TOWN OF PARADISE
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Redevelopment Agency Staff:

Charles L. Rough, Jr., Executive Director
Dennis Ivey, Assistant Executive Director
Lauren Gill, Deputy Executive Director
Joanna Gutierrez, Agency Secretary
Gina Will, Treasurer
Dwight L. Moore, Agency Counsel

Redevelopment Agency Board of Directors:

Scott Lotter, Chairman
Joe DiDuca, Vice Chairman
Alan White
Frankie Rutledge
Steve "Woody" Culleton

PARADISE REDEVELOPMENT AGENCY AGENDA
MARCH 9, 2010
IMMEDIATELY FOLLOWING REGULAR TOWN COUNCIL MEETING

In accordance with the Americans with Disabilities Act, if you need a special accommodation to participate, please contact the Town Clerk/Redevelopment Agency Secretary's Department at 872-6291 at least 48 hours in advance of the meeting. Hearing assistance devices for the hearing impaired are available from the Redevelopment Agency Secretary.

If you wish to address the Redevelopment Agency Board on any matter on the Agenda, it is requested that you complete a "Request to Address Council" card and give it to the Agency Clerk prior to the beginning of the Council Meeting.

All writings or documents which are related to any item on an open session agenda and which are distributed to a majority of the Redevelopment Agency within 72 hours of a Regular Meeting will be available for public inspection at the time the subject writing or document is distributed to a majority of the subject body. The information will be available at the Town Hall in the Town Clerk/Agency Secretary's Department at 5555 Skyway, Paradise, California, during regular business hours Monday through Thursday from 8:00 a.m. to 5:00 p.m.

1. OPENING

a. Call to Order
b. Roll Call

2. AGENCY CONSENT

Roll call vote will be taken one time for all of the Consent Calendar agenda items.

2a. Approve the Minutes of the February 9, 2010, Regular Meeting.

MINUTES
PARADISE REDEVELOPMENT AGENCY
FEBRUARY 9, 2010

The Regular Meeting of the Paradise Redevelopment Agency was called to order by Chairman Lotter at 7:50 p.m. in the Town Hall Council Chambers, located at 5555 Skyway, Paradise, CA.

AGENCY DIRECTORS PRESENT: Steve "Woody' Culleton, Joe DiDuca, Frankie Rutledge, Alan White and Scott Lotter, Chairman.

AGENCY DIRECTORS ABSENT: None.

STAFF PRESENT: Agency Secretary Gutierrez, Executive Director Rough, Agency Counsel Moore, Assistant Director Ivey, Deputy Director Gill and Agency Treasurer Will.

2. AGENCY CONSENT

Agenda Item 2(a): MOTION by Rutledge, seconded by DiDuca, approved the Minutes of the December 8, 2009 Regular Meeting. Roll call vote was unanimous.

RDA (MIN) [APPR]
Approved Minutes of December 8, 2009 Regular Meeting.

3. AGENCY CONSIDERATION

Agenda Item 3(a): MOTION by Culleton, seconded by DiDuca, approved an amended Scope of Work and Affiliated costs of $35,985 with Northstar Engineering (NSE) pertaining to an Agreement for Services approved by the Redevelopment Agency Board of Directors on December 8, 2009, for work related to the Downtown Community Cluster System (DCCS). Roll call vote was unanimous.

RDA (AGT) [APPR]
Contract between RDA and NorthStar Engineer. (RDA CO9-02)

Agenda Item 3(b): Agency Directors concurred unanimously to acknowledge receipt of the Fiscal Year 2008-2009 Audit Report.

RDA (FIN) [ACK]
Receipt of annual audit for RDA FY ending 06-30-09
1360-20-04

4. PUBLIC COMMUNICATION

None.

5. ADJOURNMENT

MOTION by Culleton, seconded by DiDuca, adjourned the Redevelopment Agency Regular Meeting at 7:55 p.m. Agency vote was unanimous.

Approved:

_____
Scott Lotter, Chairman

_____
Joanna Gutierrez, CMC, Agency Secretary

Paradise Redevelopment Agency

Board of Directors Agenda Summary

March 9, 2010

Agenda No.: 3a

Originated By:	Dennis Ivey, Assistant Executive Director
Reviewed By:	Charles L. Rough, Jr., Executive Director
Subject:	Lease of Property at 5456 Black Olive Drive to the Paradise Chocolate Fest, Inc.

Board Action Requested:

1. Authorize the Board Chairperson and the Executive Director to sign the lease document by and between the Paradise Redevelopment Agency and Paradise Chocolate Fest, Inc. for a month-to-month tenancy at 5456 Black Olive Drive, Paradise, California 95969; or,
2. Provide alternate direction staff.

Background: The Paradise Redevelopment Agency owns the property and building located at 5456 Black Olive Drive, Paradise, California. Although the Agency has had a prior tenant, the property is currently vacant. As a result, the Chocolate Fest has expressed an interest in leasing the property on a month – to – month basis, and as a non-profit organization, they are requesting a rental rate of $1.00 per year. The Town currently has a similar lease arrangement with the Gold Nugget Museum for the Depot Building at Paradise Community Park. The Chocolate Fest is responsible for utilities and custodial services. Structural or major equipment repairs remain the Agency's responsibility.

Financial Impact: Of course, the $1.00 annual payment is a token amount, and will neither bankrupt the fest nor endow the Agency. The benefit to the Agency and the Town is twofold. The lease places a tenant in the building and provides both security and signs of life during these challenging times. The lease will also assist one of the town's major festivals and tourist attractions. Chocolate Fest draws thousands to the Ridge and funds raised support a myriad or youth organizations, projects, and programs. A copy of the lease is attached for your convenience.

PARADISE REDEVELOPMENT AGENCY
TENANT LEASE

Preamble

This lease is entered into on _____, 2010 by and between the Paradise Redevelopment Agency, referred to in this lease as "Landlord," and Paradise Chocolate Fest, Inc., referred to in this lease as "Tenant".

Subject to the terms and conditions set forth in this lease, Landlord hereby leases to Tenant that portion of certain real property located at 5456 Black Olive Drive, Paradise, California, which is described in Exhibit "A" and referred to as "Premises" hereafter.

1. Term/Basic Rent

Tenant's occupancy of the Premises shall be a month-to-month tenancy at a rental rate of $1.00 per year, payable on the first business day of every year, subject to all the terms and conditions provided in this lease. All rent shall be paid by Tenant at the Office of the Town Manager in Town Hall, 5555 Skyway, Paradise, California, or any other place that landlord may designate by written notice given to Tenant. The commencement date of this lease shall be _____, 2010. As a month-to-month tenancy, this lease may be terminated with a sixty (60) day notice from either party.

2. Use of Premises

The Premises shall be used by Tenant solely as a business office relating to the event

known as the Paradise Chocolate Fest described in Exhibit "B" and for no other uses without the prior expressed written consent of Landlord.

3. Prohibited Uses

Tenant shall not commit or permit the commission of any acts on the Premises or use or permit the use of the Premises in any way that:

A. Increases the existing rates for, or causes cancellation of, any fire, casualty, liability, or other insurance policy insuring the Premises or its contents;

B. Violates or conflicts with any law, statute, ordinance, or governmental rule or regulation, whether now in force or hereinafter enacted, governing the Premises;

C. Obstructs or interferes with the rights of Landlord to use the Landlord's real property adjacent to the Premises or,

D. Constitutes the commission of waste on the Premises or the commission or maintenance of nuisance as defined by the laws of California.

4. Alterations by Tenant

No alteration, addition, or improvement to the Premises shall be made by Tenant without the written consent of Landlord. Concurrently with requesting Landlord's consent to the proposed alterations, addition, or improvement, Tenant shall submit to Landlord preliminary plans for the alteration, addition, or improvement. Landlord shall, at its sole discretion, approve or disapprove the proposed alteration, addition, or improvement, within thirty (30) days after receipt of Tenant's written request for approval. If Landlord fails to approve or disapprove the proposed alteration, addition, or improvement within the same thirty (30) day period, the proposed alteration, addition, or improvement shall be deemed disapproved. If Landlord gives

such written consent to any alteration, addition, or improvement to the Premises, Landlord and Tenant shall agree in writing at that time to the date when that undertaking shall be completed. Tenant shall obtain all necessary governmental permits required for any alteration, addition, or improvement approved by Landlord and shall comply with all applicable governmental law, regulations, ordinances, and codes. Any alteration, addition, improvement made by Tenant after consent has been given, and any fixtures installed as part of the construction, shall, at Landlord's option, become the property of Landlord on the expiration or other earlier termination of this lease; provided, however, that Landlord shall have the right to require Tenant to remove the fixtures at Tenant's sole cost on termination of this lease. If Tenant is required by Landlord to remove the fixtures on termination of this lease, Tenant shall repair and restore any damages to the Premises caused by such removal.

5. Mechanics' Liens

If Tenant causes any alterations, additions, or improvements to be made to the Premises, Tenant agrees to keep the Premises free of liens for both labor and materials. If a lien is placed on the Premises in connection with any construction, repair, or replacement work that Tenant may or must cause to be performed under this lease, which results in a final judgment, Landlord may pay the amount of that judgment. Tenant shall reimburse Landlord for the full amount paid and all other expenses relating thereto within thirty (30) days after that amount is paid by Landlord; otherwise Tenant shall be in default under this lease.

6. Maintenance and Repairs

A. Tenant shall, during the term of this lease, maintain the Premises in a good, clean, and safe condition and shall on expiration or earlier termination of this lease surrender the

Premises to Landlord in as good condition and repair as existed on the date of this lease, reasonable wear and tear and damage by the elements excepted. Tenant, at Tenant's own expense, shall repair all deteriorations, damage, or injuries to the Premises occasioned by Tenant's intentioned acts or lack of ordinary care.

B. Except as otherwise provided in this lease, Landlord shall perform, at Landlord's total expense, all normal repairs and maintenance for the Premises; provided; however, Tenant shall be responsible for any intentional or negligent damage caused by the Tenant to the Premises. Any repairs by Landlord shall be made promptly with first-class materials, in a good and workmanlike manner, in compliance with all applicable laws of all governmental authorities, and in a style, character, and quality conforming to the existing conditions. Except in the case of an emergency, Landlord shall not enter the Premises for the purpose of effecting the repairs, alterations, or improvements other than during normal business hours, and shall give the Tenant 24 hours notice of the intention to enter for those purposes.

C. Except for cases of emergency, Landlord shall make all repairs required hereunder as soon as is practical. In the event Landlord has not made a repair referred to in a written notice from Tenant to Landlord within thirty (30) days after the date of that notice, Tenant shall have the right to have the repair performed and be reimbursed by Landlord for the reasonable costs relating to the repair.

7. Inspection by Landlord

Tenant shall permit Landlord or Landlord's agents, representatives, or employees to enter the Premises at all reasonable times for the purpose of inspecting the Premises to determine whether Tenant is complying with the terms of this lease and for the purpose of doing other lawful acts

that may be necessary to protect Landlord's interest in the Premises under this lease.

8. Rules and Regulations

Landlord shall have the right to establish, modify, amend, and enforce reasonable rules and regulations with respect to the Premises. Tenant shall fully and faithfully comply with and observe the rules and regulations for the Premises ("the Premises Rules and Regulations"), including any additions or amendments to the Premises Rules and Regulations that may be hereafter enacted by Landlord at Landlord's sole discretion. Tenant acknowledges receipt of a copy of the Premises Rules and Regulations, which are attached to and made a part of this lease as Exhibit "C". Landlord shall not be liable in any way for failure of any other occupant of the Premises of which the Premises is a part to comply with and observe these rules and regulations.

9. Taxes

Tenant shall be solely responsible for the payment of any possessory taxes imposed by the County of Butte or State of California as a result of this lease.

10. Utilities

Tenant shall, at Tenant's own cost and expense to provide utilities to the Premises, including but not limited to the following:

A. Gas and electricity

B. Trash collection

C. Water

11. Tenant's Liability Insurance

For the mutual benefit of Landlord and Tenant, Tenant shall, during the term of this lease, cause to be issued and maintained commercial liability insurance in the sum of at least $1,000,000.00 for injury to or death of one person in any one accident, insuring the Tenant against liability for injury and/or death occurring in or on the Premises. Landlord shall be named as an additional insured and the policy shall contain cross liability endorsements. The Tenant shall maintain all such insurance in full force and effect during the entire term of this lease and shall pay all premiums for the insurance. Evidence of insurance and of the payment of premiums shall be delivered to Landlord.

12. Insurance for Tenant's Personal Property

Tenant agrees to keep, at Tenant's sole expense, all of Tenant's personal property, including trade fixtures and equipment of Tenant that maybe on or in the Premises from time to time, insured against loss or damage by fire and by any peril included within fire and extended coverage insurance for an amount that will insure the ability of Tenant to fully replace the personal property, trade fixtures, and equipment. Tenant's obligation to insure artifacts shall be limited to the availability of such coverage.

13. Indemnification

A. Landlord shall not be liable to Tenant, and Tenant hereby waives all claims against Landlord, for any injury or damage to any person or property in or about the Premises or any part of the Premises by or from any cause whatsoever, except injury or damage resulting from the acts or omissions of Landlord or Landlord's

authorized agents.

B. Tenant shall hold Landlord harmless from and defend Landlord against any and all claims or liability for any injury or damage to any person or property whatsoever occurring in, on, or about the Premises when that injury or damage was caused in part or in whole by the act, neglect, fault of, or omission of any duty by Tenant, its agents, servants, employees, or invitees.

14. Destruction of Premises

If the Premises is damaged or destroyed by any cause not the fault of Tenant, Landlord may, at Landlord's sole election, repair the Premises or terminate this lease. In the event Landlord terminates this lease, neither party shall have any further obligations hereunder.

15. Assignment and Subletting

Tenant shall not encumber, assign, sublet, or otherwise transfer this lease, any right or interest in this lease, or any right or interest in the Premises without first obtaining the expressed written consent of Landlord. Furthermore, Tenant shall not sublet the Premises or any part of it or allow any other persons, other than Tenant's employees and agents, to occupy or use the Premises or any part of it without the prior written consent of Landlord. A consent by Landlord to one assignment, subletting, or occupation and use by another person shall not be deemed to be a consent to any subsequent assignment, subletting, or occupation and use by another person. Any encumbrance, assignment, transfer, or subletting without the prior written consent of Landlord, whether voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Landlord, terminate this lease. The consent of Landlord to any

assignment of Tenant's interest in this lease or the subletting by Tenant of the Premises shall not be unreasonably withheld.

16. Acts Constituting Breach by Tenant

The following shall constitute a default under and a breach of this lease by Tenant: The nonpayment of rent when due, when the nonpayment continues for ten (10) days after written notice to pay rent or surrender possession of the Premises has been given by Landlord to Tenant;

A. A failure to perform any provision, covenant, or condition of this lease other than one for the payment of rent, when that failure is not cured within thirty (30) days after written notice of the specific failure is given by Landlord to Tenant;

B. The breach of this lease and abandonment of the Premises before expiration of the term of this lease;

C. A receiver is appointed to take possession of all or substantially all of Tenant's property located at the Premises or Tenant's interest in this lease, when possession is not restored to Tenant within thirty (30) days.

D. Tenant makes a general assignment for the benefit of creditors;

E. The execution, attachment, or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this lease, when the seizure is not discharged within fifteen (15) days; or

F. The filing by or against Tenant of a petition to have Tenant adjudged bankrupt or of a petition for reorganization or arrangement under the federal bankruptcy law (unless, in the case of a petition filed against Tenant, it is dismissed within sixty (60) days.

The notice provided for in subparagraph A of this Paragraph 16 is not intended to replace, but rather are in addition to, any required statutory notices for unlawful detainer proceedings under Code of Civil Procedure Section 1161 et seq.

17. Landlord's Remedies

If Tenant breaches or is in default under this lease, Landlord, in addition to any other remedies given Landlord by law or equity, may:

A. Continue this lease in effect by not terminating Tenant's right to possession of the Premises and thereby be entitled to enforce all Landlord's rights and remedies under this lease as it becomes due under this lease; or terminate this lease and all rights of Tenant under the lease and recover from Tenant the following:

B. The amount, at the time of award, of the unpaid rent that had been earned at the time of termination of the lease;

C. The amount, at the time of award, of the unpaid rent that would have been earned under the term of the lease until the time that the Premises are leased to another tenant by the Landlord.

D. Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligations under this lease; or

E. In lieu of, or in addition to, bringing an action for any or all of the recoveries described in subparagraph B of this Paragraph 17, bring an action to recover and regain possession of the Premises in the manner provided by the California law of unlawful detainer then in effect.

18. Termination Notice

No act of Landlord, including, but not limited to, Landlord's entry on the Premises, or efforts to re-let the Premises, or the giving by Landlord to Tenant of a notice of default, shall be construed as an election to terminate this lease unless a written notice of the Landlord's election to terminate this lease is given to Tenant. In the event Landlord terminates this lease for any reason, Tenant shall not be entitled to receive any relocation benefits from Landlord.

19. Waiver of Breach

The waiver by Landlord of any breach by Tenant of any of the provisions of this lease shall not constitute a continuing waiver or a waiver of any subsequent default or breach by Tenant either of the same or a different provision of this lease.

20. Notices

Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this lease or by law to be served on or given to either party to this lease by the other party shall be in writing, and shall be deemed duly served and given when personally delivered to the party to whom it is directed or any managing employee of that party or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Landlord at 5555 Skyway, Paradise, California 95969 or to Tenant at 5456 Black Olive Drive, Paradise, California 95969. Either party may change its address for purposes of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

21. Attorney's Fees

If any litigation is commenced between the parties to this lease concerning the Premises,