

30964

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is made and entered into on November 18, 2008 between the REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA ("AGENCY") and the CITY OF LONG BEACH, ("City")

Section 1. Agency hereby assigns all of its right, title and interest in that certain Occupancy Agreement After Escrow dated August 18, 2008 between Agency and Suresh C. Bhatti, Trustee of the Bhatti Family Trust Dated June 14, 1989 (the "Contract") to City. City hereby accepts the assignment from Agency and assumes all of the obligations of Agency under the Contract.

Section 2. This Assignment and Assumption Agreement constitutes the entire understanding between the parties and supersedes all other agreements, oral or written, with respect to the subject matter herein.


THE PARTIES have executed this Agreement as of the day and year first indicated above.

REDEVELOPMENT AGENCY OF THE
CITY OF LONG BEACH, CALIFORNIA

By: 
Name: CRAIG BECK
Title: EXECUTIVE DIRECTOR

AGENCY

**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.**

By:  Assistant City Manager
Name: PATRICK H. WEST
Title: CITY MANAGER

CITY

Approved as to form this 28th day of October, 2008.

ROBERT E. SHANNON, City Attorney of
the City of Long Beach

By: 
Assistant

OCCUPANCY AGREEMENT AFTER THE CLOSE OF ESCROW

As a part of the settlement for the acquisition of the subject property, the REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, A PUBLIC BODY CORPORATE AND POLITIC (Buyer) and SURESH C. BHATTI, TRUSTEE OF THE BHATTI FAMILY TRUST DATED JUNE 14, 1989 (Seller) enter into this Occupancy Agreement with the following basic terms and conditions:

- A. As a part of the settlement for the acquisition of the subject property, Seller shall be allowed to occupy the property, from the date of the close of escrow Aug 18, 2008 for a period not to exceed twelve (12) months, the monthly rental rate shall be at a rate of \$2,250.00 per month.
- B. Insurance – See Exhibit “A” attached hereto for insurance requirements.
- C. By acceptance of the terms herein and entry hereunder, Seller shall be deemed to have accepted the Property as being in good, sanitary order, condition and repair. Furthermore, Seller shall keep the Property in good order and condition and pay for any repairs to the property caused by Seller’s negligence or misuse or that of Seller’s invitees. Buyer shall otherwise maintain the Property. Seller’s personal property is not insured by Buyer.

is Notwithstanding any other terms of this agreement to the contrary, and as long as Seller in compliance with all local, state and federal laws, ordinances and codes, Seller shall have the right during his occupancy to continue to operate and maintain the Property and the inventory stored therein in the same manner as Seller is maintaining and operating the Property as of the date of this agreement.

- D. Seller shall not make or allow to be made any alterations, additions or improvements to or of the Property or any part thereof without the written consent of the Buyer and any alterations, additions or improvements to or of said Property, including, but not limited to wall covering, paneling and built-in- cabinet work, but excepting movable furniture and trade fixture, shall at once become a part of the realty and belong to the Buyer and shall be surrendered with the Property.
- E. Seller shall indemnify and hold harmless Buyer against and from any and all claims arising from Seller’s use of Property or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by the Seller in or about the Property, and shall further indemnify and hold harmless Buyer against and from any and all claims arising from any breach or default in the performance of any obligation on Seller’s part to be performed under the terms of this Occupancy Agreement, or arising from any act or negligence of the Seller, or any officer, agent, employee, guest, or invitee of Seller, and from all costs, attorney’s fees, and liabilities incurred in or about the defense of any such claim, Seller upon notice from Buyer shall defend the same at Seller’s expense by counsel reasonably satisfactory to Buyer.

Seller, as a material part of the consideration to Buyer, hereby assumes all risk of damage to property or injury to persons in, upon or about the Property, from any cause other than Buyer’s negligence; and Seller hereby waives all claims in respect thereof against Buyer. Seller shall give prompt notice to Buyer in case of casualty or accidents on or about the Property.

Buyer or its agents shall not be liable for any loss or damage to persons or property resulting from theft or attempted theft, fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any place resulting from dampness or any other cause whatsoever, unless caused by or due to the negligence of Buyer, its agents, servants or employees. Buyer or its agents shall not be liable for interference with the light, air or for any latent defect in the Property.

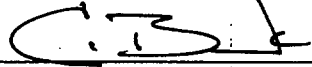
Upon vacating the Property, Seller agrees to leave the Property free from any and all hazardous materials. In complying with this requirement, Seller shall dispose of any and all hazardous materials on or about the Property in accordance with local law and Seller further agrees not to discard any hazardous materials or products by draining or dumping such materials onto the Property or pouring such materials into any drain in, on around or near the Property. Failure to remove and properly dispose of any and all hazardous materials located on or around the Property shall constitute a material breach of this contract. Seller agrees to indemnify, defend and hold Agency harmless from any and all liability, cost or damages related to the Seller's failure to remove hazardous materials or any and all contamination of the Property caused by Seller's occupancy or use of the Property.

- F. Seller shall not either voluntarily, or by operation of law, assign transfer, mortgage, and pledge, hypothecate or encumber this Occupancy Agreement or any interest therein, and shall not sublet the said Property or any part thereof.
- G. In the event Seller remains in possession of the Property beyond the twelve (12) month occupancy period referenced above with the express written consent of the Buyer, Seller understands and agrees such occupancy shall be a month-to-month tenancy at a rental rate of \$8,500.00 dollars payable on the first day of each month during the holdover period. Seller also understands and agrees that during the holdover period all terms of the Occupancy Agreement remain in full force and effect, including without limitation, the waiver of relocation benefits contained in Paragraph J below.
- H. Seller shall be responsible for the costs of any and all utilities, taxes assessed for any possessory interest tax and agrees to keep the property free from any and all liens and encumbrances initiated or caused by Seller.
- I. All rents shall be made payable and sent to The City of Long Beach, Attn.: Department of Parks, Recreation and Marine – Business Operations Division 2760 Studebaker Road, Long Beach, CA 90815 and are due the first day of each month during the tenancy.
- J. Seller acknowledges that the Buyer acquired the Property from Seller by way of that Agreement for Acquisition of real Property dated *April 10, 2008* (Full and Complete Settlement Agreement) which included compensation from Buyer for any and all relocation benefits to which Seller may be entitled. Seller reaffirms said Full and Complete Settlement and hereby waives any and all relocation benefits, whatsoever, by reason of Seller's occupancy of the Property or Seller's dislocation from same.
- K. Buyer reserves the right to assign any or all of Buyer's right, title and interest in and to this Occupancy Agreement, with or without the conveyance of its real property interest

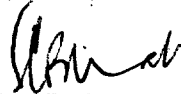
in the Subject Property. In the event of an assignment by Buyer, Seller agrees to continue with all of Seller's obligations under this Occupancy Agreement, along with any amendments thereto, without interruption.

Date: 9/8/08

REDEVELOPMENT AGENCY OF THE CITY
OF LONG BEACH, A PUBLIC BODY
CORPORATE AND POLITIC

BY: 
CRAIG BECK
EXECUTIVE DIRECTOR

Date: 8/20/2008



SURESH C. BHATTI, TRUSTEE

Date: _____

NALINI S. BHATTI, TRUSTEE

APPROVED AS TO FORM

9/2, 2008
ROBERT E. SHANNON, City Attorney
of the City of Long Beach
Attorney for the Redevelopment Agency
of the City of Long Beach, California

By 
HEATHER A. MAHOOD
ASSISTANT CITY ATTORNEY

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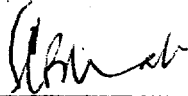
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REDEVELOPMENT AGENCY OF THE CITY
OF LONG BEACH, A PUBLIC BODY
CORPORATE AND POLITIC

BY: _____

CRAIG BECK
EXECUTIVE DIRECTOR

Date: 8/20/2008



SURESH C. BHATTI, TRUSTEE

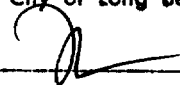
Date: 8/20/08



NALINI S. BHATTI, TRUSTEE

APPROVED AS TO FORM

9/2, 2008
ROBERT E. SHANNON, City Attorney
of the City of Long Beach
Attorney for the Redevelopment Agency
of the City of Long Beach, California

By 

HEATHER A. MAHOOD
ASSISTANT CITY ATTORNEY

Insurance Requirements

1. **COVERAGE.** Seller shall procure and maintain at Seller's sole expense for the duration of this Occupancy Agreement including any extensions, renewals, or holding over thereof, from insurance companies that are admitted to write insurance in the State of California or that have ratings of or equivalent to an A:VIII by A.M. Best and Company the following insurance:
 - (a) Commercial general liability insurance equivalent in coverage scope to ISO CG 00 01 11 85, including contractual coverage, naming the **City of Long Beach, the Redevelopment Agency of the City of Long Beach, and their boards, commissions, officials, employees, and agents and Buyer** on a form equivalent in coverage scope to ISO CG 20 26 11 85 as additional insureds from and against claims, demands, causes of action, expenses, costs, or liability for injury to or death of persons, or damage to or loss of property arising out activities performed by or on behalf of the Seller in an amount not less than One Million Dollars (US \$1,000,000) per occurrence and Two Million Dollars (US \$2,000,000) in aggregate. Said insurance shall be primary insurance with respect to Buyer and shall include cross liability protection.
 - (b) Special perils property insurance in an amount sufficient to cover the full replacement value of Seller's personal property, improvements, and equipment on the Occupancy Agreement's Premises.
2. **SELF INSURANCE.** Any self-insurance program or self-insurance retention must be approved separately in writing by Buyer and shall protect the **City of Long Beach, the Redevelopment Agency of the City of Long Beach, and their boards, commissions, officials, employees, and agents and Buyer** in the same manner and to the same extent as they would have been protected had the policy or policies not contained retention provisions.
3. **CANCELLATION.** Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, changed, or canceled by either party except after thirty (30) days prior written notice (ten (10) days for nonpayment only) to Buyer, and shall be primary and not contributing to any other insurance or self-insurance maintained by Buyer.
4. **PROPERTY INSURANCE WAIVER OF SUBROGATION.** With respect to damage to property, Buyer and Seller hereby waive all rights of subrogation, one against the other, but only to the extent that collectible commercial insurance is available for said damage.
5. **DOCUMENTATION.** Seller shall deliver to Buyer certificates of insurance and original endorsements for approval as to sufficiency and form prior to its occupancy. The certificates and endorsements for each insurance policy shall contain the original signature of a person authorized by that insurer to bind coverage on its behalf. "Claims-made" policies are not acceptable unless

6. Buyer's Risk Manager determines that "Occurrence" policies are not available in the market for the risk being insured. In a "Claims-made" policy is accepted, it must provide for an extended reporting period of not less than one hundred eighty (180) days.
7. NO LIMITATIONS ON LIABILITY. Such insurance as required herein shall not be deemed to limit Sellers liability relating to performance under this Occupancy Agreement. Buyer reserves the right to require complete certified copies of all said policies at any time. The procuring of insurance shall not be construed as a limitation on liability or as full performance of the indemnification and hold harmless provisions of this Occupancy Agreement. Seller understands and agrees that, notwithstanding any insurance, Seller's obligation to defend, indemnify, and hold Buyer, its officials, agents, and employees and Buyer harmless hereunder is for the full and total amount of any damage, injuries, loss, expense, costs, or liabilities caused by the condition of the Premises or in any manner connected with or attributed to the acts or omissions of Seller, its officers, agents contractors, employees, subtenants, licensees, patrons, or visitors, or the operations conducted by Seller, or the Seller's use, misuse, or neglect of the Premises.
8. SELLER'S FAILURE TO PROVIDE. If Seller fails to procure any coverage required by be maintained by Buyer hereunder, or renewal thereof, or to provide written evidence the procurement or renewal thereof on a timely basis, Buyer may (but is not required to), after having given five (5) working days written notice to Seller, procure such coverage and charge its cost to Seller as additional rent payable in full on the next rent payment date. Seller shall not do or permit to be done any thing that shall invalidate insurance policies to the maintained by Seller thereunder.

WAIVERS AND MODIFICATIONS. Any modification or waiver of the insurance requirements herein shall be made only with the written approval of the Buyer's Risk Manager or designee.