain, the financial interest of the Lessee shall be recognized and is hereby determined to be the amount of all Sublease Payments then due or past due, the next succeeding Sublease Payment and the purchase option price as set forth in
Section 25 of the Sublease, less any unearned interest as described in the Sublease as of the date the Lessee receives payment in full. The balance of the award in such eminent domain action, if any, shall be paid to the District.

SECTION 17. **TAXES.**

The terms of this Site Lease may result in the creation of a possessory interest. If such a possessory interest is vested in a private party to this document, the private party may be subjected to the obligation to pay personal property taxes levied on such interest.

SECTION 18. **INDEMNIFICATION.**

The parties agree to defend and indemnify each other as those terms are used in the General Conditions.

SECTION 19. **PARTIAL INVALIDITY.**

If any one or more of the terms, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 20. **NOTICES.**

Any notices or filings required to be given or made under this Site Lease shall be served, given or made in writing upon the District or the Lessee, as the case may be, by personal delivery or registered mail to the respective addresses given below. Any change in the addresses noted shall not be binding upon the other party unless preceded by no less than thirty (30) days prior written notice. Any such notices shall be deemed to have been received by the addressee if delivered to the person for whom they are intended or if sent by registered mail, return receipt requested, or by telex, telegram, or fax followed by regular mail, addressed as follows:

If to Lessee:  [INSERT NAME OF CONTRACTOR]

If to District:  Los Angeles Community College District  
915 Wilshire Boulevard, Suite 800  
Los Angeles, CA 90017  
Attn: Construction Contracts Manager  
LACCD Program Management

With a copy to:
SECTION 21. **BINDING EFFECT.**

This Site Lease shall inure to the benefit of and shall be binding upon the District, the Lessee and their respective successors in interest and assigns.

SECTION 22. **AMENDMENTS AND MODIFICATIONS.**

This Site Lease shall not be effectively amended, changed, modified, altered or terminated without the written agreement of the District and the Lessee.

SECTION 23. **EXECUTION IN COUNTERPARTS.**

This Site Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 24. **LAWS, VENUE AND ATTORNEYS’ FEES.**

The terms and provisions of this Site Lease shall be construed in accordance with the laws of the State of California. If any action is brought in a court of law to enforce any term of this Site Lease, the action shall be brought in a state court situated in the County of Los Angeles, State of California, unless a court finds jurisdiction or venue is only proper in a federal court, or a court outside this County. Under no circumstances shall any provision of this Site Lease supersede the Binding Arbitration provisions set forth in the Construction Services Agreement.

SECTION 25. **INTEGRATION/MODIFICATION.**

This Site Lease, together with the other documents referred to herein, represents the entire understanding of the District and Lessee as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered herein and shall not be amended, altered, or changed except by a written agreement signed by the parties hereto.

SECTION 26. **HEADINGS.**

The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Site Lease.
SECTION 27. TIME.

Time is of the essence in this Site Lease and each and all of its provisions.

[Signature Page Follows]
IN WITNESS WHEREOF, the parties hereto have executed this Site Lease by their authorized officers as of the day and year first written above.

DISTRICT:

LOS ANGELES COMMUNITY COLLEGE DISTRICT, a community college district organized under the laws of the State of California

By: ________________________________
JAMES D. O’REILLY
ITS: EXECUTIVE DIRECTOR OF FACILITIES PLANNING & DEVELOPMENT

DATE: ________________________________

LESSOR:

[INSERT CONTRACTOR NAME]

By: ________________________________
[PRINTED NAME]
ITS: [TITLE]

DATE: ________________________________
CONSTRUCTION SERVICES AGREEMENT
FOR
LOS ANGELES VALLEY COLLEGE ATHLETIC TRAINING FACILITY

This Construction Services Agreement is made this XXXXXXXXXX, 2013, by and between the LOS ANGELES COMMUNITY COLLEGE DISTRICT, a California Community College District organized and existing under the laws of the State of California (hereinafter called the "District"), and [INSERT CONTRACTOR NAME], a California Corporation with its principal place of business at [INSERT ADDRESS HERE] ("Contractor").

RECITALS

WHEREAS, the District intends on using proceeds, including but not limited to, [INSERT NAME OF BOND] proceeds for the purpose of financing the construction of community college facilities and improvements known as the LOS ANGELES VALLEY COLLEGE ATHLETIC TRAINING FACILITY (the "Project"); and

WHEREAS, the District has determined that it is necessary to retain the services of a construction firm to provide for the construction of the Project; and

WHEREAS, in connection with the approval of this Construction Services Agreement, the District elects to utilize a competitive bid, two-step process including (1) a Request for Qualifications and (2) a Request for Proposals to maximize value and quality for the District; and

WHEREAS, after soliciting proposals for construction services for the Project, the District has selected [INSERT CONTRACTOR NAME] as the firm best qualified to meet the needs of the District in providing such construction services for the Project; and

WHEREAS, California Education Code section 81335 permits the governing board of a school District to enter into a Lease-Leaseback project procurement that provides for (1) the letting of real property for a minimum of one dollar per year, (2) the lessee to construct, or provide for the construction of, the aforementioned building thereon for the use of the District during the term of such lease, (3) title to such building to vest in the District at the expiration of such term, and (4) such other terms and conditions as the Board of Trustees of the District may determine to be in the best interest of the District. The lessee may be any person, firm, or corporation and the District may lease any real property owned by the District if the instrument by which such property is leased requires the lessee to construct on the leased premises, or provide for the construction thereon, of a building for the use of a school of the District, during the term of the lease, and provides that title to that building shall vest in the school of the District at the expiration of the lease; and

WHEREAS, in connection with the approval of this Construction Services Agreement, the District will enter into a site lease with Contractor (the "Site Lease"), under which it will lease to the Contractor the Project Site as described in Exhibit "A" of the Site Lease (collectively, the "Site") in order for Contractor to construct improvements to the Project; and

WHEREAS, the Contractor will lease the Site and the Project back to the District pursuant to a Sublease Agreement (the "Sublease") under which the District will be required to make Sublease Payments and may make Sublease Prepayments to the Contractor for the use and occupancy of the Site and Project; and

WHEREAS, at the expiration of the Lease and Sublease terms, title in the Project shall vest in the District; and

WHEREAS, the District and Contractor desire to enter into this Construction Services Agreement to ensure that the Project will meet the District's expectations; and
WHEREAS, Contractor is experienced in construction of the type of improvements included in the Project that are desired by the District, is duly licensed as a general contractor in the State of California, and is willing to perform construction work for the District, all as more fully set forth herein.

NOW, THEREFORE, in consideration of the covenants hereinafter set forth, the District and Contractor agree as follows:
Los Angeles Community Colleges
770 WILSHIRE BOULEVARD, LOS ANGELES, CALIFORNIA 90017-213/891-2000

City • East • Harbor • Mission • Pierce • Southwest • Trade-Technical • Valley • West
Administrative Offices • Chancellor

STANDARD FORM OF CONSTRUCTION CONTRACT
BETWEEN DISTRICT AND CONTRACTOR

Location: College

Contract No.

Project No.

BETWEEN the DISTRICT:

Los Angeles Community College District
770 Wilshire Boulevard
Los Angeles, California 90017

and the CONTRACTOR:

Name

Street Address
Los Angeles, California 900

For the following PROJECT:

Design Consultant is:
CONSTRUCTION SERVICES AGREEMENT
BETWEEN DISTRICT AND CONTRACTOR

THIS CONSTRUCTION SERVICES AGREEMENT BETWEEN DISTRICT AND CONTRACTOR ("Construction Contract") is entered into on this [date] day of [year], 20[00] by and between the LOS ANGELES COMMUNITY COLLEGE DISTRICT, a community college district organized under the laws of the State of California ("District") and the undersigned contractor ("Contractor").

ARTICLE 1
DEFINITIONS

Capitalized terms used in the Contract Documents shall have the meanings assigned to them in the General Conditions identified in Paragraph 5.1.2, below. If not defined in such General Conditions, they shall have the meanings assigned to them elsewhere in the Contract Documents. If not defined in such General Conditions or elsewhere, they shall have the meanings reasonably understood to apply to them by the context in which they are used.

ARTICLE 2
THE WORK

2.1 SCOPE OF WORK

Contractor shall execute the entire Work called for by the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others.

2.2 STANDARD OF PERFORMANCE

Without limitation to Contractor's other obligations under the Contract Documents, Contractor shall at all times in its performance of its obligations under the Contract Documents conform to the following general standards of performance:

2.2.1 comply with the requirements of the Contract Documents;

2.2.2 comply with Applicable Laws;

2.2.3 conform to the standard of care applicable to those who provide construction of the type called for by this Construction Contract for projects of a scope and complexity that is comparable to the Project;

2.2.4 furnish efficient business administration of the Work, utilizing sufficient senior level management and other qualified personnel to manage the Work; and

2.2.5 apply its best and highest skill and attention to completing the Work in an expeditious and economical manner, consistent with the expressed best interests of the County and within the limitations of the Contract Sum Payable and Contract Time.
ARTICLE 3
CONTRACT TIME

3.1 CONTRACT TIME

3.1.1 Substantial Completion. Contractor shall achieve Substantial Completion of the entire Work not later than [_____] (____) Days after the Date of Commencement, subject only to Contract Adjustments to the Contract Time permitted by the Contract Documents.

3.1.2 Final Completion. Contractor shall achieve Final Completion of the Work not later than [_____] (____) Days after the actual occurrence of Substantial Completion, subject only to Contract Adjustments to the Contract Time permitted by the Contract Documents.

3.1.3 Timing of Notice. Under no circumstances shall a Notice to Proceed be issued prior to the approval by the Division of the State Architect (DSA) of the Project Plans. Further, this Construction Contract shall not become effective to bind either party until such DSA approval has been received.

3.2 LIQUIDATED DAMAGES TO DISTRICT

3.2.1 District's Right. District and Contractor acknowledge and agree that if Contractor fails to Substantially Complete the Work within the Contract Time for Substantial Completion, District will suffer substantial Losses, which would be both extremely difficult and impracticable to ascertain. On that basis they agree, as a reasonable estimate of those Losses and not a penalty, to the assessment by District of liquidated damages as provided in this Section 3.2.

3.2.2 Per Diem Rate. If Contractor fails to achieve Substantial Completion of the entire Work within the Contract Time for Substantial Completion, Contractor shall pay District or District may deduct from money due or to become due to the Contractor or its Surety, liquidated damages in the amount of [_____] Dollars ($_____) per Day for each Day thereafter until Contractor achieves Substantial Completion of the entire Work.

3.2.3 Extensions of Time. Liquidated damages shall not be charged to Contractor for Delays to Substantial Completion for which the Contractor is entitled under the Contract Documents to receive a Contract Adjustment to the Contract Time for Substantial Completion.

3.2.4 Partial Completion. Liquidated damages shall not be reduced or apportioned for Substantial Completion of portions of the Work prior to Substantial Completion of the entirety of the Work.

3.2.5 Not a Limitation. The District’s rights under this Section 3.2 shall not be interpreted as precluding or limiting: (1) any right or remedy of District arising from an Event of Contractor Default other than a failure to Substantially Complete the Work within the Contract Time; or (2) District's right to order an acceleration, at Contractor's Own Expense, of performance of the Work to overcome Delay, including, without limitation, a Delay for which District has the right to assess liquidated damages.

3.2.6 Termination. If, due to an Event of Contractor Default or a wrongful termination or abandonment of the Construction Contract or Work by Contractor, there is a full or partial termination of the Construction Contract or a full or partial discontinuance of the Work, the aforementioned right to liquidated damages shall apply and be enforceable, but such right of District to liquidated damages shall not affect or limit District’s rights to recover amounts that the District incurs or pays to any third party to complete the Work (including, without limitation, any amounts that District is required to pay such third party to perform Work after expiration of the Contract Time).

3.3 LIQUIDATED DAMAGES TO CONTRACTOR

3.3.1 Contractor's Right. It is acknowledged by District and Contractor that if Compensable Delay, occurs the Contractor and its affected Subcontractors are likely to suffer Losses, which would be both extremely difficult and impracticable to ascertain. On that basis the District and Contractor have agreed, as a reasonable estimate of those Losses and not a penalty, to the payment by District of liquidated damages pursuant to this Section 3.3.
3.2 **Daily Rate.** If Contractor is unable due to a Compensable Delay to achieve Substantial Completion of the Work within the sum of (1) the number of Days comprising the original period of time set forth in Paragraph 3.1.1, above, for Substantial Completion of the overall Work ("original" meaning the number of Days stated in Paragraph 3.1.1, exclusive of Contract Adjustments) plus (2) the number of Days of Contract Adjustments to the Contract Time for Substantial Completion to which Contractor is entitled due to Excusable Delay, then for each Day thereafter that the Contractor is required to continue to perform Work at the Site as a result of such Compensable Delay, Contractor shall be entitled by execution of Change Order or Unilateral Change Order to both an extension of the Contract Time for Substantial Completion due to Compensable Delay and a Contract Adjustment to the Contract Sum Payable for payment of liquidated damages in the amount of _______ Dollars ($_______) per Day for each such Day with no amount added thereto or calculated thereon for Allowable Markup or any other markup for overhead or profit to Contractor or any Subcontractor.

3.3.3 **Payment by District.** Notwithstanding any other provision of the Contract Documents to the contrary, any Change Order or Unilateral Change Order for a Contract Adjustment to the Contract Sum Payable for liquidated damages permitted by this Section 3.3 shall be executed following, and not before, the actual occurrence of Substantial Completion and prior to Final Completion. All sums due to the Contractor pursuant to this Section 3.3 shall be due and payable, subject to the District's rights of withholding payment permitted by the Contract Documents or Applicable Laws, as part of the Final Payment to Contractor.

3.3.4 **Exclusive Recovery.** Liquidated damages payable pursuant to this Section 3.3 constitute the Contractor's sole and exclusive right and remedy for recovery from District of Losses to Contractor and its Subcontractors, of any Tier, due to Delay, regardless of the cause, duration or timing, attributable to Compensable Delay.

3.3.5 **Deleted Work.** A credit shall be given to District reducing the Contract Sum Payable due to Deleted Work that results in a shortening of the Contract Time. Such reduction in the Contract Sum Payable shall be effected by means of a Contract Adjustment that is based on the product derived from multiplying (1) the number of Days that the Contract Time is shortened by (2) the amount of liquidated damages set forth in Paragraph 3.3.2, above, without any additional credit to County for Allowable Markups.

3.3.6 **Termination.** District shall have no liability to Contractor to pay any liquidated damages provided for under this Section 3.3 in the event there is a termination of the Construction Contract (whether such termination is a termination for cause by District or Contractor or is a termination by convenience by District) prior to expiration of the Contract Time described in Clauses (1) and (2) of Paragraph 3.3.2, above. In lieu of such liquidated damages, Contractor's sole and exclusive right of recovery for Loss resulting from Compensable Delay shall be its right to a Contract Adjustment for any additional, actual costs incurred and paid by Contractor (with no additional amount added for Allowable Markup or other overhead or profit multiplier or markup) for (1) additional supervision at the Site by employees of Contractor and (2) Contractor's temporary facilities at the Site; provided further, that the Contract Adjustment allowed by this Paragraph 3.3.6 shall, in all circumstances of Compensable Delay, be limited to those additional costs described in Clauses (1) and (2) hereof that were incurred and paid as a direct consequence of Compensable Delay and for which Contractor is not permitted a just and equitable compensation under the accounting processes set forth in Paragraph 14.1.5 and (if applicable) Paragraph 14.3.3 of the General Conditions.

3.3.7 **Non-Compensable Delay.** Without limitation to any other provisions of the Contract Documents defining what types of Delays are non-compensable, no Contract Adjustment or other form of compensation or reimbursement, of any kind, to Contractor or a Subcontractor, of any Tier, shall be permitted for any Loss resulting, directly or indirectly, from or attributable to any of the following: (1) Unexcused Delay or acceleration to overcome Unexcused Delay; (2) Excusable Delay or any acceleration (other than an acceleration authorized by District in writing) to overcome Excusable Delay; or (3) concurrency of a Compensable Delay with any different type or class of Unexcused Delay or Excusable Delay, whether such concurrency is a concurrency in cause or in effect.
ARTICLE 4
CONTRACTOR COMPENSATION

4.1 CONTRACT SUM PAYABLE

4.1.1 Amount. District shall pay the Contractor in current funds for the Contractor’s performance of the Work in accordance with the Contract Documents the Contract Sum Payable (exclusive of Contract Adjustments) of [insert amount] Dollars ($[insert amount]).

4.1.2 Basis. The Contract Sum Payable set forth in Paragraph 4.1.1, above, is based on the Bid submitted by Contractor as adjusted for Alternates accepted by District as set forth in Section 4.4, below.

4.1.3 Adjustments. The Contract Sum Payable is only subject to adjustments as permitted by the General Conditions for Contract Adjustments due to Compensable Changes, Deleted Work or Compensable Delay.

4.1.4 All-Inclusive Price. The Contract Sum Payable is the total amount payable by District to Contractor for performance of the Work under the Contract Documents and is deemed to cover all Losses arising out of or related to the performance of the Work, including, without limitation, the effects of natural elements upon the Work, unforeseen difficulties or obstructions affecting the performance of the Work (including, without limitation, unforeseen conditions at the Site that do not constitute Differing Site Conditions) and fluctuations in market conditions and price escalations (whether occurring locally, nationally or internationally) from any cause, including, without limitation, causes beyond the control or foreseeability of the Contractor or its Subcontractors.

4.1.5 Sublease Payments and Retention. All payments owing by District under this Construction Agreement shall coextensive with, and shall be paid by District in the form of, Sublease Payments that are due and owing pursuant to the Sublease. The District may also pay to Contractor Sublease Prepayments pursuant to the terms and conditions set forth in Section 25 of the Sublease, consisting of the early release of amounts that are withheld pursuant to Paragraph 9.4.1 of the General Conditions (“Retention”), but only if the governing board of the District finds, in the exercise of its sole and absolute discretion, that satisfactory progress is being made in the performance of the Work. The District shall retain and release such Retention pursuant to Public Contract Code sections 7107 and 9203, as those sections may be amended from time to time. In no event shall the sum of the Sublease Payments, Sublease Prepayments and Retention exceed the Contract Sum Payable.

4.2 DISTRICT CONTINGENCY

4.2.1 Purpose. District shall have the option, in its sole and exclusive discretion, to establish (by inserting a dollar amount in Paragraph 4.2.2, below) an amount reserved for District Contingency. District Contingency stated in Paragraph 4.2.2, below, shall be added to the Contract Sum Payable to determine the Contract Price, as hereinafter defined. District Contingency is a budgeted amount for the sole and exclusive benefit and use of the District for additional liability incurred by District to Contractor under the Contract Documents pursuant to authorized Change Order or Unilateral Change Order adjusting the Contract Sum Payable due to Compensable Changes or Compensable Delay. Amounts included in District Contingency are transferable to the Contract Sum Payable, in the sole and exclusive discretion of District, as and when adjustments are authorized by Change Order or Unilateral Change Order to the Contract Sum Payable. As such, except to the extent that such transfers are authorized, amounts included in District Contingency do not constitute a current or contingent liability of District to Contractor and do not constitute amounts that are payable to Contractor by District.

4.2.2 Amount. The amount of the District Contingency is initially set at [insert amount] Dollars ($[insert amount]), which is based upon ten percent (10%) of the Contractor’s Bid as adjusted for Alternates accepted by District as set forth in Section 4.4, below. The District Contingency shall be subject to adjustment only as set forth in Subparagraphs 4.2.3 and 4.2.4, below.

4.2.3 Increases. At any point during performance of the Work, and notwithstanding the amount of the unexpended balance if any that may then exist in the District Contingency, the District shall have the right to unilaterally order that the District Contingency be increased, as judged appropriate in the sole and exclusive discretion of the District, to reflect transfers to District Contingency of all or a portion of the amounts of any Contract
Adjustments authorized by Change Order or Unilateral Change Order reducing the Contract Sum Payable for
Deleted Work.

4.2.4 Reductions. The District Contingency shall, until it is fully expended, be reduced, on a dollar-for-
dollar basis, by the amount of any Contract Adjustments authorized by Change Order or Unilateral Change Order
increasing the Contract Sum Payable. Such District Contingency Expenditures shall be reflected in each such
Change Order and Unilateral Change Order as transfers from District Contingency to cover such authorized
Contract Adjustments increasing the Contract Sum Payable.

4.2.5 Unexpended Amounts. Any portion of the District Contingency that upon Final Completion and
Final Payment has not been expended by District in the manner provided for herein shall be deemed to entirely
accrue to and be retained by District, shall not be considered part of the Contract Sum Payable and shall not be
payable or owing to Contractor. Such unexpended funds shall furthermore not be considered, for purposes of
California Civil Code Section 3186 to be money due or to become due to Contractor nor as money payable to
Contractor or to any other person or entity under the terms of the Performance Bond or Payment Bond.

4.2.6 No Representation by District. The establishment of a District Contingency shall not, under any
circumstances, be interpreted as an express or implied promise, representation or guarantee on the part of the
District of the amount of Compensable Changes or Compensable Delay that will or are expected to occur, either of
which may be substantially more or less than the amount of the District Contingency.

4.3 CONTRACT PRICE

The Contract Price is the sum of: (1) the Contract Sum Payable, as adjusted by Change Order or Unilateral Change
Order; and (2) the unexpended balance of the District Contingency. Amounts included in the Contract Price
that exceed the Contract Sum Payable are established for the purposes of budgeting, not due or payable to
Contractor and do not under any circumstances constitute a current or contingent liability of the District to the
Contractor. The District is under no obligation, under any circumstances whatsoever, to pay the any portion of the
Contract Price that exceeds the Contract Sum Payable. If there is no District Contingency established pursuant to
Section 4.2, above, then the Contract Price shall not be applicable to this Contract. If a District Contingency is
established pursuant to Section 4.2, above, then at and after the point that the District Contingency has been fully
expended and the Contract Price Payable as adjusted by Change Order or Unilateral Change Order equals the
Contract Price, the Contract Price shall be deemed to be the Contract Sum Payable.

4.4 ALTERNATES

The Contract Sum Payable is based upon the following Alternates, if any, which are described in the Contract
Documents and are hereby accepted by the District:

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
<th>Dollar Amount</th>
</tr>
</thead>
</table>

4.5 UNIT PRICES

Unit prices, if any, agreed to by the Contractor and District are as follows:

| Description | Measurement Unit | Dollar Amount |
ARTICLE 5
ENUMERATION OF CONTRACT DOCUMENTS

5.1 LIST OF CONTRACT DOCUMENTS

The Contract Documents (as that term is further defined in the General Conditions), exclusive of Modifications, Change Orders, Unilateral Change Orders and Field Orders issued after execution of this Construction Contract, include, without limitation, the following:

5.1.1 Construction Contract. The Construction Contract is this executed Standard Form of Construction Contract Between District and the Contractor, also referred to as the Construction Services Agreement.

5.1.2 General Conditions. The General Conditions are the General Conditions of the Construction Contract.

5.1.3 General Requirements, Supplementary Conditions. The General Requirements and Supplementary Conditions are as follows:

<table>
<thead>
<tr>
<th>Title</th>
<th>Date</th>
<th>Pages</th>
</tr>
</thead>
</table>

5.1.4 Specifications. The Specifications are as follows:

<table>
<thead>
<tr>
<th>Title</th>
<th>Date</th>
<th>Divisions</th>
</tr>
</thead>
</table>

5.1.5 Drawings. The Drawings are as follows, and are dated [___] unless a different date is shown below:

<table>
<thead>
<tr>
<th>Sheet Number</th>
<th>Title</th>
<th>Date</th>
<th>Pages</th>
</tr>
</thead>
</table>

5.1.6 Addenda. The Addenda, if any, are as follows:

<table>
<thead>
<tr>
<th>Addendum Number</th>
<th>Title</th>
<th>Date</th>
<th>Pages</th>
</tr>
</thead>
</table>

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 5.

5.1.7 Reference Documents. The Reference Documents, if any, are as follows:
5.1.8 College Construction Health, Safety and Environmental Program. The College Construction Health, Safety and Environmental Program dated [Redacted], [Redacted].

5.1.9 Site Lease Agreement. The Contract Documents include the Site Lease by and between the District and the Contractor together with any duly authorized and executed amendment thereto under which the District leases the Site to the Contractor.

5.1.10 Sublease Agreement. The Contract Documents include the Sublease by and between the District and Contractor together with any duly authorized and executed amendment hereto under which the District subleases the Site from the Contractor.

ARTICLE 6
OTHER REQUIREMENTS

6.1 PROJECT LABOR AGREEMENT

The Work is subject to the District's Project Labor Agreement.

6.2 LABOR COMPLIANCE PROGRAM

Pursuant to Labor Code Section 1771.7, the Work is subject to the District's approved Labor Compliance Program, initially approved on July 19, 2004. For questions or assistance concerning the Labor Compliance Program, contact Patricia Padilla or Miguel Cabral, Padilla & Associates, Inc., at (714) 577-5340.

6.3 BOND PROGRAM

The Work is subject to the requirements of the Bond Program.

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN 10 YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD, P.O. BOX 26000, SACRAMENTO, CALIFORNIA, 95826.

WHEREFORE, this Construction Contract is entered into by the undersigned as of the day and year first written above.
The following information must be provided concerning the Contractor:

Address:

Telephone: (__) -

Employer State
Tax ID #:

State Contractor License #:
LOS ANGELES VALLEY COLLEGE ATHLETIC TRAINING FACILITY PROJECT
SUBLEASE AGREEMENT

Dated as of [INSERT DATE], 2013

Between

LOS ANGELES COMMUNITY COLLEGE DISTRICT

and

[INSERT CONTRACTOR NAME]
LOS ANGELES VALLEY COLLEGE ATHLETIC TRAINING FACILITY PROJECT

SUBLEASE AGREEMENT

This SUBLEASE AGREEMENT ("Sublease") is dated as of [INSERT DATE], 2013 and is by and between the LOS ANGELES COMMUNITY COLLEGE DISTRICT, a community college district duly organized and existing under the laws of the State of California ("District"), and [INSERT CONTRACTOR NAME], a California corporation organized and operating under the laws of the State of California ("Lessor").

RECITALS:

This Lease is made with reference to the following facts:

A. Pursuant to Section 81300 et seq. of the Education Code, the District may enter into leases and agreements relating to real property and buildings used by the District and the Term building is defined to include onsite and offsite facilities; utilities or improvements which the governing board determines are necessary for the proper operation or function of school facilities to be leased and includes the permanent improvement of school grounds; and

B. California Education Code section 81335 permits the governing board of a school District to enter into a Lease-Leaseback project procurement that provides for (1) the letting of real property for a minimum of one dollar per year, (2) the lessee to construct, or provide for the construction of, the aforementioned building thereon for the use of the District during the Term of such lease, (3) title to such building to vest in the District at the expiration of such Term, and (4) such other terms and conditions as the Board of Trustees of the District may determine to be in the best interest of the District. The lessee may be any person, firm, or corporation and the District may lease any real property owned by the District if the instrument by which such property is leased requires the lessee to construct on the leased premises, or provide for the construction thereon, of a building for the use of a school of the District, during the Term of the lease, and provides that title to that building shall vest in the school of the District at the expiration of the lease; and

C. The District deems it essential for its own governmental purpose, to finance the construction and installation of certain improvements described in Exhibit “A” attached hereto (the “Project”) and situated at the XXXXXXXXX located at parcel of real property located at XXXXXXXX1as more particularly described in Exhibit “B” attached (referred to as the “Site”); and

D. Pursuant to Section 81335 of the Education Code, the District is leasing the Site to Lessor under a lease agreement dated the date hereof (the “Site Lease”) attached hereto as Exhibit “C” in consideration of Lessor leasing and subleasing the Project and the Site to the District pursuant to the terms of this Sublease; and

E. The District owns the Site and pursuant, to that certain Construction Services Agreement entered into by and between the District and Lessor (the “Construction Services Agreement”), attached hereto as Exhibit “D”, has or will have prepared and adopted plans and
specifications for the completion of the Project which have been approved pursuant to law as required by Section 81332 of the Education Code; and

F. The District and Lessor agree to mutually cooperate now or hereafter, to the extent possible, in order to sustain the intent of this Sublease and the bargain of both parties hereto, and to provide Sublease Payments to be made on the dates and in the amount set forth herein.

OPERATIVE PROVISIONS:

In consideration of the mutual covenants hereinafter set forth, the District and Lessor parties hereto agree as follows:

SECTION 1. DEFINITIONS. Unless the context otherwise requires, all capitalized terms shall have the meanings assigned in the Construction Services Agreement (CSA) and any capitalized term not in the CSA shall have the meaning assigned in this Agreement.

A. "Construction Services Agreement" means the Construction Services Agreement (also referred to as the "Construction Contract") for construction of improvements on the Site by and between the District and the Lessor.

B. "District" means the Los Angeles Community College District, a community college district duly organized and existing under the laws of the State of California.

C. "Effective Date" means the day on which the District issues a Notice to Proceed for the Project.

D. "Event of Default" for purposes of this Sublease, and without limiting any definition of Event of Default as that term is defined in the General Conditions to the Construction Services Agreement or in any other Agreement between the parties, means one or more events of default as defined in Section 21 of this Sublease.

E. "Lessor" shall mean [INSERT CONTRACTOR NAME] and its successors and assigns.

F. "Prepayment Price" means the price to be paid by the District to exercise its option to purchase the Site and the Project prior to the natural termination of this Sublease, in accordance with the provisions of Section 25 herein.

G. "Project" means the improvements and equipment to be constructed and installed by the Lessor, as more particularly described in Exhibit "A" attached hereto.

H. "Site" means that certain parcel of real property and improvements thereon (if any) more particularly described in Exhibit "B" attached hereto.
I. "Site Lease" means the Site Lease of even date herewith, by and between the District and the Lessor as set forth in Exhibit "C" attached hereto, together with any duly authorized and executed amendment thereto under which the District leases the Site to the Lessor.

J. "Sublease" means this Sublease together with any duly authorized and executed amendment hereto.

K. "Sublease Payment" means any payment required to be made by the District pursuant to Section 7 of this Sublease.

L. "Sublease Prepayment" means any payment required to be made by the District pursuant to Section 25 of this Sublease.

M. "Term of this Sublease" or "Term" means the time during which this Sublease is in effect, as provided for in Section 3 of this Sublease.

SECTION 2. SUBLEASE. Lessor hereby leases and subleases to District, and District hereby leases and subleases from Lessor the Project and the Site, including any real property improvements now or hereafter affixed thereto in accordance with the provisions herein for the full Term of this Sublease. The leasing by the Lessor to the District of the Site shall not effect or result in a merger of the District's leasehold estate pursuant to this Sublease and its fee estate as lessor under the Site Lease, and the Lessor shall continue to have and hold a leasehold estate in said Site pursuant to the Site Lease throughout the Term thereof and the Term of this Sublease.

SECTION 3. TERM OF THE SUBLEASE. The Term of this Sublease commences on the Effective Date, and terminates sixty (60) days following District's final Sublease Payment, unless sooner terminated as hereinafter provided. If on the scheduled date of termination of this Sublease the Sublease Payments have not been fully paid, or provision therefor made, or if Sublease Payments have been abated at any time and for any reason, then the Term of this Sublease shall be extended until the date upon which all Sublease Payments have been fully paid.

A. Termination of Term. Except as otherwise provided, the Term of this Sublease shall terminate upon the earliest of any of the following events:

(1) An Event of Default and the Lessor's election to terminate this Sublease pursuant to the provisions of Section 22, hereof;

(2) The arrival of the last day of the Term of this Sublease and payment of all undisputed Sublease Payments hereunder; or

(3) The exercise of the District's purchase option under Section 25 hereof.

(4) A termination by the District in accordance with this Sublease.
SECTION 4. REPRESENTATIONS, WARRANTIES AND COVENANTS OF DISTRICT. The District represents and warrants to Lessor, based on District’s actual current knowledge, without investigation, that:

A. District is a political subdivision, duly organized and existing under the Constitution and laws of the State of California with authority to enter into this Sublease and to perform all of its obligations hereunder;

B. District’s Board of Trustees has duly authorized the execution and delivery of this Sublease and further represents and warrants that all requirements have been met and procedures followed to ensure its enforceability;

C. The execution, delivery and performance of this Sublease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which District is a party by which it or its property is bound;

D. There is no pending or, to the knowledge of District, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of District to perform its obligations under this Sublease;

E. The Project and the Site are essential to District in the performance of its governmental functions and their estimated useful life to the District exceeds the Term of this Sublease;

F. District shall take such action as may be necessary to include all Sublease Payments in its annual budget and annually to appropriate an amount necessary to make such Sublease Payments;

G. District shall not abandon the Site for the use for which it is currently required by District and, to the extent permitted by law, District shall not seek to substitute or acquire property to be used as a substitute for the uses for which the Site is maintained under the Sublease; and

H. District shall not allow any Hazardous Substances (as such term is defined in the Site Lease) to be used or stored on, under or about the Site, provided that this provision shall not be construed or understood to prohibit District or District’s employees, agents and/or contractors from allowing Hazardous Substances to be brought upon the Site so long as they constitute Hazardous Substances which are customary and common to the normal course of District’s business, and so long as such Hazardous Substances are used, stored and disposed of in accordance with all applicable governmental laws and regulations.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF LESSOR. Lessor represents and warrants to District that:
A. Lessor is duly organized, validly existing and in good standing as a corporation under the laws of the State of California, with full corporate power and authority to lease and own real and personal property;

B. Lessor has full power, authority and legal right to enter into and perform its obligations under this Sublease, and the execution, delivery and performance of this Sublease has been duly authorized by all necessary corporate actions on the part of Lessor and does not require any further approvals or consents;

C. The execution, delivery and performance of this Sublease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which Lessor is a party by which it or its property is bound;

D. There is no pending or, to the knowledge of Lessor, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of Lessor to perform its obligations under this Sublease; and

E. Lessor will not mortgage or encumber the Site or the Sublease; and

F. Lessor will not assign this Sublease or its rights to receive Sublease Payments hereunder, except as permitted herein.

SECTION 6. CONSTRUCTION/ACQUISITION.

A. District has entered into a Construction Services Agreement and a Site Lease with Lessor in order to acquire and construct the Project. The cost of the construction and installation of the Project is the Lump Sum Price (also referred to in the Construction Services Agreement as the “Contract Sum Payable”) as set forth in Section 4 of the Construction Services Agreement.

B. In order to ensure that moneys sufficient to pay the Lump Sum Price will be available for this purpose when required, District shall maintain on deposit in its general fund, and shall annually appropriate funds sufficient to make all undisputed Sublease Payments which become due to Lessor under this Sublease Agreement.

SECTION 7. SUBLEASE PAYMENTS.

A. Based upon a mutually agreed upon fair market rental value of XXXXXXXX AND NO/100 Dollars ($XXXXXXX.00) District shall pay Lessor lease payments (the “Sublease Payments”) in accordance with all of the terms and conditions of the Construction Services Agreement, including, without limitation, according to the allocations that are set forth in the Schedule of Values approved by District in accordance with the terms of Section 9.3 of the General Conditions to the Construction Services Agreement. Sublease Payments shall be made at the office of the Lessor or to such other person or at such other
place as the Lessor may from time to time designate in writing. In no event shall the sum of the Sublease Payments due hereunder and/or any Sublease Prepayments exceed the Lump Sum Price as it may be revised by the District from time to time in accordance with the provisions set forth in the Construction Services Agreement. The Sublease Payments shall be adjusted to reflect any adjustment to the Lump Sum Price agreed to in writing by the District and the Contractor. The District shall have no obligation to make Sublease Payments hereunder in the event the Effective Date of this Sublease does not occur as a result of District’s inability or decision per the Construction Services Agreement or the General Conditions, not to issue a Notice to Proceed for the Project.

B. Should the District fail to pay any part of the Sublease Payments not otherwise excused pursuant to this Section or Section 9 hereof, within fifteen (15) business days from the due date thereof, the District shall, upon Lessor’s written request, pay interest on such delinquent payment from the date said payment was due until paid at the rate of twelve percent (12%) per annum or the maximum legal rate, whichever is less. The obligation of the District to pay Sublease Payments hereunder shall constitute a current expense of the District and shall not in any way be construed to be a debt of the District in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the District.

C. In the event that the District exercises its option under Section 25(B) below, and purchases the Project by paying the Prepayment Price, the District’s obligations under this Sublease, including but not limited to the District’s obligation to pay Sublease Payments under this Section, shall thereupon cease and terminate.

SECTION 8. **FAIR RENTAL VALUE.** Sublease Payments shall be paid by District in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Project and the Site during the Term of the Sublease. The parties hereto have agreed and determined that such total rental is not in excess of the fair rental value of the Project and the Site. In making such determination, consideration has been given to the fair market value of the Project and the Site, other obligations of the parties under this Sublease (including but not limited to costs of maintenance, taxes and insurance), the uses and purposes which may be served by the Project and the Site and the benefits therefrom which will accrue to the District and the general public, the ability of the District to make additions, modifications and improvements to the Project and the Site which are not inconsistent with the Construction Services Agreement (Exhibit “D” hereof) and which do not interfere with the Lessor’s work on the Project and the Site.

SECTION 9. **SUBLEASE ABATEMENT.** In addition to delay of Sublease Payments provided in Section 7, above, Sublease Payments due hereunder with respect to the Project and the Site shall be subject to abatement prior to the commencement of the use of the Project and the Site by the District or during any period in which, by reason of material damage to or destruction of the Project or the Site, there is
substantial interference with the use and right of possession by the District of the Project and the Site or any substantial portion thereof. For each potential incident of substantial interference, decisions to be made on i) whether or not abatement shall apply; ii) the date upon which abatement shall commence; iii) the applicable portion of Sublease Payments to be abated and; iv) the concluding date of the particular abatement shall all be subject to determinations by the District in concert with the provider of the insurance issued pursuant to Section 18 herein. The amount of Sublease abatement shall be such that the Sublease Payments paid by the District during the period of Project and Site restoration do not exceed the fair rental value of the usable portions of the Project and Site. In the event of any damage or destruction to the Project or the Site, this Sublease shall continue in full force and effect.

SECTION 10. **USE OF SITE AND PROJECT.** During the Term of this Sublease, Lessor shall provide the District with quiet use and enjoyment of the Site without suit, or hindrance from Lessor or their assigns, provided District is in compliance with its duties under this Sublease. District shall have the option to provide all permits and licenses, if any, necessary for the operation of the Project and Site. In addition, the District agrees to comply in all respects (including, without limitation, with respect to the time, maintenance and operation of the Project and Site) with laws of all jurisdictions in which its operations involving the Project and Site may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Site or the Project; provided, however, that District may contest in good faith the validity or application of any such law or rule in any reasonable manner. Upon Substantial Completion of the Project or severable portions hereof, the Lessor shall provide the District with quiet use and enjoyment of the Site without suit or hindrance from the Lessor or its assigns, subject to reasonable interference from ongoing construction operations on any remaining portion of the Site under construction by the Lessor.

SECTION 11. **LESSOR’S INSPECTION/ACCESS TO THE SITE.** District agrees that Lessor and any of Lessor’s representatives shall have the right at all reasonable times to enter upon the Site or any portion thereof to construct and improve the Project, to examine and inspect the Site and the Project and to exercise its remedies pursuant to the section in this Sublease entitled “Remedies on Default.”

SECTION 12. **PROJECT ACCEPTANCE.** District shall acknowledge final inspection and completion of the Project by executing a Certificate of Acceptance and recording a Notice of Completion. The validity of this Sublease will not be affected by any delay in or failure of completion of the Project.

SECTION 13. **MAINTENANCE.** From and after acceptance of the Project by the District as complete, District, at its own cost and expense, shall maintain the Project and the Site in good repair throughout the Term of this Sublease. The obligation of this Section is without limitation to those obligations required of the Lessor under the Construction Services Agreement for Maintenance of the Project and the Site.
SECTION 14. **ALTERATIONS AND ATTACHMENTS.** All permanent additions and improvements that are made to the Project shall belong to and become the property of Lessor, subject to the provisions of the Site Lease and Sections 25 and 27 hereof. Separately identifiable attachments added to the Project by the District shall remain the property of the District.

SECTION 15. **DAMAGE DESTRUCTION OR CONDEMNATION.** With the exception of acts resulting from misconduct or negligence by Lessor, its agents, subcontractors, subconsultants, and representatives of any tier for which any of them may be liable under any theory of liability, and except as otherwise provided in the Construction Services Agreement, the District assumes all risk of loss of, damage to or condemnation of the Project or the Site from any cause or for any reason whatsoever, and no such loss of, damage to or condemnation of the Project or the Site shall relieve the District of (i) the obligation to make the Sublease Payments hereunder, subject to the provisions in Sections 7 and 9 hereof, or (ii) to perform any other obligation under this Sublease. Subject to District’s right to terminate under the Construction Services Agreement, the District waives the benefit of Civil Code sections 1932(2) and 1933(4) and any and all other rights to terminate this Sublease by virtue of any damage or destruction to the Project or the Site.

SECTION 16. **UTILITIES.** Unless otherwise so specified in the Construction Services Agreement, District shall, in its own name, contract for and pay the expenses of all utility services required for the Project once constructed and Site, such utilities, including but not limited to, all air conditioning, heating, electrical, gas, water, and sewer units. The District shall be liable for payment as well as maintenance of all utility services received.

SECTION 17. **PHYSICAL DAMAGE; PUBLIC LIABILITY INSURANCE.** District shall keep the Project and the Site insured against all risks of loss or damage from every cause whatsoever for not less than the full replacement value thereof as determined by Lessor, and the District shall carry public liability and property damage insurance covering the Project and the Site. All said insurance shall be in form and amount and with companies approved by Lessor and shall name Lessor as loss payees and as an additional insured. District shall pay the premiums therefor and deliver certification of said policies to Lessor. Each insurer shall agree, by endorsement upon the policy or policies issued by it or by independent instrument furnished to Lessor, that it will give Lessor thirty (30) days written notice before the policy or policies shall be altered or canceled. The proceeds of such insurance or the proceeds of any condemnation award received with respect to the Project and the Site, at the option of the District, shall be applied: (a) toward the replacement, restoration, or repair of the Project and the Site, or (b) toward the payment of all amounts required in the exercise of the District’s purchase option under Section 25.B. Should the District replace, restore, or repair the Project and the Site as set out in option (a) above, this Sublease shall continue in full force and effect. Subject to prior written consent of Lessor, the District may self-insure up to specified limits as evidenced by a rider of self-insurance to be
attached hereto (providing that all policies of self-insurance shall be governed by
the provisions under this Sublease respecting cancellation and modification and
payment of losses to Lessor.) Nothing contained herein shall limit the District's
equitable and contractual rights to indemnification and insurance coverage
provided by Lessor or its subcontractors pursuant to the Construction Services
Agreement and the Sublease.

SECTION 18. **SUBLEASE INTERRUPTION INSURANCE.** District shall maintain or cause
to be maintained, at its expense, beginning on the Sublease Effective Date, rental
interruption insurance to cover the amount of Sublease Payments payable by the
District for eighteen (18) consecutive months; provided however, that District’s
obligation to maintain sublease Interruption Insurance shall cease upon the
District’s exercise of its option pursuant to the provisions of Section 25 herein, or
in the event the Construction Services Agreement, the Site Lease or this Sublease
is terminated for any reason. This coverage shall insure against abatement of
Sublease Payments payable by the District that come due hereunder resulting
from the District’s loss of use of the Project and the Site or any substantial portion
thereof and caused by any and all perils, either insured or uninsured. Such
insurance may be maintained in conjunction with or separate from any other
similar insurance maintained by the District. The insurance proceeds shall be
payable to Lessor in amounts proportionate to the loss of use of the Project and
the Site and shall supplement the District’s applicable Sublease Payments, if any,
during the restoration period in sufficient amount to make Lessor whole during
the period of abatement.

SECTION 19. **TAXES.** District shall keep the Project and the Site free and clear of all levies,
liens, and encumbrances and shall pay all license fees, registration fees,
assessments, charges, and taxes (municipal, state, and federal) if applicable,
which may now or hereafter be imposed upon the ownership, leasing, renting,
sale, possession, or use of the Project and the Site, excluding, however, all taxes
on or measured by Lessor’s income.

SECTION 20. **INDEMNITY.** In addition, and without limitation, to the indemnification set
forth in Exhibit A of the Construction Services Agreement, to the extent
permitted by law, the District shall, with respect to the Project and the Site,
indemnify Lessor against and hold Lessor harmless from any and all claims,
actions, suits, proceedings, costs, expenses, damages, and liabilities, arising out of,
connected with or resulting from any acts of omission or commission by the
District’s employees and Sublease aspects of the Project and third parties on the
Site, including without limitation, any and all claims, actions, suits, proceedings,
costs, expenses, damages and liabilities brought by third parties under the
supervision, direction or control of the District including, but not limited to
students and faculty. Further, the District agrees, to the extent the law allows, to
indemnify Lessor against and hold Lessor harmless from and against any and all
claims, actions, suits, proceedings, cost, expenses, damages, and liabilities,
including attorney’s fees, arising out of, connected with or resulting from the
clean-up of any Hazardous Substances or toxic wastes from the Site or the
Project; provided, however, that the District shall not be required to indemnify Lessor to the extent that such liability or damages are caused by the negligence or misconduct of Lessor, Lessor’s employees, agents and assigns, and Lessor shall defend, indemnify and hold Lessee harmless from and against all such liability or damages caused by the negligence or misconduct of Lessor, Lessor’s employees, agents and assigns.

SECTION 21. EVENTS OF DEFAULT. The term “Event of Default,” as used in this Sublease means the occurrence of any one or more of the following events, subject to the District’s rights to cure as detailed in the Construction Services Agreement or the General Conditions:

The District fails to make any unexcused Sublease Payment (or any other payment) within fifteen (15) days after the due date thereof or the District fails to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder and such failure to either make the payment or perform the covenant, condition or agreement is not cured within ten (10) days after written notice thereof by Lessor;

The District becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the of creditors, applies or consents to the appointment of a receiver, trustee, conservator or liquidator of the District or of all or a substantial part of its assets, or a petition for relief is filed by the District under federal bankruptcy, insolvency or similar laws.

SECTION 22. REMEDIES ON DEFAULT. Upon the happening of any Event of Default by District, Lessor may exercise any remedy available at law to recover its actual damages; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Sublease Payments or otherwise declare any Sublease Payments not then in default to be immediately due and payable. The District shall continue to remain liable for the payment of Sublease Payments and damages for breach of this Sublease and the performance of all conditions herein such Sublease Payments and damages shall be payable to Lessor at the time and in the manner set forth below.

In the event that Lessor does not elect to terminate this Sublease, the District agrees to and shall remain liable for the payment of Sublease Payments and the performance of all conditions herein and shall reimburse Lessor for the full amount of the Sublease Payments to the end of the Sublease Term.

In the event of termination of this Sublease by Lessor, at its option and in the manner hereinafter provided on account of default by the District, the District shall pay Lessor Sublease Payments then owing for past Sublease Payments due and not paid. Neither notice to pay Sublease Payments nor to deliver up possession of the Project and the Site given pursuant to law nor any proceeding in
unlawful detainer taken by Lessor shall of itself operate to terminate this Sublease.

No right or remedy herein conferred upon or reserved to Lessor is exclusive of any other right or remedy herein, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time; provided, however, that notwithstanding any provisions to the contrary herein, Lessor shall not under any circumstances have the right to accelerate the Sublease Payments that fall due in future Sublease periods or otherwise declare any Sublease Payments not then in default to be immediately due and payable, nor shall District be liable for any punitive or consequential damages.

In the event of any default by Lessor, District shall be entitled to exercise any of the rights available to it at law or in equity in addition to any rights it retains pursuant to the Construction Services Agreement or the General Conditions.

SECTION 23. NON-WAIVER. No covenant or condition to be performed by District or Lessor under this Sublease can be waived except by the written consent of the other party. Forbearance or indulgence by District or Lessor in any regard whatsoever shall not constitute a waiver of the covenant or condition in question. Until complete performance by the District or Lessor of said covenant or condition, the other party shall be entitled to invoke any remedy available to it under this Sublease or by law or in equity despite said forbearance or indulgence.

SECTION 24. ASSIGNMENT. Without the prior written consent of the Lessor, which consent shall not be unreasonably withheld, the District shall not (a) assign, transfer, pledge, or hypothecate this Sublease, the Project and the Site, or any part thereof, or any interest therein, or (b) sublet or lend the use of the Project or any part thereof, except in the manner described in the California Civic Center Act, Education Code section 38130, et. seq., or any similar statute. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by the District or any other person. The Lessor shall not assign its obligations under this Sublease except upon the consent of the District, which consent may be granted or withheld at the sole and absolute discretion of the District, with the exception of their obligation to issue default notices and to convey or reconvey their interest in the Project and Site to the District upon full satisfaction of the District’s obligations hereunder; however, the Lessor may assign its right, title and interest in this Sublease, the Sublease Payments and other amounts due hereunder and the Project in whole or in part as collateral securing Lessor’s financing of the construction to be performed under the Construction Services Agreement to one or more assignees or subassignees at any time upon written notice to the District. No assignment shall be effective as against the District unless and until the District is so notified in writing. The District shall pay all Sublease Payments due hereunder pursuant to the direction of Lessor or the assignee named in the most recent assignment or notice of assignment. During the Sublease Term, the District shall keep a complete and
accurate record of all such assignments. Subject always to the foregoing, this Sublease inures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors, and assigns of the parties hereto.

SECTION 25. SUBLEASE PREPAYMENTS/PURCHASE OPTION.

A. Sublease Prepayments. Sublease Prepayments are payments of amounts retained by District pursuant to Paragraph 9.4.1 of the General Conditions to the Construction Agreement that the District, in its sole and absolute discretion based on the satisfactory performance by Lessor of the construction, elects to release for payment in advance of the date that they would otherwise be due under the Construction Services Agreement. At any time during the Term of this Sublease, the District may (but shall in no event be required to) make Sublease Prepayments to the Lessor, either upon the request of the Lessor or on its own initiative. No Sublease Prepayments requested by the Lessor will be made by the District in an amount which, if added to all other Sublease Payments and Sublease Prepayments payments made by District, would cause the total payments made by District to exceed the Lump Sum Price. In the event District elects to make Sublease Prepayments, the Prepayment Price, contemplated in Section 25.B, below, shall be adjusted accordingly.

In addition to any conditions set forth in the Construction Services Agreement, the following are conditions precedent to any Sublease Prepayments made to the Lessor pursuant to a request of the Lessor:

Satisfactory progress of the Construction pursuant to the time schedule required pursuant to the Construction Services Agreement (the “Time Schedule”) shall have been made as determined below.

Without limitation to the requirements of the Construction Services Agreement and General Conditions, Lessor shall as a condition of any Sublease Prepayment submit to the District (i) duly executed conditional lien releases and waivers from the Lessor and all Subcontractors, consultants and other persons retained by the Lessor in connection with the Project, in such forms are prescribed by Applicable Law whereby such persons conditionally waive all lien and stop payment notice rights against the District, the Project and the Project site with respect to the pending Sublease Prepayment to be made by the District, (ii) duly executed unconditional lien releases and waivers in such forms are prescribed by Applicable Law from the Lessor and all subcontractors, consultants and other persons retained by the Lessor in connection with the Project, whereby such persons unconditionally and irrevocably waive all lien and stop payment notice rights against the District, the Project and the Project site with respect to all previous Sublease Prepayments made by the District, and (iii) any other items that the Lessor may be required to collect and distribute to the District pursuant to the terms and provisions of the Construction Services Agreement. Lessor shall promptly pay all amounts due to each subcontractor, consultant and other person.
retained by Lessor in connection with the Project no later than ten (10) days after Lessor’s receipt of a Sublease Prepayment from the District.

The determination of whether satisfactory progress of the Construction pursuant to the Time Schedule has occurred shall be made by the inspector hired by the District. If the District’s inspector determines that pursuant to the Time Schedule, the work required to be performed, as stated in the Lessor’s Sublease Prepayment request has not been Substantially Completed, the Lessor shall not be eligible to receive the requested Sublease Prepayment.

B. **Purchase Option.** If the District is not in default hereunder, the District shall be granted options to purchase not less than the entire Project. The Prepayment Price at any given time shall be an amount equal to the Lump Sum Price, as adjusted for adjustments permitted by the Construction Services Agreement and General Conditions, less the sum of any Sublease Payments and/or Sublease Prepayments made by the District prior to the date on which the District elects to exercise its option under this Section. Termination by District of the Construction Services Agreement upon and coincident with an exercise of such option shall constitute a termination by District without cause (i.e., for convenience) pursuant to Section 14.3 of the General Conditions to the Construction Services Agreement. The District may thereupon terminate this Sublease. Without limitation to the provisions of the Construction Services Agreement and General Conditions, following the purchase option date, District shall retain all rights to any claim or warranty, including but not limited to, any claim for Defective Work, arising under the Construction Services Agreement.

**SECTION 26. RELEASE OF LIENS.** In the event the Sublease is paid or prepaid in full in accordance with the provisions of the Construction Services Agreement and this Sublease, the Lessor or its assignee and the District shall release Lessor’s leasehold interest in the Site.

Lessor shall authorize, execute and deliver to the District all documents reasonably requested by the District to evidence (i) the release of any and all liens created pursuant to the provisions of this Sublease and the Site Lease as they relate to the Project, the Sublease and the Site Lease and (ii) any other documents required to terminate the Site Lease and this Sublease.

**SECTION 27. TERMINATION OF CONSTRUCTION SERVICES AGREEMENT.** In the event the Site Lease or the Construction Services Agreement is terminated pursuant to the provisions contained therein, this Sublease shall immediately terminate and no further Sublease Payments shall be due.

**SECTION 28. SEVERABILITY.** If any provision of this Sublease shall be held invalid or unenforceable by a court of competent jurisdiction, such holdings shall not invalidate or render unenforceable any other provision of this Sublease, unless elimination of such provision materially alters the rights and obligations embodied in this Sublease.
SECTION 29. **INTEGRATION/MODIFICATION.** This Sublease, together with the other documents referred to herein, constitutes the entire agreement between Lessor and the District as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered herein, and it shall not be amended, altered, or changed except by a written agreement signed by the parties hereto.

SECTION 30. **NOTICES.** Services of all notices under this Sublease shall be sufficient if given personally or mailed to the party involved at its respective address hereinafter set forth or at such address as such party may provide in writing from time to time. Any change in the addresses noted shall not be binding upon the other party unless preceded by no less than thirty (30) days prior written notice. Any such notices shall be deemed to have been received by the addressee if delivered to the person for whom they are intended or if sent by registered mail, return receipt requested, or by telex, telegram, or fax followed by regular mail, addressed as follows:

If to Lessor: [INSERT CONTRACTOR NAME]

If to District: Los Angeles Community College District
915 Wilshire Boulevard, Suite 800
Los Angeles, CA 90017
Attn: Construction Contracts Director,
LACCD Program Management

With a copy to:
Los Angeles Community College District
770 Wilshire Boulevard, 6th Floor
Los Angeles, CA 90017
Attn: General Counsel

SECTION 31. **TITLES.** The titles to the sections of this Sublease are solely for the convenience of the parties and are not an aid in the interpretation thereof.

SECTION 32. **TIME.** Time is of the essence in this Sublease and each and all of its provisions.

SECTION 33. **LAW AND VENUE.** The terms and provisions of this Sublease shall be construed in accordance with the laws of the State of California. If any action is brought in a court of law to enforce any Term of this Sublease, the action shall be brought in a state court situated in the County of Los Angeles, State of California, in accordance with the provisions of Section 394 of the California Code of Civil Procedure.

[Signatures Page Follows]
IN WITNESS WHEREOF, the parties hereto have executed this Sublease by their authorized officers as of the day and year first written above.

DISTRICT:

LOS ANGELES COMMUNITY COLLEGE DISTRICT, a community college district organized under the laws of the State of California

BY: ____________________________
    JAMES D. O’REILLY
    ITS: EXECUTIVE DIRECTOR OF FACILITIES PLANNING & DEVELOPMENT

DATE: __________________________

LESSOR:

[INSERT CONTRACTOR NAME]

[PRINTED NAME]

ITS: ____________________________
    [TITLE]

DATE: __________________________
SUBJECT: ADOPT RESOLUTION AUTHORIZING FILING A VALIDATION ACTION TO DETERMINE VALIDITY OF LEASE-LEASEBACK PROJECT DELIVERY METHOD FOR THE ATHLETIC TRAINING FACILITY PROJECT AT LOS ANGELES VALLEY COLLEGE

Action

Adopt a Resolution (Attachment 1) authorizing the filing of a validation action in the Superior Court of Los Angeles County pursuant to Government Code section 53511 and Code of Civil Procedure section 860 to confirm the validity of the Los Angeles Community College District's utilization of the Lease-Leaseback project delivery method for the Athletic Training Facility project at Los Angeles Valley College according to the steps defined therein and as authorized under California law, including, without limitation, Education Code section 81335.

Funding and Development Phase

Funding is through Measure J Bond proceeds. Athletic Training Facility 38V.5837.02. All Phases.
SUBJECT: ADOPT RESOLUTION AUTHORIZING FILING A VALIDATION ACTION TO DETERMINE VALIDITY OF LEASE-LEASEBACK PROJECT DELIVERY METHOD FOR THE ATHLETIC TRAINING FACILITY PROJECT AT LOS ANGELES VALLEY COLLEGE

WHEREAS, the District consists of nine community colleges serving more than 250,000 students located throughout the County of Los Angeles, California; and

WHEREAS, the District desires an exceptional educational program, including educational facilities that reflect a commitment to a high-quality educational environment for its students; and

WHEREAS, the Board of Trustees of the District has determined that construction of the Athletic Training Facility at Los Angeles Valley College will facilitate and enhance its educational programs; and

WHEREAS, the District is authorized under Education Code sections 81332 and 81335 to enter into a Lease-Leaseback project procurement that provides for (1) the letting of real property belonging to the District for a minimum of one dollar per year, (2) the lessee to construct, or provide for the construction of, a building or buildings thereon for the use of the District during the term of such lease, (3) title to such building or buildings to vest in the District at the expiration of such term, and (4) such other terms and conditions as the Board of Trustees of the District may determine to be in the best interest of the District; and

WHEREAS, the Board of Trustees has determined, after careful deliberation, that it is in the best interest of the District to authorize the filing of a Validation Action to determine the validity of the Lease-Leaseback project procurement authorized under Board Resolution Com. No. FPD1 of March 20, 2013.

NOW, THEREFORE, the Board of Trustees of the District does hereby resolve as follows:

1. Determination Regarding Recitals. All of the above recitals herein contained are true and correct and the Board of Trustees so finds and determines.

2. Determination. The District’s Board of Trustees determines that it is in the best interest of the District to cause the Validation Action to be filed pursuant to Government Code section 53511 and Code of Civil Procedure Section 860.

3. Other Acts. The President of the Board of Trustees, the Chancellor, and other officers of the District are hereby authorized and directed to do any and all things to execute and deliver any and all documents, which, in consultation with staff, they may deem necessary and advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby approved, ratified, and confirmed. Furthermore, the Chancellor or designee is authorized to finalize and execute said Agreements in substantially the form now existing, subject to such additions thereto or modifications thereto as the Chancellor or designee may deem in the best interest of the District.

4. Effective Date. The Resolution shall take effect upon adoption of this Resolution by the District’s Board of Trustees.
PASSED AND ADOPTED on March 20, 2013 by the following vote:

AYES:        
NOES:        
ABSENT:      

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

I, ______________, Secretary of the Board of Trustees, do hereby certify that the foregoing is a full and correct copy of a resolution duly passed and adopted by said Board at a regularly called and conducted meeting held on said date, March 20, 2013.

______________________________
Clerk/Secretary of the Board of Trustees