OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

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AMENDED AND RESTATED LEASE

25092

THIS LEASE is made and entered, in duplicate, as of December 16, 2008, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting held on December 16, 2008, by and between the CITY OF LONG BEACH, a municipal corporation ("Lessor"), and CHOURA VENUE SERVICES, a California corporation, whose address is 4101 E. Willow, Long Beach, California 90815 ("Lessee").

WHEREAS, the parties entered Lease No. 25092 in 1997 and subsequently amended and supplemented the Lease several times; and

WHEREAS, the parties desire to re-state the various amendments and supplements to the Lease in one document, as well as to further amend the Lease;

NOW, THEREFORE, in consideration of the mutual terms, covenants, and conditions contained in this Amended and Restated Lease, the parties agree as follows:

 LEASED PREMISES: Lessor hereby leases to Lessee and Lessee hereby accepts "as is" and leases from Lessor that portion of the premises described in Exhibit "A" attached hereto and incorporated herein by this reference, commonly known as El Dorado Restaurant at 2400 Studebaker Road, Long Beach, California ("Premises").

Lessee acknowledges that he has not received and Lessor has not made any warrant, express or implied, as to the condition of the Premises.

- 2. <u>TERM.</u> A. The term of this Lease shall commence at 12:01 a.m. on January 1, 2009 (the "Commencement Date"), and shall terminate at midnight on December 31, 2013. This Lease shall terminate automatically upon the bankruptcy, either voluntary or involuntary, of Lessee. The Lease may be extended for three (3) additional periods of five (5) years each at the discretion of the City Manger through mutual consent with Lessee with Sixty (60) days Notice.
- B. Lessee shall not be in default of any provision of this Lease at the time that Lessee gives notice requesting any extension and, if Lessee is in default, then Lessee shall be deemed to have waived his ability to extend this Lease. If Lessee

defaults after giving such notice, then Lessor shall have the right to reject and rescind unilaterally and immediately Lessor's acceptance of a lease extension.

- 3. HOLDING OVER. If Lessee holds over after the expiration of the initial term or any extension, with or without the express consent of Lessor, such holding over shall be a tenancy from month to month only, and not an extension or renewal of this Lease. Such month to month tenancy shall be subject to the terms, covenants, and conditions herein, except that rent shall be one hundred fifty percent (150%) of the rent stated in Section 6 provided that Lessor has completed its "Request for Proposal" process at least sixty (60) days prior to the expiration of the extended term and that Lessor has timely obtained authorization of its City Council to execute an extension or a new lease. If Lessor has not met one or both of these conditions, then Lessee shall not be obligated to pay the holdover rent. Nothing in this Section shall be construed as consent by Lessor to any holding over by Lessee.
- 4. <u>USE</u>. A. The Premises shall be used solely to sell to the public food and beverages, including alcoholic beverages, rental of banquet rooms and the operation of a full service event planning center, associated with the Event Center commonly known as the Garden Pavilion. Lessee may provide and operate an "on course snack bar" with a standard, typical assortment of food and beverages according to a schedule mutually agreed by Lessor and Lessee.

Lessee shall not use the Premises for any other business and there shall be no indicia of any other business at, on, through, to, or in the Premises including but not limited to telephone listings or lines, storage, catering, food service, sales of goods, preparation of food for delivery off of the Premises, or parking of vehicles (except the personal automobiles of Lessee and Lessee's employees).

B. Lessee shall not use the Premises nor conduct its business in any manner that will create a nuisance, unreasonable annoyance, or waste. Lessee shall not make or permit any noise or odors that constitute a nuisance within the meaning of California Civil Code Section 3479 or California Penal Code Section 370. Lessee shall

not store chairs, tables, linens, dishes, cookware, flatware, utensils, pots, pans, catering supplies or equipment, miscellaneous cooking supplies and equipment, heaters, risers, or the like except as necessary for use on the Premises, in the reasonable opinion of the Director of Parks, Recreation and Marine (referred to as Director). Lessee shall obtain and maintain all licenses required by the California Alcoholic Beverage Control so that Lessee can serve alcoholic beverages on, at and from the Premises.

- C. Lessee shall use the Premises and operate its business in compliance with all laws, ordinances, rules, and regulations of and obtain such permits, licenses, and certificates required by all federal, state and local governmental authorities having jurisdiction over the Premises and Lessee's business thereon. Lessee shall submit to the Director copies of all permits, licenses, and certificates within five (5) days after Lessee's receipt of same.
- D. Lessee shall ensure that all activities and guests affiliated with an event at the Garden Pavilion shall remain within the designated area as described on Exhibit "B". Events booked through Choura Venue Services shall comply with the boundaries set by this Lease and shall not create a nuisance or unreasonable annoyance for guests of the American Golf Corporation.
- 5. HOURS OF OPERATION. The following applies to the "on course snack bar", the restaurant snack window and the restaurant. Lessee shall post the hours of operation in a conspicuous location. Lessee shall not change the hours of operation, except for the following reasons: adjustments for standard time and daylight savings time; (b) inclement weather conditions; or (c) prior consent from the Director of Golf Operations Superintendent. The "on course snack bar" shall open no later than thirty (30) minutes after dawn and close no earlier than thirty (30) minutes after dusk. The restaurant snack window shall operate from dawn to dusk. The restaurant hours shall be determined by mutual agreement between the Director, Golf Operations Superintendent and Lessee. All other provisions of this Section still apply.
 - 6. RENT. A. Lessee shall pay as rent monthly installments during the

term and any extension, in an amount equal to the greater of a percentage of monthly gross sales receipts or the minimum monthly installment. Effective January 1, 2009 through December 31, 2013 the monthly percentage rent will be 8% of monthly gross sales receipts and the minimum monthly installment shall be \$7,400.00. Effective January 1, 2014 through December 31, 2018 the percentage rent will be 10% of monthly gross sales receipts and the minimum monthly installment shall be \$7,400.00.

- B. Upon execution of the contract, the Lessee shall complete a capital improvement project, as defined in Section 7, with a value of \$25,000 by December 31, 2011. The Director of the Department of Parks, Recreation and Marine shall approve the scope of the project.
- C. "Gross receipts" shall mean: a) all sales made in, on, or through the Premises, by Lessee, its agents, licensees, concessionaires, subtenants, or any other person or entity acting under contract with Lessee, whether in cash or on credit, and whether payment is collected or not, without any deductions, except sales taxes payable to the State of California, a municipal corporation, or some other governmental entity; b) all charges for the use of banquet rooms and the Event Center commonly known as the Garden Pavilion on the Premises and for services performed by Lessee, its agents, licensees, concessionaires, subtenants, or any other person or entity acting under contract with Lessee in connection therewith; c) all sums charged at or deposited in vending machines on the Premises, regardless of the ownership of said vending machines; d) all sums received by Lessee from the State or retained by Lessee relating to Lessee's sales of lottery tickets; and e) proceeds from business interruption or similar insurance.
- D. Lessee shall pay monthly installments of rent on or before the twentieth (20th) day of each month and, if payment is based on gross receipts, then the calculation of rent due shall be made on gross receipts received for the month preceding the month in which payment is due. During the first month of the term of this Lease Lessee shall pay the minimum monthly installment of \$7,400 provided, however, that if Lessee's gross

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receipts for the first month of the term exceed the minimum monthly installment, then Lessee shall pay the difference between the minimum monthly installment and eight percent (8%) of gross receipts on or before the twentieth (20th) day of the second month of the term. After the expiration or termination of this lease or any extension, Lessee shall pay rent for the final month of the term on or before the twentieth (20th) day of the month following the final month.

- E. If any payment due to Lessor hereunder, however designated, is not made when due, Lessee shall pay an additional sum equal to ten percent (10%) per annum of the payment due and unpaid.
- Upon execution of each renewal option, the minimum monthly installment shall be adjusted using the 75% formula (75% of the average annual rent paid by Lessee for the prior five (5) years divided by twelve (12)). At no point during the term of extensions of the Lease shall the minimum monthly installment fall below \$7,400.00.
- In addition to the adjustment of the minimum monthly installment, G. upon execution of each renewal option, Lessee shall complete a capital improvement project, as defined in Section 7, with a value of \$25,000 within 12 months of executing the renewal. The Director of Department of Parks, Recreation and Marine shall approve the scope of the Capital Project.
- H. Lessee shall pay as additional rent any sum expended by Lessor under Section 8(B), Section 9 and Section 21. Any other sums that Lessee is required to pay under this Lease shall also be deemed additional rent.
- 7. CAPITAL IMPROVEMENT PROJECTS ACCOUNT. A. Lessor will establish a trust account within the General Fund as stated in Section 7E to be used to reimburse Lessee for capital improvement projects made to the Premises as defined by Section 7D.
- Prior to commencing with a capital project. Lessee shall obtain prior B. written approval from the Director of Parks, Recreation and Marine. reimbursement from this trust account for said project, Lessee shall have obtained written

approval of the reimbursement at the time authorization was obtained for commencing with the project. Such requests shall be submitted in writing to: Department of Parks, Recreation and Marine, 2760 N. Studebaker Road, Long Beach, CA 90815, Attention: Director, with a copy to the Golf Operations Superintendent at the same address.

- C. Upon completion of the approved for reimbursement capital project, Lessee shall submit copies of invoices accompanied by copies of cancelled checks showing payment of said invoices. Lessor shall review such documentation and provide a determination to Lessee within 60-days of submission of all required paperwork. Paperwork shall be submitted to: Department of Parks, Recreation and Marine, 2760 N. Studebaker Road, Long Beach, CA 90815, Attention: Director, with a copy to the Golf Operations Superintendent at the same address.
- D. In order to qualify as a reimbursable capital improvement project ("Project"), the project must meet each of the following: (a) must cost \$5,000 or more; (b) must have a useful life of 10 years; (c) must improve, renovate and/or extend the life of a facility or infrastructure; (d) often takes more than a single year to complete the planning, design, and develop scope of work, specifications, competitive bidding and award of contract, secure permits and inspections and performance of work; and (e) often has multiple sources of funding, i.e. partnerships, grants, etc.
- E. Effective January 1, 2009 through December 31, 2014, 2% of the monthly payment submitted by the Lessee will be deposited into the capital improvement account. Effective January 1, 2015 through December 31, 2019, 3% of the monthly payment submitted to the Lessee will be deposited into the capital improvement account. Upon execution of the renewal options, the per month contribution to the capital improvement project fund shall be re-examined and determined by the Director of Parks, Recreation and Marine.
- BOOKS AND REPORTING. A. Lessee shall on or before the twentieth (20th) day of each month deliver to the Director of Parks, Recreation and Marine, or designee, at 2760 N. Studebaker Road, Long Beach, California 90815-1697,

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Attention: Accounting, a signed statement, using a form approved by Lessor, showing gross receipts of each day of the preceding month.

- B. If Lessee fails to prepare and deliver or cause to be prepared and delivered the statements as and when required above and such failure continues after thirty (30) days' notice thereof by Lessor to Lessee, Lessor may audit or cause an audit to be made of all books of account and other records relating to Lessee's operations conducted in, on or from the Premises and may prepare the statement or statements which Lessee failed to prepare and deliver. Said audit shall be in addition to the special audit in Section 9. Lessee shall pay on demand all expenses of such audit and the preparation of any such statements and all sums as may be shown by such audit to be due as rent together with interest thereon, as stated elsewhere herein, from the date of Lessor's demand.
- C. Lessee shall keep or cause to be kept during the initial term of this Lease, all extensions, and for four (4) years after the end of Lessee's fiscal (accounting) year complete books of account and other records reflecting all business conducted in, on or from the Premises. Such books of account and records shall include a daily record of gross receipts categorized as indicated in Section 6.B. Lessee shall maintain a method of accounting for the receipts and disbursements in connection with all business conducted in, on or from the Premises which correctly reflects all gross receipts and disbursements. Lessee's books of account and records shall include but not be limited to general ledgers, cash receipts, sales and purchases journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements and the like, state sales tax returns, state and federal income tax returns, and any other accounting records that Lessor's City Auditor deems reasonably necessary for proper reporting of gross receipts. Lessee shall furnish or cause to be furnished to Lessor, on request, copies of Lessee's quarterly state sales and use tax returns, as filed with the State. Lessee's books of account and records shall reflect only those transactions conducted in, on or from the Premises and shall not be maintained on a consolidated

basis with other activities of Lessee or with any other entity. Said books of account and records shall be kept and maintained in accordance with generally accepted accounting practices.

- D. Lessor shall have the right at any reasonable time during the term and for four (4) years after expiration or sooner termination of this Lease to examine and audit said books of account and records, without restriction, at Lessor's cost except as stated in Section 9. In addition, Lessor may observe Lessee's operations to confirm the accuracy of said books of account and records.
- E. All sales (including sales relating to rentals and banquets) shall be recorded by means of cash registers which publicly display the amount of each sale and automatically issue a receipt or certify the amount recorded on a sales slip, or an equivalent system for processing sales, that provides a cumulative total. Such sales shall be recorded in the register prior to closing the register for the day. This includes all payments made in the form of cash, money order, check, debit and credit. Said cash registers or equivalent system shall have locked-in sales totals and transaction counters which are constantly accumulating and which cannot be reset, and a tape located within the register on which transaction numbers and sales details are imprinted. Beginning and ending cash register readings shall be made a matter of daily record. Lessee shall not replace said cash register or equivalent system or purchase or install any other cash register or equivalent system without the prior approval of Lessor's City manager or designee.
- F. Within one hundred twenty (120) days after the end of each calendar year during the Lease term and within one hundred twenty (120) days after the expiration or sooner termination of this Lease, Lessee shall submit to Lessor an "Agreed Upon Procedures Report" prepared by an independent certified public accountant that verifies the gross receipts for the prior year (or partial year in the case of expiration or sooner termination) as well as the accuracy of rent paid to Lessor hereunder.
 - 9. SPECIAL AUDITS. Lessor shall have the right during each lease

year and within a period of four (4) years following the expiration or termination of this Lease to undertake a special audit of Lessee's books of account and records. Lessee shall cooperate fully with Lessor or Lessor's agents in the special audit. The audit shall be conducted during usual business hours. If the audit reveals a deficiency in the payment of rent to Lessor, the deficiency shall become immediately due and payable together with interest thereon as stated elsewhere herein from the date of Lessor's demand for payment of the deficiency. If the amount of any deficiency for any lease year or partial lease year exceeds three percent (3%) of the rent paid, Lessee shall pay the cost of the special audit; otherwise, the cost thereof shall be paid by Lessor.

- or improvement in or upon the Premises without the prior approval of Lessor's City Manager or designee. Any approved alterations, installations or improvements shall be made at the sole cost and expense of Lessee shall comply with all current rules and regulations and shall become the property of Lessor on expiration or sooner termination of this Lease.
- 11. MAINTENANCE. A. Lessee shall, at Lessee's sole cost and to the satisfaction of Lessor, maintain the Premises and all improvements thereon, both interior and exterior, in good condition, in substantial repair, in a safe, clean, sanitary condition, and in compliance with applicable laws and this Lease. Lessee shall remove graffiti within twenty-four (24) hours after it appears.
- B. Lessee shall furnish and maintain, at Lessee's sole cost and expense, all equipment and furnishings necessary to conduct the business permitted hereunder including but not limited to: tables, chairs, miscellaneous furniture, carpeting, flooring, drapes, blinds, light fixtures, chinaware, silverware, glassware, table service, linens, cooking utensils, and similar items necessary for the business. Upon expiration of this lease, all such personal property (excluding light fixtures, carpeting, other flooring, mirrors, specialty windows and paneling) shall be owned by Lessee.
 - C. Without limiting Lessee's duty under Section 11.A., Lessee shall:

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- 1) maintain all structures on the Premises, including but not limited to the interior and exterior walls, roof, fixtures, heating, ventilation and air conditioning equipment, appliances, hardware, windows, doors, carpeting, flooring, plumbing, and electrical systems:
 - 2) maintain all electrical, gas, and plumbing fixtures and equipment;
- 3) provide and use approved containers for trash and garbage and keep the Premises and an area surrounding them for a distance of fifty feet (50') free of trash, garbage, and litter;
- 4) vacuum, dust and sweep daily the Premises, including but not limited to lobbies, patios, walkways, tile area up to the entry way and storage areas affiliated with the Premises:
 - 5) clean all windows, as needed;
- 6) control rodents, other pest, and insects as necessary for health and safety and to prevent damage or destruction to the Premises; and
- 7) repair all existing and future damage to the Premises caused by rodents, other pest, and insects including but not limited to damage caused by termites.
- 8) maintain restroom located adjacent to the restaurant at the El Dorado Golf Course in a safe, clean, sanitary, and aesthetically pleasing condition throughout each day.
- D. Lessee's duty to maintain shall include the duty to repair and replace, as needed.
- E. If Lessee fails to maintain the Premises, Lessor may notify Lessee of said failure. If Lessee fails to correct the situation within thirty (30) days after notice or such longer period as may make the necessary correction and the cost thereof, including but not limited to the cost of labor, materials, equipment and administration, shall be paid by Lessee as additional rent within ten (10) days after receipt of a statement of said cost from Lessor. Lessor may, at its option, chose other remedies available herein or by law.

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Lessee hereby waives to the extent permitted by law any right to make repairs at the expense of Lessor or to vacate the Premises in lieu thereof as may be provided by law. Lessor shall have no obligation to perform any maintenance.

- 12. SURRENDER OF PREMISES ON EXPIRATION. On expiration of this Lease, Lessee shall peaceably deliver to the Lessor possession of the Premises and all improvements in the same or better condition than existed at the execution of this Lease, reasonable wear and tear excepted.
- 13. TAXES: Lessee acknowledges that this Lease may create a possessory interest subject to property taxation and that Lessee may be liable for payment of taxes levied on such interest. Lessee shall promptly pay, prior to delinquency, all taxes, assessments and other governmental fees that may be levied on or against the Premises, Lessee's personal property, equipment, furnishings, or trade fixtures on the Premises and any improvements to the Premises, and on any possessory interest created by this Lease, and provide proof of payment to Lessor on demand.
- 14. SUBSURFACE RESTRICTIONS. The parties agree that this Lease covers only the surface of the Premises and only so much of the subsurface as is reasonably necessary for Lessee's use of the Premises as permitted hereunder.
- 15. NONDISCRIMINATION. Lessee agrees, subject to applicable laws, rules and regulations, that no person shall be subject to discrimination in the performance of this Lease on the basis of race, color, religion, national origin, sex, sexual orientation, gender identification, AIDS, HIV status, age, disability, or handicap.
- 16. UTILITIES. Lessee, at its cost, shall make arrangements for and pay for all utility installations and services furnished to or used by it, including and without limitation telephone, gas, water, refuse collections, recycling, sewer, electricity services and for all connection charges.
- 17. STANDARD OF SERVICE. A. Lessee shall maintain an adequate and proper staff for the operation of business hereunder. Lessor's City Manager or designee may give Lessee notice that the conduct of an employee of Lessee is, in the

reasonable belief of Lessor, detrimental to the interest of the public patronizing the business hereunder. Lessee shall meet with Lessor to discuss such matter and Lessee shall take reasonable measures to assure Lessor that the conduct of Lessee's employees will not be detrimental to the interest of the public.

- B. Lessee shall provide uniforms and name badges for all employees working on the Premises. Lessee shall give personal attention to the conduct and operation of the business on the Premises, and in Lessee's absence from the Premises, leave a competent and reliable agent in charge. However, Lessee shall not be absent from Lessee's duties for a period in excess of seven (7) consecutive days without the prior approval of Lessor.
- C. Lessee shall provide service to the public with food and beverages of the best quality and at reasonable charges. Lessor shall have the right to approve the type of service rendered and order such service to be improved, discontinued or remedied.
- D. Lessor may inspect Lessee's operation. Upon completion of the inspection, Lessor shall submit a copy of the findings to Lessee providing adequate time for correction of deficiencies. If Lessee fails to correct a deficiency identified, the Lessee shall be in default on this Lease.
- 18. <u>HAZARDOUS MATERIALS</u>. Lessee shall not keep or allow to be kept on the Premises any goods, merchandise, supplies, personal property, materials, or items of any kind which are in any way explosive or hazardous except those limited ones which are necessary for Lessee to operate a restaurant on the Premises provided that Lessee disposes of same as required by law. Lessee shall comply with California Health and Safety Code Section 25359.7 or its successor statute regarding notice to Lessor on discovery by Lessee of the presence or suspected presence of any hazardous material on the Premises. "Hazardous" refers to and means anything which is or becomes regulated by the City of Long Beach, the County of Los Angeles, the State of California, or the United States government.

19. PRICING. Lessee shall at all times maintain a complete list of the prices charged for food, beverages, rentals and services, and combinations thereof. Said prices shall be approved, in writing, by the Director and shall be fair and reasonable, based on needs of the public for them, and comparable to prices for similar foods, beverages, rentals, and services, and combinations thereof, in the Long Beach area. Lessee shall notify the Director or his designee thirty (30) days prior to any increases in prices for foods, beverages, rentals, and services, and combinations thereof. In the event the Director or his designee notifies Lessee that prices are not approved, Lessee shall have the right to confer with the Director and justify said prices. Following reasonable conference and consultation thereon, Lessee shall make such price adjustments as may be directed by the Director or his designee. Lessee may appeal the determination of the Director or his designee to the City manager, whose decision thereon shall be final. However, Lessee shall comply with the price adjustment directed by the Director (or his designee) pending the final ruling thereon by the City Manager.

- 20. <u>SAFETY</u>. Lessee shall immediately correct any unsafe condition on the Premises, as well as any unsafe practices occurring thereon. Lessee shall promptly call for emergency medical care for any member of the public who is in need thereof because of illness or injury occurring on the Premises. Lessee shall cooperate fully with Lessor in the investigation of any injury or death occurring on the Premises, and shall make a prompt report thereof to the Director.
- 21. <u>SIGNS</u>. Lessee shall not place, affix, maintain, or permit any sign, advertisement, name, insignia, logo, descriptive material, or similar item (collectively "sign") on the Premises without the prior approval of the Director or designee. Sign shall also include any advertising in newspapers, magazines, trade journals, and radio and television commercials. Any approved sign shall be maintained by Lessee, at its cost, in good condition. Any sign not approved by Lessor may be removed by Lessor at Lessee's cost. The cost of removal shall be additional rent.
 - 22. INDEMNITY. Lessee shall defend, indemnify and hold Lessor, its

officials, employees, and agents harmless from all claims, demands, damages, causes of action, losses, liability, costs and expenses, including reasonable attorney's fees, of any kind or nature whatsoever arising from the occupancy, use, or misuse of the Premises by Lessee, Lessee's employees, agents, subtenants, licenses, invitees, concessionaires, or visitors, from the condition of the Premises, the alleged negligent acts or omissions of Lessee, Lessee's employees or agents, or any default in the performance of any obligations on Lessee's part to be performed under this Lease.

- 23. <u>INSURANCE</u>. Concurrent with the execution of this Lease, Lessee shall procure and maintain, at his cost, during the term of this Lease and any extensions thereof from an insurer admitted in California or having a minimum rating of or equivalent to A:VIII by A.M. Best Insurance Guide:
 - a) Comprehensive General Liability insurance, including products, fire legal liability, and liquor liability coverage, with a combined single limit of at least One Million Dollars (\$1,000,000) for each occurrence for Two Million Dollars (\$2,000,000) general aggregate. Lessor, its officials, employees and agents shall be covered as additional insureds with respect to liability arising from activities performed by or on behalf of Lessee on the Premises. Said insurance shall be primary insurance with respect to Lessor and shall include a cross liability protection.
 - b) "All Risk" property insurance in an amount sufficient to cover the full replacement value of the buildings and structural improvements leased to Lessee by Lessor. Lessor shall be named as an insured under a standard loss payable endorsement.
 - c) "All Risk" property insurance in an amount sufficient to cover the full replacement value of Lessee's personal property and equipment on the Premises.
 - d) Business interruption insurance insuring that the rent due Lessor shall be paid for a period of up to twelve (12) months if the Premises are destroyed or rendered inaccessible.

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e) Workers' compensation insurance as required by the California Labor Code.

Upon the execution of this Lease, Lessee shall deliver to Lessor certificates of insurance with original endorsements evidencing the coverage required by this Lease. The certificates and endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. Lessor reserves the right to require complete certified copies of all policies at any time. Said insurance shall contain an endorsement requiring thirty (30) days' prior written notice from insurers to Lessor before cancellation or change of coverage.

Said insurance may provide for such deductibles or self-insured retention as may be acceptable to Lessor's City Manager or his designee. In the event such insurance does provide for deductibles or self-insured retention, Lessee shall fully protect Lessor, its officials, and employees in the same manner as these interests would have been protected had the policy or policies not contained deductibles or retention provisions. With respect to damage to property, Lessor and Lessee hereby waive all rights of subrogation but only to the extent that collectible commercial insurance is available for said damage.

Not more frequently than every three (3) years, if in the opinion of Lessor or of an insurance broker retained by Lessor, the amount of the foregoing insurance coverages is not adequate, Lessee shall increase the insurance coverage as required by Lessor.

The procuring of said insurance shall not be construed as a limitation on Lessee's liability or as full performance on Lessee's part of the indemnification and hold harmless provisions of this Lease; and Lessee understands and agrees that, notwithstanding any insurance, Lessee's obligation to defend, indemnify and hold Lessor, its officials and employees harmless hereunder is for the full and total amount of Lessee's liability.

Any modification or waiver of the insurance requirements herein shall only

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be made with the written approval of the Lessor's Risk Manager or designee.

- 24. <u>CAPTIONS</u>. The headings and numbers herein and the grouping of this Lease into separate Sections, paragraphs, and clauses are for convenience only and shall not be considered a part hereof and shall have no effect on the interpretation of this Lease.
- 25. <u>JOINT EFFORT</u>. This Lease is created as a joint effort between the parties and fully negotiated as to its terms, covenants and conditions. This Lease shall not be construed against either party as the drafter. The relationship of the parties is that of Lessor and Lessee, and the parties agree that nothing contained in this Lease shall be deemed or construed as creating a partnership, joint venture, principal-agent, association, or employer-employee relationship between them or between Lessor and any third person or entity.
- 26. NO WAIVER BY LESSOR. The failure or delay of Lessor to re-enter the Premises, to insist on strict enforcement of any term, covenant, or condition, or to exercise any right, power, privilege, or option arising from any breach or default shall not impair any such right, power, privilege, or option or be construed or deemed a waiver of such breach or default or relinquishment of any right, power, privilege or option. The receipt and acceptance by Lessor of delinquent rent shall not constitute a waiver of any other default but shall only constitute a waiver of timely payment for the particular rent payment involved. Any waiver by Lessor of any default or breach shall be in writing and shall not be construed to be a waiver of any subsequent or other breach or default of the same or any other term, covenant, or condition of this Lease, nor shall failure on the part of Lessor to require exact and complete compliance hereof be construed or deemed as in any manner changing this Lease or preventing Lessor from enforcing this Lease, nor shall the conduct of the parties be deemed to change this Lease. Lessor's approval of any act by Lessee requiring Lessor's approval shall not be deemed to waive Lessor's approval of any subsequent act of Lessee. No notice to Lessee shall be required to restore "time is of the essence" after waiver by Lessor of any breach or default. No right,

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power, privilege, option, or remedy of Lessor shall be construed as being exhausted by the exercise thereof in one or more instances.

- 27. <u>PARTIAL INVALIDITY</u>. If any term, covenant, or condition of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- 28. <u>SUCCESSORS IN INTEREST</u>. This Lease shall be binding on the inure to the benefit of the parties and their successors, heirs, personal representatives, transferees, and assignees except as provided in Section 44 hereof, and all of the parties hereto shall be jointly and severally liable hereunder.
- 29. LESSOR'S RIGHT TO RE-ENTER ON TERMINATION. shall peaceably deliver possession of the Premises to Lessor on the effective date of termination of this Lease, and shall remove from the Premises Lessee's personal property. On giving notice of termination to Lessee, Lessor shall have the right to reenter and take possession of the Premises on the effective date of termination without further notice of any kind and without institution of summary or regular legal proceedings. Termination of the Lease and re-entry of the Premises by Lessor shall in no way alter or diminish any obligation of Lessee under the Lease and shall not constitute an acceptance or surrender. Lessee waives any and all right of redemption under any existing or future law in the event of eviction from or dispossession of the Premises for any reason or in the event Lessor re-enters and takes possession. Lessee agrees that should the manner or method used by Lessor in re-entering or taking possession give Lessee a cause of action for damages or in forcible entry and detainer, the total amount of damages to which Lessee shall be entitled in any such action shall be One Dollar (\$1.00). Lessee agrees that this Section may be filed in any such action and that when filed it shall be a stipulation by Lessee fixing the total damages to which Lessee is entitled in such action.
- TIME. Time is of the essence in this Lease, and every provision hereof.

32. <u>WAIVER BY LESSEE</u>. Lessor shall not be liable for and Lessee hereby waives, to the extent permitted by law, all claims against Lessor, its officials, employees and agents for loss, theft, and damage to equipment, furnishings, furniture, trade fixtures, records, plants, and other personal property of Lessee on or about the Premises, for loss or damage to Lessee's business, or injury to or death of persons on or about the Premises from any cause except to the extent caused by Lessor's gross negligence or willful misconduct.

Lessee acknowledges that it is familiar with California Civil Code Section 1542 which reads: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor." And, Lessee hereby releases Lessor from any unknown claims and waives his rights under said Section 1542.

- 33. <u>DEFAULT</u>. The occurrence of any of the following acts shall constitute a default by Lessee:
 - a) Failure to pay rent when due if the failure continues after three (3)
 days' notice;
 - b) Abandonment of the Premises, provided that failure to occupy or operate the Premises for ten (10) consecutive days shall be deemed an abandonment except for closures due to conditions beyond Lessee's reasonable control or temporary closures for specified dates with the prior approval of Lessor. Temporary or other closures shall not relieve Lessee or Lessee's duty to maintain the Premises at all times in accordance with Section 11 of this Lease.
 - c) Failure to perform any of the terms, covenants, or conditions of this
 Lease if said failure is not cured within fifteen (15) days after Lessor notifies

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days, Lessee shall not be in default if Lessee begins to cure within said period and diligently proceeds to cure to completion. No such notice shall be deemed a forfeiture or termination of the Lease unless Lessor so elects in the notice; d) by Lessor pursuant to Section 44 Any failure to provide service to the public to the satisfaction of the Director:

Any attempted assignment, transfer, or sublease except as approved

Lessee of said failure. If the default cannot reasonably be cured in fifteen (15)

Failure to maintain or pay for all necessary permits and business licenses required by the City of Long Beach in its municipal or regulatory capacity;

Failure to pay when due all fees and charges for refuse collection, q) recycling, gas, water, sewer, or other utility or service provided by the City of Long Beach in its municipal capacity:

Failure to report or pay when due to the City of Long Beach in its h) municipal or regulatory capacity all applicable sales tax, transient occupancy taxes, utility use taxes, or other excise taxes, if applicable.

These remedies are not exclusive but cumulative to other remedies provided by law in the event of Lessee's default, and the exercise by Lessor of one or more rights and remedies shall not preclude Lessor's exercise of additional or different remedies for the same or any other default by Lessee.

34. RIGHT OF ACCESS. Lessor shall have the right of access to the Premises at all reasonable times to inspect the Premises, to determine whether or not Lessee is complying with the terms, covenants, and conditions of this Lease, to serve, post, or keep posted any notice, and for any other purpose deemed reasonable by Lessor.

35. INTEGRATION AND AMENDMENTS. This Lease constitutes the entire understanding between the parties and supersedes all other agreements and communications between the parties, oral or written, concerning the subject matter

herein. This Lease shall not be modified except in writing duly signed by the parties and referring to this Lease. Each provision of this Lease to be performed by Lessee shall be construed as both a covenant and a condition of this Lease.

- RECORDATION. This Lease shall not be recorded.
- 37. FORCE MAJEURE. Except as to the payment of rent and as to the provisions of Sections 12, 17(B), and 33, in any case where either party is required to do any act, the inability of that party to perform, or delay in performance of that act caused by or resulting from fire, flood, earthquake, explosion, acts of God, war, civil commotion, strikes, lockouts, or any other cause whether similar or dissimilar to the foregoing which is beyond the control of that party and not due to that party's fault or neglect shall be excused and such failure to perform or such delay in performance shall not be a default or breach hereunder. Financial inability to perform shall not be considered cause beyond the reasonable control of the party.
- 38. GOVERNING LAW. The Lease shall be governed by and construed in accordance with the laws of the State of California.
- 39. <u>CONTINUOUS USE</u>. Lessee shall continuously use the Premises for the uses permitted in Section 4 during the term of this Lease. If the Premises are partially destroyed or damaged and the Lease remains in full force and effect, Lessee shall continue its operations to the extent reasonably practical in the exercise of Lessee's good business judgment.
- destruction to the Premises and the date of same. Lessee shall promptly make proof of loss and proceed to collect all valid claims that Lessee may have against insurers or others based on such damage or destruction. All amounts recovered as a result of said claims shall be used first for the restoration of the Premises, which Lessee shall promptly begin and diligently pursue so that the Premises are restored to substantially the same condition as they were in immediately before such damages or destruction. If existing laws do not permit restoration, then Lessee may terminate this Lease by thirty (30) days'

prior notice to Lessor. Restoration shall proceed in accordance with the provisions of Section 9 of this Lease.

- 41. AMERICANS WITH DISABILITIES ACT. Lessee shall have and be allocated the sole responsibility to comply with the Americans with Disabilities Act of 1990 ("ADA") with respect to the Premises and Lessee shall defend, indemnify and hold Lessor harmless from and against any and all claims of any failure to comply with or violation of the ADA.
- 42. <u>CONDEMNATION</u>. A. If the whole of the Premises or improvements is taken by right of eminent domain or otherwise for any public or quasi public use, then when possession is taken thereunder by the condemnor or when Lessee is deprived of practical use of the Premises or improvements, whichever date is earlier, this Lease shall terminate. If there is a partial taking so that the remaining portion of the Premises or improvements cannot be restored to an economically feasible operation of a comparable kind to that which was permitted and existed prior to the taking, then the Lease shall, at Lessee's option, terminate as of the time when possession was taken by the condemnor or when Lessee was deprived of practical use of the Premises, whichever date is earlier.
- B. If there is a taking by right of eminent domain, the rights and obligations of the parties with reference to the award and the distribution thereof shall be determined in accordance with this Section. The award shall belong to and be paid to Lessor, except that Lessee shall receive from the award a sum attributable to the value of Lessee's leasehold estate including improvements made by Lessee. Said sum relating to the value of Lessee's improvements shall not exceed the actual cost of improvements constructed by Lessee reduced in proportion to the relationship that the truncated lease term bears to the original lease term.
- 43. <u>ABANDONED PROPERTY</u>. If Lessee abandons the Premises or is dispossessed by operation of law or otherwise, title to any personal property belonging to Lessee and left on the Premises forty-five (45) days after such abandonment or

dispossession shall be deemed to have been transferred to Lessor. Lessor shall thereafter have the right to remove and to dispose of said property without liability to Lessee or to any person claiming under Lessee, and shall have no duty to account therefore. Lessee hereby names Lessor's City Manager as Lessee's attorney in fact to execute and deliver such documents or instruments as may be reasonably required to dispose of such abandoned property and transfer title thereto.

- 44. ASSIGNMENT. A. Lessee shall not assign or transfer this Lease or any interest herein, nor sublease the Premises or any part thereof (collectively in this Section "transfer") without the prior approval of Lessor which shall not be unreasonably withheld. The approval of Lessor to any transfer shall not relieve Lessor of the obligation to obtain such approval to any further transfer. Neither this Lease nor any interest herein shall be subject to transfer by attachment, execution, proceedings in insolvency or bankruptcy (either voluntary or involuntary), or receivership. In the event of transfer without the prior approval of Lessor, such transfer shall be voidable at Lessor's election and, if avoided by Lessor, shall convey no interest. Any transfer without Lessor's prior approval shall constitute a default of this Lease.
- B. Lessor and Lessee agree (by way of example and without limitation) that it shall be reasonable for Lessor to withhold Lessor's consent if any of the following conditions exist or may exist: (i) the proposed transferee's use of the Premises conflicts with or is inconsistent with the use of the Premises as set forth in Section 4 (ii) in Lessor's reasonable business judgment, the proposed transferee lacks sufficient business reputation or experience or management experience to operate or manage a business or property like the Premises; (iii) Lessee is in default under this Lease; (iv) the proposed transferee has not reasonably demonstrated the financial ability to perform the terms and conditions of this Lease; (v) the business of the proposed transferee will result in a material increase in the demands on available parking; and (vi) Lessor has a reasonable belief that gross receipts will decline substantially.
 - C. If Lessee desires an assignment or transfer, then at least ninety (90)

days prior to the date when Lessee desires the transfer to be effective ("Transfer Date"), Lessee shall notify Lessor stating the Transfer Date, the name, street address, telephone number, and business of the proposed assignee or transferee, the terms and conditions of the proposed assignment or transfer, a statement whether the proposed assignee or transferee is an individual, partnership or corporation, and if a partnership the names and addresses of the general partners, and if a corporation the names and addresses of the officers and directors and the State of incorporation. Lessee shall demonstrate that the proposed assignee or transferee is financially responsible, capable of meeting its credit obligations including rent payments, and experienced in operating the proposed business, to Lessor's satisfaction as determined in Lessor's good faith judgment, by providing financial statements, bank references and such supplemental information as Lessor may thereafter request. Lessor's approval of the transfer shall not release Lessee from performance herein.

- D. Lessor shall notify Lessee fifteen (15) days prior to the Transfer Date whether Lessee approves or disapproves the proposed assignment or transfer. Lessor's failure to give such notice shall not be deemed approval.
- E. Each permitted transferee shall assume and be deemed to have assumed this Lease and shall be liable for the payment of rent and for the performance of the terms, covenants, and conditions of this Lease. No permitted transfer shall be binding on Lessor until the transferee shall deliver to Lessor a counterpart of the transfer documents which contain a covenant of assumption by transferee. But, the failure or refusal to execute such instrument of assumption shall not release transferee from liability as set forth herein.
- 45. <u>RELOCATION</u>. Lessee agrees that nothing contained in this Lease shall create any right in Lessee for any relocation assistance or payment pursuant to the provisions of Title 1, Division 7, Chapter 16 of the Government Code from the City of Long Beach upon expiration or termination of this Lease.
 - 46. NOTICE. Any notice or approval hereunder shall be in writing and

either personally delivered or deposited in the U.S. Postal Service, first-class, postage prepaid, and addressed to Lessor at 333 West Ocean Boulevard, Long Beach, California 90802 Attn: City Manager with a copy to Director, 2760 North Studebaker Road, Long Beach, California 90815-1697 and to Lessee at the address first stated herein. Notice shall be effective on the date of mailing or on the date of personal delivery, whichever first occurs. Change of address shall be given as described for notices.

- 47. PARKING. No specific parking spaces are assigned to or reserved to Lessee or his patrons, and Lessee shall not appropriate parking spaces for his use or that of his patrons.
- 48. <u>BROKERS</u>. Lessee represents that it has had no contracts or dealings regarding this Lease through a broker or agent or any other person who can claim a right to a commission or fee. Lessee shall defend, indemnify and hold Lessor harmless from all liability and costs arising from any person claiming a commission or fee as a result of Lessee entering this Lease provided that Lessor promptly notifies Lessee regarding such claim.
- 49. <u>REMEDIES</u>. Upon the occurrence of any default, in addition to any other rights or remedies of Lessor hereunder, by law or in equity, Lessor shall have the following rights and remedies:
- Lessee notice of termination, and Lessee shall immediately surrender possession of the Premises, leaving them in good repair and condition subject to reasonable wear and tear. Termination hereunder shall not relieve Lessee from the payment of any sum due Lessor or any claim for damages. Lessor shall be entitled to recover from Lessee all damages incurred by Lessor including but not limited to the cost of recovering possession, expenses of reletting including renovation and alteration, reasonable attorney's fees, real estate commissions paid, and (1) the worth at the time of award of the unpaid rent which had been earned at the time of termination; (2) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until

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enter and relet the Premises or any part thereof for the account and in the name of Lessee or otherwise. Any reletting may be for the remainder of the Lease term or for a longer or shorter period. Lessor may execute leases under this subsection either in its name or in Lessee's name, and shall be entitled to the rent from the Premises. Lessee hereby appoints Lessor its attorney-in-fact for the purpose such reletting. Lessee shall nevertheless pay to Lessor when due all sums required hereunder, plus Lessor's expenses, including but not limited to remodeling, commissions, and advertising, less the sum received by Lessor from any reletting. No act by Lessor under this subsection shall constitute termination of this Lease unless and until Lessor gives Lessee notice of termination.

(c) Lessor shall have the right to have a receiver appointed to collect rent and to conduct Lessee's business hereunder. Neither the filing of a petition for the appointment or a receiver nor the appointment itself shall constitute an election by Lessor to terminate this Lease.

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(d) These remedies are no	at exclusive but cumulative to other remedies
provided by law in the event of Lessee's	default, and the exercise by Lessor of one or
more rights and remedies shall not preclude Lessor's exercise of additional or different	
remedies for the same or any other default by Lessee.	
IN WITNESS WHEREOF, the parties hereto have caused these presents to	
be duly executed with all of the formalities required by law as of the date first stated	
above.	
	CHOURA VENUE SERVICES, a California corporation
240	\bigcirc
ANUARY 2009	Signature Signature
	FAMES J. ChOURA
OND .	Type Name Here
JANUARY 2 , 2009	By: Signature
1	STEVEN M. MYMAHON
	Type Name Here
	"Lessee"
Marca 18 , 2009	CITY OF LONG BEACH a municipal
	CITY OF LONG BEACH, a municipal corporation
	Assistant City Manager
	City Manager EXECUTED PURSUANT TO SECTION 301 OF
	"Lessor" THE GITY CHARTER.
The foregoing lease is hereby	y approved as to form this day of
16 browy , 2009.	
	ROBERT E. SHANNON, City Attorney
	Gary Anderson, Deputy
	Visiting to party

PARCEL 4a.

That portion of Lot 17 of Tract No. 10548, in the County of Los Angeles, State of California, as shown on the map recorded in Book 174, Pages 15 et seq., of Maps, in the office of the County Recorder of said County, bounded by the following described lines:

Beginning at a point in the westerly line of said lot distant thereon South 0° 06' 50" West 259.40 feet from the northwest corner of said lot; thence South 89° 53' 15" East 557.92 feet; thence South 0° 06' 45" West 2382.00 feet to a point in the south line of said lot distant thereon South 89° 53' 15" East 557.98 feet from the southwest corner of said lot; thence along said south line North 89° 53' 15" West 557.98 feet to said southwest corner; thence North 0° 06' 50" East 2382.00 feet to the point of beginning.

EXCEPTING AND RESERVING unto the owners of said property, their successors or assigns, an undivided one-half (1/2) interest in and to all oil, gas and other hydrocarbons in, under or that may be produced and saved from those portions thereof located more than one hundred (100) feet below the surface together with all rights of every kind and description whatsoever to drill for, develop, take, remove and sever the same, or any part thereof, from said lands, provided that said owners shall not have the right to use the surface of any portion of said lands within one hundred (100) feet of the surface thereof.

Subject, however, to rights of County Sanitation District of Los Angeles to lay, construct, maintain, reconstruct, use and operate a sewer pipe line thereover as granted to it by deed recorded January 8, 1951, in Book 35252, Page 58, Official Records of Los Angeles County.

CITY OF LONG BEACH - CALIFORNIA DEPARTMENT OF PUBLIC WORKS, ENGINEERING BUREAU

LEGAL DESCRIPTION FOR PARCEL 4a OF TRACT No.10548

LEGAL DESCRIPTION

That portion of Lot 37 of Tract No. 10548, in the City of Long Beach, County of Los Angeles, State of California, as shown on the map recorded in Book 174, pages 15 et seq., of Maps, in the office of the County Recorder of said County described as follows:

Beginning at the southwest corner of said Lot 37; thence North (Cited as North 0° 13' 15" East per said Tract No. 10548) 886.51 feet along the west line of said lot; thence at right angles to said west line East 290.20 feet to the TRUE POINT OF BEGINNING, said true point of beginning being distant South 27° 58' 09" East 10.00 feet; thence South 62° 01' 51" West 3.15 feet from the most southeasterly corner of the existing restaurant building corner; thence North 62° 01' 51" East 34.70 feet along a line distant southeasterly 10.00 feet measured at right angles and parallel with the most southeasterly face of the existing restaurant facility; thence South 28° 18' 58" East 79.51 feet; thence North 62° 04' 50' East 26.93 feet; thence South 29° 09' 52" East 30.85 feet; thence South 62° 29' 23" West 62.77 feet; thence North 27° 57' 49" West 109.87 feet to the TRUE POINT OF BEGINNING. Said described parcel contains 4690 square feet.

CITY OF LONG BEACH - CALIFORNIA DEPARTMENT OF PUBLIC WORKS, ENGINEERING BUREAU

LEGAL DESCRIPTION

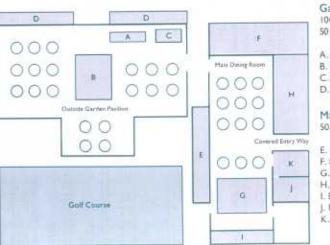
TENT COVERED AREA LOCATED SOUTH EASTERLY OF THE EL DORADO PARK RESTAURANT FACILITY



Take A Tour

Floor plan of Event Facilities.

Finding the room that best fits you is key to planning your event. Please view our floor plan with room minimums and maximums to determine your selection.



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Garden Pavilion

100 min Sat. / 300 max 50 min Sun,-Thur, / 300 max

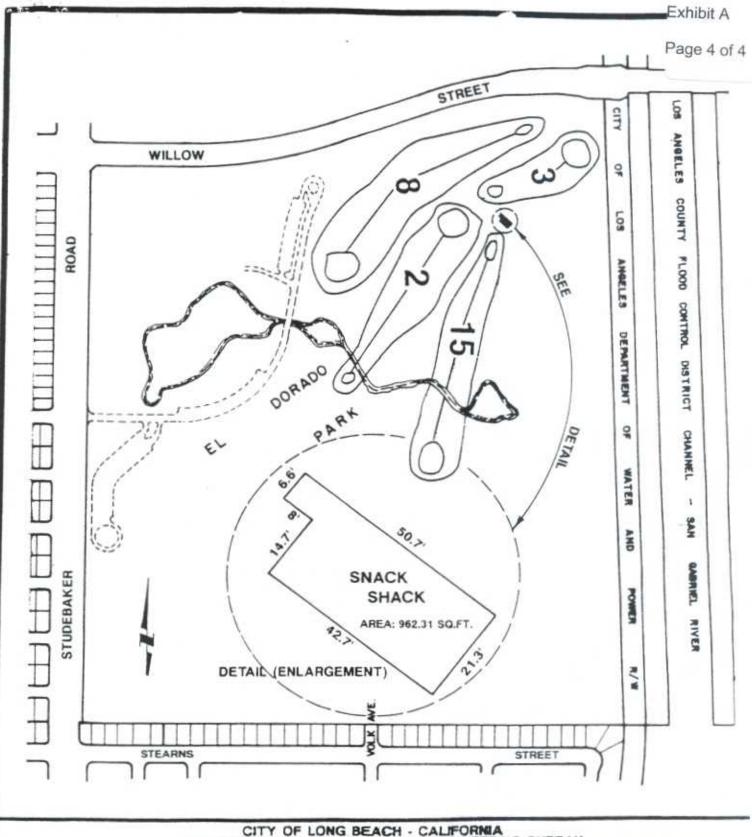
- A. Head table
- B. Dance Floor.
- C. Bar
- D. Courtyard

Main Dining Room 50 min / 100 max Sat. only

E. Terrace

- E. serraci
- F. Kitchen
- G. Dance Floor
- H. Office
- 1. Bar
- J. Restrooms
- K. Meeting Room / Bridal Lounge

Page 3 of 4



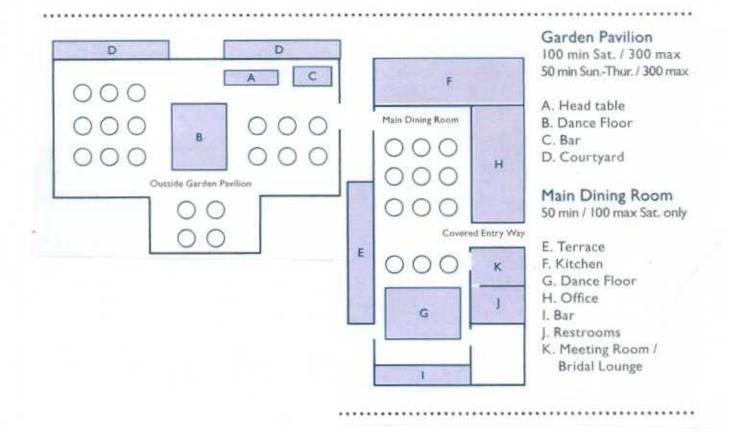
CITY OF LONG BEACH - CALIFORNIA DEPARTMENT OF PUBLIC WORKS, ENGINEERING BUREAU

EL DORADO PARK WEST REFRESHMENT STAND

GARDEN PAVILION EVENTS

Pursuant to Section 4.D

The following is an illustration of the designated area for all activities and guest affiliated with an event in the Garden Pavilion.



Prior to scheduling any event, which requires use of an area outside the designated area as shown above, the Lessee shall contact the American Golf, General Manager of the El Dorado Golf Course for prior approval. In addition, the Lessee may be required by American Golf to repair any damage sustained to the grounds as a result of the Lessee's event.