



ITEM NO. 9

STAFF REPORT

CITY OF OCEANSIDE

DATE: August 29, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Property Management

SUBJECT: **PROPERTY USE AGREEMENT WITH MIRACOSTA COLLEGE FOR A PORTION OF THE JOHN LANDES RECREATION CENTER BUILDING AT 2855 CEDAR ROAD**

SYNOPSIS

Staff recommends that the City Council approve a Property Use Agreement with MiraCosta College, a public California community college, for a portion of the John Landes Recreation Center Building located at 2855 Cedar Road, for the purpose of providing vocational training, with compensation to the City in the form of maintenance of the entire building, and payment of utilities and security service; and authorize the City Manager to execute the agreement.

BACKGROUND

As a result of recent budget reductions, the City of Oceanside ("City") had to close down the John Landes Recreational Center Building ("Building") for recreational and educational related programs. Portions of the Building are currently being used by the Police Department to assist in the training of its officers. The Building is being maintained by the City's Building Maintenance Division as part of its annual budget.

MiraCosta College ("MiraCosta") no longer had classroom space available at its Oceanside campus for its machinist-related vocational program. Due to limited funding and in order to limit the costs associated with the program to be passed through to the prospective students, MiraCosta approached the City and expressed interest in using a portion of the Building to provide the Program at minimal compensation to the City. In exchange, MiraCosta would give a preference to City of Oceanside residents to enroll in the Program.

ANALYSIS

The term of the Property Use Agreement ("Agreement") with MiraCosta is for two years, beginning September 15, 2012. MiraCosta will only be using approximately 2,000 square feet of the 10,688 square foot Building ("Premises") leaving the remainder of the Building available for the Police Department to continue their training. MiraCosta will be utilizing the Premises as classroom space (for approximately 6 – 10 students at a time) and training on machines (creating minimal noise) with only minor improvements needed to at the Premises.

Mira Costa will pay for all utility costs associated with the Building and will also be responsible for the maintenance of the Building. In the event that funding becomes available to pay for costs associated with the Program, such as rent, MiraCosta has agreed to adjust the compensation due under Agreement accordingly. Only minor improvements will be made to the Building.

By providing space at the Building for MiraCosta, the City will assist in making the Program available to the community with a preference to qualified residents of the City of Oceanside (space permitting). Further, by having MiraCosta agree to pay for the maintenance of the entire Building and to pay for all the services (e.g., utilities, security service) used in connection therewith, the City will realize a slight savings in its maintenance budget for City-owned buildings.

FISCAL IMPACT

The Building Maintenance Division currently pays approximately \$5,000 annually for the maintenance and services associated with the Building. By entering into the Agreement with MiraCosta the City will realize a corresponding reduction in its expenses to the Building Crafts Maintenance Fund. Should MiraCosta get funding in the future for its Program to cover items such as rent, the City could realize additional revenue.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

COMMISSION OR COMMITTEE REPORT

Does not apply.

RECOMMENDATION

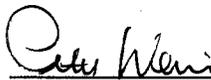
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PREPARED BY:



Douglas R. Eddow
Real Estate Manager

SUBMITTED BY:



Peter A. Weiss
City Manager

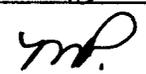
REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Margery Pierce, Neighborhood Services Director

Teri Ferro, Financial Services Director







Attachments:

Property Use Agreement

PROPERTY USE AGREEMENT

BY AND BETWEEN

THE CITY OF OCEANSIDE

AND

MIRA COSTA COLLEGE

ON CITY OWNED REAL PROPERTY, LOCATED AT

**JOHN LANDES RECREATION CENTER
2855 CEDAR ROAD,
OCEANSIDE, CA 92054**

DATED

AUGUST 29, 2012

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EXHIBITS

- Exhibit "A" – Building and Parking Lot Description and Plat
- Exhibit "B" – Premises Description
- Exhibit "C" – Permittee's Machinery Equipment List

PROPERTY USE AGREEMENT

THIS PROPERTY USE AGREEMENT, hereinafter called "Agreement", is executed between the CITY OF OCEANSIDE, a California Charter City, hereinafter called "City", and MIRA COSTA COLLEGE, a public California community college, hereinafter called "Permittee".

RECITALS

WHEREAS, City is the owner of that certain real property described herein below, more commonly known as the "John Landes Recreation Center and Park";

WHEREAS, situated at John Landes Recreation Center and Park is the John Landes Recreation Building;

WHEREAS, Permittee is desirous of using a portion of the John Landes Recreation Building as vocational classroom and training facility for prospective students enrolled at Mira Costa College; and

NOW THEREFORE, in consideration of the covenants, conditions, terms and provisions contained herein below, the parties hereto mutually agree as follows:

AGREEMENT

SECTION 1: USES

1.01 Premises. City hereby authorizes Permittee, in accordance with the covenants, conditions, terms and provisions of this Agreement, the exclusive use of a portion of that certain building situated within John Landes Recreation Center and Park, located at 2855 Cedar Road, City of Oceanside, County of San Diego, State of California, commonly known as the "John Landes Recreation Building" ("Building"), which portion of the Building shall consist of approximately 2,000 square feet located in the northeastern most portion of Building ("Premises"). The Building and the Premises are more particularly illustrated in Exhibits "A" and "B", attached hereto and by this reference made part of this Agreement. In return for this permission, Permittee hereby agrees to act in accordance with and abide by the terms, covenants, conditions and provisions of this Agreement.

1.02 Uses. It is expressly agreed that the Premises shall be used by Permittee solely and exclusively for the purpose of a vocational classroom and machinery (e.g., lathe and mill machines, drill press, vertical saw and pedestal grinder) training facility for classes, lectures and training for students enrolled at Mira Costa College ("Program"), and such other related or incidental purposes as may be first approved in writing by City, and for no other purpose whatsoever. Said machinery to be used at the Premises is more particularly described on Exhibit "C" attached hereto and by this reference made part of this Agreement.

Permittee covenants and agrees to use the Premises for the above specified purposes and to diligently pursue said purposes throughout the term hereof. In the event that Permittee fails to continuously use the Premises for said purposes, or uses the Premises for purposes not expressly authorized herein, the Permittee shall be deemed in default under this Agreement.

1.03 Adjacent Parking Lot. Permittee shall have the non-exclusive use of the parking lot that is immediately adjacent to the Building ("Parking Lot"). Permittee acknowledges that Permittee or its invitees, employees or any other party associated with Permittee does not have any exclusive rights or priority to park in the Parking Lot. Permittee's use of the Parking Lot shall be on "first come, first serve" basis.

SECTION 2: TERM

2.01 Commencement. The term of this Agreement shall be for a period of two (2) years commencing on August 15, 2012 ("Commencement Date") and terminating on August 14, 2014. In no event shall the term of this Agreement be extended in excess of two (2) years beyond the expiration of the term of this Agreement without the mutual written agreement of the parties.

2.02 Holdover. Any holding over by Permittee after expiration or termination shall not be considered as a renewal or extension of this Agreement. The occupancy of the Premises by Permittee or by Permittee's property after the expiration or termination of this Agreement constitutes a month-to-month tenancy, and all other terms and conditions of this Agreement, shall continue in full force and effect.

2.03 Abandonment by Permittee. In the event Permittee breaches the Agreement and abandons the Premises, this Agreement shall continue in effect for so long as City does not terminate this Agreement, and City may enforce all its rights and remedies hereunder, including but not limited to the right to recover the rent as it becomes due, plus damages.

2.04 Surrender of Property. At the expiration or earlier termination of this Agreement, Permittee shall surrender the Premises to City free and clear of all liens and encumbrances created by Permittee, except those liens and encumbrances which existed on the date of the execution of this Agreement by City. The Premises, when surrendered by Permittee, shall be in a safe and sanitary condition and shall be in as good or better condition as the condition at commencement of this Agreement, absent normal wear and tear.

2.05 Time is of Essence. Time is of the essence of all of the terms, covenants, conditions and provisions of this Agreement.

2.06 Business License. Permittee agrees to obtain and maintain, at its sole cost and expense, a current Business License issued from the City of Oceanside during the full term of this Agreement, provided such a license is required for Permittee operations under this Agreement.

SECTION 3: CONSIDERATION

3.01 Premises Rent. City hereby agrees that the programs, services and activities provided by Permittee at the Premises are valuable consideration received from Permittee, that the provision of such programs, services and activities shall constitute all the property use payment to be paid by Permittee for its use of the Premises in accordance with the terms, covenants, conditions and provisions of this Agreement, and that Permittee shall not be required to pay any monetary payments to City for its use and occupation of the Premises except as hereinafter set forth.

3.02 Available Funding. Notwithstanding Section 3.01 above, City and Permittee acknowledge that Permittee may have the opportunity throughout the Agreement term to seek grants to provide operating funds for the Premises. Permittee agrees to make reasonable efforts to apply for available grants which would specifically allow or not restrict Permittee from utilizing a portion of the grant funds for operations ("Grants") at the Premises rather than solely on Permittee's programs. Should said funds become available at any time during the Agreement term, City and Permittee shall reasonably determine whether there are sufficient funds in the Grants for the imposition of a fair and reasonable monthly rental amount under this Agreement during the period of time that funds are provided under the Grant. If applicable, said monthly rental amount will be paid to City in accordance with the terms set forth in Section 3.05 below.

3.03 Utilities. As additional consideration, Permittee agrees to pay for all utilities, including, but not limited to electricity, gas, water, sewer and telephone services associated with the Building in addition to any service and installation charges in connection with the Permittee's use, occupation and operation of the Premises ("Utilities"). City shall pay for said Utilities and invoice Permittee on a monthly basis in arrears, and Permittee shall remit payment in accordance with Subsection 3.05 below.

3.04 Other Services. Also as additional consideration, Permittee agrees to pay for all other services related to the Building that were previously incurred by the City prior to occupancy by Permittee associated with the Building ("Other Services"). These Other Services include, but are not limited to, janitorial, landscaping immediately adjacent to the Building, the adjacent parking lot maintenance, and security services. City shall pay for said Other Services and invoice Permittee on a monthly basis in arrears, and Permittee shall remit payment in accordance with Subsection 3.05 below.

3.05 Time and Place of Payment. With respect to payment of Utilities and Other Services related cost paid for by the City, Permittee shall make all payments within twenty (20) days upon receipt of the invoices from the City for Utilities and Other Services incurred by the City for the prior month. Checks should be made payable to the City of Oceanside and delivered to the City at the address set forth in Subsection 6.07 of this Agreement. The place and time of payment may be changed at any time by City upon thirty (30) days written notice to Permittee. Permittee assumes all risk of loss and responsibility for late payment charges.

Should it be determined that a monthly rental amount can be made during the Agreement term

as set forth in Section 3.02 above, Permittee shall make said payment on the first (1st) day of the month for each month that said funding is available for payment of monthly rent or on a prorated basis, as applicable.

3.06 Program Reports. In consideration for the Premises Rent as set forth above, Permittee shall provide the City with a written annual report indicating that the Premises was used and occupied for the Program as set forth in this Agreement. Permittee shall submit said report to City within **thirty (30) days** after the end of each year of the term.

3.07 Security Deposit. Permittee shall not be initially required to pay a security deposit under this Agreement to the City. In the event the City determines, in its discretion, that a reasonable security deposit is required in order to protect City's interest in this Agreement, Permittee shall pay the amount determined by City, immediately upon demand.

SECTION 4: RECORDS

4.01 Inspection of Records. Permittee agrees to make any and all records and accounts available to City for inspection at all reasonable times, so that City can determine Permittee's compliance with this Agreement. These records and accounts will be made available by Permittee at the Premises and will be complete and accurate showing all income and expenses associated with the Program at the Premises for the purpose of determining Available Funds. Permittee's failure to keep and maintain such records and make such available for inspection by City shall be deemed a default of this Agreement. Such Agreement and such financial reports and information shall be deemed to be public records. Permittee shall maintain all such records and accounts for a minimum period of five (5) years.

SECTION 5: INSURANCE RISKS/SECURITY

5.01 Indemnity. Permittee shall indemnify and hold harmless the City and its officers, agents and employees against all claims for damages to persons or property arising out of the conduct of the Permittee or its employees, agents, or others in connection with its use and occupation of the Premises under this Agreement, except only for those claims arising from the sole negligence or sole willful misconduct of the City, its officers, agents, or employees. Permittee's indemnification shall include any and all costs, expenses, attorneys' fees and liability incurred by the City, its officers, agents, or employees in defending against such claims, whether the same proceed to judgment or not. Further, Permittee at its own expense shall, upon written request by the City, defend any such suit or action brought against the City, its officers, agents, or employees.

5.02 Insurance. Permittee shall take out and maintain at all times during the term of this Agreement the following insurance at its sole expense:

- a. PERMITTEE shall maintain the following minimum limits:

General Liability

Combined Single Limit Per Occurrence	\$1,000,000
General Aggregate	\$2,000,000

b. All insurance companies affording coverage to the Permittee shall be required to add the City of Oceanside as "additional insured" under the insurance policy(s) required in accordance with this Agreement.

c. All insurance companies affording coverage to the Permittee shall be insurance organizations acceptable to the City, and authorized by the Insurance Commissioner of the State Department of Insurance to transact business of insurance in the State of California.

d. All insurance companies affording coverage shall provide thirty (30) days written notice to the City should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

e. Permittee shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the City's City Attorney, concurrently with the submittal of this Agreement.

f. Permittee shall provide a substitute certificate of insurance no later than thirty (30) days prior to the policy expiration date. Failure by the Permittee to provide such a substitution and extend the policy expiration date shall be considered a default by Permittee and may subject the Permittee to a termination of this Agreement.

g. Maintenance of insurance by the Permittee as specified in this Agreement shall in no way be interpreted as relieving the Permittee of any responsibility whatever and the Permittee may carry, at its own expense, such additional insurance as it deems necessary.

h. If Permittee fails or refuses to take out and maintain the required insurance, or fails to provide the proof of coverage, City has the right to obtain the insurance. Permittee shall reimburse City for the premiums paid with interest at the maximum allowable legal rate then in effect in California. City shall give notice of the payment of premiums within thirty (30) days of payment stating the amount paid; names of the insurer(s); and rate of interest. Said reimbursement and interest shall be paid by Permittee on the first (1st) day of the month following the notice of payment by City.

Notwithstanding the preceding provisions of this Subsection, any failure or refusal by Permittee to take out or maintain insurance as required in this Agreement, or failure to provide the proof of insurance, shall be deemed a default under this Agreement.

i. City, at its discretion, may require the revision of amounts and coverage at any time during the term of this Agreement by giving Permittee **sixty (60) days** prior written notice. City's requirements shall be designed to assure protection from and against the kind and extent of risk existing on the Premises. Permittee also agrees to obtain any additional insurance

required by City for new improvements, in order to meet the requirements of this Agreement.

5.03 Accident Reports. Permittee shall, within seventy (72) hours after occurrence, report to City any accident causing property damage or any serious injury to persons on the Premises. This report shall contain the names and addresses of the parties involved; a statement of the circumstances; the date and hour, the names; and addresses of any witnesses and other pertinent information.

SECTION 6: GENERAL PROVISIONS

6.01 Acceptance of Premises. Permittee accepts the Premises in an "AS IS", "WHERE IS" conditions, subject to all faults and conditions without warranty as to quality, character, performance or condition and with full knowledge of the physical condition of the Premises.

6.02 Maintenance by Permittee. With respect to Permittee's use and/or operations at or on the Premises, Permittee shall make any and all repairs and replacements necessary to maintain and preserve the Premises except as to those items set forth in Subsection 6.03 Maintenance by City. Permittee shall further maintain and preserve the Premises in a decent, safe, healthy, and sanitary condition satisfactory to City and in compliance with all applicable laws.

In the event that the Premises are not in a decent, safe, healthy, and sanitary condition, City shall have the right, upon written notice to Permittee, to have any necessary maintenance work done at the expense of Permittee, and Permittee shall promptly pay any and all costs incurred by City in having such necessary maintenance work done, in order to keep said Premises in a decent, safe, healthy, and sanitary condition. Permittee shall make payment no later than thirty (30) days after written notice from the City. Further, if at any time City determines that said Premises are not in a decent, safe, healthy, and sanitary condition, City may at its sole option, upon written notice, require Permittee to file with City a faithful performance bond to assure prompt correction of any condition which is not decent, safe, healthy, and sanitary. Said bond shall be in an amount adequate in the opinion of City to correct the said unsatisfactory condition. Permittee shall pay the cost of said bond. The rights reserved in this section shall not create any obligations on City or increase obligations elsewhere in this Agreement imposed on City.

6.03 Maintenance by City. City will keep the roof, foundation and the structural columns of the Building in good repair. City shall also maintain and repair the Parking Lot. City shall not, however, be liable to Permittee unless Permittee has given City prior written notice of the necessity for such repairs and any damage arising therefrom shall not have been caused, in whole or in part by the negligent or willful act or omission of Permittee, its employees, agents or invitees, or by the failure of Permittee to perform any of its obligations under this Agreement, or caused by any risk which Permittee is required to insure pursuant to Section 5.

6.04 Fixtures and Equipment. All fixtures and equipment provided by Permittee as set forth on attached Exhibit "C" shall remain the property of the Permittee. Permittee shall be responsible for removing said fixtures and equipment upon termination or expiration of this Agreement.

6.05 Sign. Permittee shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising, other than within the available marquee or display cases, without the prior written consent of City. If any such unauthorized item is found on the Premises, Permittee shall remove the item at its expense within twenty-four (24) hours of written notice thereof by City, or City may thereupon remove the item at Permittee's cost.

6.06 Taxes. Permittee shall pay, before delinquency, all taxes, assessments, and fees assessed or levied upon Permittee or the Premises, including, any buildings, structures, machines, equipment, appliances, or other improvements or property of any nature whatsoever erected, installed, or maintained by Permittee or levied by reason of the business or other Permittee activities related to the Premises, including any licenses or permits.

Permittee recognizes and agrees that this Agreement may create a possessory interest subject to property taxation, and that Permittee may be subject to the payment of taxes levied on such interest, and that Permittee shall pay all such possessory interest taxes.

6.07 Notices. All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

To CITY:

City of Oceanside
Property Management
300 North Coast Highway
Oceanside, CA 92054

To PERMITTEE:

Mira Costa College
Community Services and Business Development
1 Barnard Drive
Oceanside, CA 92056

Attention: Linda Kurokawa

Either party may change its address by notice to the other party as provided herein.

Communications shall be deemed to have been given and received on the first to occur of (i) actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or (ii) three working days following the deposit in the United States Mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

6.08 City Approval. The City Manager shall be the City's authorized representative in the interpretation and enforcement of all services performed in connection with this Agreement. The

City Manager may delegate authority in connection with this Agreement to the City Manager's designee(s). For the purposes of directing Permittee in accordance with this Agreement, which does not result in a change to this Agreement, the City Manager delegates authority to the Real Estate Manager of the Property Management Division.

6.09 Entire Agreement. This Agreement comprises the entire integrated understanding between City and Permittee concerning the use and occupation of the Premises and supersedes all prior negotiations, representations, or agreements. Each party has relied on its own examination of the Premises, advice from its own attorneys, and the warranties, representations, and covenants of the Agreement itself.

The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to City.

The Permittee shall be responsible for complying with all Local, State, and Federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

6.10 Agreement Modification. This Agreement may not be modified orally or in any manner other than by an Agreement in writing signed by the parties hereto.

6.11 Assignment and Subletting-No Encumbrance. This Agreement and any portion thereof shall not be assigned, transferred, or sublet, nor shall any of the Permittee's duties be delegated, without the express written consent of City. Any attempt to assign or delegate this Agreement without the express written consent of City shall be void and of no force or effect. The consent by City to one assignment, transfer, sublease, or delegation shall not be deemed to be consent to any subsequent assignment, transfer, sublease, or delegation.

6.12 Defaults and Termination. If either party ("demanding party") has a good faith belief that the other party ("defaulting party") is not complying with the terms of this Agreement, the demanding party shall give written notice of the default (with reasonable specificity) to the defaulting party and demand the default to be cured within thirty (30) days of the notice.

If the defaulting party is actually in default of this Agreement and fails to cure the default within thirty (30) days of the notice, or, if more than thirty (30) days are reasonably required to cure the default and the defaulting party fails to give adequate assurance of due performance within ten (10) days of the notice, the demanding party may terminate this Agreement upon written notice to the defaulting party.

City may also terminate this Agreement upon written notice to Permittee in the event that:

- Permittee has previously been notified by City of Permittee's default under this Agreement and Permittee , after beginning to cure the default, fails to diligently pursue the cure of the default to completion, or
- Permittee shall voluntarily file or have involuntarily filed against it any petition under any bankruptcy or insolvency act or law, or
- Permittee shall be adjudicated a bankruptcy, or
- Permittee shall make a general assignment for the benefit of creditors.

Upon termination, City may immediately enter and take possession of the Premises. Further, City shall also have any other available legal and/or equitable remedies permitted by law.

6.13 Other Regulations. All use of the Premises under this Agreement shall be in accordance with the laws of the United States of America, the State of California and in accordance with all applicative rules and regulations and ordinances of the City of Oceanside now in force, or hereinafter prescribed or promulgated by resolution or ordinance or by State or Federal law.

SECTION 7: SPECIAL PROVISIONS

7.01 Standards of Operation. Permittee agrees that it shall operate and manage the services and facilities offered upon or from the Premises in a first class manner and comparable to other similar facilities within the San Diego County and Southern California areas which provide like products and services.

7.02 Permittee's Employees. Permittee shall provide an experienced and well qualified "on-site" supervisor to oversee all operations conducted by Permittee on the Premises. Permittee shall ensure that its employees shall at all times conduct themselves in a creditable manner, and they shall conform to all rules, regulations and requirements, as well as all rules and regulations as hereafter may be promulgated, or put into operation by the City, provided that such rules, regulations and requirements are not in conflict with the terms of this Agreement. Permittee shall maintain a staff in adequate size and number, to City's reasonable satisfaction, to effectively operate, maintain and administer all services offered and facilities located on the Premises.

7.03 Hazardous Substances. No goods, merchandise or material shall be kept, stored or sold in or on the Premises which are in any way explosive or hazardous, except that ordinary business materials that may be classified as hazardous may be kept in or on the Premises if such materials are stored and disposed of in accordance with all applicable laws; and no offensive or dangerous trade, business or occupation shall be carried on therein or thereon, and nothing shall be done on said Premises, which will cause an increase in the rate of or cause a suspension or cancellation of the insurance upon the demised Premises or other premises and the improvements thereon; provided, however, that if anything done by Permittee causes an

increase in the rate of insurance on the Premises, Permittee may, at its option, pay such increase and Permittee shall not thereafter be considered in default under this Agreement.

No machinery or apparatus shall be used or operated on or about the Premises which will in any way injure the Premises or improvements thereon, or adjacent or other Premises, or improvements thereon, or to persons; provided, however, that nothing contained in this section shall preclude Permittee from bringing, keeping or using on or about the Premises such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its said business, or from carrying on its business in all usual respects.

Open flame welding or burning, gasoline, or other fuel storage is expressly prohibited without prior written consent of the City.

7.04 Merchandise and Equipment. City retains the right to require the Permittee to discontinue the sale or use of those items that are of a quality unacceptable to the City.

7.05 Continued Occupancy. Permittee covenants and agrees to, and it is the intent of this Agreement that the Permittee shall, continuously and uninterruptedly during the term of the Agreement, occupy and use the Premises for the purposes hereinabove specified, except while Premises are untenable by reason of fire, flood, or other unavoidable casualty, and, in that event, City shall be promptly notified by Permittee.

7.06 Community Use of the Building. Permittee acknowledges that the Building may be available for public services and civic activities and/or that the City's Police Department may use the remainder of the Building for training activities. The City reserves the right to schedule and use the remainder of the Building for community meetings and other City sponsored activities. City agrees to coordinate such use of the Building with Permittee so as not to conflict with Permittee's Program.

7.08 Preference in Permittee's Program. As further consideration for entering into this Agreement for the Premises Rent set forth above, Permittee agrees that any qualified City of Oceanside resident shall be given a preference when enrolling into Permittee's Program over other prospective students. Enrollment of prospective students into the Program will still be subject to Permittee's enrollment procedures and policy subject to the preference as set forth herein.

REMAINDER OF PAGE BLANK

SECTION 8: SIGNATURES

8.01 Signature Page. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Permittee and the City.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Property Use Agreement to be executed by setting hereunto their signatures on the day and year respectively written herein below.

CITY

THE CITY OF OCEANSIDE

APPROVED AS TO FORM

By _____
City Manager

By *Antonia Hamilton*, ASST.
City Attorney

Date _____

PERMITTEE

MIRA COSTA COLLEGE
a public California community college

By *Juan Asato*

By _____

Name *Susan Asato*

Name _____

Title *Dir. Purchasing*

Title _____

Date *8/17/12*

NOTARY ACKNOWLEDGMENTS OF PERMITTEE'S SIGNATURE(S) MUST BE ATTACHED

(attached to this page)

ACKNOWLEDGMENT

State of California San Diego
County of _____)

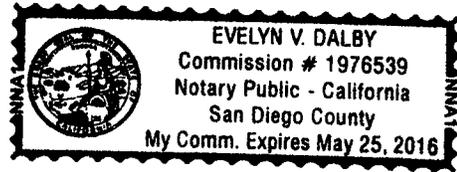
On August 17, 2012 before me, Evelyn V. Dalby, Notary Public
(insert name and title of the officer)

personally appeared Susan Asato
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Evelyn V. Dalby (Seal)



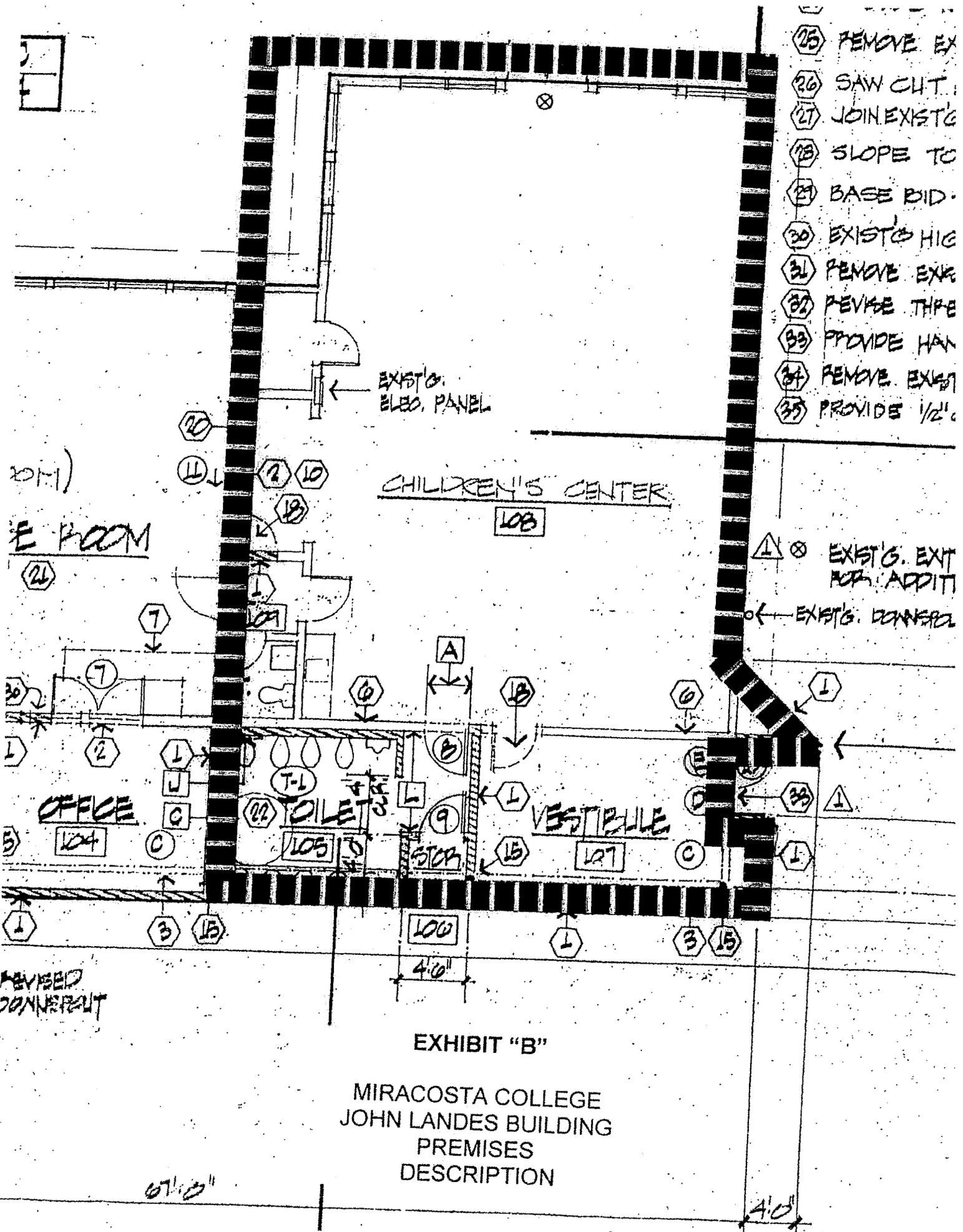
Property Use Agreement

EXHIBITS

Exhibit "A" Building and Parking Description and Plat

Exhibit "B" Premises Description

Exhibit "C" Permittee's Machinery Equipment List



- 25 REMOVE EX
- 26 SAW CUT
- 27 JOIN EXIST'G
- 28 SLOPE TO
- 29 BASE BID.
- 30 EXIST'G HIG
- 31 REMOVE EXIS
- 32 REMOVE THRE
- 33 PROVIDE HAN
- 34 REMOVE EXIS
- 35 PROVIDE 1/2"

EXHIBIT "B"
 MIRACOSTA COLLEGE
 JOHN LANDES BUILDING
 PREMISES
 DESCRIPTION

67'-3"

4'-0"

EXHIBIT "C"

MIRACOSTA COLLEGE JOHN LANDES BUILDING MACHINE LIST

The majority of the training will be on two basic machines:

- 4 – 5 basic lathe and mill each (basic size – not heavy industrial size).

In addition, MiraCosta will offer training on the following machines:

- drill press (2)
- a vertical saw (1)
- a pedestal grinder (2)

MiraCosta will have industry representatives helping us with the layout of the machines along with the instructor to ensure that they are safe distances apart and can easily be viewed and attended by the students and teacher. In addition to these basic machines MiraCosta may install a **training CNC machine** which doesn't actually consist of anything but a display screen and key board. All machines will be coming from ROP programs, high school programs in our local area or from local businesses themselves. All machines will be in proper working conditions with UL approved tags.