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

SUBLEASE

THIS SUBLEASE is made and entered as of 12.9.11, for reference purposes only, pursuant to a minute order of the City Council of the City of Long Beach adopted at its meeting on May 13, 2008 by and between the CITY OF LONG BEACH, a municipal corporation ("Sublessor"), and CENTRO CHA, INC., a nonprofit California corporation ("Sublessee").

WHEREAS, Sublessor leases property from CITY OF LONG BEACH REDEVELOPMENT AGENCY ("Lessor"); and

WHEREAS, Sublessor entered a lease with Lessor dated July 8, 2008, for premises more particularly described in said lease (City Contract No. 30980) and commonly known as 1900 Atlantic Avenue, Suite 200, Long Beach, California, a copy of said Lease is identified as Exhibit "C" and attached hereto and incorporated herein by this reference (the "Master Lease"); and

WHEREAS, pursuant to Section 8 of the Master Lease, Sublessor has the right to sublease all or any portion of the Premises with the consent of the Lessor and Sublessor has obtained such consent;

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

1. PREMISES. The Sublessor hereby subleases to the Sublessee and the Sublessee hereby subleases from the Sublessor those certain premises with appurtenances situated in the City of Long Beach, County of Los Angeles, California, and more particularly described as follows: Approximately four hundred sixty-five (465) square feet for five (5) cubicles and one (1) office, located at 1900 Atlantic Avenue, Suite 200, as shown on Exhibit "A" attached hereto and incorporated herein by this reference into this Sublease ("Premises"). Sublessor makes no warranties about the nature or condition of the Premises. Sublessee hereby waives any and all claims or causes of action for damages or performance against Sublessor for failure of the Premises to

conform with Exhibit "A". Sublessee agrees that its only remedy against Sublessor for failure of the Premises to conform with Exhibit "A" is to quit the Premises.

2. <u>TERM</u>. The term of this Sublease shall commence upon execution by the parties and on a month-to-month basis with the expressed or implied consent of Sublessor. Either party may terminate said sublease by providing thirty (30) days prior written notice.

3. <u>RENT</u>.

- A. Sublessee shall pay to Sublessor as rent, in advance, each month, without deduction, offset, notice, or demand, Fourteen Hundred-Ten Dollars (\$1410.00) ("Rent") prorated for any partial month at the commencement of the term.
- B. Sublessee shall pay Rent by cash or check payable to the City of Long Beach and delivered to: City of Long Beach, 3447 Atlantic Avenue, Long Beach, CA, 90807.
- 4. <u>USE</u>. The Premises will be used exclusively for CENTRO CHA, INC. to house two (2) Program Coordinators and the Executive Director. Program participants and volunteers shall occupy the three (3) remaining cubicles. No other use is permitted. In Sublessee's use of and operation on the Premises, Sublessee will not create, cause or allow any nuisance on the Premises. Sublessee's use of the Premises shall be in conformance with all applicable laws and regulations and the rules and regulations of the Premises, as detailed on Exhibit "B" attached hereto and incorporated herein by this reference into this Sublease.
- 5. <u>UTILITIES</u>. Utilities will be provided by Sublessor in accordance with the Master Lease as part of the operating expenses paid by Sublessor.
- 6. <u>JANITORIAL SERVICES AND MAINTENANCE</u>. Janitorial services will be provided in accordance with the Master Lease as part of the operating expenses paid by Sublessor. Sublessor will use its best efforts to obtain maintenance of the Premises from Lessor in accordance with the terms of the Master Lease. If Lessor fails

to maintain the Premises as required in the Master Lease, Sublessee shall notify Sublessor of said failure and Sublessor will provide such maintenance. Sublessee hereby waives to the extent permitted by law any right to make repairs at the expense of Sublessor or Lessor. Sublessor's duty to maintain the Premises, if any, is described in the Master Lease.

- TELECOMMUNICATIONS AND TECHNOLOGY. Sublessee will utilize existing phone lines serving the Premises. Sublessee shall provide and maintain its' own computers/technological equipment including photocopiers, printers and scanners. Sublessee shall be responsible for any additional costs associated with moving or installing such equipment. No wiring or installation of equipment within the Premises or on the exterior of the facility including rooftop communications equipment shall be conducted without the prior written approval of the Sublessor, such approval shall not be unreasonably withheld. If requested by Sublessee, Sublessee will pay Sublessor for other telecommunications services and equipment to be provided by Sublessor as negotiated.
- 8. <u>FURNITURE, FIXTURES AND EQUIPMENT</u>. Sublessee shall be responsible for providing all furniture, fixtures and equipment at its sole cost except as negotiated with Sublessor. Sublessee shall be responsible for all costs associated with moving and installation of all furniture, fixtures and equipment including damages caused to Premises. No furniture, fixtures or equipment may be permanently affixed to the Premises without prior written approval from Sublessor.
- 9. <u>ACCESS CARDS</u>. After hours access for employees may be provided on a temporary basis as coordinated through the Sublessor's Workforce Operations Officer, approval of which shall be granted at his or her sole discretion. The cost of additional cards, or the replacement of any lost card, shall be borne by Sublessee, at the rate of twenty dollars (\$20.00) per card.
- 10. <u>SECURITY</u>. Security is present in the building 7 a.m. to 7 p.m. on workdays Monday through Friday. Any use of the Premises by the Sublessee after hours

or on weekends/holidays for programs or assistance to the general public and/or its service community shall require the presence of security at Sublessee's sole cost and expense, at the rate of thirty dollars (\$30.00) per hour. Additional security shall be coordinated through the Workforce Operations Officer. Sublessee shall provide written notice of additional security needs five (5) business days in advance.

- 11. <u>IMPROVEMENTS</u>. Sublessee will not make any improvements, alterations or additions to the Premises without the prior written consent of Sublessor and Lessor; such consent shall not be unreasonably withheld or delayed. Any improvements, alterations or additions will be performed pursuant to Section 7 of the Master Lease incorporated herein by this reference. Any and all costs associated with Sublessee's alterations or additions will be paid by Sublessee.
- 12. <u>LIENS</u>. Sublessee shall keep the Premises free of all liens for any work done, labor performed, or material furnished by or for Sublessee relating to the Premises. Sublessee shall defend, indemnify and hold Lessor and Sublessor, its officials and employees harmless from and against all claims, demands, causes of action, liens, liability, proceedings, loss, costs, and expenses (including attorney's fees) of whatsoever kind for any such work done, labor performed, or materials furnished on the Premises.
- 13. <u>NONDISCRIMINATION</u>. Subject to applicable laws, rules, and regulations, Sublessee shall not discriminate against any person or group on the basis of age, sex, sexual orientation, gender identity, AIDS, AIDS related condition, HIV status, marital status, race, religion, creed, ancestry, national origin, disability or handicap.
- that Sublessee is at all times a wholly-independent contractor. Sublessee expressly warrants that it has all permits and licenses required, if any, to conduct its operations. Sublessee expressly warrants that it will not, at any time, hold itself out or in any manner represent that Sublessee or any of its agents, volunteers, subscribers, members, officers or employees are in any manner the officers, employees or agents of the Sublessor or the Greater Long Beach Workforce Development Board (GLBWDB), an unincorporated

non-profit association. Sublessee shall not have any authority to bind the Sublessor or GLBWDB for any purpose at any time during the term hereof. Sublessee or any of Sublessee's officers, employees or agents shall not have the power or authority as agent or employees of the Sublessor or GLBWDB and shall not be entitled to any of the rights, privileges or benefits of a Sublessor or GLBWDB employee.

15. INDEMNITY.

A. <u>Sublessee's Indemnity</u> - Sublessee shall indemnify, defend and hold harmless the Greater Long Beach Workforce Development Board (GLBWDB), the City of Long Beach, the City Council, each member thereof, present and future, their respective officers, agents and employees from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the building located at 1900 Atlantic Avenue, Long Beach, California (the "Building") or Premises as a result of any negligent act, omission or willful misconduct of Sublessee or its employees, or arising from any material breach or default under this Sublease by Sublessee. The foregoing provisions shall not be construed to make Sublessee responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Sublessor, or its officers, contractors, licensees, agents, employees, or invitees.

B. <u>Hazardous Materials</u> – Sublessee shall not cause or permit, nor allow any of Sublessee's employees, agents, customers, visitors, invitees, licensees, contractors, assignees, or subtenants to cause or permit any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used, and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, mutagenicity, carcinogenicity, explosivity, toxicity, corrosivity. reactivity. phytotoxicity, infectiousness, or other harmful of potentially harmful properties of effects, including without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, substances, objects, conditions, wastes, living organisms or controlled combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state, or local environmental, health and/or safetyrelated laws, regulations, standard decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued, or adopted in the future which are or become applicable to Sublessee, the Premises, the Building, or the Common Areas.

- INSURANCE. Concurrent with the effective date of this Sublease 16. and in partial performance of Sublessee's obligations hereunder, Sublessee will procure and maintain the following insurance coverages as indicated on Attachment "D".
- SIGNS. Sublessee shall not place, affix, maintain, or permit any 17. sign, advertisement, name, insignia, logo, descriptive material, flyers, or similar item (collectively "sign") on the Premises without the prior written consent of Sublessor; said consent shall not be unreasonably withheld.

•	18.	HAZAF	RDOUS	MA	TERIAL	CLE/	N-UP	AND	ABAI	<u> NDONI</u>	MENT.
Sublessee sh	all con	nply w	ith Califo	rnia	Health a	and Sa	fety Co	de Sec	tion 2	5359.7	or its
successor sta	atute r	egardiı	ng notice	e to	Subles	sor on	discov	ery by	Suble	essee	of the
presence or	suspe	ected p	oresence	of	any ha	zardou	s subs	stance	on th	e Pre	mises.
Sublessee wa	arrants	that it	will store	e and	d dispos	e of ha	azardou	ıs mate	rials ir	acco	rdance
with all applic	cable I	aws a	nd regula	ation	s pertai	ning to	its bu	siness	and it	s use	of the
Premises.											

- 19. <u>RELOCATION</u>. Sublessee agrees that nothing contained in this Sublease shall create any right in Sublessee for any relocation assistance or payment from Sublessor pursuant to the provisions of Title 1, Division 7, Chapter 16 of the California Government Code or any other law or regulation on the expiration or termination of this Sublease.
- 20. <u>WAIVER OF CLAIMS</u>. Sublessor shall not be liable for and Sublessee hereby waives to the extent permitted by law all claims against Sublessor, its officials, employees and agents for loss, theft, or damage to equipment, furniture, trade fixtures, records, plants, and other property on or about the Premises, for loss or damage to Sublessee's business, or injury to or death of persons on or about the Premises from any cause except to the extent caused by the negligence or willful misconduct of Sublessor, its official and employees.
- 21. <u>ABANDONED PERSONAL PROPERTY</u>. If Sublessee abandons the Premises or is dispossessed by process of law or otherwise, then Sublessee shall be deemed to have abandoned any personal property belonging to Sublessee left on the Premises thirty (30) days after the date of abandonment or dispossession, and title to that personal property shall be deemed to have been transferred to Sublessor. After such thirty (30) day period, Sublessor shall have the right to remove and to dispose of the personal property without liability to Sublessee or to any person claiming under Sublessee, and shall not need to account for its disposal. Sublessee hereby designates Sublessor's City Manager as its attorney in fact to execute and deliver any documents

that are required to dispose of that personal property and transfer title to it. Sublessee shall pay the cost of removal, storage, sale or destruction of personal property pursuant to this Section 21 as additional rent. Sublessee hereby agrees to and shall defend, indemnify and hold Sublessor, its officials and employees harmless from all claims, demands, damage, loss, liability, causes of action, penalties, fines, costs and expenses, including attorney's fees, arising from Sublessor's removal, storage, and disposal of personal property that is abandoned by Sublessee pursuant to this Section 21.

- shall have the right to enter the Premises at all reasonable times to inspect the Premises to determine whether or not Sublessee is complying with the terms, covenants, and conditions of this Sublease and the Master Lease, to serve, post, or keep posted any notice, to take any reasonable or necessary action to protect the Premises, and as otherwise provided in this Sublease and the Master Lease. Except in cases of emergency, Sublessor shall provide reasonable advance notice of its intent to enter the Premises pursuant to this Section 22. Sublessor and Lessor shall not be liable for inconvenience, loss of business, or other damage arising from such entry. Sublessee shall not be entitled to an abatement or reduction in rent if Sublessor or Lessor exercises its right of entry hereunder. Sublessee shall not change or modify any locks or access points without prior written approval of Sublessor.
- 23. <u>SUBLESSOR'S RIGHT TO RE-ENTER</u>. Sublessee shall peaceably deliver possession of the Premises to Sublessor on the effective date of termination of this Sublease. On giving notice of termination to Sublessee, Sublessor shall have the right to re-enter and take possession of the Premises on the effective date of termination without further notice of any kind and without institution of summary or regular legal proceedings. Termination of the Sublease and re-entry of the Premises by Sublessor shall in no way alter or diminish any obligation of Sublessee under the Sublease. Sublessee waives any and all right of redemption under any existing or future law in the event of eviction from the Premises and in the event Sublessor re-enters and takes

possession.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

NO WAIVER OF RIGHTS. The failure or delay of Sublessor to re-24. enter the Premises, to insist on strict enforcement of any term, covenant, or condition, or to exercise any right, power, privilege, or option arising from any breach or default shall not impair any such right, power, privilege, or option or be construed or deemed a waiver of such breach or default or relinquishment of any right, power, privilege or option. The receipt and acceptance by Sublessor of delinquent Rent shall not constitute a waiver of any other default but shall only constitute a waiver of timely payment for the particular Rent payment involved. Any waiver by Sublessor of any default or breach shall be in writing and shall not be construed to be a waiver of any subsequent or other breach or default of the same or any other term, covenant, or condition of this Sublease, nor shall failure on the part of Sublessor to require exact and complete compliance hereof be construed or deemed as in any manner changing this Sublease or preventing Sublessor from enforcing this Sublease, nor shall the conduct of the parties be deemed to change this Sublease. Sublessor's approval of any act by Sublessee requiring Sublessor's approval shall not be deemed to waive Sublessor's approval of any subsequent act of Sublessee. No notice to Sublessee shall be required to restore "time is of the essence" after waiver by Sublessor of any breach or default. No right, power, privilege, option or remedy of Sublessor shall be construed as being exhausted by the exercise thereof in one or more instances.

- 25. <u>ASSIGNMENT</u>. Sublessee shall not assign or transfer this Sublease or any interest herein, nor sublease the Premises or any part thereof or grant permits for the use of the Premises, nor grant any franchise, easement, right of way, or permit in, on, over, under or across the Premises (collectively referred to as "transfer").
- 26. <u>TIME</u>. Time is of the essence in this Sublease, and every provision hereof.
- 27. <u>INTEGRATION AND AMENDMENTS</u>. This Sublease, including the Master Lease and amendments thereto, 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 Sublease shall not be modified except in writing, duly signed by the parties and referring to this Sublease. Each provision of this Sublease and the Master Lease to be performed by Sublessee shall be construed as both a covenant and a condition of this Sublease and the Master Lease only as it pertains to the Premises described in Section 1 above.

- 28. <u>PARTIAL INVALIDITY</u>. If any term, covenant, or condition of this Sublease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof will remain in full force and effect and will in no way be affected, impaired or invalidated thereby.
 - 29. <u>RECORDATION</u>. This Sublease shall not be recorded.
- 30. <u>NOTICE</u>. Any notice required hereunder shall be in writing and personally delivered or deposited in the U. S. Postal Service, registered or certified, return receipt, postage prepaid to Sublessor at 333 West Ocean Boulevard, 13th Floor, Long Beach, California 90802, Attn: City Manager, with a courtesy copy to: Asset Management Bureau, 333 West Ocean Boulevard, 3rd Floor, Long Beach, California, 90802 and to Sublessee at 727 Pine Avenue, Long Beach, California, 90813, Attn: Jessica Quintana. Notice shall be deemed effective on the date shown on the return receipt or on the date personal delivery is made, whichever first occurs. Change of address shall be given as provided herein for notices.
- 31. <u>FORCE MAJEURE</u>. 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, civil commotion, strikes, lockouts, or any other cause whether similar or dissimilar to the foregoing which is beyond the control of that party and not due to that party's fault or neglect shall be excused and such failure to perform or such delay in performance shall not be a default or breach hereunder. Financial inability to perform

shall not be considered cause beyond the reasonable control of the party.

- 32. <u>RESTORATION</u>. If the whole of the Premises shall be damaged or destroyed, then this Sublease shall terminate. If any part of the Premises shall be damaged or destroyed Sublessee shall elect in writing either to terminate this Sublease or to continue in possession of the remainder of the Premises provided, however, that Rent shall be reduced in proportion to the amount of the Premises damaged or destroyed.
- 33. <u>GOVERNING LAW</u>. The Sublease shall be governed by and construed in accordance with the internal laws of the State of California.
- 34. <u>COMPLIANCE WITH LAWS</u>. Sublessee, at its sole cost, shall comply with all applicable laws, ordinances, rules and regulations, as well as the requirements of such permits, licenses, and certificates required by all federal, state and local governmental authorities having jurisdiction over the Premises and business thereon.
- any public or quasi-public authority under the power of eminent domain, then this Sublease shall terminate. If any part of the Premises shall be taken under the power of eminent domain, then this Sublease shall terminate as to the part taken, as of the day possession of that part is required for any public purpose, and on or before that day Sublessee shall elect in writing either to terminate this Sublease or to continue in possession of the remainder of the Premises provided, however, that Rent shall be reduced in proportion to the amount of the Premises taken. All damages awarded for such taking shall belong to Lessor, Sublessor, or Sublessee, as their respective interests may appear.
- 36. QUIET ENJOYMENT. If Sublessee performs the terms, covenants, and conditions of this Sublease and the Master Lease, then Sublessee shall peaceably and quietly hold and enjoy the Premises.

///

37. <u>FURTHER COVENANTS</u>. Sublessee further covenants and agrees to and shall comply with and be bound by all of the terms, covenants, and conditions of the Master Lease as they apply to the Premises described in Section 1 above and further covenants and agrees that it shall not violate any of these terms, covenants, or conditions of this Sublease and the Master Lease as they apply to the Premises described in Section 1 above. Sublessee further expressly assumes and agrees to and shall perform all of the obligations required to be kept or performed by Sublessor under the Master Lease only as they may apply to the Premises described in Section 1 above.

This Sublease shall be subject to the Master Lease and every term, covenant and condition in the Master Lease. To the extent there is any inconsistency between this Sublease and the Master Lease, then the terms, covenants, and conditions in the Master Lease shall control. If the Master Lease shall expire or terminate for any reason whatsoever, then this Sublease shall automatically terminate simultaneously therewith, notwithstanding any notice requirement herein with respect to termination.

- 38. <u>ENCUMBRANCES</u>. Sublessee leases and accepts the Premises subject to all existing easements, rights of way, permits, encumbrances, and the like.
- 39. <u>AMERICANS WITH DISABILITIES ACT</u>. In the event that a governmental agency requires compliance with any standards under the Americans with Disabilities Act of 1990 to modify the building, common areas, and Premises and any fixtures therein, Lessor shall at its sole cost and expense be responsible to comply, unless such governmental requirement is due specifically to Sublessee's use, beyond general office use, in which case Sublessee shall bear the costs and expenses for such compliance.

40. MISCELLANEOUS.

- A. All rights and remedies of Sublessor hereunder shall be cumulative and the exercise of one shall not exclude any other.
- B. Each provision of this Sublease and the Master Lease shall be deemed both a covenant and a condition only as they apply to the Premises

described in Section 1 above.

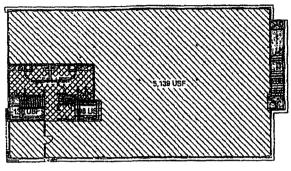
- C. The various headings and numbers in this Sublease into separate sections, paragraphs and clauses are for convenience only and shall not be considered a part of this Sublease and shall have no effect on the interpretation of this Sublease.
- D. This Sublease is created as a joint effort between the parties and fully negotiated as to its terms and conditions and shall not be construed against either party as the drafter. The relationship of the parties is that of sublessor and sublessee, and the parties agree that nothing contained in this Sublease shall be deemed or construed as creating a partnership, joint venture, principal-agent, association, or employer-employee relationship between them or between Sublessor and any third person or entity.
- E. This Sublease is created for the benefit of the parties only and is not intended to benefit any third person or entity.
- 41. <u>BROKERS</u>. The parties represent that neither has had contacts or dealings regarding this Sublease through a broker or agent or any other person who can claim a right to a commission or fee.
- 42. TAX REPORTING. As required by federal and state law, City is obligated to and will report the payment of compensation to Contractor on Form 1099-Misc. Contractor shall be solely responsible for payment of all federal and state taxes resulting from payments under this Agreement. Contractor shall submit Contractor's Employer Identification Number (EIN), or Contractor's Social Security Number if Contractor does not have an EIN, in writing to City's Accounts Payable, Department of Financial Management. Contractor acknowledges and agrees that City has no obligation to pay Contractor until Contractor provides one of these numbers.
- 43. <u>AUTHORIZATION TO EXECUTE</u>. Sublessee warrants and affirms to Sublessor that any and all persons signing this Sublease are authorized and empowered to so sign and signing by such person or persons does bind Sublessee to all

municipal

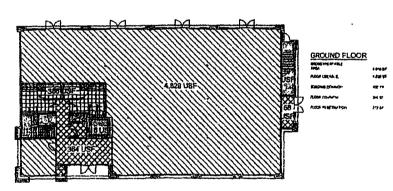
TO SECTION 301 OF

THE CITY CHARTER

GJA:jp (A11-02676) 10-21-11 C:\Documents and Settings\jupinto\Desktop\Centro - Revised.DOC



PROPOSED 2ND FLOOR PLAN-TENANT OPTION #3



Moone	Daniel Parest Annes	, i ç		N.OCA	Acce		丁	4		WILL PROMPTER
FR4	1018-1 0	37/11	astas	(214.th	20120	4000	120000173	F.245	1,000	ų.
PLOOP	# < M			24.00	198,00	4904		484	, inch	<u></u>
•	M1507	+43.40	9,00	##D.00	\$9A.E	£170	Lugardel	40	1,500	4.4
HD LDOR TINL	****		:	. WELET	erean			Kank	, cián	45
ALDONO SERLA	<u>uni</u>			yages	wa.	90			1,000	19
OTAL ENTRANCE	100									
DIFAL LOOK RISA	18,000									
ALTON	1,000									

GROUND FLOOR PLAN

ATLANTIC COMMUNITY CENTER

EMMER+KAMUS+ALGAZE 180 from the fact for the state of the support and the supp

1900 ATLANTIC BLVD. LONG BEACH, CA

Exhibit B

RENAISSANCE SQUARE BUILDING

1900 ATLANTIC AVENUE

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building.

- 1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. One key will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord.
- 2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises, unless electrical hold backs have been installed.
- 3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the vicinity of the Building. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register when so doing. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. The Landlord and his agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building during the continuance of same by any means it deems appropriate for the safety and protection of life and property.
- 4. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building. Safes and other heavy objects shall if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. All damage done to any part of the Building, its contents, occupants or visitors by

Exhibit C

LEASE

BETWEEN 105 30980

REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA

AND

CITY OF LONG BEACH

INDEX

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

2	Section	<u>Title</u>	Page
3	1.	Leased Premises	1
4	2.	Term	1
5	3.	Use	2
6	4.	Rent	3
7	5.	Common Areas	4
8	6.	Insurance	7
9	7.	Surrender of Premises	10
10	8.	Assignment	10
11	9.	Default	11
12	10.	Remedies	12
13	11.	Notices	14
14	12.	Indemnification	14
15	13.	Landlord's Right to Re-enter on Termination or Expiration	16
16	14.	Holding Over	16
17	15.	Nondiscrimination	16
18	16.	Utilities	17
19	17.	Waiver by Tenant	17
20	18.	Brokers	17
21	19.	Force Majeure	17
22	20.	Signs	18
23	21.	Americans with Disabilities Act	18
24	22.	No Waiver of Landlord's Rights	18
25	23.	Access and Right of Entry	19
26	24.	Maintenance	19
27	25.	Failure to Repair	20
28	26.	Restoration	21

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

1	}		
1	27.	Parking	.22
2	28.	Abandoned Property	.22
3	29.	Hazardous Materials	.22
4	30.	Miscellaneous	.22
5			
6	Exhibits	Title	
7	Exhibit A	Site Plan	
8	Exhibit B	Program Description	
9	Exhibit C	Rules and Regulations of the Building	
10			
	1		

LEASE

The parties agree as follows:

1. <u>Leased Premises</u>. Landlord hereby leases to Tenant and Tenant hereby accepts "as is" and leases from Landlord a portion of the second floor of the real property commonly known as 1900 Atlantic Avenue, Suite 200, Long Beach, California 90806 and consisting of approximately 5,878 rentable square feet which square footage shall be confirmed by the parties, shown on the Site Plan attached as Exhibit "A" ("Premises"). The Premises are located in the Renaissance Square Retail Center ("Building") and the Building together with appurtenant parking areas, driveways, landscaped areas and public art are the "Property."

Tenant acknowledges it has not received and Landlord has not made any warranty, express or implied, or representation as to the condition of the Premises. Landlord shall have no liability to Tenant and Tenant shall have and make no claim against Landlord for any damage, injury, loss of use, or loss of business caused by the condition of the Premises.

2. Term

A. The term of this Lease shall commence upon execution of this Lease (the Commencement Date"), and shall end at midnight on November 13, 2013, unless sooner terminated as provided herein. Notwithstanding the above, either party may terminate this Lease sooner by giving the other party ninety (90) days prior written notice.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Tenant shall have an option to extend the term of this Lease В. for two (2) separate, consecutive periods of five (5) years each. Tenant shall exercise each option by giving to Landlord notice of same at least nine (9) months prior to the expiration of the initial term and, if the first option has been exercised, at least nine (9) months prior to the expiration of the first extended term. Tenant shall have the right to exercise each option only if Tenant is not in default hereunder at the time that Tenant gives said notice provided, however, Landlord may cancel the exercise of Tenant's option (even after Tenant has exercised it) if Tenant defaults prior to the commencement of an extended term.

3. Use.

- As of the Commencement Date, Tenant shall use the Α. Premises solely for the purposes set forth in Exhibit "B" attached hereto.
- Tenant shall not use or permit the use of the Premises for any B. other purpose, without the prior written consent of Landlord. Tenant shall comply with the "Rules and Regulations of the Building" attached hereto as Exhibit "C" and incorporated herein by reference.
- Tenant shall not use the Premises nor conduct any activity thereon in any manner that creates a nuisance, unreasonable annoyance, or waste. Tenant shall not make or permit any noise or odors that constitute a nuisance within the meaning of California Civil Code Section 3479 or California Penal Code Section 370, or their successors.
- Prior to the Commencement Date and throughout the term, D. Tenant shall obtain and maintain all licenses and permits required by any federal, state, county, or local government or agency for the uses permitted hereunder and for accreditation by all operations on the Premises. Tenant shall use the Premises and operate and manage all facilities thereon in compliance with all laws, ordinances, rules, and regulations by agencies having jurisdiction over the Premises, the facilities and operations thereon (including but not limited to those

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

relating to earthquake retrofits).

- Tenant understands and agrees that this Lease covers only E. the surface of the Premises and only so much of the subsurface as is reasonably necessary for Tenant's use of the Premises as permitted hereunder.
- Tenant shall continuously use the Premises for the use F. specified herein during regular business hours and on regular business days except for conditions beyond Tenant's control. If the Premises are partially destroyed or damaged and the Lease remains in effect, then Tenant shall continue the operation of its business during any reconstruction to the extent reasonably practical in the exercise of Tenant's good business judgment.
- If Tenant performs the terms, covenants, and conditions of G. this Lease, then Tenant shall peaceably and quietly hold and enjoy the Premises.

4. Rent.

- Tenant shall pay to Landlord as base rent the sum of One Α. Dollar (\$1.00) per year, payable in advance for the full term on execution of this Lease, without setoff, deduction, demand, or notice. As other consideration for the use of the Premises, Tenant is providing valuable community services to this neighborhood.
- If Tenant exercises its option to extend the term of this Lease, В. then base rent may be increased to fair market rent at the beginning of each extended term, at the option of Landlord. Fair market rent shall be determined as follows:
 - Promptly upon receipt of Tenant's notice to exercise its i. option to extend, Landlord shall meet with Tenant to negotiate in good faith the fair market rent. If the parties have not agreed on fair market rent at least ninety (90) days prior to the Anniversary Date, then they shall attempt in good faith to name an appraiser not later than seventy-five (75) days prior to the Anniversary Date; if they are unable to agree on an appraiser

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

25 26

23

24

27 28

within 10 days, then they shall each appoint an appraiser not later than sixty-five (65) days prior to the Anniversary Date. Within ten (10) days after the last of the 2 appraisers is appointed, the two appointed appraisers shall appoint a third appraiser ("Third Appraiser"). If either Landlord or Tenant fails to appoint its appraiser within the prescribed time period, then the single appraiser ("Single Appraiser") appointed by either of them, if any, within the prescribed time period shall determine the fair market rent. Each party shall bear the cost of its own appraiser and the parties shall share equally the cost of the Single Appraiser or the Third Appraiser, whichever is applicable. Such appraiser(s) shall work in the Long Beach area and shall be members of professional organizations such as MAI, American Institute of Real Estate Appraisers or the Society of Real Estate Appraisers, or equivalent, and shall have been in the active practice of the profession of real estate appraisal for at least ten (10) years.

- ii. Fair market rent shall mean the price that a ready and willing tenant would pay as of the closest Anniversary Date as monthly rent to a ready and willing landlord of premises comparable to the Premises, including all of its components and improvements, its size, location, and other features, if such premises were exposed for lease on the open market for a reasonable amount of time.
- iii. The appraiser(s) shall determine the fair market rent no later than thirty (30) days prior to the Anniversary Date and shall notify both parties in writing of the determination of fair market rent. This Lease shall be amended to state the fair market rent for the extended term.

5. Common Areas.

Landlord agrees to operate and maintain the Common Areas (defined below), and the manner in which Landlord operates and maintains the Common Areas shall be in its sole discretion. Common Areas include, by way of

example but not limitation, parking areas; driveways; loading areas; sidewalks; landscaping and hardscape; restrooms not located within the premises of any tenant; foundations; roofing; exterior walls; exterior lighting; exterior doors and windows that are not part of the premises of any tenant; the plumbing system, electrical system, gas service system and water and sewer system serving the Property; the heating, ventilating and air-conditioning system installed by Landlord; and other similar areas provided for the nonexclusive general use and convenience of all tenants, their employees and invitees and shall not include any premises leased to any tenant. Landlord may make changes at any time in the size, shape, location, number and extent of the Common Areas and no such change shall entitle Tenant to any abatement of rent.

- B. Tenant is entitled to the use of the Common Areas in common with Landlord and all others for whose convenience and use the Common Areas are or may hereafter be provided subject to such rules and regulations as Landlord may, from time to time, prescribe. Tenant shall keep the Common Areas free and clear of obstructions. Landlord may temporarily close part or all of the Common Areas for repairs, alterations or other reason deemed reasonable by Landlord.
- C. Tenant shall pay to Landlord as additional rent Tenant's proportionate share of all costs and expenses ("Operating Expenses", more fully defined below) incurred by Landlord in the operation and maintenance of the Property, including Common Areas. Tenant's proportionate share is 52%.

At any time during the first Lease year Landlord shall deliver to Tenant an estimate of Tenant's proportionate share of Operating Expenses for a twelve-month period and Tenant shall pay to Landlord, within ten (10) days after receipt of such estimate, the amount stated in the estimate for the portion of the first Lease year which has then expired. Thereafter, Tenant's proportionate share of the estimate shall be divided into twelve (12) approximately equal monthly installments and Tenant shall pay to Landlord, without setoff, deduction, notice or

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

demand, on the first day of each month one installment of Tenant's proportionate share of Operating Expenses until the next estimate is delivered to Tenant. At the end of each succeeding Lease year, Landlord shall deliver to Tenant a statement ("Actual Statement") which states the actual Operating Expenses for the preceding Lease year. If Tenant paid less than the actual amount due as its proportionate share, then Tenant shall pay the difference within ten (10) days following Tenant's receipt of the Actual Statement. If Tenant paid more than the actual amount due as its proportionate share, then Landlord shall credit the difference against future installments of Tenant's proportionate share of Operating Expenses subsequently due to Landlord until the difference is zero.

Nothing herein shall limit Landlord's right from time to time to revise its estimate and to submit a revised statement to Tenant for payment, which Tenant shall pay within ten (10) days after receipt of the revised statement.

D. Operating Expenses means all costs and expenses that Landlord incurs in connection with the ownership, operation and maintenance of the Property, regardless of whether incurred by Landlord directly in the performance of the work itself or paid by Landlord to contractors, and determined in accordance with generally accepted accounting principles, including by way of example but not limitation: (i) compensation paid to others for services necessary for the operation, management, maintenance and security for the Property; (ii) supplies and materials used in the operation and maintenance of the Property; (iii) insurance expenses; (iv) costs for improvements to the Property, although capital in nature, to the extent that they reduce the normal operating costs of the Property, as well as capital improvements made in order to comply with any law or regulation imposed after the execution of this Lease by any governmental authority, amortized over the useful economic life of such improvement as determined by Landlord in its reasonable discretion; (v) costs of all utilities for the Common Areas including but not limited to electricity, gas, water, sewer, refuse

2

3

4

5

6

7

8

9

10

26

27

28

and recycling, and for utilities provided to the Premises which are not separately metered; (vi) any additional services provided to Tenant by Landlord at the request of Tenant; and (vii) taxes and assessments, excluding taxes based on Landlord's income.

6. Insurance.

Concurrent with the Commencement Date of this Lease and Α. throughout the original and any extended term, Tenant shall procure and maintain, at its cost, either from self insurance or from insurance companies admitted to write insurance in the State of California or from nonadmitted insurers that are on California's List of Eligible Surplus Lines Insurers ("LESLI") and that have a minimum rating of or equivalent to A:VII by A.M. Best Company:

- i. liability insurance self Commercial general insurance, equivalent in coverage scope to Insurance Services Office, Inc. (ISO) form CG 00 01 11 85 or 10 93, in an amount not less than One Million Dollars (\$1,000,000) per occurrence and general aggregate. Such insurance shall include (as may be applicable to Tenant's operations) products and completed operations, and fire legal liability, and shall not limit or exclude coverage for contractual liability, independent contractors liability, or cross liability protection. This insurance shall be endorsed to include Landlord, its officials, employees and agents as additional insureds by an endorsement equivalent in coverage scope to ISO form CG 20 26 11 85 and to waive the insurers' rights of subrogation against Landlord, its officials, employees and agents.
- Workers' compensation insurance or self insurance, as required by the State of California and employer's liability insurance with minimum limits of One Million Dollars (\$1,000,000) per accident. The policy shall be endorsed by the insurer to waive the insurer's rights of subrogation against Landlord, its officials, employees and agents.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

iii. Automobile liability insurance or self insurance. equivalent in coverage scope to ISO form CA 00 01 06 92 in an amount not less than Five Hundred Thousand Dollars (\$500,000) combined single limit per accident for bodily injury and property damage covering Auto Symbol 1 ("Any Auto").

- ίV. "All Risk" property insurance, including debris removal but excluding earthquake and flood, in an amount to cover the full replacement value of the Premises. Under this coverage, Landlord shall be an additional insured and loss payee as its interests may appear.
- "All Risk" property insurance, including debris removal and builders risk coverage during the course of any construction on the Premises but excluding earthquake and flood, in an amount sufficient to cover the full replacement value of buildings and structural improvements constructed or erected on or about the Premises by Tenant. Landlord shall be named as an additional insured.
- "All Risk" property insurance, excluding earthquake νi. and flood, in an amount sufficient to cover the full replacement value of Tenant's personal property and equipment on the Premises, whether owned, leased, or in the care, custody or control of Tenant, and of Landlord's personal property and equipment on the Premises including but not limited to furnishings and equipment. Landlord shall be named as an additional insured as its interests may appear.
- В. Tenant shall endeavor to procure and maintain or cause to be procured and maintained the insurance required in sub-Section 8(A) above by Tenant's on-site contractors, as may be applicable to their operations, subject to the following:
 - i. Tenant's contractors shall provide Commercial General Liability insurance as required under sub-Section 8(A)(i) above in an

amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate. This insurance shall be endorsed to include Landlord, its officials, employees and agents as additional insureds by an endorsement equivalent in scope to ISO form CG 20 26 11 85;

- ii. If Tenant commences construction on the Premises, then Landlord reserves the right to require additional coverages from Tenant's contractors and subcontractors, including but not limited to coverage for explosion, collapse, and underground ("XCU") hazards, environmental impairment liability, design professionals' liability, and construction management errors and omissions liability.
- C. Tenant shall provide to Landlord all policy information reasonably requested by Landlord and shall make available as soon as practicable to Landlord during Tenant's normal business hours all books, records and other information relating to insurance and shall provide copies of policies to Landlord upon request.
- D. On execution of this Lease or as otherwise stated herein, Tenant shall deliver to Landlord certificates of insurance and endorsements required herein, including the certificates and endorsements of Tenant's contractors for approval as to sufficiency and form. The certificates and endorsements for each insurance policy shall contain the original or electronic signatures of persons authorized by that insurer to bind coverage on its behalf. Tenant shall provide Landlord with certificates of insurance and endorsements for renewal policies within thirty (30) days after the existing policy expires. Landlord reserves the right to require complete certified copies of all policies at any time.
- E. All insurance required herein shall be separately endorsed to require at least thirty (30) days prior written notice of cancellation [or ten (10) days prior written notice if cancellation is due to nonpayment of premiums], nonrenewal,

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

or reduction in coverage or limits (other than reduction of limits due to claims paid) and to provide that coverage shall be primary and not contributing to any other insurance or self-insurance maintained by Landlord, its officials, employees, and agents.

- F. Any self-insurance program shall protect Landlord, its officials, employees and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained such retention or deductible provisions.
- G. 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 such damage.
- Η. Such insurance as required herein shall not be deemed to limit Tenant's liability in any way under this Lease. The procuring or maintaining of insurance shall not be construed as performance of the indemnity provisions of Landlord makes no representations that the limits or forms of coverage of insurance specified herein are adequate to cover Tenant's liability or obligations hereunder or otherwise.
- 1. Any modification or waiver of any insurance requirement shall be made only with the written approval of Landlord's Risk Manager or designee.
- 7. 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 Commencement Date of this Lease, reasonable wear and tear excepted. Tenant shall remove its equipment, supplies and other items so as to leave the Premises in a condition which does not damage the Premises and the improvements thereto in any way and Tenant shall repair the interior and exterior walls to match the materials and finish on the surface of walls.
- 8. Assignment. Tenant shall not assign or transfer this Lease or any interest herein or any right hereunder, nor delegate any duties hereunder provided

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

without the written consent of Landlord. Tenant shall not grant any franchise, easement, right of way in, on, over, under or across the Premises; and Tenant shall not sublease the Premises without the written consent of Landlord. Any attempted assignment, transfer, delegation and any grant or sublease shall be void and any assignee, transferee, delegate, grantee, or sublessee shall acquire no right or interest by reason of such attempted assignment, transfer, delegation, grant, or sublease.

- Default. The occurrence of any one or more of the following acts shall constitute a default by Tenant:
 - Failure to obtain the licenses necessary to operate the a) Premises:
 - Failure to provide on the Premises the services set forth in b) Exhibit B:
 - Failure to pay rent when due if the failure continues after three c) (3) days' notice;
 - Abandonment of the Premises, in whole or in part, provided d) that failure to occupy or operate all or any part of the Premises for ten (10) consecutive days shall be deemed an abandonment as to all or as to that part so abandoned, except for temporary closures for specified dates with the prior approval of Landlord. Temporary closures shall not relieve Tenant of Tenant's duty to maintain the Premises at all times in accordance with the terms of this Lease;
 - Any attempted assignment, transfer, or sublease; e)
 - Failure to maintain the insurance required herein or to cause f) Tenant's contractors and subcontractors to maintain such insurance, subject to the thirty-day cure period described in Sub-section "I" of this Section;
 - Failure to maintain or pay for all necessary licenses or permits g) required by the City of Long Beach or required by any agency or accreditation body having jurisdiction over the Premises and Tenant's operations thereon or

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

required by any federal, state or county regulatory agency;

- (h) Failure to pay when due all fees and charges for any municipal service or commodity provided by the City of Long Beach in its municipal capacity, including but not limited to water, sewer, gas, electricity, refuse collection, or recycling, subject to the thirty-day cure period described in Subsection "I" of this Section;
- (i) Failure to report or pay when due to the City of Long Beach in its municipal or regulatory capacity all applicable sales taxes, transient occupancy taxes, utility users taxes, or other excise taxes, if applicable;
- (j) To the extent permitted by the United States Bankruptcy Code, insolvency of Tenant, which shall be deemed to include an assignment by Tenant for the benefit of creditors; the filing by Tenant of a voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt; the appointment of a receiver of the properties of Tenant if the receiver is not discharged within fifteen (15) days; the filing of an involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within fifteen (15) days. In the event of any of the foregoing, no notice that an event of default has occurred shall be required from Landlord;
- (k) Failure to comply with any applicable law, rule, ordinance, or regulation;
- (I) Any failure to perform any other term, covenant, or condition of this Lease not specifically identified in this Section or in elsewhere in this Lease, if said failure is not cured within thirty (30) days after Landlord gives notice to Tenant of said failure. If the default cannot reasonably be cured in thirty (30) days, then Tenant shall not be in default if Tenant begins to cure within said period and diligently proceeds to cure to completion;

2

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- 10. Remedies. Upon the occurrence of any default, in addition to any other rights or remedies of Landlord hereunder, by law or in equity, Landlord shall have the following rights and remedies:
 - Landlord may terminate this Lease by giving to Tenant notice (a) of termination, and Tenant shall immediately surrender possession of the Premises as described elsewhere herein, leaving them in good repair and condition subject to reasonable wear and tear. Termination hereunder shall not relieve Tenant from the payment of any sum due to Landlord or from any claim that Landlord may have for damages or indemnity. Landlord shall be entitled to recover from Tenant all damages incurred by Landlord including but not limited to the cost of recovering possession, expenses related to repairs, and reasonable attorney's fees;
 - Landlord may continue the Lease in full force and effect and (b) enforce all of its rights and remedies hereunder;
 - Landlord may convert this Lease to a year-to-year tenancy or (c) a month-to-month tenancy by notice to Tenant;
 - Landlord may require that Tenant provide evidence that (d) Tenant can meet its current financial obligations, liabilities and expenses;
 - Landlord, at its option, may re-let the whole or any part of the (e) Premises from time to time, either in the name of Landlord or otherwise, to such tenants, for such terms ending before, on, or after the expiration of the term of this Lease, at such rent and on such conditions as Landlord, in its sole discretion, may determine to be appropriate. To the extent allowed by law, Landlord shall not be liable for refusal to re-let or, in the event of re-letting, for failure to collect rent, and no such failure shall operate to relieve Tenant of any liability under this Lease:
 - (f) Whether or not Landlord retakes possession or re-lets the Premises, Landlord shall have the right to recover unpaid rent, unpaid additional rent, and all other damages caused by Tenant's default. Damages shall include

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

but not be limited to all unpaid rent, all unpaid additional rent, all legal expenses and related costs incurred by Landlord as a result of Tenant's default, all costs incurred by Landlord in restoring the Premises to good order and condition, and the value of Landlord's staff time expended as a result of the default.

- (g) Nothing in this Lease shall be deemed to require that Landlord wait until the date on which the Lease term expires to bring or maintain any suit or action relating to this Lease.
- (h 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:
- 11. Notices. All notices required hereunder shall be in writing and personally delivered or deposited in the U.S. Postal Service, first class, postage prepaid, as follows:

To Tenant:

City of Long Beach

333 West Ocean Boulevard Long Beach, California 90802

Attention: Director, Community Development Copy to: Manager, Property Services Bureau

To Landlord:

Redevelopment Agency of the City of Long Beach

333 West Ocean Boulevard Long Beach, CA 90802 Attn: Executive Director

Change of address shall be given in the same manner as stated for other notices. Notice shall be deemed given on the date deposited in the mail or on the date personal delivery is made, whichever first occurs.

12. Indemnification.

Α. Tenant shall defend, indemnify, and hold harmless Landlord, its officials, employees and agents (collectively in this Section "Landlord") from and against any and all causes of actions, damage, proceedings, claims,

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

demands, loss, liens, costs and expenses alleging injury to or death of persons, or damage to property, including property owned by City, or any other claim of damage brought, made, filed against, imposed on or sustained by the indemnified parties, or any of them, and arising from or attributable to or caused, directly or indirectly (collectively or individually, a "claim"):

- by the use of the Premises or any equipment or materials located thereon, or from operations conducted thereon by Tenant, its employees, invitees, agents, or by any person or persons acting on behalf of Tenant and with Tenant's knowledge and consent, express or implied;
- by reason of or arising out of the condition or state of ii. repair or maintenance of the Premises;
- by the construction, improvement or repair of the iii. improvements and facilities on the Premises by Tenant, its officers, employees, contractors, agents or invitees, or by any person or persons acting on behalf of Tenant and with Tenant's knowledge and consent, express or implied; or
- by reason of injury to or death of employees of Tenant iv. or others as a result of Tenant's failure or refusal to comply with the provisions of Section 6300 et seq. of the California Labor Code or any federal, state or local regulations or laws pertaining to the safety of the Premises or of equipment located upon the Premises; and
- regardless of whether any act or omission of Landlord ٧. contributed thereto, but excluding any claim caused by the sole negligence of Landlord.
- B. With respect to any claim, Landlord shall notify Tenant thereof, shall tender to Tenant the defense thereof, and shall assist Tenant as may reasonably be requested in the defense thereof. Tenant shall defend such claim,

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

shall conduct or have conducted the necessary investigations related thereto, and Tenant shall indemnify Landlord, unless and until Tenant proves that the indemnity does not apply. Payment of a claim by Landlord or entry of judgment shall not be a condition precedent to recovery under this indemnity.

13. Landlord's Right to Re-enter on Termination or Expiration. Tenant shall peaceably deliver possession of the Premises to Landlord on the date of expiration or sooner termination of this Lease. On giving notice of termination to Tenant, Landlord shall have the right to re-enter and take possession of the Premises on the date such termination becomes effective without further notice of any kind and without instituting summary or regular legal proceedings. Termination of the Lease and re-entry of the Premises by Landlord shall in no way alter or diminish any obligation of Tenant under the Lease. Tenant waives any and all right of redemption under any existing or future law or statute in the event of eviction from or dispossession of the Premises for any reason or in the event Landlord re-enters and takes possession of the Premises in a lawful manner. Tenant agrees that if the manner or method used by Landlord in re-entering or taking possession of the Premises give to Tenant a cause of action for damages or in forcible entry and detainer, then the total amount of damages to which Tenant shall be entitled in any such action shall be One Dollar. This Section may be filed in any such action and, when filed, it shall be a stipulation by Tenant fixing the total damages to which Tenant is entitled in such action.

- 14. Holding Over. If Tenant holds over and remains in possession of the Premises after the expiration of the original term of this Lease, such holding over shall be construed as a tenancy from month to month at the fair market rent at the option of Landlord, as calculated pursuant to Section 4, but otherwise on the same terms, covenants and conditions stated in this Lease. If Tenant exercises its option to extend the term, then the amount of hold-over rent shall be recalculated at the expiration of each extended term and shall be stated in the amendment to this Lease that extends the term.
 - 15. Nondiscrimination. Subject to applicable laws, rules and regulations.

2

3

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Tenant shall not discriminate against any person or group on account of race, religion, national origin, color, age, sex, sexual orientation, AIDS, HIV status, handicap, or disability in the use, operation or maintenance of the Premises or in the employment of any individual.

- Utilities. Tenant shall pay for all water, sewer, gas, electricity, 16. telephone, refuse, recycling, and other utilities to the Premises, together with the taxes thereon. If any such utilities are not separately metered to Tenant, Tenant shall pay a reasonable proportion to be determined by Landlord of all charges jointly metered with other premises.
- Waiver by Tenant. Landlord shall not be liable for and Tenant 17. hereby waives, to the extent permitted by law, all claims against Landlord, its officials, employees and agents for loss, theft, and damage to equipment, furnishings, furniture, trade and other fixtures, records, and all personal property of Tenant, its employees, invitees, subtenants, and all other persons in or about the Premises, or for loss or damage to Tenant's business, or for loss of income from Tenant's business or use of the Premises, or for injury to or death of persons on or about the Premises from any cause except to the extent caused by Landlord's negligence or willful misconduct.

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

- Brokers. By signing this Lease, each party represents that it has had 18. no contacts or dealings regarding the execution of this Lease through a broker or agent or any other person who can claim a right to a commission or fee.
- Force Majeure. Except as to the payment of rent, in any case where 19. either party is required to do any act, the inability of that party to perform or delay in

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

performance of that act caused by or resulting from fire, flood, earthquake, explosion, acts of God, war, strikes, lockouts, or any other cause beyond the reasonable control of that party and not due to that party's fault or neglect shall be excused and shall not be a default hereunder. Financial inability to perform shall not be considered cause beyond the reasonable control of the party.

- Signs. Tenant shall not place, affix, maintain or permit any sign, 20. advertisement, name, insignia, logo, descriptive material, or similar item (collectively, "sign") on the Premises without the prior written approval of Landlord's Executive Director or designee and any other governmental agencies having jurisdiction over Tenant provided, however, that Tenant may place an exterior sign on the Building after receiving the required approvals. Any approved sign shall be installed and maintained by Tenant, at its sole cost, in good condition. Any sign not approved by Landlord may be removed by Landlord at Tenant's cost. The cost of removal shall be additional rent. Tenant shall remove the exterior Building sign at the expiration or sooner termination of this Lease and repair the exterior of the Building to its condition immediately preceding installation of Tenant's exterior sign, at no cost to Landlord. No freestanding signs are or will be permitted on the Property.
- 21. Americans with Disabilities Act. Except as to tenant improvements made by Landlord, Tenant shall have and be allocated the sole responsibility to comply with the Americans with Disabilities Act of 1990 ("ADA"), as and when amended, with respect to the Premises and Tenant's use of and operation on the Premises. Tenant shall defend, indemnify and hold Landlord harmless from and against all claims of any failure to comply or violation of ADA except those attributable to tenant improvements made by Landlord.
- 22. No Waiver of Landlord's Rights. The failure or delay of the Landlord to re-enter the Premises, to insist on strict enforcement of any term, covenant or condition herein, to exercise any right, power, privilege, or option arising from any default shall not impair any such right, power, privilege or option or be construed or operate as or

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

be deemed a waiver of any term, covenant or condition of this Lease, of any default, or of any right or remedy (including indemnity) that the Landlord may have and shall not be deemed a waiver of any subsequent or other default of any term, covenant or condition hereof. Landlord's approval to any act by Tenant requiring Landlord's approval shall not be deemed to waive Landlord's approval of any subsequent act of Tenant where approval is required. The receipt and acceptance by Landlord of rent, delinquent or timely, shall not constitute a waiver of any default.

Any waiver of any default by Landlord shall be in writing.

Failure on the part of Landlord to require exact and complete compliance hereof shall not be construed or deemed in any manner as changing this Lease, nor shall the conduct of the parties be deemed to change this Lease. No right, power, privilege, option, or remedy of Landlord shall be construed as being exhausted by the exercise thereof in one or more instances.

Access and Right of Entry. Landlord shall have access and the right 23. to enter the Premises at all times, 24 hours a day, 7 days a week provided that Landlord gives to Tenant at least twenty-four (24) hours prior notification.

Landlord shall be permitted to enter as described herein without any liability to Tenant for any temporary loss of quiet enjoyment, inconvenience, loss of business, or other damage arising from Landlord's entry. Tenant shall not be entitled to an abatement or reduction in rent if Landlord exercises its right of access or entry hereunder.

24. Maintenance.

Landlord shall have no responsibility for the repair or Α. maintenance of the Premises or any part thereof after the Commencement Date. Tenant shall at Tenant's sole cost maintain the Premises, including but not limited to the alarm system, any store front, all doors, window casements, glazing, plumbing, wiring, fixtures and conduit, and all other improvements and equipment, in good repair, in a clean, sanitary, and safe operating condition and in compliance with applicable laws, rules, regulations, permit and licenses. "Maintenance" shall

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

include repair and shall be done promptly upon the discovery of the need for "Repair" shall mean all replacements, removals, alterations, maintenance. additions and improvements to the Premises. Maintenance shall be equal to or better in value, quality and use than what existed prior to the need for maintenance. Tenant shall provide, at its sole expense, routine janitorial service to the Premises and the cleaning of interior and exterior surfaces of windows of the Premises and the routine sweeping and cleaning of sidewalks adjacent to the Premises.

- B. Tenant hereby waives to the extent permitted by law any right to make repairs at the expense of Landlord or to vacate the Premises in lieu thereof as may be provided by law.
- C. If Tenant fails to maintain the Premises, Landlord may notify Tenant of such failure. If Tenant fails to correct the situation within thirty (30) days thereafter or such longer period as may be established by Landlord, then Landlord may make the necessary correction and the cost thereof, including but not limited to the cost of labor, materials, equipment and administration, shall be paid by Tenant as additional rent within ten (10) days after receipt of a statement of said additional rent from Landlord.
- D. Subject to Tenant's reimbursement for Tenant's proportionate share of the costs incurred by Landlord in the operation, management, maintenance, repair and ownership of the Property, Landlord shall maintain and repair the Property including but not limited to the Property's electrical, plumbing, HVAC system, parking lot, sidewalks, fencing, exterior walls, and exterior windows, keep Property and its common areas in a neat, clean, sanitary condition, properly lighted, with appropriate landscaping.
- 25. Failure to Repair. If Tenant fails to perform maintenance or repair within thirty (30) days after receipt of notice from Landlord to do so, Landlord may, but shall not be obligated to, make such repairs or perform such maintenance and repairs.

Tenant shall reimburse Landlord for the cost thereof within thirty (30) days after receipt of Landlord's invoice therefor as additional rent. Landlord's cost shall include, but not be limited to, the cost of maintenance or repair or replacement of property neglected, damaged or destroyed, including direct and allocated post of maintenance or repair or replacement of property neglected, damaged or destroyed, including direct and allocated costs for labor, materials, supervision, supplies, tools, taxes, transportation, administrative and general expense and other indirect or overhead expenses. The performance or maintenance by Landlord, which maintenance is contractually the responsibility of Tenant, shall in no event be construed as a waiver of Tenant's duty or obligation to perform maintenance as provided in this Lease in the future.

26. Restoration. Tenant shall promptly give notice to Landlord of damage or destruction to the Premises and the date of same. Tenant shall promptly make proof of loss and proceed to collect all valid claims that Tenant may have against insurers or others based on such damage or destruction. All amounts recovered as a result of said claims shall be used first for the restoration of the Premises, which Tenant shall promptly begin and diligently pursue so that the Premises are restored to substantially the same conditions as they were in immediately before such damage or destruction. If existing laws do not permit restoration, then Tenant may terminate this Lease by notice to Landlord.

If the repair, reconstruction or restoration requires longer than one hundred twenty (120) days or if the insurance proceeds will not be sufficient to cover the cost of repair, reconstruction or restoration, then Landlord may elect to repair, reconstruct or restore and the Lease shall continue in full force and effect. If Landlord elects to repair, reconstruct or restore, then Landlord shall not be required to expend sums therefor in excess of insurance proceeds received by Landlord by reason of the casualty. If Landlord repairs, reconstructs or restores, then Tenant shall not receive a rebate or repayment of any rent and Tenant shall not be entitled to any compensation or damages for loss in the use of the whole or any part of the Premises and any inconvenience or

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

annoyance occasioned by such damage, repair, reconstruction or restoration.

- 27. <u>Parking</u>. No specific parking spaces are assigned to or reserved to Tenant or its patrons and invitees. However, Tenant shall have shared use of all thirty-eight (38) parking spaces associated with the Building, at no charge.
- 28. Abandoned Property. If Tenant abandons the Premises or is dispossessed by process of law or otherwise or if the property is not removed as required by Section 33 above, then title to such property left on the Premises forty-five (45) days after such abandonment or dispossession shall be deemed to have been transferred to Landlord. Landlord shall have the right to remove, store and dispose of said property without liability therefor to Tenant or to any person claiming under Tenant, and shall have no duty to account therefor. Tenant hereby designates Landlord's Executive Director as Tenant's attorney in fact to execute and deliver such documents as may be reasonably required to dispose of such abandoned property and transfer title thereto. Tenant shall pay the cost of removal, storage, sale or destruction as additional rent. Tenant hereby agrees to and shall defend, indemnify and hold Landlord, its officials and employees harmless from and against all claims, demands, damage, loss, liability, causes of action, costs and expenses arising from or attributable to Landlord's removal, storage and disposal of such property that is not owned by Tenant.
- 29. <u>Hazardous Materials</u>. Tenant shall conduct all aspects of its operation and use of the Premises in strict accordance with all federal and state laws, rules and regulations relating to any hazardous material as defined by state and federal laws.

30. <u>Miscellaneous</u>.

- A. Each party shall bear its own costs and expenses in connection with this Lease and enforcement thereof, including but not limited to attorney's fees and court costs.
- B. This Lease shall be binding on and inure to the benefit of the parties and their successors, heirs, personal representatives, and subtenants, and

16

17

18

19

20

21

22

23

24

25

26

27

28

1

2

3

4

5

6

7

8

9

all of the parties shall be jointly and severally liable hereunder.

- This Lease constitutes the entire understanding between the C. parties and supersedes all prior negotiations, agreements and understandings, oral or written, with respect to the subject matter hereof.
- This Lease may not be amended except in a writing duly D. executed by both parties and authorized by Landlord's Board and Tenant's City Council (including an extension of term).
- This Lease shall be governed by and construed under the Ε. laws of the state of California, and no choice of laws or principles thereof shall apply.
- The captions and numbers herein and the grouping of the F. provisions of this Lease into separate sections and paragraphs are for the purpose of convenience only and shall not be considered a part hereof, and shall have no effect on the interpretation of this Lease.
- If any term, covenant, or condition of this Lease is found to be invalid, ineffective, void, or unenforceable for any reason by a court of competent jurisdiction, the remaining terms, covenants and conditions shall remain in full force and effect.
- Time is of the essence in this Lease and all of its provisions. Н. No notice to Tenant shall be required to restore"time is of the essence" after waiver by Landlord of any default.
 - This Lease shall not be recorded. ١.
- The relationship of the parties hereto is that of landlord and J. tenant, and the parties agree that nothing contained in this Lease shall be deemed or construed as creating a partnership, joint venture, principal-agent relationship, association, or employer-employee relationship between them or between Landlord or any third person or entity.
 - This Lease is created as a joint effort between the parties and K.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- M. This Lease is created for the benefit of the parties only and is not intended to benefit any third person or entity.
- N. If Tenant is a corporation, each person signing this Lease on behalf of that corporation represents and warrants that he/she is authorized to sign this Lease on behalf of the corporation.
- O. Where consent or approval is required from either Tenant or Landlord by the provisions of this Lease, the giving of consent or approval shall not be unreasonably withheld or delayed by the party from whom consent or approval is required.

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

CITY OF LONG BEACH

Dated: <u>July 8</u>, 209/18

and a condition.

By:

Assistant City Manager

Name:

"Tenant"

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER,

Dated: 6 17, 2007

REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA

By:

Name:

Title:

"Landlord"

This Lease is approved as to form on \mathcal{L}/\mathcal{S}
ROBERT E. SHANNON, City
By By
Assistant
l

Attorney

HAMfl 10/8/07; rev. 10/16/07 #07-04564

00111448.DOC

EXHIBIT D

Insurance requirements for Subtenant at 1900 Atlantic Avenue, Suite 200 (Renaissance Square)

- A. **INSURANCE**. Concurrent with and as a condition of obtaining occupancy of the Premises, Subtenant shall procure and maintain at Subtenant's expense for the duration of this Sublease including any extensions, renewals, or holding over thereof, from insurance companies that are admitted to write insurance in the State of California or that have ratings of or equivalent to an A:VIII by A.M. Best and Company the following insurance:
- (a) Commercial general liability insurance equivalent in coverage scope to ISO CG 00 01 10 93, including contractual coverage, naming the City of Long Beach, its officials, employees, and agents as additional insureds from and against claims, demands, causes of action, expenses, costs, or liability for injury to or death of persons, or damage to or loss of property arising out activities performed by or on behalf of the Subtenant 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. Said insurance shall be primary insurance with respect to City and Subtenant and shall include cross liability protection.
- (b) Special perils property insurance in an amount sufficient to cover the full replacement value of Subtenant's personal property, improvements, and equipment on the Premises.
- B. **SELF INSURANCE**. Any self-insurance program or self-insurance retention must be approved separately in writing by City and shall protect the City of Long Beach, its officials, employees, and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained retention provisions.
- C. CANCELLATION. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, changed, or canceled by either party except after thirty (30) days prior written notice (ten (10) days for nonpayment only) to City, and shall be primary and not contributing to any other insurance or self-insurance maintained by City.
- D. **PROPERTY INSURANCE WAIVER OF SUBROGATION**. With respect to damage to property, City and Subtenant hereby waive all rights of subrogation, one against the other, but only to the extent that collectible commercial insurance is available for said damage.
- E. **DOCUMENTATION**. Subtenant shall deliver to City certificates of insurance and original endorsements for approval as to sufficiency and form prior to occupancy of the Premises. The certificates and endorsements for each insurance policy shall contain the original signature of a person authorized by that insurer to bind coverage on its behalf.
- F. NO LIMITATIONS ON LIABILITY. Such insurance as required herein shall not be deemed to limit Subtenant's liability relating to performance under this Sublease. City reserves the right to require complete certified copies of all said policies at any time. The procuring of insurance shall not be construed as a limitation on liability or as full performance of the indemnification and hold harmless provisions of this Sublease. Subtenant understands and agrees that, notwithstanding any insurance, Subtenant's obligation to defend, indemnify, and hold City, its officials, agents, and employees harmless hereunder is for the full and total amount of any damage, injuries, loss, expense, costs, or liabilities caused by the condition of the Premises or in any manner connected with or attributed to the acts or omissions of the Subtenant, its officers, agents contractors, employees, licensees, patrons, or visitors, or the operations conducted by Subtenant, or the Subtenant's use, misuse, or neglect of the Premises.
- G. SUBTENANT'S FAILURE TO PROVIDE. If Subtenant fails to procure any coverage required by be maintained by City hereunder, or renewal thereof, or to provide written evidence the procurement or renewal thereof on a timely basis, City may (but is not required to), after having given five (5) working days written notice to Subtenant, procure such coverage and charge its cost to Subtenant as additional rent payable in full on the next rent payment date. Subtenant shall not do or permit to be done any thing that shall invalidate insurance policies to be maintained by Subtenant thereunder.
- H. **WAIVERS AND MODIFICATIONS**. Any modification or waiver of the insurance requirements herein shall be made only with the written approval of the City's Risk Manager or designee.