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THIS LEASE is made and entered, in duplicate, as of February 15, 2017, pursuant to a minute order of the City Council of the City of Long Beach adopted at its meeting held on January 10, 2017, by and between ISRAEL DAKAR, whose address is 9583 Alcott St., Suite 204, Los Angeles, CA 90035 ("Landlord"), and the CITY OF LONG BEACH, a municipal corporation, whose address is 333 W. Ocean Boulevard, 3rd Floor, Long Beach, California 90802, Attention: Property Services Officer, City of Long Beach ("Tenant").

Landlord and Tenant, in consideration of the mutual terms, covenants, and conditions herein, agree as follows:

- Landlord hereby leases to Tenant and Tenant hereby Premises. accepts and leases from Landlord those certain premises commonly known as 402 Atlantic Avenue (the "Premises"), such premises being more particularly described and/or depicted in Exhibit "A" attached hereto. The Premises shall be leased in "as is" condition. The Premises shall expressly not include the approximately 1000-square foot building that currently exists upon the Premises (the "Building"), and Tenant shall have no access rights or any obligations with respect thereto.
- 2. <u>Term</u>. The term of this Lease shall commence on February 15, 2017 ("Commencement Date"), and shall terminate on February 15, 2018. Tenant shall have one option to extend the term of this Lease for an additional one (1) year period (to February 15, 2019), by providing written notice of its intent to exercise such option no later than thirty (30) days prior to the expiration of the initial term, and, in that event, the parties shall execute an amendment to this Lease that extends the term. Notwithstanding anything to the contrary contained herein, Landlord and Tenant shall each have the right to terminate this Lease at any time during the term for any reason, upon thirty (30) days' advance written notice to the other party.
 - 3. Rent. Beginning on the Commencement Date, and continuing thereafter

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on or before the first day of each month, Tenant shall pay to Landlord in advance a monthly rental payment equal to One Thousand and No/100 Dollars (\$1,000.00), such rent to be prorated for any partial month, and subject to reduction as provided in Section Notwithstanding the foregoing, the initial payment of rent under this Lease shall not be due until the date which is fourteen (14) days after the Commencement Date. If Tenant has not paid rent seven (7) days after such rent is due, then Tenant shall be assessed a late fee equal to five percent (5%) of the late monthly rent amount.

- 4. The Premises shall be used for periodic City-supported Use. programming, including without limitation arts, music, social events and parking associated therewith.
- 5. Tenant, at its own cost, may make temporary Improvements. improvements to the Premises in order to accommodate its use, subject to the approval of Landlord, which such approval shall not be unreasonably withheld.
- Maintenance Obligations. Tenant shall keep the Premises in a neat, safe and sanitary condition, including the removal of any debris dumped at the Premises. Tenant may, at its own expense, contract with third parties to provide such maintenance services to the Premises. Landlord shall be responsible for all other maintenance to the Premises and improvements thereon, including without limitation the condition of the pavement and any structures on the Premises.
- Landlord shall not be obligated to provide utilities to the 7. Utilities. Premises. Tenant shall have the right, at its own cost and expense, to supply its own utilities to the Premises.
- 8. Taxes. Landlord shall be responsible for payment of all real property taxes.
- 9. Hazardous Materials. In the event any Hazardous Materials are detected during the Lease term, such materials shall be removed promptly in accordance with applicable law at the sole cost and expense of Landlord. In the event Landlord determines it is cost prohibitive to remove such materials, Tenant shall have the option of

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terminating this Lease by giving written notice. No goods, merchandise, supplies, personal property, materials, or items of any kind shall be kept, stored, or sold in or on the Premises which are in any way explosive or hazardous. Tenant shall comply with California Health and Safety Code Section 25359.7 or its successor statute regarding notice to Landlord on discovery by Tenant of the presence or suspected presence of any hazardous material on the Premises. "Hazardous Materials" means any hazardous or toxic substance, material or waste which is or becomes regulated by the City, the County of Los Angeles, the State of California or the United States government.

- Indemnity. Tenant shall protect Landlord and shall hold, keep and save Landlord from any and all suits, claims or less or liabilities to any person or damage to the Premises or Landlord's personal property located thereon resulting directly or indirectly from Tenant's use of the Premises. Tenant agrees to indemnify and hold harmless Landlord from all injuries to persons and property caused, in whole or in part, by the following: a) any breach by Tenant or any undertaking or representation under this Lease, or b) any negligent or willful acts by Tenant (or its employees or agents) in connection with Tenant's activities on the Premises.
- Insurance. Within five (5) days after the execution of this Lease, 11. Tenant shall deliver to Landlord a Certificate of Self-Insurance on Tenant's standard form providing evidence of coverage for:
- Commercial general liability self-insurance equivalent in a. coverage scope to ISO CG 00 01 10 93 in an amount not less than One Million Dollars (US \$1,000,000) per occurrence and Two Million Dollars (US \$2,000,000) in aggregate and
- b. Special perils property coverage in an amount sufficient to cover the full replacement value of Tenant's personal property, improvements, and equipment on the Premises.

The self-insurance program shall not be suspended, voided, or canceled by Tenant except after thirty (30) days prior written notice to Landlord, and shall be primary

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and not contributing to any other insurance maintained by Landlord. The commercial general liability shall name Landlord and Nate Dakar as additional insureds.

With respect to damage to property, Landlord and Tenant hereby waive all rights of subrogation, one against the other, but only to the extent that collectible commercial insurance is available for said damage.

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

- 12. Default by Tenant. The occurrence of any of the following acts shall constitute a default by Tenant:
 - a. Failure to pay rent when due after ten (10) days written notice;
- b. Failure to perform any of the terms, covenants, or conditions of this Lease if said failure is not cured within thirty (30) days after written notice of said failure; or
- Any attempted assignment, transfer, or sublease except as approved by Landlord or otherwise authorized pursuant to Section 15.

If Tenant does not comply with each provision of this Lease or if a default occurs, then Landlord may terminate this Lease and Landlord may enter the Premises and take possession thereof provided, however, that these remedies are not exclusive but cumulative to other remedies provided by law in the event of Tenant's default, and the exercise by Landlord of one or more rights and remedies shall not preclude Landlord's exercise of additional or different remedies for the same or any other default by Tenant.

- 13. Default by Landlord. The occurrence of any of the following acts shall constitute a default by Landlord:
- a. Failure to perform any of the terms, covenants, or conditions of this Lease if said failure is not cured within thirty (30) days after written notice of said failure.

If Landlord does not comply with each provision of this Lease or if a default occurs, then Tenant may terminate this Lease, provided, however, that this remedy is not

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

- 14. Right of Entry; Reservation of Rights. Landlord shall have the right of access to the Premises and the Building during normal business hours and with reasonable advance notice to inspect the Premises and the Building, to determine whether or not Tenant is complying with the terms, covenants, and conditions of this Lease, to serve, post, or keep posted any notice, and for any other legal purpose. Landlord shall also have the right to enter in case of emergencies. Landlord reserves the right to exclusively use the Premises and the Building in connection with special events, provided that (i) Landlord or Special Events Licensee Renter obtains a permit for such use through the City of Long Beach Office of Special Events and Filming, (ii) Landlord provides Tenant with at least seven (7) days advance written notice of the filming/special event, and (iii) rent is abated pro-rata in accordance with the number of days in any month which the Premises are unavailable for Tenant's use. Tenant shall remove all personal or temporary property/improvements from the Premises prior to such special events.
- 15. Condemnation. If the whole or any part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain, then this Lease shall terminate as to the part taken or as to the whole, if taken, as of the day possession of that part or the whole is required for any public purpose, and on or before the day of the taking Tenant shall elect in writing either to terminate this Lease or to continue in possession of the remainder of the Premises, if any. All damages awarded for such taking shall belong to Landlord.
- Assignment. Tenant shall not assign or transfer this Lease or any interest herein, nor sublease the Premises or any part thereof without the prior written approval of Landlord. Tenant shall notify Landlord of any third-party requests Tenant

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receives respecting subleasing and/or otherwise using the Premises for a private event, it being the intention of Landlord and Tenant that Landlord have the benefit of all revenue generating opportunities associated with private events and/or filming. Notwithstanding the foregoing, Tenant may issue short-term licenses or other temporary permits to thirdparties in connection with the conduct of community serving events or programming at the Premises with at least seven (7) days prior notification to Landlord as long as those events do not preclude Landlord from revenue opportunities that those events would have otherwise paid for.

- Access. Tenant shall have access to the Premises twenty-four (24) hours per day, seven (7) days per week.
- 18. Holding Over. If Tenant holds over and remains in possession of the Premises or any part thereof after the expiration of this Lease with the express or implied consent of Landlord, then such holding over shall be construed as a tenancy from month to month at the monthly rent then in effect and otherwise on the same terms, covenants, and conditions contained in this Lease.
- 19. Surrender of Premises. On the expiration or sooner termination of this Lease, Tenant shall deliver to Landlord possession of the Premises in substantially the same condition that existed immediately prior to the date of execution hereof, reasonable wear and tear excepted.
- 20. Any notice required hereunder shall be in writing and personally served or deposited in the U.S. Postal Service, first class, postage prepaid to Landlord and Tenant at the respective addresses first stated above. Notice shall be deemed effective on the date of mailing or on the date personal service is obtained, whichever first occurs. Change of address shall be given as provided herein for notice.
- 21. Waiver of Rights. The failure or delay of Landlord to insist on strict enforcement of any term, covenant, or condition herein shall not be deemed a waiver of any right or remedy that Landlord may have and shall not be deemed a waiver of any subsequent or other breach of any term, covenant, or condition herein. The receipt of

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and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default but shall only constitute a waiver of timely payment of rent. Any waiver by Landlord of any default or breach shall be in writing. Landlord's approval of any act by Tenant requiring Landlord's approval shall not be deemed to waive Landlord's approval of any subsequent act of Tenant.

- 22. Successors in Interest. This Lease shall be binding on and inure to the benefit of the parties and their successors, heirs, personal representatives, transferees, and assignees, and all of the parties hereto shall be jointly and severally liable hereunder.
- Force Majeure. Except as to the payment of rent, 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, 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.
- 24. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California. Any controversy or claim arising out of or relating to this Lease or breach of this Lease shall be settled by arbitration in accordance with the rules of the American Arbitration Association. Judgment on the award rendered by the arbitrators may be entered in any court having competent jurisdiction.
- Integration and Amendments. This Lease represents and 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 signed by the parties and referring to this Lease.
 - 26. Relationship of Parties. The relationship of the parties hereto is that of

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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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EXHIBIT "A" PREMISES

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