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SAN DIEGO COUNTY RECORDER'S OFFICE
Ernest J. Dronenburg, Jr., COUNTY RECORDER
FEES: 0.00

PAGES: 13



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SITE LEASE

by and between the

**DEPARTMENT OF CORRECTIONS AND REHABILITATION
OF THE STATE OF CALIFORNIA,
as Lessor**

and the

**STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA,
as Lessee**

Dated as of October 15, 2014

**(SAN DIEGO JAIL)
(SAN DIEGO COUNTY)**

NO DOCUMENTARY TRANSFER TAX DUE.

This Site Lease is recorded for the benefit of the State of California and is exempt from California documentary transfer tax pursuant to Section 11928 of the California Revenue and Taxation Code and from recording fees pursuant to Sections 6103 and 27383 of the California Government Code.

DEPARTMENT OF CORRECTIONS AND REHABILITATION

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SITE LEASE

THIS SITE LEASE, dated as of October 15, 2014 (the "Site Lease"), by and between the STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA (the "Board"), an entity of state government of the State of California, as lessee, and the DEPARTMENT OF CORRECTIONS AND REHABILITATION OF THE STATE OF CALIFORNIA (the "Department"), an entity of state government of the State of California, as lessor;

WITNESSETH:

WHEREAS, the Board intends to assist the Department by financing and refinancing the construction of the Project as defined in the Facility Lease dated as of October 15, 2014 between the Board and the Department (the "Facility Lease") on the Site (as defined below) (the Site, together with the Project, the "Facility");

WHEREAS, the Board intends to lease the Facility to the Department pursuant to the Facility Lease, and the Department proposes to enter into this Site Lease with the Board as a material consideration for the Board's agreement to finance and refinance the construction of the Project for and on behalf of the Department;

WHEREAS, the Department is the ground lessee of certain real property, as more particularly described in Exhibit A attached hereto and made a part hereof (the "Site"), which was leased to the Department by the County of San Diego (the "Participating County") pursuant to the terms of that certain Ground Lease dated as of September 13, 2013, by and between the Participating County, as landlord, and the Department, as tenant, and recorded on November 14, 2013 in the Official Records of the County of San Diego as Document No. 2013-0673995 (the "Ground Lease");

WHEREAS, simultaneous with the execution of the Ground Lease, the Department and the Participating County also entered into that certain Easement Agreement for Grants of Access, Utilities and Repairs dated as of September 13, 2013 and recorded on November 14, 2013 in the Official Records of the County of San Diego as Document No. 2013-0673994 (the "Easement Agreement") pursuant to which the Participating County granted to the Department and the Board certain easements in certain property adjacent to the Site (the "Property");

WHEREAS, the Board is authorized under the State Building Construction Act of 1955 (being Part 10b of Division 3 of Title 2 of the California Government Code, commencing at Section 15800), and all laws amendatory thereof or supplemental thereto (the "Act") to acquire the real property interests being leased hereunder, and the Department is authorized to lease such interests to the Board pursuant to applicable law and the terms hereof; and

WHEREAS, the Board wishes to lease the Site hereunder and to obtain rights to the Property as described herein.

NOW, THEREFORE, THE PARTIES HERETO MUTUALLY AGREE as follows:

SECTION 1. Lease of Site; Effect of Easement Agreement. The Department hereby leases to the Board and the Board hereby leases from the Department, on the terms and conditions hereinafter set forth, the Site and all rights appurtenant thereto, including rights granted under the

Easement Agreement with respect to the Property, subject, however, to any conditions, reservations, and easements of record as of the date hereof.

SECTION 2. Term. The term of this Site Lease shall commence on the date of issuance and initial delivery of the Bonds (as defined in the Facility Lease) and shall end on September 1, 2029, unless such term is extended or sooner terminated as hereinafter provided. If on September 1, 2029 any Bonds or other indebtedness of the Board incurred to pay for the Project shall not be fully paid and retired as a result of the Base Rental (as defined in the Facility Lease) not being paid when due or being abated, then the term of this Site Lease shall be extended until ten (10) days after all Bonds and other indebtedness of the Board outstanding as a result of the nonpayment of Base Rental under the Facility Lease shall be fully paid and retired, except that the term of this Site Lease shall in no event be extended beyond September 1, 2039. If, prior to September 1, 2029, the portion of the Bonds and other indebtedness of the Board payable from the Base Rental shall be fully paid and retired, the term of this Site Lease shall end ten (10) days thereafter.

SECTION 3. Purpose. The Board shall use the Site solely for the purpose of causing the Project to be constructed thereon and leasing the Facility to the Department pursuant to the Facility Lease and for such purposes as may be incidental thereto; provided, that in the event of default by the Department under the Facility Lease, the Board may exercise the remedies provided in the Facility Lease.

SECTION 4. Rental. The Board shall pay to the Department as and for rental hereunder the sum of One Dollar (\$1.00) per year, all of which rental shall be deemed to have been prepaid to the Department upon the date of issuance of the Bonds from proceeds of the Bonds deposited in the Construction Fund under the Indenture. The Department agrees that the payment of such rental is adequate consideration for the lease by the Department to the Board of the Site hereunder.

SECTION 5. Nonsubordination; Assignments and Subleases. This Site Lease shall be nonsubordinated and unless the Department shall be in default under the Facility Lease, the Board shall not assign its rights under this Site Lease or sublet the Site without the prior written consent of the Department.

SECTION 6. Termination. The Board agrees that upon the termination or expiration of this Site Lease, any permanent improvements and structures existing upon the Site at the time of such termination or expiration of this Site Lease shall vest in accordance with the provisions of the Ground Lease.

SECTION 7. Quiet Enjoyment and Prohibition Against Encumbrance. The parties hereto mutually covenant that the Board at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Site without suit, trouble or hindrance from the Department, subject only to the right of the Department to occupy the Facility as set forth in the Facility Lease. The Department agrees it will not create or suffer to be created with respect to the Facility any recorded or unrecorded mortgage, pledge, lien, charge, easement, rights of way or other rights, reservations, covenants, conditions, restrictions or encumbrance upon the Facility except Permitted Encumbrances (as defined in the Facility Lease).

SECTION 8. Taxes. The Department covenants and agrees to pay any and all lawful assessments of any kind or character and also all lawful taxes, including possessory interest taxes, if applicable, levied or assessed upon the Site (including both land and improvements).

SECTION 9. Partial Invalidity. If any one or more of the terms, provisions, 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 10. Notices. All notices and communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States certified mail, return receipt requested, postage prepaid, and, if to the Department, addressed to Department of Corrections and Rehabilitation, 9838 Old Placerville Road, Suite B, Sacramento, California 95827, Attention: Director, or, if to the Board, addressed to the Board, c/o Department of General Services, Contracted Fiscal Services, 707 Third Street, 6th Floor, West Sacramento, California 95605, Attention: Manager of Contracted Fiscal Services, with a copy to the State Treasurer addressed to the Office of the State Treasurer, Public Finance Division, 915 Capitol Mall, Room 261, Sacramento, California 95814, or to such other addresses as the respective parties may from time to time designate by notice in writing.

SECTION 11. Default. In the event the Board shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for sixty (60) days following notice and demand for correction thereof to the Board, the Department may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Facility Lease shall be deemed to occur as a result thereof, provided, however, that the Department shall have no power to terminate this Site Lease by reason of any default on the part of the Board if such termination would affect or impair any assignment or sublease of all or any part of the Site then in effect between the Board and any assignee or subtenant of the Board (other than the subtenancy created under the Facility Lease); and provided, further, that, so long as any bonds or other indebtedness incurred by the Board to pay for the Project is outstanding and unpaid in accordance with the terms of any indenture authorizing such bonds or other indebtedness, the rentals or any part thereof payable to the trustee pursuant to such indenture (by the terms of such assignment or sublease) shall continue to be paid to said trustee. So long as any such assignee or subtenant of the Board shall duly perform the terms and conditions of this Site Lease and of its then existing sublease (if any), such assignee or subtenant shall be deemed to be and shall become the tenant of the Department hereunder and shall be entitled to all of the rights and privileges granted under any such assignment or sublease; provided, further, however, that, so long as any bonds or other indebtedness incurred by the Board to pay for the Project are outstanding and unpaid in accordance with the terms of any indenture authorizing such bonds or other indebtedness, the rentals or any part thereof payable to the trustee pursuant to such indenture (by the terms of such assignment or sublease) shall continue to be paid to said trustee.

SECTION 12. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Board are solely liabilities of the Board as an entity of state government, and the Department hereby releases each and every member, officer, agent and employee of the Board of and from any personal or individual liability for negligence under this Site Lease. All liabilities under this Site Lease on the part of the Department are solely liabilities of the Department as an entity of state government, and the Board hereby releases each and every member, officer, agent and employee of the Department of and from any personal or individual liability for negligence under this Site Lease.

SECTION 13. Eminent Domain. In the event the whole or any part of the Site or the improvements thereon (including the Project) is taken permanently or temporarily under the power of

eminent domain, the interest of the Board shall be recognized and is hereby determined to be the amount of the then unpaid indebtedness incurred by the Board to finance or refinance the construction of the Project, including the unpaid principal of and interest on any then outstanding bonds or other indebtedness of the Board, and shall be paid to the trustee under any indenture authorizing such bonds or other indebtedness and applied as provided in said indenture. The term "unpaid indebtedness," as used in the preceding sentence, includes the face amount of the indebtedness evidenced by any outstanding bonds or notes of the Board issued to finance or refinance the construction of the Project, together with the interest thereon and all other payments required to be made by the trustee pursuant to the indenture authorizing the issuance of said bonds or notes on account of said indebtedness, until such indebtedness, together with the interest thereon, has been paid in full in accordance with the terms thereof.

SECTION 14. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

SECTION 15. Amendment. This Site Lease may only be amended by a written instrument duly authorized and executed by the Department and the Board; provided, however, that no such amendment shall materially adversely affect the owners of the Bonds.

SECTION 16. Execution. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same Site Lease. It is also agreed that separate counterparts of this Site Lease may separately be executed by the Department and the Board, all with the same force and effect as though the same counterpart had been executed by both the Department and the Board.

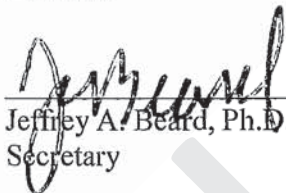
SECTION 17. Binding Effect. The rights granted herein shall run with the ownership of the Site and this Site Lease shall be binding upon and inure to the benefit of the Board and the Department and their respective successors and assigns.

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SPWB 2014 SERIES D
SITE LEASE
(SAN DIEGO JAIL)

IN WITNESS WHEREOF, the Department and the Board have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

DEPARTMENT OF CORRECTIONS AND
REHABILITATION OF THE STATE OF
CALIFORNIA

By: 
Jeffrey A. Beard, Ph.D.
Secretary

STATE PUBLIC WORKS BOARD OF THE STATE
OF CALIFORNIA

By: _____
Stephen Benson
Deputy Director

STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

On October 22, 2014 before me, Krystal Powell, Notary Public,
personally appeared Jeffrey A. Beard, 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

Krystal Powell
SIGNATURE OF NOTARY PUBLIC



SPWB 2014 SERIES D
SITE LEASE
(SAN DIEGO JAIL)

IN WITNESS WHEREOF, the Department and the Board have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

DEPARTMENT OF CORRECTIONS AND
REHABILITATION OF THE STATE OF
CALIFORNIA

By: _____
Jeffrey A. Beard, Ph.D.
Secretary

STATE PUBLIC WORKS BOARD OF THE STATE
OF CALIFORNIA

By: _____
Stephen Benson
Deputy Director

STATE OF CALIFORNIA)
)
COUNTY OF SACRAMENTO)

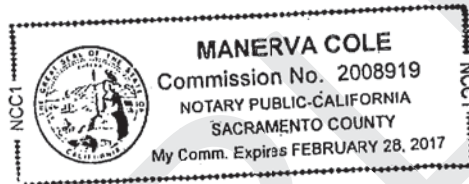
On October 24, 2014 before me, Manerva Cole, Notary Public, personally appeared Stephen G. Benson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person 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

Manerva Cole

SIGNATURE OF NOTARY PUBLIC



EXAMPLE

EXHIBIT A

LEGAL DESCRIPTION OF SITE
SAN DIEGO JAIL

Parcel No. 2013-0171-A

(9-07-2013)

That portion of the Remainder Parcel of Parcel Map No. 20177, in the County of San Diego, State of California according to Parcel Map thereof filed in the Office of the County Recorder of said County, December 21, 2006 as instrument 2006-0905062, more particularly described as follows:

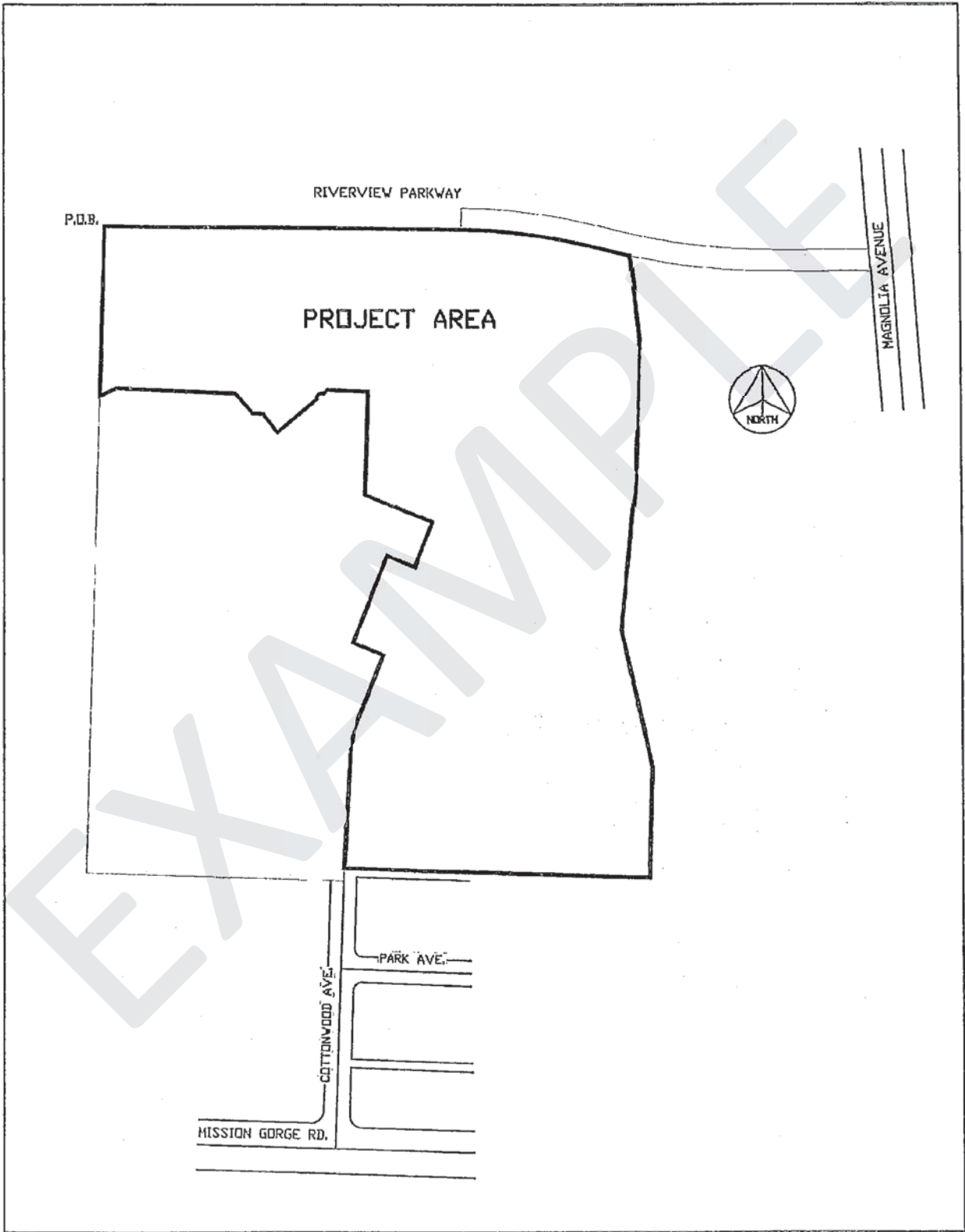
BEGINNING at the Northwest corner of said Remainder Parcel of said Parcel Map 20177, also being the Southerly 51 foot half width sideline of Riverview Parkway as shown on said Parcel Map;
THENCE along the Northerly line of said remainder parcel and said sideline, South 89°27'57" East, 851.84 feet to the beginning of a tangent 1349 foot radius curve concave Southerly;
THENCE continuing along the Northerly line of said remainder parcel line and the Southerly sideline of said roadway, Easterly along the arc of said curve through a central angle of 12°32'02", an arc distance of 295.10 feet;
THENCE continuing along the Northerly line of said remainder parcel line and the Southerly sideline of said roadway, tangent to said curve, South 76°55'55" East, 114.24 feet;
THENCE leaving the Northerly line of said remainder parcel line and the Southerly sideline of said roadway, South 06°11'22" East, 198.57 feet;
THENCE South 01°30'36" West, 297.89 feet;
THENCE South 05°27'52" West, 389.08 feet;
THENCE South 12°24'57" East, 332.78 feet;
THENCE South 01°43'22" West, 259.86 feet to the Southerly line of said Remainder Parcel;
THENCE along said Southerly line, North 88°16'38" West, 729.15 feet to the centerline of Cottonwood Avenue as said road is shown in Map 817 filed in said County Recorder's Office;
THENCE leaving said Southerly line, North 03° 01' 15" East, 307.30 feet;
THENCE North 21° 39' 38" East, 210.76 feet;
THENCE North 68° 05' 20" West, 77.99 feet;
THENCE North 21° 39' 38" East, 221.62 feet;
THENCE South 68° 05' 20" East, 71.80 feet;
THENCE North 21° 39' 38" East, 113.92 feet;
THENCE North 68° 05' 20" West, 173.41 feet;
THENCE North 01° 50' 17" East, 242.66 feet;
THENCE North 87° 31' 24" West, 93.66 feet;
THENCE South 51° 07' 19" West, 13.91 feet to the beginning of a non-tangent 13.50 foot radius curve, concave Southeasterly, a radial to said curve at said point bears North 11° 42' 45" East;
THENCE Westerly and Southwesterly along the arc of said curve, through a central angle of 101° 10' 39" a distance of 23.84 feet;
THENCE South 51° 07' 19" West, 123.31 feet;
THENCE North 38 04' 45" West, 54.32 feet;
THENCE North 85 16' 31" West, 27.32 feet;
THENCE North 42 14' 44" West, 62.08 feet;
THENCE North 87 32' 23" West, 279.35 feet;
THENCE South 66 03' 42" West, 43.78 feet to a point on the Westerly line of said remainder parcel;
THENCE along the Westerly line of said remainder parcel, North 01°45'11" East, 400.00 feet to the POINT OF BEGINNING.

Said described parcel contains 28.05 acres, more or less, subject to any and all easements, reservations, restrictions and conveyances of record.

SHT 1 OF 1



**Map of Site
San Diego Jail**



**LEGAL DESCRIPTION OF PROJECT DRIVEWAY
SAN DIEGO JAIL**

Parcel No. 2009-0171-C

(9-07-13)

That portion of the Remainder Parcel of Parcel Map No. 20177, in the County of San Diego, State of California according to Parcel Map thereof filed in the Office of the County Recorder of said County, December 21, 2006 as instrument 2006-0905062, being a private access easement 51 feet in width, also a portion of the Southerly 51 foot wide half width of Riverview Parkway as dedicated to and accepted by the City of Santee on said Parcel Map 20177, the Southerly line of said strip being more particularly described as follows:

COMMENCING at the Northeasterly corner of Parcel 6 of said Parcel Map 20177;
THENCE Easterly along the Southerly line Of Riverview Parkway per said Parcel Map 20177, a distance of 851.84 feet to the **TRUE POINT OF BEGINNING**;
THENCE continuing along the Southerly line of said Riverview Parkway, **TERMINATING** at the Westerly 51 foot half width sideline of Magnolia Avenue as shown on said Parcel Map 20177.

Said described parcel contains 2 acres, more or less, subject to any and all easements, reservations, restrictions and conveyances of record.



SHT 1 OF 1

**Map of Project Driveway
San Diego Jail**

