

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

11661

FIRST AMENDMENT TO LEASE NO. 11661

1
2 THIS FIRST AMENDMENT is made and entered into, in duplicate, as of May 16,
3 2007, for references purposes only, pursuant to a minute order adopted by the City
4 Council of the City of Long Beach at its meeting held on May 15, 2007, by and between
5 the CITY OF LONG BEACH, a municipal corporation, ("LESSOR") and LONG BEACH
6 FIREMEN'S CREDIT UNION, a nonprofit corporation, Long Beach, California 90815,
7 hereinafter referred to as ("LESSEE").

8 WHEREAS, the parties entered into a lease agreement on May 4, 1973,
9 in which Lessor leased to Lessee the premises located at 2245 Argonne Avenue for a
10 term of thirty-five (35) years; and

11 WHEREAS, the parties desire to enter this First Amendment to the
12 agreement to extend the term for an additional thirty-five years;

13 NOW, THEREFORE, in consideration of the mutual terms and conditions
14 contained in Lease Agreement No. 11661 and herein, the parties agree as follows:

15 1. TERM. The term of the lease shall be extended for a period of
16 thirty-five (35) years commencing on May 4, 2008 and expiring on May 3, 2043, unless
17 terminated sooner in accordance with the provisions of this lease herein contained.

18 Section 7 of Lease Agreement No. 11661 is deleted in its entirety and
19 amended to read:

20 "7. INDEMNITY. Lessee shall indemnify and hold harmless the City,
21 its boards, commissions, and their officials, employees and agents (collectively in this
22 Section "City") from and against any and all liability, claims, demands, damage, loss,
23 causes of action, proceedings, penalties, costs and expenses (including reasonable
24 attorney's fees, court costs, and expert and witness fees)(collectively "Claims" or
25 individually "Claim"). Claims include by way of example but are not limited to: Claims
26 for property damage, personal injury or death arising in whole or in part from any
27 negligent act or omission of Lessee, its officers, employees or anyone under Lessee's
28 control. Independent of the duty to indemnify and as a free-standing duty on the part of

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1 Lessee, Lessee shall defend City and shall continue such defense until the Claim
2 (including allegations in a Claim) is resolved, whether by settlement, judgment or
3 otherwise. No finding or judgment of negligence, fault, breach, or the like on the part of
4 City shall be required for the duty to defend to arise. Each party shall promptly notify
5 the other party of any Claim. The City will assist Lessee, as may be reasonably
6 requested, in the defense.

7 Section 8 of Lease Agreement No. 11661 is deleted in its entirety and
8 amended to read:

9 "8. INSURANCE. Concurrent with the execution of this First
10 Amendment, Lessee shall procure and maintain at Lessee's expense for the duration of
11 this Lease including any extensions, renewals, or holding over thereof, from insurance
12 companies that are admitted to write insurance in the State of California or that have
13 ratings of or equivalent to an A:VIII by A.M. Best and Company the following insurance:

14 (a) Commercial general liability insurance equivalent in coverage
15 scope to ISO CG 00 01 10 93, including, as may be applicable to Lessee's operations,
16 products and completed operations, and fire legal liability, naming the City of Long
17 Beach, its officials, employees, and agents as additional insureds from and against
18 claims, demands, causes of action, expenses, costs, or liability for injury to or death of
19 persons, or damage to or loss of property arising out activities performed by or on
20 behalf of the Lessee in an amount not less than One Million Dollars (US \$1,000,000)
21 per occurrence and in an amount not less than Two Million Dollars (US \$2,000,000)
22 general aggregate. Said insurance shall be primary insurance with respect to City and
23 shall include cross liability protection,

24 (b) "All Risk" property insurance in an amount sufficient to cover the
25 full replacement value of Lessee's personal property, improvements, and equipment on
26 the Leased Premises,

27 (c) Workers' compensation in compliance with the Labor Code of the
28 State of California, and,

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1 (d) Any other insurance as required by the Federal Credit Union Act
2 (FCUA) or other laws governing credit unions.

3 (e) "All Risk" property insurance in an amount sufficient to cover the full
4 replacement value of real property on the Leased Premises that names the City of Long
5 Beach an additional insured and loss payee as its interest may appear."

6 Any self-insurance retention or deductibles must be approved separately
7 in writing by City and shall protect the City of Long Beach, its officials, employees, and
8 agents in the same manner and to the same extent as they would have been protected
9 had the policy or policies not contained retention provisions. Each insurance policy
10 shall be endorsed to state that coverage shall not be suspended, voided, changed, or
11 canceled by either party except after thirty (30) days prior written notice to City, and
12 shall be primary and not contributing to any other insurance or self-insurance
13 maintained by City.

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

17 Lessee shall deliver to City certificates of insurance and original
18 endorsements for approval as to sufficiency and form prior to the Lease hereunder.
19 The certificates and endorsements for each insurance policy shall contain the original
20 signature of a person authorized by that insurer to bind coverage on its behalf. "Claims-
21 made" policies are not acceptable unless City's Risk Manager determines that
22 "Occurrence" policies are not available in the market for the risk being insured. If a
23 "Claims-made" policy is accepted, it must provide for an extended reporting period of
24 not less than one hundred eighty (180) days.

25 Not more frequently than every three (3) years, if in the opinion of City or
26 of City's Risk Manager or designee, the amount of the foregoing insurance coverage is
27 not adequate, Lessee shall increase the insurance coverage as required by City.

28 Such insurance as required herein shall not be deemed to limit Lessee's

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1 liability relating to performance under this Lease. City reserves the right to require
2 complete certified copies of all said policies at any time. The procuring of insurance
3 shall not be construed as a limitation on liability or as full performance of the
4 indemnification and hold harmless provisions of this Lease. Lessee understands and
5 agrees that, notwithstanding any insurance, Lessee's obligation to defend, indemnify,
6 and hold City, its officials, agents, and employees harmless hereunder is for the full and
7 total amount of any damage, injuries, loss, expense, costs, or liabilities caused by the
8 condition of the Leased Premises or in any manner connected with or attributed to the
9 acts or omissions of Lessee, its officers, agents contractors, employees, sublessees,
10 licensees, patrons, or visitors, or the operations conducted by Lessee, or the Lessee's
11 use, misuse, or neglect of the Leased Premises.

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

14 Section 12 of Lease Agreement No. 11661 is deleted in its entirety and
15 amended to read:

16 "12. TERMINATION. In the event the leased premise cannot be used
17 for the purposes provided for in this lease by reason of any law, statute or ordinance
18 relating to the use of said premises, Lessee may terminate this lease upon giving
19 notice, in writing, to Lessor.

20 In the event the Lessee fails or refuses to comply with the terms and
21 conditions of this lease, the Lessor, acting by and through its City Manager, may give to
22 Lessee a notice, in writing, specifying wherein the Lessee is in default. If Lessee fails
23 or refuses to remedy said default within ten (10) days after service of such notice, the
24 Lessor may terminate this lease and all rights of Lessee hereunder shall cease. The
25 waiver or delay or breach of any of the terms and conditions hereof shall not be
26 considered as a waiver of any subsequent breach or default.

27 In addition, the Lessor shall have the right to terminate the Lease at any
28 time upon sixty-days prior written notice if the Lessee either (a) expands its operations

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1 and the Premises are no longer utilized as the primary offices for the operation of the
2 LBFCU or (b) is acquired by or merges with another corporation(s) and ceases to be an
3 independent, nonprofit corporation solely serving the Long Beach Fire Department and
4 its affiliated organizations.

5 The Lessor shall have the right to terminate the Lease after the first five
6 years of the extended term (May 4, 2013) at its sole discretion by providing Lessee with
7 one-year prior written notice.

8 Section 14 of Lease Agreement No. 11661 is deleted in its entirety and
9 amended to read:

10 "14. NOTICES. Any notice or approval required under this Agreement
11 shall be in writing and personally delivered or deposited in the U.S. Postal Service, first
12 class, postage prepaid, addressed to Lessee at Long Beach Firemen's Credit Union,
13 2245 Argonne Avenue, Long Beach, California 90815., and to the Lessor at 333 West
14 Ocean Boulevard, Long Beach, California 90802 Attn: City Manager. Notice of change
15 of address shall be given in the same manner as stated for other notices. Notice shall
16 be deemed given on the date deposited in the mail or on the date personal delivery is
17 made, whichever first occurs."

18 Section 16 is added to Lease Agreement No. 11661 and shall state:

19 "16. HAZARDOUS MATERIALS. At the present time, no hazardous
20 materials are known to exist on the leased premises located at 2245 Argonne Avenue.
21 However, Lessee agrees to be solely responsible for the removal and/or clean-up of
22 any hazardous materials on the leased premises, should said hazardous material
23 subsequently develop during the extended term of this lease. Lessee shall not be
24 responsible for the removal and/or clean-up of any hazardous material caused by
25 Lessor. Hazardous material shall mean any solid, liquid, or gas that can harm people,
26 other living organisms, property, or the environment.

27 Section 17 is added to Lease Agreement No. 11661 and shall state:

28 "17. ADA COMPLIANCE. Lessee agrees to maintain the premises

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1 located at 2245 Argonne Avenue in full compliance with the requirements of the
2 Americans With Disabilities Act at all times and at Lessee's expense.

3 Section 18 is added to Lease Agreement No. 11661 and shall state:

4 "18. RELOCATION. Lessee agrees that nothing contained in this
5 Lease shall create any right in Lessee for any relocation assistance or payment under
6 applicable California Law from Lessor on the expiration or termination of this Lease.
7 Lessee's agrees that nothing contained in this Lease shall create any right for any
8 reimbursement of Lessee's moving expenses incurred prior to or during the term of this
9 Lease.

10 Except as expressly amended herein, all of the terms and conditions in
11 Lease Agreement No. 11661 are ratified and confirmed and shall remain in full force
12 and effect.

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IN WITNESS WHEREOF, the parties hereto have caused this document to be duly executed with all the formalities required by law as of the date first stated above.

CITY OF LONG BEACH, a municipal corporation **ASSISTANT**

May 25, 2007

By Christine J. Shepper

"LESSOR" **EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.**

LONG BEACH FIREMEN'S CREDIT UNION, a non-profit corporation

MAY 21, 2007

By William H. Fickling
President

By Robert C. [Signature]
Secretary

"LESSEE"

The foregoing Lease is hereby approved as to form on this 22nd day of May, 2007.

ROBERT E. SHANNON, City Attorney

By [Signature]
Deputy

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