

## HISTORIC SITE LEASE

33339

THIS HISTORIC SITE LEASE ("Lease") is entered into between the CITY OF LONG BEACH, a municipal corporation ("Landlord"), and RANCHO LOS CERRITOS FOUNDATION, a California non-profit corporation ("Tenant"), pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting held on December 17, 2013.

### RECITALS

A. City Owned Site. Landlord is the owner of certain improved real property in the City of Long Beach commonly known as Rancho Los Cerritos Historic Site (the "Historic Site" or "Premises") which is more particularly described in Exhibit "A", attached hereto and incorporated herein by this reference. The Historic Site was transferred to Landlord from Llewellyn Bixby, Jr. subject to certain conditions set forth in the Grant Deed (the "Deed").

B. Historical Significance. The Premises is a living historical site of National and State significance which has been placed on the National Register of Historic Places. It is one of the few remaining sites that represent the development of Southern California from Indian settlements through the early California and Rancho period, to the rapid urbanization of the late Twentieth (20<sup>th</sup>) Century. The physical resources of the Premises, in combination with its history, create a potentially superb educational resource for the City and region.

C. Landlord's Obligations for Maintenance. Pursuant to the Deed, Landlord is obligated to maintain the Historical Site, including the gardens and all residential and agricultural structures, their interiors and furnishings, furniture, fixtures, utilities, carpeting, equipment, and plantings, to the extent existing on the Premises, in a manner appropriate for use of the site as a historical public park. Landlord desires to transfer many of these maintenance obligations to Tenant and desires to compensate

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Tenant for assuming this responsibility to the same extent and in the same amount that it is estimated Landlord would pay if it retained this responsibility.

D. Landlord's Obligations for Programs. It is the expressed intent of the Deed that the Historical Site be maintained in a functional condition for useful public and community activities, assemblies, and visits. Landlord is also obligated to appoint or employ a qualified "Historic Sites Officer" to care for, maintain, and operate the Historical Site. Landlord must itself meet these obligations or cause these obligations to be met by others. Landlord desires to transfer these obligations to Tenant and to compensate Tenant to the same extent and in the same amount that Landlord would pay if it met these obligations itself.

E. Public Enjoyment. Landlord desires to preserve the public enjoyment of the Historical Site and to maintain the accessibility of the facility to the public and, as a result, desires to reserve supervision of certain aspects of the operation of the Historical Site. Further, Landlord desires to preserve the art, artifacts, furniture, equipment, fittings and the like, associated with the Historical Site and its historical significance and, as a result, desires to reserve certain ownership rights with respect to those items.

1. **PREMISES.**

Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the Premises for the term, at the rent and upon the conditions set forth in this Lease.

2. **TERM.**

2.1 Initial Term. The term of this Lease shall be twenty-five (25) years commencing on October 1, 2013 ("Commencement Date") and terminating on September 30, 2038, unless earlier terminated as provided herein.

2.2 Holding Over. Any holding over after the expiration of the term of this Lease, shall be construed to be a tenancy from month-to-month, upon terms and conditions as existed during the last month of the term.

1                   3.     **USE OF THE PREMISES.**

2                   Tenant shall have the exclusive right and obligation to manage, operate and  
3 interpret the Historical Site so as to maintain the Historical Site as a historical public park.  
4 Tenant shall also enhance the educational value of the Historical Site through public and  
5 community activities, assemblies, and visits. The parties agree that this Lease covers  
6 only the surface of the Premises and only so much of the subsurface as is reasonably  
7 necessary for Tenant's use of the Premises as permitted in this Lease.

8                   Further, Tenant shall have the exclusive right and obligation to manage the  
9 Premises as provided by the Deed, and to program all activities determined by the  
10 Tenant to be consistent with its operational and fundraising requirements. The Tenant  
11 has the exclusive right to fundraise on behalf of the Premises and may charge for  
12 programs and events. The Tenant shall operate the Premises consistent with all City and  
13 state laws.

14                   4.     **RENT / TAXES / UTILITIES.**

15                   4.1     Base Rent.     Tenant shall pay to Landlord an annual base  
16 rent of One Dollar (\$1.00), payable in a lump sum at the commencement of each  
17 Lease year without set-off, deduction, notice, or demand.

18                   4.2     Additional Rent.     All monetary obligations of Tenant under  
19 this Lease, including but not limited to personal property taxes, possessory interest  
20 taxes, insurance and utility costs shall be deemed to be additional rent.

21                   4.3     Possessory Interest Taxes.     Tenant acknowledges that  
22 this Lease may create a possessory interest subject to property taxation and that  
23 Tenant may be liable for payment of taxes levied on such interest. Tenant shall  
24 promptly pay, prior to delinquency, all taxes, assessments, and other  
25 governmental fees that may be levied against the Premises, and any  
26 improvements or personal property located on the Premises, and on any  
27 possessory interest created by this Lease, and provide proof of payment to  
28 Landlord on demand.

1                   4.4 Personal Property Taxes. During the term, Tenant shall pay  
2 prior to delinquency all taxes assessed against and levied upon fixtures,  
3 furnishings, equipment and all other personal property of Tenant, if any, on the  
4 Premises and when possible Tenant shall cause said fixtures, furnishings,  
5 equipment and other personal property to be assessed and billed separately from  
6 the real property of Landlord.

7                   4.5 Utilities. Tenant shall arrange for and pay before  
8 delinquency all charges for water, gas, heat, electricity, sewer, telephone services,  
9 trash removal, and all other services and utilities used in, upon, or about the  
10 Premises by Tenant during the term of this Lease. Tenant's failure to pay  
11 municipal utility bills shall be deemed a default hereunder unless a dispute with the  
12 utility company is pending.

13                   **5. MAINTENANCE AND REPAIR.**

14                   Landlord and Tenant's maintenance and repair responsibilities at the  
15 Historic Site are as follows:

16                   5.1 The Historic Ranch House. Landlord shall be  
17 responsible for the structural portions of the Ranch House, including the main  
18 entry gate, walls, windows, veranda, roof and roof systems, wheelchair lift, furnace  
19 vaults, plumbing repairs in excess of Two Thousand Five Hundred Dollars  
20 (\$2,500.00), water heater, gas lines, sewer lines, electrical lines, and the heating  
21 system (including changing the filter), exterior painting, and brick walkway  
22 adjacent to the Historic Site. Tenant shall be responsible for the office furniture  
23 and equipment, and minor plumbing issues, such as clogged sinks, toilets, broken  
24 sink faucets, fixtures and fittings, and interior painting.

25                   5.2 Visitor's Center. Landlord shall be responsible for the  
26 structural portions of the Visitor's Center, including the walls, windows, foundation,  
27 roof, plumbing, water lines, gas lines, sewer lines, electrical lines, elevator, and  
28 HVAC system (including filter replacement). Tenant shall be responsible for the



1 exhibits, furnishings, computers and equipment, gift shop merchandise, interior  
2 painting, and minor plumbing issues.

3 5.3 1930's Gardener's Building. Landlord shall be  
4 responsible for the structural portions of the Gardener's Building and exterior  
5 painting. Tenant shall be responsible for all routine repairs and maintenance of  
6 the Gardener's Building.

7 5.4 Collections Storage Trailer. Tenant shall be responsible for all  
8 repairs and ongoing maintenance of the Trailer. Tenant shall also be responsible  
9 to keep the items stored within the Trailer in good condition. Landlord shall be  
10 responsible for the replacement of the Trailer if the trailer cannot adequately house  
11 or protect the contents.

12 5.5 Collections Storage Trailer - Located at Landlord's Tree Farm.  
13 Tenant shall be responsible for all repairs and ongoing maintenance of the Trailer.  
14 Tenant shall also be responsible to keep the items stored within the Trailer in good  
15 condition. Tenant shall be responsible for replacement of the Trailer when  
16 needed.

17 5.6 New Structures. It shall be the responsibility of the  
18 Landlord to maintain the structural integrity of all new structures constructed on the  
19 Premises, pursuant to the Rancho Master Plan. Tenant shall be responsible for  
20 the day-to-day maintenance of the structure(s) as outlined above at Section 5.1.

21 5.7 Graffiti. Tenant shall keep the Premises free from graffiti  
22 and ensure removal within forty-eight (48) hours.

23 5.8 Vector Control. It shall be the responsibility of the  
24 Landlord to maintain the Premises free from invading insects and mammals, such  
25 as but not limited to bees, rats, mice, bats, mosquitoes, and termites, etc. Should  
26 it be deemed that the Premises or any major structure of the Premises requires  
27 tenting to treat invading insects, it shall be the responsibility of the Landlord to  
28 coordinate and pay for such treatment.

1                   6.     **ALTERATIONS.**

2                   6.1     Tenant Alterations. Any alterations and additions made by  
3     Tenant to the Premises (including new construction) shall be in conformance with  
4     the requirements of all municipal, state, federal, and other governmental  
5     authorities and in conformance with the Grant Deed and other approved planning  
6     documents ("alterations"). All alterations to the Premises shall belong to Landlord.  
7     Tenant shall not remove any trees planted before 1955 without prior approval of  
8     Landlord. Any removal of fixtures, furniture or equipment or alterations shall be  
9     done in a good and workmanlike manner. Tenant shall not make any other  
10    alterations in and to the Premises without Landlord's prior written approval, which  
11    approval shall not be unreasonably withheld, conditioned or delayed. Landlord  
12    may impose as a condition to such consent such reasonable requirements as  
13    Landlord may deem necessary or desirable, including, requirements as to the  
14    manner in which and the time or times at which such work shall be done provided  
15    that, Landlord's consent shall not be unreasonably withheld, conditioned or  
16    delayed. Tenant shall describe all alterations accomplished during a lease year  
17    (or calendar year) in Tenant's Annual Report to Landlord.

18                  6.2     Contractors. Tenant shall retain the services of only such  
19    architects, engineers, contractors and other professionals who are licensed by the  
20    State of California. All work shall be performed in a thoroughly first class and  
21    workmanlike manner in conformity with the Master Plan and subsequent planning  
22    documents, and shall be in good and useable condition and repair at the date of  
23    completion. Tenant or Tenant's contractors shall be required to pay for all  
24    necessary permits and/or fees with respect to the portion of the alterations for  
25    which they are responsible and such fees and permits shall be included in the  
26    contractor's price in all instances.

27                  6.3     Bonding. Prior to commencement of approved work on  
28    improvements to the Premises exceeding One Hundred Thousand Dollars

1 (\$100,000.00), Tenant shall file or cause to be filed with Landlord, a performance  
2 bond in the amount of one hundred percent (100%) of the estimated cost of work  
3 conditioned on the faithful performance of the work, and a payment bond in the  
4 amount of one hundred percent (100%) of the estimated cost of work conditioned  
5 on payment of all claimants for labor and materials used or required in the  
6 performance of work. The bonds shall be executed by Tenant or Tenant's  
7 contractor, as Principal, and by a surety authorized to do business in California as  
8 Surety. The bonds shall name Landlord as a joint obligee with Tenant. Nothing  
9 contained herein shall be deemed to release Tenant from the duty to keep the  
10 Premises free of labor and materials liens. The performance bond shall remain in  
11 effect until completion of the work to the reasonable satisfaction of Landlord. The  
12 payment bond shall remain in effect until the expiration of the statutory period for  
13 filing liens or stop notices or until the Premises are free from the effect of such  
14 stop notices, if same have been filed.

15 6.4 Liens. Tenant shall keep the Premises free of any  
16 mechanic's, materialman's, or similar lien for any work done, labor performed or  
17 material furnished by or for Tenant, and Tenant shall protect, defend, indemnify  
18 and hold Landlord, their officials, employees and agents harmless from and  
19 against all claims, liens, demands, causes of action, liability, loss, cost and  
20 expense, including reasonable attorney's fees, of whatsoever kind or nature for  
21 any such work done, labor performed or materials furnished on the Premises or to  
22 the Tenant. In addition, if a lien is imposed on the Premises, Tenant shall notify  
23 Landlord, record a valid release of lien within thirty (30) days after the date of filing  
24 of said lien, or deposit with Landlord cash in an amount equal to one hundred  
25 twenty-five percent (125%) of the amount of said lien and authorize payment to the  
26 extent of said deposit to any subsequent judgment holder with regard to said lien.

27 6.5 Notice. Nothing in this Lease shall be deemed or  
28 construed in any way as constituting the consent or request of Landlord

(expressed or implied) to any contractor, subcontractor, laborer, or materialman for the performance of any labor or the furnishing of any materials for any alteration or repair to the Premises, any buildings or improvements thereon, or any part thereof. Landlord shall have the right at all reasonable times to post and keep posted on the Premises such notices of nonresponsibility as Landlord may deem necessary for the protection of Landlord and the fee title from mechanics' and materialmen's liens. Tenant shall give Landlord notice of intended construction, alteration or major repair work at least ten (10) days before the commencement thereof to afford Landlord an opportunity to post notices of nonresponsibility.

6.6 Disclaimer. All contracts entered by Tenant relating to the construction or use of the Premises shall contain the following clause:

"This Agreement shall in no way bind the City of Long Beach, its officials, boards, commissions, employees or agents nor obligate them for any costs or expenses whatsoever under this Agreement."

6.7 Completion. On completion of work on the Premises, Tenant shall file a Notice of Completion in the Official Records of the County Recorder of Los Angeles County.

7. **PARKING LOTS**. Landlord shall be responsible for major repairs to all parking lots, including rebuilding due to damage such as tree roots, resurfacing, and slurry sealing. Tenant shall be responsible for all other maintenance of all parking lots, including the responsibility of keeping the parking lots clean and free from obstruction.

7.1 Historic Site Entryway and Driveway. Landlord shall be responsible for the resurfacing of the asphalt driveway and repairs to the concrete turn-around on Virginia Drive. Tenant shall be responsible for routine maintenance of the driveway asphalt and the front entry wall. Tenant shall be responsible for keeping the entryway and driveway clean and free from obstruction.

1                   8.     **LANDSCAPING**

2                   8.1     Landscaping.         Tenant shall be responsible for the day to  
3 day maintenance, trimming, planting, fertilization and watering of all grounds on  
4 the Premises subject to Landlord providing groundskeeping services at a  
5 maximum of thirty (30) hours a week at no cost. If additional maintenance is  
6 required, Tenant shall hire and pay for additional maintenance services. Landlord  
7 shall be responsible for maintaining the irrigation system until a replacement  
8 system is installed (at Tenant's expense or through the use of Landlord's Capital  
9 Improvement Funding), at which time Tenant shall be solely responsible for  
10 maintaining the system. Tenant shall seek to use Capital Improvement Funding  
11 for this project.

12                  8.2     Landscape Structures.     Landlord shall be responsible for  
13 the perimeter walls and bricks, concrete and decomposed granite walking paths  
14 within the Premises. Tenant shall be responsible for all other landscape access  
15 and structures, including sidewalks, walkways, courtyard water feature, the water  
16 tower, gates, etc.

17                  8.3     Historic Trees and Landscaping.   Tenant shall be responsible  
18 to maintain the historic fig tree, as well as other historic landscape, and all trees at  
19 its sole cost and expense, including all necessary tree trimming consistent with  
20 International Society of Arbocultralist Guidelines.

21                   9.     **TENANT IMPROVEMENT ALLOWANCE.**

22                  9.1     Deferred Maintenance.     In Fiscal Year 2013, Landlord  
23 budgeted one time funds in the amount of Five Hundred Thousand Dollars  
24 (\$500,000.00) to cover deferred maintenance items identified in a "list", attached  
25 as Exhibit "B". Upon execution of this lease, Landlord shall transfer this  
26 \$500,000.00 to Tenant which is to be held in a separate and verifiable account.  
27 Landlord is aware that the budgeted amount will not cover all items on the List.  
28 On a quarterly basis, Tenant shall provide Landlord, receipts verifying that these

1 funds have in fact been used for projects on the "list" or mutually agreed upon by  
2 Tenant and Landlord. Beginning in 2015, by January 1 each year, Tenant shall  
3 submit to the Department of Parks Recreation and Marine ("the Department") a  
4 new list of outstanding maintenance items that are deemed Landlord's  
5 responsibility. The Department shall submit this List to the Landlord's City  
6 Council, with the understanding that the Landlord's City Council may or may not  
7 provide funding for the items on the List. The List of deferred maintenance items  
8 will be placed on the Landlord's Capital Improvement Project ("CIP") list in an  
9 effort to obtain necessary funding. One of Tenant's priorities shall be fundraising  
10 for capital project and operating needs; however, where possible, Tenant will  
11 endeavor to raise funds to supplement Landlord's provided funds to address items  
12 on the List.

13 **10. ASSIGNMENT AND SUBLETTING.**

14 Tenant shall not assign this Lease or sublet the Historical Site, or any  
15 interest therein, provided, however, that use of the Premises for private events in  
16 accordance with this Lease shall not be deemed a sublet.

17 **11. INSURANCE.**

18 11.1 Tenant's Insurance. Tenant shall procure and maintain, at its  
19 cost, during the term of this Lease and any extensions or renewals thereof, from  
20 an insurer admitted in California or having a minimum rating of or equivalent to  
21 A:VIII by A.M. Best Company:

22 (a) Tenant shall provide general liability insurance in the amount  
23 of Three Million Dollars (\$3,000,000.00) per occurrence, automobile  
24 liability in the amount of One Million Dollars (\$1,000,000.00)  
25 combined single limits, workers compensation, and Directors and  
26 Officers liability insurance as required by the Landlord's Risk  
27 Manager. In addition, Tenant shall provide personal property at  
28 replacement cost, commercial crime policy that includes employee

1 dishonesty with a CR 04 01, naming Landlord as loss payee. The  
2 City of Long Beach, its boards, officials, employees and agents shall  
3 be listed as additional insureds on all policies.

4 (b) Tenant shall provide working fire extinguishers.

5 (c) Landlord shall provide annual safety inspections by the  
6 Department Safety Officer. Minor safety corrections shall be made  
7 by Tenant.

8 11.2 Certificates. Upon the execution of this Lease, Tenant shall  
9 deliver to Landlord certificates of insurance with original endorsements evidencing  
10 the coverage required by this Lease. The certificates and endorsements shall be  
11 signed by a person authorized by the insurer to bind coverage on its behalf.  
12 Landlord reserves the right to require complete certified copies of all policies at  
13 any time. Such insurance shall contain an endorsement requiring 30 days' prior  
14 written notice from insurers to Landlord before cancellation or change of coverage.

15 11.3 Deductibles, Increased Limits. Such insurance may  
16 provide for deductibles or self-insured retention as may be acceptable to  
17 Landlord's City Manager or Landlord's Risk Manager. In the event such insurance  
18 does provide for deductibles or self-insured retention, Tenant agrees that it will  
19 fully protect Landlord, its boards, officials, and employees in the same manner as  
20 these interests would have been protected had the policy or policies not contained  
21 a deductible or retention provisions. Not more frequently than every three years, if  
22 in the opinion of Landlord or of an insurance broker retained by Landlord, the  
23 amount of the foregoing insurance coverage is not adequate, Tenant shall  
24 increase the insurance coverage as required by Landlord. The procuring of said  
25 insurance shall not be construed as a limitation on Tenant's liability or as full  
26 performance on Tenant's part of the indemnification and hold harmless provisions  
27 of this Lease.  
28



1                   11.4 Landlord's Insurance.       Landlord, at its cost, shall maintain  
2 "All Risk" property insurance, excluding earthquake and flood, in an amount  
3 sufficient to cover the replacement value of the buildings and improvements  
4 leased to Tenant or constructed by Tenant, and including any personal property or  
5 equipment owned by Landlord. Tenant shall be responsible for payment of any  
6 deductible under this insurance in an amount not exceeding Five Thousand  
7 Dollars (\$5,000.00) for any one occurrence.

8                   11.5 Modifications.       Any modification or waiver of the  
9 insurance requirements herein shall only be made with the written approval of the  
10 Landlord's Risk Manager or designee.

11                   12.    **DAMAGE AND DESTRUCTION.**

12                   12.1 Landlord's Duty to Repair. Tenant shall promptly notify  
13 Landlord of damage or destruction to the Premises and the date of same. Both  
14 parties shall promptly make proof of loss and proceed to collect all valid claims on  
15 their respective policies or against others based on such damage or destruction.  
16 In the event of (i) partial or total destruction of the Premises during the term of this  
17 Lease which requires repairs to the Premises, or (ii) the Premises being declared  
18 unsafe or unfit for occupancy by any authorized public authority for any reason  
19 other than Tenant's act, use or occupation, which declaration requires repairs to  
20 the Premises, Landlord shall promptly repair the Premises.

21                   All amounts received as a result of claims on policies shall be used  
22 first for repair and restoration of the Premises. Failure of Landlord to make repairs  
23 shall terminate this Lease at the option of Tenant. However, if during the last two  
24 (2) years of the term of this Lease the Premises, excluding the Historic Ranch  
25 House, are damaged as a result of fire or any other insured casualty to an extent  
26 in excess of twenty-five percent (25%) of the then replacement cost (excluding  
27 foundations), Landlord may within thirty (30) days following the date such damage  
28 occurs terminate this Lease by notice to Tenant. Landlord may terminate this

1 Lease by notice to Tenant if the Historic Ranch House is damaged as a result of  
2 fire or other insured casualty to an extent in excess of forty percent (40%) of the  
3 then replacement cost. If Landlord, however, elects to make such repairs, and  
4 provided Landlord uses due diligence in making such repairs, this Lease shall  
5 continue in full force and effect. As used in this Paragraph, replacement cost shall  
6 mean the cost of replicating the original structures and gardens in accordance with  
7 the Historic Building Code and Secretary of the Interior's standards.

8 **13. CONDEMNATION.**

9 In the event of condemnation or a transfer in lieu thereof, resulting in a  
10 taking of any portion of the Premises, Landlord or Tenant may, upon notice to the other  
11 given within thirty (30) days after such taking or transfer in lieu thereof occurs, terminate  
12 this Lease. All damages awarded for such taking shall belong to Landlord, whether such  
13 damages be awarded as compensation for diminution in value to the leasehold or to the  
14 fee provided, however, that Tenant shall have the right to claim and recover, any  
15 amounts necessary to reimburse Tenant for the cost of removing Tenant's stock and  
16 fixtures. If this Lease is not terminated as above provided, Landlord shall use the  
17 condemnation award to restore the Premises.

18 **14. INDEMNIFICATION.**

19 **14.1 Tenant's Indemnity.** Except as set forth in Section 14.2 below  
20 and except for the sole negligence, willful misconduct, or breach of this Lease by  
21 Landlord or its agents or employees, Tenant shall protect, defend, indemnify and  
22 hold harmless Landlord, its officials, boards, employees and agents from all  
23 claims, demands, damages, causes of action, losses, liability, costs or expenses,  
24 including reasonable attorney's fees, of any kind or nature whatsoever which  
25 Landlord, its officials, boards, employees, and agents may incur for injury to or  
26 death of persons or damage to or loss of property occurring in, on, or about the  
27 Premises arising from the condition of the Premises, the alleged acts or omissions  
28 of Tenant, Tenant's employees, agents, the occupancy, use, or misuse of the

Premises by Tenant, Tenant's employees, agents, approved subtenants, licensees, patrons, or visitors, or any breach of this Lease.

14.2 Landlord's Indemnity. Landlord shall protect, defend, indemnify and hold harmless Tenant, its officers, directors, employees and agents from all claims, demands, damages, causes of action, losses, liability, cost or expenses, including reasonable attorney's fees, of any kind or nature whatsoever which Tenant, its officers, directors, employees and agents may incur as a result of any claim, demand, order, cause of action or suit by a federal, state or local governmental agencies or a third party arising out of the presence or release on, to, from or under the Premises, of Hazardous Material prior to the date that Tenant first managed the Premises or at any time thereafter if such release was caused by Landlord or a third party. "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government.

15. **WAIVER OF CLAIM.**

Except for the sole negligence or willful misconduct of, or breach of this Lease by Landlord or its agents or employees, and as provided in Section 14.2 above, Landlord shall not be liable for any damages and, to the extent permitted by law, Tenant hereby waives all claims against Landlord, its officials, employees and agents for loss, theft or damage to equipment, furniture, trade fixtures, records, supplies, or any other property on or about the Premises, for loss or damage to Tenant's business, or injury to or death of persons on or about the Premises.

16. **DEFAULT AND REMEDIES.**

16.1 Default by Tenant.

(a) Events Constituting Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant: (i) the failure to pay the annual base rent, any additional rental or other payment required hereunder to or on

1           behalf of Landlord more than seven (7) days after notice from  
2           Landlord to Tenant that Tenant has failed to pay amounts when due;  
3           (ii) the failure to perform any of Tenant's agreements or obligations  
4           hereunder (exclusive of a default in the payment of money) where  
5           such default shall continue for a period of thirty (30) days after notice  
6           thereof from Landlord to Tenant; (iii) the vacation or abandonment of  
7           substantially all of the Premises by Tenant; (iv) the making by Tenant  
8           of a general assignment for the benefit of creditors; (v) the filing by  
9           Tenant of a voluntary petition in bankruptcy or the adjudication of  
10          Tenant as a bankrupt; (vi) the filing by any creditor of Tenant of an  
11          involuntary petition in bankruptcy which is not dismissed within sixty  
12          (60) days after filing; or (vii) the attachment, execution or other  
13          judicial seizure of all or substantially all of the assets of Tenant or  
14          Tenant's leasehold where such an attachment, execution or seizure  
15          is not discharged within sixty (60) days.

16          (b) Remedies. In the event of any such default by Tenant,  
17          Landlord may at any time thereafter, without further notice or  
18          demand, rectify or cure such default, and any sums expended by  
19          Landlord for such purposes shall be paid by Tenant to Landlord upon  
20          demand and as additional rent hereunder. In the event of any such  
21          default by Tenant, Landlord shall have the right (i) to continue the  
22          Lease in full force and effect and enforce all of its rights and  
23          remedies under this Lease, or (ii) to elect to terminate the Lease and  
24          Tenant's right to possession thereunder. These remedies are not  
25          exclusive but cumulative to other remedies provided by law, and the  
26          exercise by Landlord of one or more rights and remedies shall not  
27          preclude Landlord's exercise of additional or different remedies for  
28          the same or any other default.

1                   16.2 Landlord's Default. Landlord shall not be in default unless  
2 Landlord fails to perform its obligations within thirty (30) days after notice by  
3 Tenant to Landlord specifying such failure provided, however, that if the nature of  
4 Landlord's obligation is such that more than thirty (30) days are required for  
5 performance, then Landlord shall not be deemed in default if Landlord commences  
6 performance within a thirty-day period and thereafter diligently proceeds to  
7 completion within ninety (90) days. Should Landlord fail to cure its defaults as so  
8 specified, Tenant may terminate this Lease upon thirty (30) days' notice to  
9 Landlord.

10                   17. **MANAGEMENT AND OPERATIONS.**

11                   17.1 Tenant's Management and Operations. Excluding constraints  
12 caused by construction, damage or other forces outside its control or closure that  
13 has been previously approved in writing by Landlord which shall not be  
14 unreasonably withheld, delayed or conditioned, Tenant shall keep the Premises  
15 open to the public and for school tours a minimum of twenty (20) hours per week  
16 (normal public holidays excepted), and shall present the Premises in a manner  
17 which accurately reflects its history and relevance to the contemporary, culturally  
18 diverse community. Tenant shall be permitted to close the Premises from the  
19 public one (1) week out of the year for deep cleaning and maintenance.

20                   Tenant shall use its best efforts to bring local, statewide, and national  
21 recognition to the Historical Site and the City of Long Beach. Recognizing the  
22 unique and appealing quality of the Historical Site, Tenant will work cooperatively  
23 and creatively with other agencies to promote the City of Long Beach as a center  
24 for tourism and conventions, and an attractive place of business and residency.  
25 The City of Long Beach shall receive acknowledgement in all publications  
26 regarding the Historical Site.

27                   Tenant shall, in addition to its other duties under this Lease, manage  
28 and operate the Historical Site to satisfy the conditions of the Deed.

1                   17.2 Master Plan Implementation.     Tenant shall endeavor to  
2 fund and perform all other Master Plan work including exhibits, educational  
3 enhancement and site restoration and incidental maintenance ("Plan Work"). In  
4 the case of grants secured from public agencies which are required to pass  
5 through Landlord, Tenant shall execute the projects as a lessee under a sub-  
6 grantee agreement with Landlord. In consideration of the improvements to be  
7 funded by Tenant, Landlord hereby waives any and all fees in connection  
8 therewith, including construction administration fees, grant administration fees,  
9 and the like.

10                  17.3 Library.     Tenant shall be responsible for making the  
11 research library available to the public on an appointment basis.

12                  17.4 Alcohol / Fees.     Tenant may authorize the sale and/or  
13 consumption of alcoholic beverages on the Premises, so long as such activities  
14 and events are not inconsistent with the annual operating plan approved by  
15 Landlord. Tenant shall also obtain all necessary permits related to providing  
16 alcohol.

17                  17.5 Collections / Artwork / Assets.     The Historic Site Collections,  
18 including but not limited to furnishings, works of art, books, and all other historical  
19 items will remain the property of the Landlord. All new acquisitions shall become  
20 the property of the Landlord once the Tenant is no longer responsible for daily  
21 operations and management of the Historic Site.

22                  17.6 Deaccession.

23                  (a) Definition.     Deaccession is a procedure by which collections  
24 are examined by professional curatorial staff to identify items which  
25 are not pertinent or whose aesthetic and/or historical importance are  
26 sub-standard. Such items are permanently removed from the  
27 collection and legally disposed of by auction, public sale or  
28 negotiated transfer or exchange with adequate consideration.

1 (b) Deaccession Procedures. Any single object having an  
2 estimated market value of less than One Thousand Dollars (\$1,000)  
3 may be deaccessioned with the approval of Tenant's Board of  
4 Directors, and will be reported to the Landlord as part of the Tenant's  
5 Annual Report. Any single object with an estimated value of more  
6 than One Thousand Dollars (\$1,000) shall be deaccessioned only  
7 with the approval of Landlord.

8 17.7 Annual Report. For each year of the Lease, Tenant shall  
9 prepare and submit to Landlord for its approval an audited annual report within  
10 one hundred-eighty (180) days following the close of Landlord's fiscal year during  
11 the term of this Lease. The annual report shall include the annual audit,  
12 attendance, programs, deaccession activities, financial data, the operating plan for  
13 the next fiscal year, alterations and other information reasonably requested by  
14 Landlord. Tenant shall keep all of its books and records in accordance with  
15 generally accepted accounting principles and Landlord shall have the right to audit  
16 Tenant's books and records. Failure to submit this report shall be deemed a  
17 material default.

18 17.8 Filming. Tenant shall be responsible for managing and  
19 booking all filming at the Premises and shall retain all filming revenue, in  
20 accordance with the policy of Landlord's Office of Special Events and Filming.

21 17.9 Expenditure Obligations. Tenant shall have no financial  
22 obligations under this Lease other than the expenditure of: (a) the Management  
23 Fee from Landlord, (b) the net revenues from Tenant's fundraising efforts for  
24 operations, (c) the Tenant Improvement Allowance and (d) public grant monies  
25 obtained for restoration and improvement of the Premises.

26 17.10 Annual Management Fee.

27 (a) In consideration of Tenant's agreement to operate and  
28 manage the Historic Site and to continue to implement the Historic



1 Site Master Plan, Landlord agrees to pay Tenant an annual  
2 Management Fee ("Fee") designed to be sufficient to cover the  
3 maintenance and operation of costs of the Historic Site required in  
4 the Deed.

5 (b) The Fee for the first (1<sup>st</sup>) year of operation shall be Four  
6 Hundred Seventy Thousand Dollars (\$470,000). Upon execution of  
7 the Agreement, Two Hundred Fifty Thousand Dollars (\$250,000)  
8 shall be immediately transferred to Tenant. Within 60 days of  
9 execution of the agreement, Landlord will determine all costs  
10 incurred in operation of the Historic Site up to that point in Landlord's  
11 current Fiscal Year, and the difference between this amount, the Two  
12 Hundred Fifty Thousand Dollars (\$250,000) and the Fee amount of  
13 Four Hundred Seventy Thousand Dollars (\$470,000) will be  
14 transferred to Tenant.

15 (c) In the second (2<sup>nd</sup>) and third (3<sup>rd</sup>) year, Landlord will endeavor  
16 to maintain the Four Hundred Seventy Thousand Dollars (\$470,000)  
17 Management Fee unless Landlord's economic condition is such that  
18 that amount cannot be approved. Tenant's Fee shall be payable in  
19 one lump sum within fifteen (15) days after the commencement of  
20 each lease year. Tenant accepts this Fee arrangement for the first  
21 three (3) years in return for Landlord's agreement to renegotiate the  
22 Fee and amend the Lease beginning with Lease year October 1,  
23 2016 thru September 30, 2017.

24 (d) Beginning with the fourth (4<sup>th</sup>) year of the Agreement (October  
25 1, 2017) and in all subsequent years, Tenant shall negotiate the  
26 annual Fee by meeting with Landlord in the November preceding the  
27 particular year. This negotiation will include Tenant providing  
28 information on impacts to the operation of the Historic Site from

1 potential increases or decreases to the upcoming year's Fee. It is  
2 the intent of the parties that the Fee be consistent with the actual  
3 costs of operating and maintaining the Historic Site, to the extent  
4 possible within the fiscal constraints of the Landlord.

5 17.11 Transition Assistance. Upon Execution of the Lease,  
6 Landlord shall transfer Fifty Thousand Dollars (\$50,000) to Tenant as a one-time  
7 payment to assist with transitioning to the Lease Agreement.

8 **18. LOCATION.**

9 Tenant agrees that nothing contained in this Lease shall create any right in  
10 Tenant for any relocation assistance or payment pursuant to the provisions of Title 1,  
11 Division 7, Chapter 16 of the California Government Code from Landlord on the  
12 expiration or termination of this Lease.

13 **19. HAZARDOUS MATERIAL.**

14 Tenant regularly uses Hazardous Materials in the ordinary course of its  
15 operations including, without limitation, paint thinners, solvents, insecticides, paints, glues  
16 and numerous other substances commonly found in offices, households and gardens.  
17 Landlord consents to Tenant's use of these Hazardous Materials on the Premises on the  
18 condition that Tenant stores and disposes of them safely and in accordance with all  
19 applicable laws and regulations. Tenant shall not cause or permit any other Hazardous  
20 Material to be brought on, treated, kept, used, stored, disposed of, discharged, released,  
21 produced, or generated in, on, under or about the Premises by Tenant, its agents,  
22 employees, contractors, sublessees, assignees, or invitees without the prior written  
23 consent of Landlord, which consent shall not be unreasonably withheld as long as Tenant  
24 demonstrates to Landlord's satisfaction that such Hazardous Material is necessary to  
25 Tenant's operations and will be brought on, treated, kept, used, stored, disposed of,  
26 discharged, released, produced, or generated in a manner that complies with all laws and  
27 regulations relating to such Hazardous Material.

28

1                   20.     **FORCE MAJEURE.**

2                   Except as to the payment of rent, in any case where either party is required  
3 to do any act, the inability of that party to perform or delay in performance of that act  
4 caused by or resulting from fire, flood, earthquake, explosion, acts of God, war, strikes,  
5 lockouts, or any other cause whether similar or dissimilar to the foregoing which is  
6 beyond the control of that party and not due to that party's fault or neglect, shall be  
7 excused and such failure to perform or such delay in performance shall not be a default  
8 or breach hereunder.

9                   21.     **COMPLIANCE WITH LAWS.**

10                  Tenant shall comply with all applicable codes, standards and laws  
11 concerning (a) the operation of Tenant's business or (b) Tenant's use of the Premises  
12 and (c) alterations or Plan Work as defined in Section 17.2 performed by Tenant. Except  
13 as set forth in the previous sentence, Landlord shall comply with all codes, standards and  
14 laws affecting the Premises generally including seismic retro-fitting, asbestos abatement,  
15 structural alterations and the Americans with Disabilities Act of 1990 ("ADA"). Tenant  
16 shall indemnify and hold Landlord harmless from and against any and all claims of failure  
17 to comply with or violation of the ADA or other laws relating to the above-stated  
18 responsibilities. The prevailing code for the Site is the California State Historic Building  
19 Code.

20                  22.     **ENTRY AND INSPECTION.**

21                  Tenant shall permit Landlord to enter the Premises after reasonable,  
22 advance notice to inspect same, to maintain the Premises as required by the terms of this  
23 Lease, to determine if Tenant is complying with the terms, covenants, and conditions of  
24 this Lease, to serve, post, or keep posted any notice, and for any other legal purpose.  
25 Landlord shall also have the right to enter without notice in case of emergencies so as to  
26 protect the historic integrity of the Historic Site and insure safety of the public. Landlord  
27 shall be permitted to do any of the above without any liability to Tenant for any temporary  
28

1 loss of quiet enjoyment of the Historic Site provided that Landlord relocates Tenant, at  
2 Landlord's expense, to suitable temporary accommodations, if necessary.

3 **23. NONDISCRIMINATION.**

4 In connection with performance of this Lease and subject to federal laws,  
5 rules and regulations, Tenant shall not discriminate in employment or in the performance  
6 of this Lease on the basis of race, religion, national origin, color, age, sex, sexual  
7 orientation, gender identity, AIDS, HIV status, handicap or disability. It is the policy of the  
8 Landlord to encourage the participation of Disadvantaged, Minority and Women-Owned  
9 Business Enterprises, and the Landlord encourages Tenant to use its best efforts to carry  
10 out this policy in the award of all subcontracts.

11 **24. EQUAL BENEFITS ORDINANCE.**

12 Unless otherwise exempted in accordance with the provisions of the  
13 Ordinance, this Lease is subject to the applicable provisions of the Equal Benefits  
14 Ordinance ("EBO"), section 2.73 et seq. of the Long Beach Municipal Code, as amended  
15 from time to time.

16 During the term of this Lease, the Tenant certifies and represents that the  
17 Tenant will comply with the EBO. The Tenant agrees to post the following statement in  
18 conspicuous places at its place of business available to employees and applicants for  
19 employment:

20 "During the performance of a Contract with the City of Long Beach,  
21 the Tenant will provide equal benefits to employees with spouses and its  
22 employees with domestic partners. Additional information about the City  
23 of Long Beach's Equal Benefits Ordinance may be obtained from the City  
24 of Long Beach Business Services Division at 562-570-6200."

25 The failure of the Tenant to comply with the EBO will be deemed to be a  
26 material breach of the Lease by the Tenant.

27 If the Tenant fails to comply with the EBO, the Landlord may cancel,  
28 terminate or suspend the Lease, in whole or in part, and monies due or to become due

1 under the Lease may be retained by the City. The City may also pursue any and all other  
2 remedies at law or in equity for any breach.

3 Failure to comply with the EBO may be used as evidence against the  
4 Tenant in actions taken pursuant to the provisions of Long Beach Municipal Code 2.93 et  
5 seq.

6 If the City determines that the Tenant has set up or used its contracting  
7 entity for the purpose of evading the intent of the EBO, the City may terminate the  
8 Contract on behalf of the City. Violation of this provision may be used as evidence  
9 against the Tenant in actions taken pursuant to the provisions of Long Beach Municipal  
10 Code section 2.93 et seq., Tenant Responsibility.

11 **25. PERSONNEL.**

12 It is the responsibility of Tenant to obtain, hire and pay for all permanent  
13 and temporary employees or contracted individuals. Tenant shall be responsible for all  
14 personnel expenses and benefits, which may at the discretion of Tenant include,  
15 vacation, sick leave, health insurance, and retirement, etc. Tenant shall be responsible  
16 for all payroll taxes, fingerprinting, and other employee costs, such as mileage, required  
17 training, and attendance at meetings/conferences, etc., as required. Where possible,  
18 Tenant staff may, with Department approval, participate in Landlord-sponsored training  
19 courses, such as CPR, First Aid, etc.

20 **26. TECHNOLOGY EQUIPMENT.**

21 **26.1 Computers and Printers.** All Landlord owned computers,  
22 monitors, speakers, keyboards and printers at the Premises shall be transferred to  
23 Tenant at no cost for the duration of the Lease. Tenant shall accept all  
24 responsibility for repair, maintenance and replacement for these items.

25 **26.2 Software.** Tenant shall retain existing Landlord licensed  
26 software, but Tenant shall immediately obtain a license in Tenant's name for such  
27 software. Out of license software existing on Landlord's computers shall be  
28 transferred to Tenant.

1                   26.3 Internet Access.    Tenant shall provide and pay for all  
2 Internet access and all website providers to the Premises.

3                   26.4 Copiers.       All Landlord copiers shall be transferred to  
4 Tenant for the duration of the Lease.

5                   26.5 Telephones. All Landlord landline telephones shall be  
6 returned to the Landlord. Tenant shall retain all telephone infrastructure. All  
7 Landlord mobile phones shall be returned to Landlord. Tenant will provide and  
8 pay for all landline and mobile telephones.

9                   26.6 Cable.        Tenant shall provide and pay for any television  
10 and cable access.

11                  26.7 Video Equipment. All Landlord video equipment shall be  
12 transferred to Tenant for the duration of the Lease.

13                  Upon execution of the Agreement, Landlord and Tenant will work together  
14 over the first few months to ensure proper transfer of assets.

15                  27.    **MISCELLANEOUS.**

16                  27.1 Interpretation.       This Lease shall be construed and  
17 interpreted in accordance with the laws of the State of California.

18                  27.2 Partial Invalidity.    If any term, covenant, condition or  
19 provision of this Lease is held by a court of competent jurisdiction to be invalid,  
20 void, or unenforceable, the remainder of the provisions hereof shall remain in full  
21 force and effect.

22                  27.3 Successors in Interest.   The covenants herein contained  
23 shall apply to and bind the heirs, successors, executors, and administrators of the  
24 parties and the parties shall be jointly and severally liable hereunder.

25                  27.4 Relationship of Parties.   The relationship of the parties is  
26 that of Landlord and Tenant, and Landlord is not a partner of Tenant or a joint  
27 venturer with Tenant.  
28

1                   27.5 Volunteers. All volunteers shall sign a waiver form that  
2 states that they hold Tenant and Landlord harmless for any injury or loss of or  
3 damage to personal property. All volunteers who work with school children shall  
4 be pre-screened thru Live Scan as provided by Landlord.

5                   27.6 Notices. Whenever notice is required, such notice shall  
6 be in writing and shall be personally delivered or deposited in the U.S. Postal  
7 Service, certified mail, return receipt, postage prepaid, addressed, if to Landlord:  
8 to City of Long Beach, 333 West Ocean Boulevard, Long Beach, California,  
9 90802, Attn: City Manager, and if to Tenant: Rancho Los Cerritos Foundation,  
10 4600 Virginia Road, Long Beach, California 90807, Attn: Executive Director.  
11 Either party may change the address set forth herein by notice to the other. Any  
12 notice or demand given by certified mail shall be effective on the date shown on  
13 the return receipt.

14                  27.7 Waiver. No delay or omission in the exercise of any right  
15 or remedy by a non-defaulting party shall impair such right or remedy or be  
16 construed as a waiver. Any waiver by either party of any default must be in writing  
17 and shall not be a waiver of any other default concerning the same or any other  
18 provision of this Lease.

19                  27.8 Time. Time is of the essence in this Lease, and every  
20 provision hereof.

21                  27.9 Integration and Amendments. This Lease represents and  
22 constitutes the entire understanding between the parties and supersedes all other  
23 agreements and communications between the parties, oral or written, concerning  
24 the subject matter herein. This Lease shall not be modified except in writing  
25 signed by the parties and referring to this Lease.

26                  27.10 Joint Effort. This Lease is created as a joint effort between  
27 the parties and fully negotiated as to its terms and conditions and nothing  
28 contained herein shall be construed against either party as the drafter.



1                   27.11 No Recordation.     This Lease shall not be recorded.

2                   27.12 Captions and Organization.     The various headings and  
3 numbers herein and the grouping of the provision of this Lease into separate  
4 sections, paragraphs and clauses are for convenience only and shall not be  
5 considered a part hereof, and shall have no effect on the construction or  
6 interpretation of this Lease.

7                   27.13 Termination. This Agreement may be terminated, (i) by either  
8 party, at any time with or without cause, upon six (6) months written notice to  
9 either Landlord or to Tenant's Board Chair as applicable, and (ii) by Tenant, at  
10 Tenant's option, upon thirty (30) days' written notice to Landlord in the event  
11 Landlord is in default or delinquent on its payment obligations hereunder.

12                  27.14 Record Retention. Tenant shall retain all records relating to  
13 this lease for a minimum of five (5) years.

14                  27.15 Surrender of Site. Upon termination of this Lease, Tenant  
15 shall surrender the Premises in a good, clean and sanitary condition, reasonable  
16 use and wear thereof and damage by fire, act of God, or by the elements  
17 excepted. Tenant shall return to Landlord any personal property of Landlord held  
18 by Tenant for use at the Premises. Any governmental grant funds received by  
19 Tenant or to be received by Tenant for use on or for the Premises shall be  
20 transferred and assigned to Landlord upon termination. Upon termination due to  
21 Tenant's default, Landlord shall receive a prorated refund of the Management Fee  
22 advanced under Section 17.10.

23 ///

24 ///

25 ///

26

27

28

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

The parties have executed this Lease on the day and year first above written in Long Beach, California.

RANCHO LOS CERRITOS FOUNDATION,  
a non-profit corporation

December 17, 2013

By [Signature]  
Name Kevin S. Kayse  
Title Chairman, RLCT

12/17, 2013

By [Signature]  
Name WILLIAM W. LOBBER  
Title VICIR CHAIR

"Tenant"

CITY OF LONG BEACH, a municipal  
corporation

12.20, 2013

By [Signature] **Assistant City Manager**  
City Manager

"Landlord"

EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

This Contract is approved as to form on Dec 18, 2013.

CHARLES PARKIN, City Attorney

By [Signature]  
Deputy





# RANCHO LOS CERRITOS HISTORIC SITE

0 25 50 75 100 Feet



**Key Deferred Maintenance Needs at Rancho Los Cerritos**

Rev. September 2013

- List includes the most critical items and is not inclusive of all deferred maintenance at the Rancho.
- Repair/replacement projects must be implemented following the Secretary of the Interior's Standards.
- Items listed in current priority order.
- Maintenance costs are estimates only actual costs may be significantly higher.

Key Deferred Maintenance Items	Estimated Cost	Notes
Repair veranda pillars, base posts, upstairs floor, and fascia boards	75,000	Severe dry rot and wood fungus growing in several areas, and posts separating from supporting timbers--need structural engineer to assess damage and recommend repairs. This is a very rough estimate based on replacement of one major post for \$16,000 several years ago.
Repair and resurface driveway and parking lot	80,000	Asphalt too far-gone to slurry seal. Also have significant tripping hazards in the forecourt parking lot from root damage to asphalt. Cost is based on estimate from 2011 plus inflation.
Termite treatment & repair of termite-damaged wood	15,000	Last treatment in 2001. Evidence of termites is everywhere in house. Believe we need to tent entire adobe structure at this point. Rough cost estimate.
Brick pathway and brick veranda repairs	35,000	Major safety issue. Eroded 1840s bricks on verandas need to be turned or replaced in kind; brick path in garden needs to be reset after dealing with roots, cracked bricks, etc.
Garden wall repointing	150,000	Wall installed 1930, mortar completely gone in sections, bricks cracked. Must match existing per Sec. Of Int. Based on cost estimates from 2008.
Repair or replace approx. 30% garden bed borders	7,000	Wood has rotted and/or split in a number of areas, missing in others. Has become a safety issue along some of the paths.
Repairs to wisteria arbor	10,000	Wood is decayed in a number of key areas.
Complete proper installation of gas line to caretaker kitchen & finish furnace repairs	10,000	Investigate gas smell in kitchen; repair furnace lines so that all furnaces function properly; install gas line in kitchen within the wall.
Furnace upgrade/replacement	90,000	Replace gravity-fed furnaces which date to 1930 if unable to repair. 11 furnaces are in underground vaults, ducting goes through adobe walls. Cost estimate suggestion by PRM maintenance.
Reseal windows and repair framing at northeast corner of building	6,500	Need to repair and reglaze; rain gets into kitchen and upstairs office. Cost estimate is from 2011.
Install new fully automated irrigation system in backyard and inner courtyard; install system in those areas of the property where none exists	173,000	Irrigation dates to 1930 and only covers backyard and inner courtyard; weekly repairs! Cost. based on inflated estimates from 1994 when system was designed by Bob Cloud.
Refinish woodwork in library—baseboards, cabinets and shelves; refinish wood floor	20,000	Floor has not been refinished in at least 31 years; library baseboards and cabinets also in bad shape.
Repair railings to stairs in main garden and by the picnic tables	1,000	Railings loose and unsafe; one was removed due to hazardous conditions and needs to be replaced.
Repair hallway and sunporch tile	1,500	Repair deep cracks in historic tiles in hallway; cracks are widening. Repair/replace tiles that are breaking in sunporch.
Investigate water problem in adobe wall of bathroom in main house and repair	2,000	Round damage on stucco indicates there may be a slow leak in a pipe inside the wall? Cost estimate may be low, depending on what is found.
Repair wood floor in new visitor center	2,000	Flawed design; wide cracks between boards and some coving have created tripping hazards.
Repair electrical wiring to light fixture at forecourt entry; and light fixture on upper veranda	3,000	Need to run new conduit under road and up column to provide power to light fixture at forecourt entry. Fixture on upper veranda needs to be rebuilt and rehung.

Patch soil cement drive	5,000	Drive is over 25 years old and soil cement has pulverized to dust in some areas; in other areas, edges are completely eroded. Situation creates both tripping hazards and major dust clouds on windy days.
Repair or replace concrete pad outside old visitor center	2,000	Major crack across the 1930 entire concrete pad.
Refinish wooden floors in dining room and parlor	4,000	Wood floors have not been refinished in at least 31 years.
Investigate source of water under north wing kitchen; repair	30,000	Area has been dry for two years, prior to that we had severe flooding and "waterfalls" in the heater/water heater vault. Health issue; also safety concerns for adobe structure. Water source unknown; past investigations have been inconclusive, water appears without any logic. Next time this occurs, need to remove kitchen floor to investigate. Estimate may be low, depending on what is found.
Tree trimming	40,000	Some 1840s and 1930s trees have never been pruned, others haven't been pruned in 10+ years.
Paint exterior woodwork—double veranda, sunporch, window frames, doors, etc.	6,000	Last painting was done in 2001; paint peeling in areas, exposing wood to dry rot.
<b>TOTAL</b>	<b>\$768,000</b>	

The Rancho Los Cerritos Foundation has pre-approval from the City to use funds from the \$500,000 listed in Section 9 of the Lease (TENANT IMPROVEMENT ALLOWANCE) on any of the items listed here. The Foundation will seek agreement from the City's Director of Parks, Recreation and Marine in advance of using any funds from the \$500,000 listed in Section 9, for projects not listed here.