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LEASE
29709

THIS LEASE is made and entered, in duplicate, as of January 1, 2006 for reference purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting on November 1, 2005, by and between the CITY OF LONG BEACH, a municipal corporation ("Lessor"), and the BOYS AND GIRLS CLUBS OF LONG BEACH, a California public benefit corporation ("Lessee").

WHEREAS, Lessor is the owner of certain real property in the City of Long Beach, County of Los Angeles, State of California, which Lessor desires to lease to Lessee on the terms, covenants, and conditions stated in this Lease; and

NOW, THEREFORE, in consideration of the terms, covenants and conditions stated herein, the parties agree as follows:

1. Premises. Lessor hereby leases to Lessee and Lessee hereby accepts "as is" and leases from Lessor the property shown on Exhibit "A", attached to this Lease and incorporated by this reference, commonly known as 1835 West Willard Street, Long Beach, Los Angeles County, California 90810 ("Premises").

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

2. Term. The term of this Lease shall commence at midnight on January 1, 2006, and shall terminate at 11:59 p.m. on December 31, 2036, unless sooner terminated as provided in this Lease. Either party may terminate this Lease, without the need to identify a default by the other party, on any January 1 during the term by giving to the other party at least six (6) months' prior notice of termination.

3. Rent. Lessee shall pay to Lessor as annual rent: (I) consideration in the form of valuable community services and use of the outdoor facilities by the public at any time that Lessee is not using them or at other times mutually agreed by the parties, and (ii) the sum of One Dollar, in advance, without deduction, setoff, notice, or demand, payable on January 1st of each year during the term of this Lease. Lessee shall pay rent

1 at the address stated for notices to Lessor. If this Lease terminates prior to its natural
2 expiration, then Lessee shall not be entitled to any refund of rent.

3 4. Use. A. The Premises shall be used solely for establishing, operating
4 and maintaining a facility and appurtenances related to that facility, including recreational
5 and educational programs, for boys' and girls' clubs. No other use is permitted.

6 B. Lessee shall not use the Premises or conduct its business on the
7 Premises in any manner that will create a nuisance or unreasonable annoyance, or
8 constitute waste. Lessee shall not make or permit any noise or odors that constitute a
9 nuisance within the meaning of California Civil Code Section 3479 or California Penal Code
10 Section 370.

11 C. Lessee shall use the Premises and operate its business on the Premises
12 in compliance with all laws, ordinances, rules, and regulations of and obtain such permits,
13 licenses, and certificates required by all federal, state, and local governmental authorities
14 having jurisdiction over the Premises and Lessee's use of and business on the Premises.

15 D. Lessee understands and agrees that this Lease covers only the surface
16 of the Premises and that Lessee acquires no rights to the subsurface of the Premises.

17 E. Lessee shall not grant any franchises, easements, rights of way, or
18 permits in, on, under, across or through the Premises.

19 F. Lessee shall not allow the Premises to be vacant or unoccupied for more
20 than ten (10) consecutive days except for causes specified in Section 28.

21 G. Lessee shall lock the Premises and make and keep them secure at all
22 times.

23 H. Lessor shall have the right to use the Premises at any time on thirty (30)
24 days prior notice to Lessee, and Lessee shall provide keys for the Premises to Lessor to
25 enable such use which use shall be non-exclusive and shall not interfere with or disrupt
26 activities of Lessee.

27 5. Lessee's Improvements. A. Lessee shall not construct any
28 improvements to the Premises without the prior written approval of the City Manager or

1 designee which may be withheld in his sole discretion. Lessor acknowledges that, as of the
2 date of execution of this Lease, Lessee has indicated its intent to construct improvements.
3 A list of the intended improvements is attached to this Lease as Exhibit "B" and is
4 incorporated by reference. Lessee shall obtain approval of the improvements on Exhibit
5 "B" from Lessor's Department of Parks, Recreation and Marine and Parks and Recreation
6 Commission. If this approval is obtained then Lessee shall submit the plans and
7 specifications for the improvements to Lessor's Department of Planning and Building for
8 review in its municipal capacity and not in its capacity as Lessor.

9 Because Lessor has extended the term of this Lease based on Lessee's
10 stated intention to construct the improvements on Exhibit "B", Lessee shall obtain all
11 necessary permits and other entitlements related to the improvements within twelve (12)
12 months after execution of this Lease. Failure to obtain them within the twelve (12) month
13 time limit or failure to complete construction of those improvements within a reasonable
14 time after construction begins shall be a material default of this Lease and shall require
15 both parties to execute an amendment reducing the term of this Lease to ten (10) years.

16 B. Prior to beginning any construction, Lessee shall file with Lessor a
17 Performance Bond or letter of credit in the amount of fifty percent (50%) of the estimated
18 cost of the construction and a Labor and Material Bond (also known as a Payment Bond)
19 in the amount of fifty percent (50%) of the estimated cost of the construction, both
20 executed by Lessee or Lessee's contractor, as Principal, and by a surety authorized to do
21 business in California as a Surety. The bonds shall name Lessor as a joint obligee with
22 Lessee. Nothing contained in this Lease shall be deemed to release Lessee from the duty
23 to keep the Premises free of liens. The Performance Bond shall remain in effect until the
24 expiration of the statutory period for filing liens or stop notices, or until the Premises are
25 free from the effect of such liens or stop notices, if liens have been filed.

26 C. Lessee shall notify Lessor at least twenty (20) days prior to beginning the
27 construction to enable Lessor to post and record a Notice of Nonresponsibility.

28 D. Lessor shall not be obligated to make any improvements or alterations

1 in or about the Premises.

2 E. On the expiration or sooner termination of this Lease, all improvements
3 to the Premises shall become the property of Lessor at no cost to Lessor unless Lessor
4 requires that Lessee remove all improvements. Lessor reserves the right to require
5 removal and, if Lessor requires Lessee to remove the improvements, then Lessee shall do
6 so at no cost to Lessor within sixty (60) days after the termination or expiration of this
7 Lease. Lessee shall execute any documents required by Lessor to evidence transfer of
8 title to the improvements that remain.

9 6. Liens. A. Lessee shall keep the Premises free of all liens for any work
10 done, labor performed, or material furnished by or for Lessee relating to the Premises.
11 Lessee shall defend, indemnify and hold Lessor, its officials and employees harmless from
12 and against all claims, demands, causes of action, liens, liability, proceedings, loss, costs,
13 and expenses (including attorney's fees) of whatsoever kind for any such work done, labor
14 performed, or materials furnished on the Premises. In addition, Lessee shall obtain from
15 its contractors performing work on the Premises the releases described in California Civil
16 Code Section 3262 relating to progress payments.

17 B. In addition to Subsection 6(A), if a lien is imposed on the Premises as a
18 result of work done, labor performed or materials furnished by or for Lessee relating to the
19 Premises, then Lessee shall: (i) record a valid release of lien; or (ii) deposit with Lessor
20 cash in an amount equal to 125% of the amount of the lien and authorize payment to the
21 extent of that deposit to any subsequent judgment holder that may arise as a matter of
22 public record from litigation with regard to lienholder's claim; or (iii) procure and record a
23 lien release bond in accordance with California Civil Code Section 3143 issued by a surety
24 authorized to do business in California.

25 C. On completion of the Work, Lessee shall file a Notice of Completion in
26 the Official Records of the County Recorder of Los Angeles County.

27 D. All contracts entered by Lessee relating to the Premises or any work on
28 the Premises shall contain the following provision:

1 "This contract shall in no way bind the City, its officials,
2 employees or agents or obligate them for any costs
3 whatsoever under this contract."

4 7. Taxes. A. Lessee acknowledges that this Lease may create a
5 possessory interest subject to taxation and that Lessee may be subject to payment of taxes
6 levied on such interest.

7 B. Lessee shall pay before they become delinquent all taxes, assessments,
8 license fees, and other charges levied on the Premises and on Lessee's personal property,
9 equipment, furnishings or trade fixtures installed or located on the Premises. Lessee shall
10 provide proof of payment to Lessor within ten (10) days after Lessor's request for it.

11 8. Insurance. A. As a condition precedent to the effectiveness of this
12 Lease and notwithstanding any stated commencement date, Lessee shall procure and
13 maintain, at its cost, during the term of this Lease from insurance companies admitted to
14 write insurance in California or from authorized non-admitted insurance companies that
15 have ratings of or equivalent to A:VIII by A.M. Best Company the following insurance:

16 (I) Commercial general liability insurance equivalent in coverage
17 scope to ISO form CG 00 01 10 93 in an amount not less than \$1,000,000
18 per occurrence and \$2,000,000 general aggregate. Such coverage shall
19 include but is not limited to broad form contractual liability coverage, cross
20 liability protection and products and completed operations. Lessor, its
21 officials, employees, and agents shall be added as additional insureds by
22 endorsement equivalent in coverage to ISO form CG 20 26 11 85 and the
23 endorsement shall protect Lessor, its officials, employees, and agents from
24 all liability, loss, claims, demands, causes of action, costs, and expenses for
25 injury to or death of persons or damage to or loss of property arising from
26 activities performed by or on behalf of Lessee or from maintenance or use
27 of the Premises. The coverage shall contain no special limitations on the
28 scope of protection afforded to Lessor, its officials, employees, and agents,

1 and Lessee shall obtain and furnish evidence to Lessor of the waiver of
2 Lessee's liability insurance carrier of any right of subrogation against Lessor.

3 (ii) Commercial automobile liability insurance equivalent in scope to
4 ISO CA 00 01 06 92 covering symbol 1 (Any Auto) in an amount not less
5 than \$1,000,000 combined single limit.

6 (iii) Workers' compensation insurance as required by the State of
7 California and employer's liability insurance in an amount not less than
8 \$1,000,000 per accident or occupational illness. Lessee shall obtain and
9 furnish evidence to Lessor of the waiver of Lessee's carrier for workers'
10 compensation of any right of subrogation against Lessor.

11 (iv) Special perils property insurance in an amount sufficient to cover the
12 replacement value of the buildings, improvements, personal property, inventory, and
13 equipment owned by Lessor and Lessee and located on the Premises. Lessor shall be
14 named an insured under a standard loss payable endorsement (BFU 438). At Lessor's
15 option, this insurance may be included in Lessor's master property insurance program, in
16 which case Lessee shall pay to Lessor the cost of the premium attributable to this property
17 insurance. This insurance may provide for such deductible as may be acceptable to
18 Lessor or its designee.

19 B. With respect to damage to property, Lessor and Lessee hereby waive all
20 rights of subrogation, one against the other, but only to the extent that collectible
21 commercial insurance is available for that damage.

22 C. Any self-insurance program or self-insured retention must be approved
23 separately in writing by Lessor and shall protect Lessor, its officials, employees, and
24 agents in the same manner and to the same extent as they would have been protected had
25 the policy or policies not contained retention provisions.

26 D. Each insurance policy shall be endorsed to state that coverage shall not
27 be cancelled, nonrenewed or changed by Lessee except after thirty (30) days prior written
28 notice to Lessor and coverage shall be primary to Lessor. Any insurance or self-insurance

1 maintained by Lessor shall be excess to and shall not contribute to insurance or
2 self-insurance maintained by Lessee.

3 E. Lessee shall deliver to Lessor certificates of insurance and endorsements
4 for approval as to sufficiency and form. Lessee shall, at least thirty (30) days prior to
5 expiration of all policies, furnish to Lessor evidence of renewals. Lessor reserves the right
6 to require complete certified copies of all policies at any item.

7 F. The procuring or existence of insurance shall not be construed as or
8 deemed a limitation on liability or as full performance of the indemnification Section of this
9 Lease. Lessee understands and agrees that, notwithstanding any insurance, Lessee's
10 obligation to defend, indemnify, and hold Lessor, its officials, agents, and employees
11 harmless is for the full and total amount of any liability, loss, damage, cost and expense
12 caused by the condition of the Premises or attributed to the acts or omissions of Lessee,
13 its officers, agents, contractors, employees, licensees, vendors, patrons, or visitors, or the
14 operations conducted by or on behalf of Lessee, or the Lessee's use, misuse, or neglect
15 of the Premises.

16 G. Not more frequently than every three (3) years if, in the opinion of Lessor,
17 the amount of insurance coverages is not adequate, Lessee shall provide the insurance
18 required by Lessor's Risk Manager or designee.

19 H. Any modification or waiver of these insurance requirements shall be made
20 only with the written approval of the Lessor's Risk Manager or designee.

21 9. Utilities and Janitorial Services. Lessee shall arrange and pay for the
22 installation and use of telephone service, gas, electricity, water, sewer, and refuse for its
23 operations on the Premises. Lessee shall also arrange and pay for janitorial services to
24 the Premises.

25 10. Maintenance. A. Lessee shall, at its cost and to the satisfaction of
26 Lessor, maintain the Premises and improvements on the Premises, including exterior
27 signage, parking areas, sidewalks, fences, outdoor basketball courts, trees, and any
28 improvements made after the execution of this Lease, in good condition, in substantial

1 repair, in a safe, clean, sanitary condition, and free from rodents, noxious plants and
2 weeds. "Maintain" shall include repair and shall be done promptly on discovery of the need
3 for maintenance. "Repair" shall include replacements, removals, alterations, additions and
4 improvements to the Premises. Maintenance shall be equal to or better in value, quality
5 and use than what existed prior to the need for maintenance.

6 Lessee shall provide and use containers for trash and garbage and shall
7 keep the Premises free of trash, garbage and litter. Lessee shall remove graffiti within
8 seventy-two (72) hours after it appears.

9 If Lessee fails to maintain the Premises, Lessor may notify Lessee of the
10 failure to maintain. If Lessee fails to correct the situation within thirty (30) days after notice
11 or such longer period as may be established by Lessor, then Lessor may make the
12 necessary correction and the cost of correction, including but not limited to the cost of
13 labor, materials, equipment and administration, shall be paid by Lessee as additional rent
14 within ten (10) days after receipt of a statement of the cost from Lessor. Lessor may, at
15 its option, choose other remedies available in this Lease or by law. Lessee hereby waives
16 to the extent permitted by law any right to make repairs at the expense of Lessor or to
17 vacate the Premises in lieu of making repairs as may be provided by law. The
18 performance of maintenance by Lessor, which maintenance is contractually the obligation
19 of Lessee, shall in no way be construed as a waiver of Lessee's duty to maintain as
20 required by this Lease.

21 Lessee shall provide, at its sole expense, landscaping and gardening
22 services to the Premises, to the reasonable satisfaction of Lessor.

23 B. Lessor shall have no obligation to perform any maintenance, including
24 repair, on or to the Premises or any part of the Premises. If the Premises require structural
25 repairs or repairs to the roof, exterior walls, or parking area, Lessor at its sole option may
26 make those repairs or may notify Lessee that Lessor has chosen not to make the repairs
27 and Lessee shall have the right to terminate this Lease by giving at least fifteen (15) days
28 notice of termination to Lessor.

1 11. Restoration. Lessee shall promptly notify Lessor of damage or
2 destruction to the Premises and the date of same. Lessee shall promptly make proof of
3 loss and proceed to collect all valid claims that Lessee may have against insurers or others
4 based on such damage or destruction. All amounts recovered as a result of the claim shall
5 be used first for the restoration of the Premises, which Lessee shall promptly begin and
6 diligently pursue so that the Premises are restored to substantially the same condition as
7 they were in immediately before such damage or destruction. If existing laws do not permit
8 restoration, then Lessee may terminate this Lease by giving prior notice to Lessor.
9 Restoration is subject to Section 5 of this Lease.

10 If the repair, reconstruction or restoration requires longer than one hundred
11 eighty (180) days or if the insurance proceeds will not be sufficient to cover the cost of
12 repair, reconstruction or restoration, then Lessor may elect to repair, reconstruct or restore
13 and the Lease shall continue in full force and effect or Lessor may elect not to repair,
14 reconstruct or restore and the Lease shall terminate. If Lessor elects to repair, reconstruct
15 or restore, then Lessor shall not be required to expend sums for repair, reconstruction or
16 restoration in excess of insurance proceeds received by Lessor by reason of the casualty.
17 If Lessor repairs, reconstructs or restores, then Lessee's rent under this Lease shall not
18 be abated. Lessee shall not be entitled to any compensation or damages for loss in the
19 use of the whole or any part of the Premises and any inconvenience or annoyance
20 occasioned by such damage, repair, reconstruction or restoration.

21 Notwithstanding the foregoing sentences of this Section, if the Premises are
22 not fully restored within the 180-day period, then Lessee may terminate this Lease, at
23 Lessee's option, by giving fifteen (15) days notice of termination to Lessor.

24 12. Condemnation. A. If the whole of the Premises or improvements is
25 taken by right of eminent domain or otherwise for any public or quasi public use, then when
26 possession is taken by the condemnor or when Lessee is deprived of practical use of the
27 Premises or improvements, whichever date is earlier, this Lease shall terminate. If there
28 is a partial taking so that the remaining portion of the Premises or improvements cannot

1 be restored to an economically feasible operation of a comparable kind to that which
2 existed prior to the taking, then this Lease shall, at Lessee's option, terminate as of the
3 time when possession was taken by the condemnor or when Lessee was deprived of
4 practical use of the Premises, whichever date is earlier.

5 B. If there is a taking by right of eminent domain, the rights and obligations
6 of the parties with reference to the award and its distribution shall be determined in
7 accordance with this Section. The award shall belong to and be paid to Lessor, except that
8 Lessee shall receive from the award the following: 1) a sum attributable to the remaining
9 value of Lessee's leasehold estate including improvements; 2) a sum attributable to
10 severance damages to be used solely for the restoration of improvements on the
11 Premises; and 3) a sum attributable to loss of good will.

12 13. Nondiscrimination. Subject to applicable laws, rules, and regulations,
13 Lessee shall not discriminate against anyone on the basis of age, sex, sexual orientation,
14 AIDS, HIV status, marital status, race, religion, creed, ancestry, national origin, disability,
15 or handicap in the use of the Premises.

16 14. No Relocation. Lessee agrees that nothing contained in this Lease
17 creates any right in Lessee for any relocation assistance or payment pursuant to the
18 provisions of Title 1, Division 7, Chapter 16 of the California Government Code from Lessor
19 on the termination or expiration of this Lease.

20 15. Assignment or Sublease. Lessee shall not assign or transfer this
21 Lease or any interest in it or sublease the Premises or any part of the Premises to any
22 person or entity without the prior written approval of the City Manager which may be
23 withheld in his sole discretion. Further, neither this Lease nor any interest in this Lease
24 shall be subject to transfer by attachment, execution, proceedings in insolvency,
25 bankruptcy, or receivership unless the receivership is sought by Lessor. In the event of
26 assignment or transfer, voluntarily or involuntarily or by operation of law, such transfer shall
27 be voidable at Lessor's election and, if avoided by Lessor, shall convey no interest and
28 shall constitute a default of this Lease.

1 16. Indemnification. Lessee shall, with respect to the Lease and Lessee's
2 use of the Premises, indemnify and hold harmless Lessor, its officials, employees and
3 agents (collectively in this Section "City") from and against all liability, claims, demands,
4 damage, causes of action, losses, proceedings, penalties, costs, and expenses (including
5 attorney's fees, court costs, and expert and witness fees) (collectively "Claims" or
6 individually "Claim"). Claims include allegations and by way of example but not limitation:
7 Claims for property damage, personal injury or death arising in whole or in part from the
8 condition of the Premises, any negligent act or omission of Lessee, its officers, employees,
9 agents or anyone under Lessee's control at the Premises (collectively "Indemnitor");
10 Lessee's breach of this Lease; misrepresentation; willful misconduct; and the occupancy,
11 use or misuse of the Premises by Lessee, Lessee's employees, agents, licensees, patrons
12 or visitors. Independent of the duty to indemnify and as a free-standing duty on the part
13 of Lessee, Lessee shall defend City and shall continue such defense until the Claim is
14 resolved, whether by settlement, judgment or otherwise. No finding or judgment of
15 negligence, fault, breach, or the like on the part of Indemnitor shall be required for the duty
16 to defend to arise. Notwithstanding the foregoing sentences of this Section, Lessee shall
17 not be required to indemnify Lessor for Lessor's negligence or willful misconduct with
18 respect to this Lease.

19 17. Default. In addition to other defaults identified in the Lease, the
20 occurrence of any of the following acts shall constitute a default by Lessee:

21 (a) Failure to pay rent including additional rent, when due, if the failure
22 continues after five (5) days' notice to Lessee;

23 (b) Abandonment of the Premises, provided that failure to occupy or operate
24 the Premises for ten (10) consecutive days shall be deemed an abandonment except for
25 causes of force majeure described in Section 29;

26 (c) Failure to perform any term, covenant, or condition of this Lease if the
27 failure is not cured within thirty (30) days after notice to Lessee of the failure. If the default
28 cannot reasonably be cured in thirty (30) days, Lessee shall not be in default if Lessee

1 begins to cure within the thirty-day period and diligently proceeds to cure to completion;

2 (d) Any attempted assignment, transfer, or sublease;

3 (e) Failure to obtain, maintain or pay for any necessary permit and business
4 license required by the City of Long Beach in its municipal or regulatory capacity or by any
5 agency having jurisdiction over the Premises and Lessee's operations on the Premises;

6 (f) Failure to pay when due all fees and charges for any municipal service
7 or commodity provided by the City of Long Beach in its municipal capacity, including but
8 not limited to water, sewer, gas, refuse collection or recycling;

9 (g) Failure to report or pay when due to the City of Long Beach in its
10 municipal or regulatory capacity all applicable sales tax, transient occupancy taxes, utility
11 use taxes, or other excise taxes, if applicable;

12 (h) To the extent permitted by the U.S. Bankruptcy Code, insolvency of
13 Lessee which shall be deemed to include an assignment by Lessee for the benefit of
14 creditors, the filing by Lessee of a voluntary petition in bankruptcy, an adjudication that
15 Lessee is bankrupt, the appointment of a receiver of the properties of Lessee if the receiver
16 is not discharged within fifteen (15) days, the filing of an involuntary petition in bankruptcy
17 and failure of Lessee to obtain a dismissal of the petition within thirty (30) days after filing;
18 attachment of or the levying of execution on the leasehold interest and failure of Lessee
19 to obtain discharge of the attachment or release of the levy of execution within fifteen (15)
20 days. In the event of any of the foregoing, no notice that an event of default has occurred
21 shall be required from Lessor;

22 (i) Failure to comply with any law, ordinance, rule, or regulation applicable to
23 the Premises or Lessee's use of and operation on the Premises.

24 If Lessee does not comply with the terms, covenants and conditions of this
25 Lease, then Lessor may terminate this Lease and enter the Premises and take possession
26 thereof provided, however, that these remedies are not exclusive but cumulative to other
27 remedies provided by law or in equity in the event of Lessee's default, and the exercise by
28 Lessor of one or more rights and remedies shall not preclude Lessor's exercise of

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1 additional or different remedies for the same or any other default by Lessee.

2 19. Re-entry on Termination or Expiration. Lessee shall peaceably deliver
3 possession of the Premises to Lessor on the date of termination or expiration of this Lease.
4 On giving notice of termination to Lessee, Lessor shall have the right to re-enter and take
5 possession of the Premises on the date termination becomes effective without further
6 notice of any kind and without instituting summary or regular legal proceedings.
7 Termination of this Lease and re-entry of the Premises by Lessor shall in no way alter or
8 diminish any obligation of Lessee under this Lease and shall not constitute an acceptance
9 or surrender. Lessee hereby waives any right of redemption under any existing or future
10 law in the event of eviction from or dispossession of the Premises for any reason or in the
11 event Lessor re-enters and takes possession of the Premises in a lawful manner. Lessee
12 agrees that, if the manner or method used by Lessor in re-entering or taking possession
13 of the Premises gives to Lessee a cause of action for damages or in forcible entry and
14 detainer, then the total amount of damages to which Lessee shall be entitled in any such
15 action shall be One Dollar. This Section may be filed in any such action and, when filed,
16 it shall be a stipulation by Lessee fixing the total damages to which Lessee is entitled.

17 20. Waiver by Lessor. Any waiver by Lessor of any default or breach of
18 any one or more of the terms, covenants, or conditions of this Lease shall be in writing and
19 shall not be construed to be a waiver of any subsequent or other breach or default of the
20 same or of any other term, covenant, or condition of this Lease, nor shall failure on the part
21 of Lessor to require exact and complete compliance with any of the terms, covenants, or
22 conditions of this Lease be construed as in any manner changing the terms, covenants,
23 or conditions of this Lease or preventing Lessor from enforcing its provisions, nor shall the
24 conduct of the parties be deemed to change or modify the terms, covenants, or conditions
25 of this Lease. No delay, failure, or omission of Lessor to re-enter the Premises, to insist
26 on strict enforcement of any term, covenant, or condition, or to exercise any right, power,
27 privilege or option arising from any breach or default shall impair any such right, power,
28 privilege or option or be construed as a waiver of or acquiescence in such breach of default

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1 or as a relinquishment of any right, power, privilege or option. The acceptance of
2 delinquent rent by Lessor shall not constitute a waiver of any other breach or default but
3 shall only constitute a waiver of timely payment for the particular rent payment involved.
4 No right, power, privilege, option or remedy of Lessor shall be construed as being
5 exhausted by the exercise of that right, power, privilege, option or remedy in one or more
6 instances. Lessor's consent to or approval of any act by Lessee requiring Lessor's consent
7 or approval shall not be deemed to waive Lessor's consent or approval of any subsequent
8 act of Lessee. Failure on the part of Lessor to require exact and complete compliance with
9 this Lease and the course of conduct of the parties shall not be construed or deemed as
10 changing this Lease.

11 21. Waiver by Lessee. Lessor shall not be liable to Lessee for and, to the
12 extent permitted by law, Lessee hereby waives all claims against Lessor, its officials and
13 employees for loss, theft, and damage to Lessee and to the equipment, furnishing,
14 furniture, fixtures, records and personal property of Lessee, its employees, invitees, and
15 all other persons on the Premises, for loss or damage to Lessee's business, or injury to or
16 death of persons on or about the Premises from any cause, except to the extent caused
17 by Lessor's gross negligence or willful misconduct.

18 Lessee acknowledges that it is familiar with California Civil Code Section
19 1542 which states: "A general release does not extend to claims which the creditor does
20 not know or suspect to exist in his favor at the time of executing the release, which if known
21 by him must have materially affected his settlement with the debtor." And, Lessee hereby
22 releases Lessor from any unknown claims and waives its rights under this Section 1542.

23 22. Abandoned Personal Property. If Lessee abandons the Premises or
24 is dispossessed by process or law or otherwise, then Lessee shall be deemed to have
25 abandoned any personal property belonging to Lessee left on the Premises forty-five (45)
26 days after the date of abandonment or dispossession, and title to that personal property
27 shall be deemed to have been transferred to Lessor. Lessor shall have the right to remove
28 and to dispose of the personal property without liability to Lessee or to any person claiming

1 under Lessee, and shall not need to account for its disposal. Lessee hereby designates
2 Lessor's City Manager as its attorney-in-fact to execute and deliver any documents that are
3 required to dispose of that personal property and transfer title to it. Lessee shall pay the
4 cost of removal, storage, sale or destruction as additional rent. Lessee hereby agrees to
5 and shall defend, indemnify and hold Lessor, its officials and employees harmless from all
6 claims, demands, damage, loss, liability, causes of action, penalties, fines, costs and
7 expenses, including attorney's fees, arising from Lessor's removal, storage, and disposal
8 of personal property that is not owned by Lessee.

9 23. Right of Access. Lessor shall have the right of access to the Premises
10 at all reasonable times and with reasonable notice and, in emergencies, at any time and,
11 if Lessee is not present to give access during emergencies, then Lessor may forcibly enter
12 the Premises and any such entry shall not in any circumstances be construed or deemed
13 a forcible or unlawful entry of the Premises. Lessee shall not be entitled to compensation
14 or abatement of rent for any nuisance or inconvenience caused if Lessor exercises its
15 rights under this Lease and Lessor shall not be liable to Lessee for any temporary loss of
16 quiet enjoyment, inconvenience, loss of business, or other damage arising from Lessor's
17 entry.

18 24. Signs. Lessee shall not place, affix, maintain, or permit any sign,
19 advertisement, name, insignia, logo, descriptive material, or similar item (collectively "sign")
20 on the Premises without the prior written approval of Lessor. Any sign so approved shall
21 be maintained by Lessee, at its cost, in good condition. Any sign not approved by Lessor
22 may be removed by Lessor at Lessee's cost and the cost of removal shall be additional
23 rent.

24 25. Americans with Disabilities. Lessee shall have and be allocated the
25 sole responsibility to comply with the Americans with Disabilities Act of 1990 ("ADA"), as
26 and when amended, with respect to the Premises and Lessee shall defend, indemnify and
27 hold Lessor, its officials and employees harmless from and against any and all claims of
28 failure to comply with or violation of the ADA. If the Premises require structural repairs or

1 capital improvements required by ADA, then Lessee shall notify Lessee of this requirement
2 and, Lessee failure or refusal to make the repairs or improvements shall be a material
3 default of this Lease which entitles Lessor to terminate it immediately notwithstanding the
4 cure period described in Section 17(c).

5 26. Brokers. Both parties represent that they have had no contacts or
6 dealings regarding this Lease through a broker or agent or any other person who can claim
7 a right to a commission or fee. Each party shall defend, indemnify and hold the other party
8 harmless from all liability arising from any person claiming a commission or fee as a result
9 of entering this Lease provided that the party so charged promptly notifies the other party
10 regarding such claim.

11 27. Notice. Any notice or approval under this Lease shall be in writing and
12 either personally delivered or deposited in the U.S. Postal Service, first class, postage
13 prepaid and addressed to Lessee at the address of the Premises and to Lessor at 333
14 West Ocean Boulevard, Long Beach, CA 90802 Attn: City Manager . Notice shall be
15 effective on the date of mailing or on the date personal delivery is made, whichever occurs
16 first. Notice of change of address shall be given in the same manner as other notices.

17 28. Force Majeure. Where a party is required to do any act and the
18 inability of that party to perform or a delay in performance of that act is caused by or results
19 from fire, flood, earthquake, acts of God, strikes, war, explosion, or acts beyond the
20 reasonable control of that party and not due to that party's fault or neglect, then that party
21 shall be excused and shall not be in default for failure to act. Financial inability to perform
22 shall not be considered a cause beyond the reasonable control of the party.

23 29. Surrender of Premises. Subject to Section 5(E), on the expiration or
24 sooner termination of this Lease, Lessee shall deliver to Lessor possession of the
25 Premises in the same or better condition that existed immediately prior to the date of
26 execution hereof, reasonable wear and tear excepted.

27 30. Hazardous Materials. Lessee shall not keep or allow to be kept on the
28 Premises any goods, merchandise, supplies, personal property, materials, or items of any

1 kind which are in any way explosive or hazardous except those limited items which are
2 necessary for Lessee to carry on its health care business provided that Lessee disposes
3 of same as required by law. Lessee shall comply with California Health and Safety Code
4 Section 25359.7 or its successor statute regarding notice to Lessor on discovery by Lessee
5 of the presence or suspected presence of any hazardous substance on the Premises.
6 "Hazardous material or substance" means anything which is or becomes regulated by the
7 City of Long Beach, the County of Los Angeles, the State of California, or the United States
8 government.

9 31. Quiet Enjoyment. If Lessee performs the terms, covenants, and
10 conditions of this Lease, then Lessee shall peaceably and quietly hold and enjoy the
11 Premises.

12 32. Damage or Destruction. Lessee shall promptly notify Lessor of
13 damage or destruction to the Premises and the date when the damage or destruction
14 occurred. Lessee shall promptly make proof of loss and proceed to collect all valid claims
15 that Lessee may have against insurers or others based on the damage or destruction. All
16 amounts recovered as a result of the claims shall be used first for the restoration of the
17 Premises, which Lessee shall promptly begin and diligently pursue so that the Premises
18 are restored to substantially the same condition as they were in immediately before such
19 damage or destruction. If existing laws do not permit restoration, then Lessee may
20 terminate this Lease by notice to Lessor.

21 33. Laws. Lessee, at its sole cost, shall comply with all laws, ordinances,
22 rules, and regulations of and obtain the permits, licenses, and certificates required by all
23 federal, state, and local governmental authorities having jurisdiction over the Premises and
24 Lessee's use of it. If the Premises require structural repairs or capital improvements as a
25 result of requirements by federal, state or local governmental authorities, then Lessor at
26 its sole option may make those repairs or may notify Lessee that Lessor has chosen not
27 to make the repairs and Lessee shall have the right to terminate this Lease by giving at
28 least fifteen (15) days notice of termination to Lessor.

1 34. Drainage. Lessee shall, at its sole cost and expense, keep and
2 maintain all natural and artificial drainage channels now or hereafter constructed on the
3 Premises free and unobstructed.

4 35. Reservation of Rights. Lessor reserves the right to construct,
5 maintain, operate, replace, replace, install, and remove storm drains, water and sewer lines
6 and appurtenances, poles, oil and gas pipes and appurtenances and the like and to drill,
7 maintain, and operate water wells, oil and gas facilities, and to place, maintain and operate
8 buildings, pump plants, machinery, tanks, and other structures and equipment necessary
9 or convenient for any of the foregoing facilities. Lessor also reserves the right of ingress
10 and egress and entry to, on, over, in and about the Premises for any right reserved in this
11 Section. Lessor's rights are limited to that part of the Premises not occupied by a building
12 or structure constructed by Lessee, unless necessary for the health or safety of the citizens
13 of Long Beach.

14 36. Reservation of Rights Relating to Wireless Communication.
15 Notwithstanding anything stated in Section 15, Lessor reserves the right to reject any
16 sublease, permit or transfer by Lessee to any person or entity desiring to install, erect,
17 maintain, or operate any form of wireless communication on the Premises. In order to
18 seek approval from Lessor of a sublease, permit or transfer for this purpose, Lessee shall:
19 (i) submit a copy of the proposed sublease, permit or transfer document to Lessor at least
20 ninety (90) days before the proposed effective date of the sublease, permit or transfer, (ii)
21 include in the sublease, permit or transfer document an agreement on the part of the
22 sublessee, permittee, or transferee that he/she/it will co-locate other wireless
23 communication facilities on the wireless facility including but not limited to wireless facilities
24 owned or operated by Lessor (at no charge to Lessor), (iii) pay to Lessor fifty percent
25 (50%) of the rent or other payment, however designated, received by Lessee with respect
26 to the sublease, permit or transfer. Lessor may require that Lessee modify the sublease,
27 permit or transfer documents before Lessor will grant its approval.

28 Lessor's approval of a sublease, permit or transfer is only made in Lessor's

1 capacity as a landlord and not in Lessor's municipal capacity. Lessee shall require that
2 any sublessee, permittee or transferee obtain permits and other entitlements from all
3 federal, state, and local entities having jurisdiction over wireless communication on the
4 Premises.

5 37. Remedies. When a default by Lessee occurs, in addition to any other
6 rights or remedies of Lessor under this Lease, by law, or in equity, Lessor shall have the
7 following rights and remedies:

8 (a) Lessor may terminate this Lease by giving to Lessee notice of
9 termination, and Lessee shall immediately surrender possession of the Premises as
10 described elsewhere in this Lease. Termination shall not relieve Lessee from the payment
11 of any sum due to Lessor or any claim that Lessor may have for damages or indemnity.
12 Lessor shall be entitled to recover from Lessee all damage incurred by Lessor including
13 but not limited to the cost of recovering possession, expenses of reletting including
14 renovation and alteration, reasonable attorney's fees, and real estate commissions paid;

15 (b) Without terminating this Lease, Lessor may re-enter and relet the
16 Premises or any part of the Premises to such tenants, for such terms ending before, on or
17 after the expiration of this Lease, at such rent and on such conditions as Lessor, in its sole
18 discretion, may determine to be appropriate. Lessor may execute leases under this
19 provision either in its name or in Lessee's name, and shall be entitled to the rent from the
20 Premises. Lessee hereby appoints Lessor its attorney-in-fact for the purpose of such
21 re-letting. Lessee shall nevertheless pay to Lessor when due all sums required under this
22 Lease, plus Lessor's expenses, including but not limited to the expenses of remodeling,
23 real estate commissions, and advertising, less the sum received by Lessor from any
24 reletting. No act by Lessor under this provision shall constitute termination of this Lease
25 unless and until Lessor gives to Lessee notice of termination.

26 These remedies are not exclusive but cumulative to other remedies provided
27 by law on in equity in the event of Lessee's default, and the exercise by Lessor of one or
28 more rights or remedies shall not preclude Lessor's exercise of additional or different

1 remedies for the same or any other default by Lessee.

2 38. Trade Fixtures. Lessee shall have the right, at its sole cost and within
3 thirty (30) days after expiration or termination of this Lease, to remove trade fixtures,
4 machinery, equipment, tools, and supplies that it has placed on the Premises. If any of
5 these items remain on the Premises at the end of that thirty-day period, then ownership of
6 them shall vest in Lessor without further action of the parties and without payment by
7 Lessor to Lessee for them.

8 39. Miscellaneous. A. The headings and numbers of this Lease are not
9 a part of it and the groupings of the provisions of it into separate sections, paragraphs, and
10 clauses are for convenience only and shall have no effect on the construction or
11 interpretation of it.

12 B. Each provision of this Lease to be performed by Lessee shall be
13 construed as both a covenant and a condition of this Lease.

14 C. If any term, covenant, or condition of this Lease is found to be invalid,
15 void, ineffective, or unenforceable for any reason, the remaining terms, covenants, and
16 conditions shall remain in full force and effect.

17 D. Time is of the essence in this Lease and its performance and no notice
18 to Lessee shall be required to restore "time is of the essence" after waiver by Lessor of any
19 breach of this Lease.

20 E. This Lease shall not be modified except in a written amendment signed
21 by duly authorized representatives of the parties and authorized by Lessor's City Council.

22 F. This Lease represents and constitutes the entire understanding between
23 the parties and supersedes all other agreements and communications between the parties,
24 whether oral or written, concerning the subject matter herein.

25 G. This Lease shall not be recorded.

26 H. In any action or proceeding relating to this Lease, the prevailing party
27 shall be entitled to its costs, including reasonable attorney's fees.

28 I. This Lease shall be binding on and inure to the benefit of the parties and

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333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 their successors, heirs, transferees, and assignees except as provided in Section 15, and
2 all of the parties hereto shall be jointly and severally liable hereunder.

3 J. This Lease shall be governed by and construed in accordance with the
4 laws of the State of California except for principles of conflicts or choice of laws.

5 K. This Lease is created as a joint effort between the parties and fully
6 negotiated as to its terms, covenants, and conditions. This Lease shall not be construed
7 against either party as the drafter.

8 L. Lessor and Lessee hereby waive their respective rights to trial by jury of
9 any contract or tort claim, counterclaim, cross-complaint, or any other cause of action in
10 any action, proceeding, or hearing brought by either party against the other on any matter
11 in any way connected to this Lease, including but not limited to the enforcement of any law,
12 rule, ordinance or regulation.

13 M. The relationship of the parties is that of Lessor and Lessee, and the
14 parties agree that nothing contained in this Lease shall be deemed or construed as
15 creating a partnership, joint venture, principal-agent, association, or employer-employee
16 relationship between them or between Lessor and any third person or entity.

17 N. Each person signing this Lease on behalf of the parties represents and
18 warrants that he/she is authorized to sign on behalf of that party.

19 IN WITNESS WHEREOF, the parties have caused this document to be

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executed with all formalities required by law as of the date first stated above.

BOYS AND GIRLS CLUBS OF LONG BEACH,
a California public benefit corporation

7/28, 2006

By *Scott Dionne*
President

SCOTT DIONNE

(Type or Print Name)

7/28, 2006

By *Darlene Dameron*
Secretary

Darlene Dameron

(Type or Print Name)

"Lessee"

CITY OF LONG BEACH, a municipal corporation

8/11, 2006

By *Wanda Dameron*
City Manager

"Lessor"

This Lease is approved as to form on 8/8, 2006.

ROBERT E. SHANNON, City Attorney

By *R. Shannon*
Senior Deputy

Exhibit A

That portion of Lot 30, of Plat 1419.09 acre Tract known as Wilmington Colony Tract, as per map recorded in Book 4, Page 406 of Miscellaneous Records, in the office of the County Recorder of said County of Los Angeles, described as follows:

Beginning at a point on the North line of Willard Street, as shown on the map of Lybarger's Long Beach Harbor Tract, as per map recorded in Book 12, Pages 146 and 147 of Maps, in the office of said County Recorder, said point being Westerly thereon 660 feet from the East line of said Lot 30; thence Northerly 180 feet parallel to said East line; thence Easterly 139.00 feet parallel to said North line of Willard Street to the beginning of a non-tangent curve concave to the west having a radius of 55.50 feet; thence southerly 10.56 feet along said curve to a tangent line; thence Southerly 169.50 feet along said tangent line and parallel to said East line to a point on said North line of Willard Street; and thence Westerly 140 feet along said North line to the point of beginning."

EXHIBIT B

PROJECT DESCRIPTION AND BUDGET

Project Description

Facility: Fairfield Westside Boys & Girls Club

Project: Fairfield Westside Boys & Girls Club Multipurpose Facility

We propose to build a two-story 13,144 sq.ft. addition to our existing facility located at 1835

West Willard Street in West Long Beach. The first story will have a gymnasium, a

weight/exercise room, a stage, separate performance changing rooms for boys and girls, an

aerobics/class room, separate boys and girls locker rooms, an equipment room, a lobby/reception

area, two small offices, and a storage room. The second story is the Teen Center where they will

have a room for studying/ leadership training/career prep training, a lounge and game room area,

and a music/band/stereo area.
