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

LEASE

THIS LEASE ("Lease") is entered into this 15 day of November, 2005, in duplicate pursuant to a Minute Order adopted by the City council of the City of Long Beach at its meeting of November 22, 2005 between LONG BEACH COMMUNITY COLLEGE DISTRICT, a Community College District ("Landlord"), and THE CITY OF LONG BEACH.

In consideration of the covenants and conditions contained below, Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord the real property described below upon the following terms and conditions:

- 1. <u>Premises</u>. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises shown on Exhibit "A" attached hereto and incorporated herein by this reference ("Premises"). The Premises consist of approximately One Thousand Five Hundred Nineteen (1500) parking spaces and consists of a portion of the Veterans Stadium parking lot at the northwest corner of Clark Avenue and Conant Street. Tenant agrees that access to the Premises shall be via the driveway entrance on Conant Street which is closest to the corner of Conant Street and Clark Avenue.
- 2. <u>Term.</u> The term of this Lease ("Term") shall commence at 5:00 p.m. on December 23, 2005 ("Commencement Date") and shall continue until 11:59 p.m. on January 2, 2006 ("Expiration Date").

3. Rent.

(a) Minimum Rent. Tenant shall pay to Landlord as rent for the Premises the amount of Four Thousand Four Hundred (\$4,400.00) Dollars ("Minimum Rent"). Minimum Rent represents the product of Eight (\$8.00) Dollars times One Thousand Five Hundred (1,500) parking spaces located on the Premises. In the event the number of parking spaces reserved by Tenant is less than One Thousand Five Hundred (1,500), the Minimum Rent shall be adjusted and computed on the basis of the actual

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number of parking spaces reserved for use by Tenant times Eight (\$8.00) Dollars. Minimum Rent shall be paid within three (3) weeks of the Commencement Date. If the Commencement Date is other than the first day of a calendar month, Minimum Rent shall be prorated based on a thirty (30) day month. All rental to be paid by Tenant to Landlord shall be paid without deduction, offset, prior notice or demand at the address set forth below Landlord's signature, or to such other person or address as Landlord may designate in writing.

(b) Percentage Rent

- Net Revenues. In addition to the Minimum Rent, Tenant shall pay to Landlord, an additional rental, at the time and in the manner herein specific, Percentage Rental equal to fifty percent (50%) of the amount by which Tenant's Net Revenues (as hereinafter defined) made in, upon the from the Premises exceeds the Minimum Rent previously paid by Tenant.
- Within forty-five (45) days after the end of (2) Revenue Reports. the Term, Tenant shall furnish to Landlord a statement in writing, certified by Tenant to be correct, showing the total Net Revenue made in, upon or from the Premises during the Term, and shall accompany each such statement with a payment to Landlord equal to said percentage of the amount by which the Net Revenue made in, upon or from the Premises Rental paid by Tenant exceeds Minimum Rent.
- Definition of Net Revenues. The term "Net Revenue" as used in this Lease shall mean: (A) the entire gross receipts of every kind and nature from sales, services and rentals made in, upon or from the Premises, whether upon credit or for cash, whether operated by Tenant or a concessionaire or other party; less (B) any rebates and/or refunds to customers and the amount of all sales tax receipts which have to be accounted for by Tenant to any government or governmental agency, less (C) the management fees, if any, and employee wages and benefits, if any, incurred by Tenant directly in connection with the operation and management of the Premises, less (D) the Minimum Rent provided

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above, provided, however, that (i) wages and benefits of any employee or manager who does not devote substantially all of his or her employed time to the Premises shall include only such wages and benefits as prorated to reflect the actual time spent by such employee or manager on operating or managing the Premises; and (ii) any amount paid by Tenant to a subsidiary or affiliate of Tenant for management or employee services at the Premises shall be limited for purposes hereof to the extent the same do not exceed the costs of such services rendered by qualified, first-class unaffiliated third parties on a competitive basis, and (E) any utility costs associated with the operation and management of the Premises by Tenant.

(d) Books and Records. Tenant shall keep complete and proper books, records and accounts of its daily Net Revenue. With reasonable prior notice, Landlord and its agents and employees shall have the right at any and all times, during regular business hours, to examine and inspect all of the books and records of Tenant pertaining to the business of Tenant conducted in, upon or from the Premises, for the purpose of investigating and verifying the accuracy of any statement of Net Revenue. Tenant shall, within ten (10) days of Landlord's written request, send to Landlord copies of Tenant's quarterly state sales tax reports applicable to the Term. Landlord may from time to time cause an audit or review of the business of Tenant to be made by a certified public accountant or other professional of Landlord's selection, and if the statement of Net Revenue previously made to Landlord shall be found to be inaccurate, then there shall be an adjustment and one party shall pay to the other within ten (10) days of demand such sums as may be necessary to settle in full the accurate amount of said Percentage Rental that should have been paid to Landlord for the period or periods covered by such inaccurate statement or statements. Landlord shall be responsible for the cost of any such audit, unless the audit shall disclose that Tenant's Net Revenue for the period of said audit is five percent (5%) or more greater than the monthly reported New Revenue, then Tenant shall immediately pay to Landlord the cost of such audit.

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- 5. <u>Use</u>. The Premises shall be used for long-term parking of motor vehicles and for such other purposes as are associated with the parking of motor vehicles. The parties agree that this Lease covers only the surface of the Premises and only so much of the subsurface, if any, as is reasonably necessary for Tenant's use of the Premises as permitted herein.

 6. Maintenance. Tenant shall at its expense keep the Premises
- 6. <u>Maintenance</u>. Tenant shall at its expense keep the Premises reasonably neat and clean and in compliance with applicable laws.
- 7. <u>Liens</u>. Tenant shall keep the Premises free of mechanic's or materialman's liens for any work done, labor performed or material furnished at the Premises by or on behalf of Tenant.
- 8. Condition of Premises. Except as provided herein, Tenant accepts the Premises "as is" and acknowledges that Landlord has not made any warranty or representation as to the condition of the Premises or the fitness of the Premises for any intended purpose. Landlord shall, at its sole cost and expense, fill any existing potholes on the Premises prior to commencement of the Original Term. All other improvements to the Premises, including fencing, signage, slurry sealing, restriping of parking stalls and the installation of parking control equipment shall be made by Tenant at its sole cost and expense. Tenant may also clean the surface parking lot, realign the bumper stops, and add a surveillance camera. Tenant may remove any parking control equipment installed pursuant to this Section 8 at its own cost upon expiration or earlier termination of this Lease, or sooner at its option.
- 9. <u>Improvements</u>. Except as set forth herein, Tenant shall not erect any improvements on the premises without the prior written approval of Landlord.
- 10. <u>Utilities</u>. Landlord shall provide all utilities to the Premises, which are reasonably necessary for the operation of the Premises as a parking lot. The utilities to be provided do not include water.
 - 11. <u>Discrimination</u>. Subject to applicable laws, rules, and

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regulations. Tenant shall not discriminate against anyone on the basis of age, sex, sexual orientation, AIDS, HIV status, marital status, race, religion, creed, ancestry, national origin, disability, or handicap in the use of the Premises.

- Any notice required hereunder shall be in writing and 12. Notices. personally served or deposited in the U.S. Postal Service, first class, postage prepaid to Tenant at 333 West Ocean Blvd. attention City Manager, 13th Floor, Long Beach, CA 90802, with a copy to the attention of The City Attorney of the City of Long Beach at 333 West Ocean Blvd. 11th Floor, Long Beach CA 90802, and to Landlord at Long Beach Community College District, Attention Executive Vice President of Administrative Services, 4901 East Carson Street, Long Beach, CA 90808. Notice shall be deemed effective two (2) days after 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 notices.
- 13. Indemnification. Tenant shall defend, indemnify and hold Landlord harmless from all claims, demands, damages, causes of action, losses, liability, of any kind or nature whatsoever (claims") for injury to or death of persons or damage to or loss of any personal or real property occurring in, on, or about the Premises arising from the negligence or willful misconduct of Tenant, Tenant's employees, agents, representatives or invitees or arising from misuse of the Premises by Tenant, Tenant's employees, agents, representatives or invitees, or any claims arising from any breach of this Lease by Tenant.
- 14. Insurance. Tenant shall, at Tenant's sole expense, obtain and keep in force at all times during the term of this Lease, the following policies or insurance:
 - 14.1 Coverage equivalent to ISO form CG 00 01 11 88 (Commercial General Liability) Insurance or Self-Insurance that shall include the Landlord as an additional insured with coverage equivalent to an ISO form CG 20 26 11 85 in an amount of Two Million Dollars (\$2,000,000) per occurrence and in the aggregate.
 - 14.2 Coverage equivalent to ISO form CA 00 01 (Commercial

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Automobile) Insurance or Self-Insurance in an amount of One Million Dollars (\$1,000,000) combined single limit (CSL) per accident for bodily injury and property damage covering owned, non-owned, and hired automobiles. This shall also cover garage keepers legal liability with limits of Fifty Thousand Dollars (\$50,000).

- Worker's compensation coverage that complies with the Labor 14.3 Code of the State of California, and any other applicable rules, regulations, ordinances and disability benefit acts.
- 14.4 Property Insurance covering the Tenant's personal property from "All Risk" perils of loss (excluding flood, earthquake, and terrorism) which is brought onto or kept on the Premises on a replacement cost basis. This policy shall have a deductible no larger that Tenant's most common, current Property Insurance deductible.
- 14.5 Tenant shall deliver to Landlord certificates evidencing the existence, coverage and amounts of such insurance or self-insurance within seven (7) days after the commencement of the Lease and no later than the first day upon which Tenant commences any preparation, improvement or operation upon the Premises. No such policy shall be cancelable or subject to reduction of coverage or other modification, except for reduction of limits due to claim activity, except after thirty (30) days prior written notice to Landlord. Tenant shall, at least thirty (30) days within the expiration of such policies, furnish Landlord with renewal certificates or cover notes or binders of renewal thereof.
- Tenant shall not assign or transfer this Lease or any 15. Assignment. interest herein, nor sublease the Premises or any part thereof without the prior written consent of Landlord, which consent shall not be unreasonably withheld.
- Tenant shall peaceably deliver possession of the 16. Possession. Premises to Landlord on the effective date of termination or expiration of this Lease. Upon the termination or expiration of this Lease, Tenant shall return the Premises to the original

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condition that existed at the commencement of the Original Term, reasonable wear and tear excepted. If, upon the termination or expiration of this Lease, Tenant fails to return the Premises to the original condition, reasonable wear and tear excepted, Landlord may use its own forces or engage the services of a third party to perform any work necessary to return the Premises to the original condition and Tenant shall reimburse Landlord for all reasonable expenses incurred in regards thereto. On giving notice of termination to Tenant, Landlord shall have the right to re-enter and take possession of the Premises on the effective date of termination.

- In any action or proceeding relating to this 17. Attorney's Fees. Lease, the prevailing party shall be entitled to its costs, including reasonable attorney's fees.
- 18. Access. Landlord shall have the right of access to the Premises at all reasonable times to inspect the Premises, to determine whether or not Tenant is complying with the terms, covenants, and conditions of this Lease, and to serve, post, or keep posted any notice.
- 19. Signs. Tenant shall not place, affix, maintain, or permit any sign on the Premises without the prior written approval of Landlord. Any sign so approved shall be maintained in good condition by Tenant at its sole cost and expense.
- 20. Compliance with Laws. Tenant, at its sole cost, shall comply 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 business thereon.
- 21. Obligations of Landlord. Landlord shall do all things necessary to permit the Premises to be used for the purposes set forth in this Lease including complying with all applicable laws and regulations including those, if any, of the City of Long Beach. Notwithstanding the foregoing, Tenant, and not Landlord, shall be fully responsible for performing, preparing, filing and/or serving any applications, notices, reviews, declarations,

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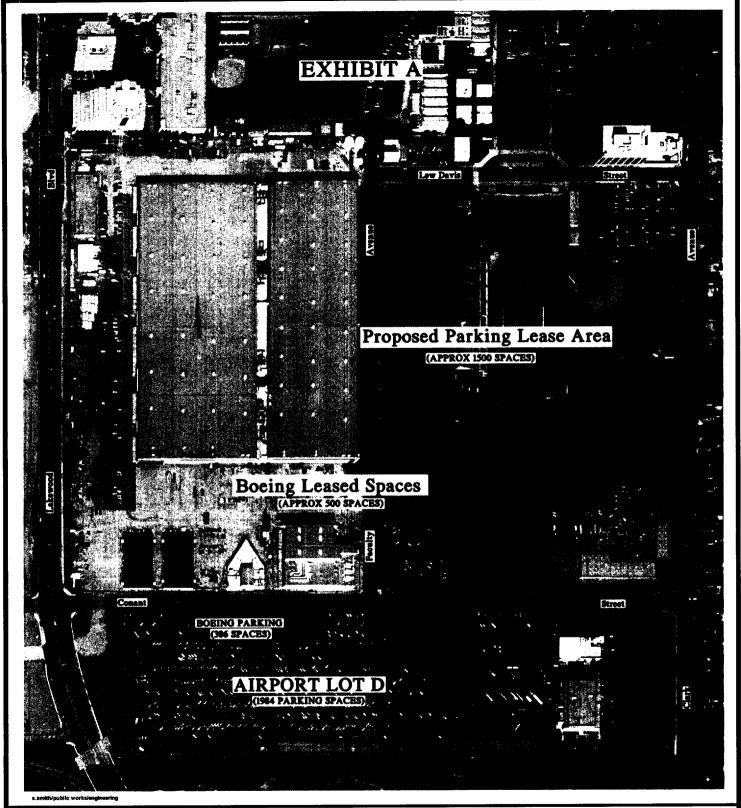
studies, reports or other documents necessary to satisfy any requirements arising from the California Environmental Quality Act (CEQA).

The failure by Tenant to perform any of the terms, 22. Defaults. covenants, and conditions of this Lease shall constitute a default if said failure is not cured within thirty (30) days after Landlord notifies Tenant in writing of said failure. If the default cannot reasonably be cured in thirty (30) days, Tenant shall not be in default if Tenant begins to cure within the thirty (30) day period and diligently prosecutes the corrective action to completion. In the event of a default by Tenant, Landlord may immediately terminate this Lease and Tenant's right to possession of the Premises. Landlord's notice shall specify the default and shall demand that Tenant perform or quit the Premises. Such notice shall not be deemed a forfeiture or termination of the Lease unless Landlord so elects in the notice. 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. Notwithstanding the forgoing, and except for Landlord's right to terminate this Lease upon the Tenant's failure to transfer title to the Transferred Property to Landlord within ninety (90) days of the Effective Date. Landlord shall not have any right and hereby waives any right to terminate this Lease at any time and for any reason during the Original Term. After the original term of this Lease, Landlord may, in its sole discretion and for its own convenience, terminate this Lease upon giving sixty (60) days written notice to Tenant.

23. <u>No Agency</u>. The relationship of the parties hereto is that of landlord and tenant, and the parties agree that nothing contained in this Lease shall be deemed or construed as creating a partnership, joint venture, association, principal-agent or employer-employee relationship between them or between Landlord or any third person or entity.

IN WITNESS WHEREOF the parties have executed this Lease as of the date first above written.

Kobert E. Shannon City Attorney of Long Beach 333 West Ocean Boulevard Long Beach, California 90802-4664 Telephone (562) 570-2200		
	1	LONG BEACH COMMUNITY COLLEGE
	2	DISTRICT, a Community College District
	3	Dated: 11 15 , 2002 5 By:
	4	Its: Everne Vi is Pres
	5	
	6	"LANDLORD"
	7	CITY OF LONG BEACH, a
	8	municipal corporation
	9	Dated: 12 , 2003 By Manager 2005 City Manager
	10	2005 City Manager
	11	"TENANT"
	12	2000
	13	Approved as to form this <u>a f</u> day of <u>November 2003.</u>
	14	·
	15	ROBERT E. SHANNON, City Attorney
	16	Cel 1m -
	17	ByEverett L. Glenn, Deputy
	18	ELG:cj 10/17/05 (LEASE/GRANT DEED) #05-04881 L:\APPS\CtyLaw32\WPDOCS\D017\P004\00081020.WPD
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CITY OF LONG BEACH - CALIFORNIA DEPÁRTMENT OF PUBLIC WORKS - CHRISTINE F. ANDERSEN DIRECTOR

Vicinity Map for
Proposed City Leased Parking
at Veterans Stadium