

FIRST AMENDMENT TO AGREEMENT NO. 34876
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THIS FIRST AMENDMENT TO AGREEMENT NO. 34876 ("Amendment") is made and entered, in duplicate, as of January 1, 2022 ("Effective Date"), pursuant to a minute order adopted by the City Council of the City of Long Beach on January 4, 2022, by and between the CITY OF LONG BEACH, a municipal corporation ("City"), and the GRAND PRIX ASSOCIATION OF LONG BEACH ("Association").

WHEREAS, City and Association previously entered into Amended and Restated Agreement No. 34876 dated December 6, 2017 (the "Agreement"), pursuant to which City granted to Association permission to conduct championship Grand Prix automobile races in the City of Long Beach, subject to the terms and condition contained in the Agreement; and

WHEREAS, City and Association desire to amend certain provisions of the Agreement, including without limitation extending the term of the Agreement;

NOW, THEREFORE, City and Association mutually agree as follows:

1. Capitalized terms in this Amendment which are not otherwise defined shall have the meanings given them in the Agreement.

2. City and Association hereby mutually exercise the extension option provided under Section 2 of the Agreement so that the Term of the Agreement shall end on June 30, 2028.

3. Effective January 1, 2023, Section 5.4.1 of the Agreement shall be amended and restated in its entirety to read as follows:

"5.4.1. Notwithstanding the foregoing, no construction or installation of Circuit Improvements or decoration of City streets shall commence more than fifty (50) days prior to the date of a scheduled Race and all Circuit Improvements and decorations shall be removed within twenty (20) days after the date of a scheduled Race, unless weather or other circumstances beyond Association's control prevent removal within that period, but in no event more than thirty (30)

1 days after the date of a scheduled Race.

2 4. Effective January 1, 2023, Section 5.4.4 of the Agreement shall be
3 amended and restated in its entirety to read as follows:

4 "5.4.4. No construction of Circuit Improvements or street decoration
5 activities shall commence prior to 7:00 a.m. nor continue after 6:00 p.m. in areas
6 adjacent to residential buildings. The restrictions in the immediately preceding
7 sentence shall not be applicable during (i) the period commencing at 12:01 a.m.
8 on the Monday immediately preceding the Race and ending twenty-four (24) hours
9 following the Race, or (ii) during any period which City and Association mutually
10 agree to waive such restrictions."

11 5. The parties acknowledge and agree that the Permit Fee as required
12 pursuant to Section 5.12 of the Agreement for the 2021 Race is \$94,749.38 (the "2021
13 Permit Fee"). Notwithstanding anything to the contrary in the Agreement, Association
14 shall pay the 2021 Permit Fee to City in 5 equal consecutive annual installments in the
15 amount of \$18,950 each, beginning on December 1, 2021, and continuing thereafter until
16 the 2021 Permit Fee is paid in full. The outstanding balance of the 2021 Permit Fee shall
17 not accrue interest.

18 6. City shall use its best efforts to identify potential economic relief
19 grant or loan funding sources available to provide economic relief from the adverse
20 effects of the COVID-19 pandemic, and the parties shall cooperate in good faith to the
21 extent necessary to execute any documents necessary to apply for and, if awarded,
22 accept such funds; provided that under no circumstance shall City guarantee the
23 performance of Association or otherwise be obligated to repay such funds.

24 7. Section 6.4 of the Agreement is hereby amended and restated in its
25 entirety to read as follows:

26 "6.4 If City sells, leases, builds on, develops, contracts in any manner
27 with a third party for the development of, or otherwise removes from availability
28 property that Association now uses in conjunction with the Race, either located

1 within or adjacent to the Circuit, City shall use its best efforts to replace it with
2 substantially similar property of the same square footage suitable for use in the
3 same manner as the property which is being replaced within or immediately
4 adjacent to the Circuit and otherwise reasonably satisfactory to Association. City
5 acknowledges that suitability may include factors such as distance from the
6 start/finish line, height restrictions, pavement, availability of utilities, and grade. If
7 City and Association are unable to locate reasonably satisfactory replacement
8 property, Association's sole remedy shall be the termination of this Agreement.
9 Association agrees to work in good faith with both City and any third-party
10 developers in order to accommodate such potential development (it being the
11 intention of the parties that Association not deter or oppose potential
12 development), and Association shall not be entitled to (i) reduce fees payable to
13 City under this Agreement or (ii) any damages to Association resulting from such
14 development. Association acknowledges and agrees that City is in the initial
15 stages of a long-term redevelopment process involving the Long Beach
16 Convention and Entertainment Center and other public property immediately
17 adjacent thereto more particularly depicted in Exhibit "E" attached hereto (the
18 "Elephant Lot"), which may result in significant development impacting the Circuit
19 and related Race operations. To the extent City solicits proposals for the
20 development of the Elephant Lot, City shall require any potential future developers
21 of the Elephant Lot to meet and confer with Association prior to submitting
22 proposals to City for the purpose of potential inclusion of the Race and/or
23 incorporation of the Circuit into the design of any potential development, and such
24 requirement shall be included in any requests for proposals or other written
25 solicitations issued by City, but without any requirement on the part of potential
26 future developers to (i) actually submit a proposal which accommodates the Race
27 and/or includes the Circuit in the potential development, or (ii) otherwise
28 accommodate the Race and/or include the Circuit in its final design. Promptly

1 after City Council approval of, and authorization to execute, any exclusive
2 negotiating agreement or development agreement with a proposed developer of
3 the Elephant Lot, City shall give Association written notice of such action by the
4 City Council.

5 Promptly after approval of any development on the Elephant Lot by the City
6 Council or the City Planning Commission which does not accommodate the Race
7 and/or include the Circuit, City shall give written notice of such action to
8 Association ("Elephant Lot Development Approval Notice").

9 The Elephant Lot Development Approval Notice shall include the date on
10 which the Elephant Lot shall be removed from the Circuit; provided however that in
11 no event shall the Elephant Lot be removed from the Circuit prior to the first
12 anniversary of the delivery of the Elephant Lot Development Approval Notice.

13 8. Exhibit "E" attached hereto (the Elephant Lot) is hereby added to the
14 Agreement as Exhibit "E".

15 9. Section 7.2.4 of the Agreement shall be amended so that the
16 parenthetical contained therein is deleted.

17 10. Beginning in advance of the 2022 Race and continuing annually
18 thereafter, Association and City representatives shall meet to jointly inspect the Circuit to
19 document pre-Race tire marks. Following each Race, Association shall be obligated to
20 remove tire marks from the concrete portions of the Circuit that result from the Race and
21 related events. City shall have the option to request that Association remove non-Race-
22 related tire marks from the concrete portions of the Circuit, at City's expense. City shall
23 perform emulsion treatments utilizing Road Restoration Funds to address all tire marks
24 on the asphalt portions of the Circuit (whether Race-related or not) in accordance with
25 Section 12.

26 11. The parties acknowledge and agree that City, at City's cost and
27 expense, shall perform a grind and overlay of the asphalt on Pine Avenue between
28 Shoreline Drive and Seaside Way prior to the 2023 Race Event.

1 12. Association shall pay City an amount equal to \$150,000 for purposes
2 of road restoration within the Circuit ("Road Restoration Funds"). The Road Restoration
3 Funds shall be paid in five (5) equal installments of \$30,000 each, beginning on January
4 1, 2023 and continuing annually thereafter until all Road Restoration Funds have been
5 paid by Association to City. Beginning after the 2023 Race, City shall apply the Road
6 Restoration Funds, as necessary, towards emulsion treatments of all asphalt portions of
7 the Circuit necessary to maintain the entirety of the asphalt portions of the Circuit to
8 substantially similar standard as existed after the one-time emulsion treatment performed
9 pursuant to Section 3 of the Supplemental Agreement, as reasonably determined by City.
10 City shall be under no obligation to return unused Road Restoration Funds to
11 Association. If any third-party applies for a permit or other authorization from City to
12 excavate asphalt surfaces within the Circuit, City shall require such third-party to restore
13 such asphalt surface to the condition required to accommodate the Race or otherwise to
14 the satisfaction of the City Engineer.

15 13. City has previously informally committed portions of the Elephant Lot
16 (as defined in Section 6.4) and other areas within and adjacent to the Circuit for the
17 conduct of certain events during the 2028 Summer Olympics (the "Olympic Games
18 Areas"). The parties acknowledge and agree that the exact perimeter of the Olympic
19 Games Areas and the time periods during which the Olympic Games Areas will be
20 unavailable for use by Association have not yet been established. The parties
21 acknowledge and agree that City intends to accommodate the 2028 Summer Olympics,
22 and that such accommodation may impact the 2028 Race. City agrees to promptly
23 provide Association with detailed information regarding the Olympic Games Areas after
24 such information is received by City, and, if necessary, the parties agree to thereafter
25 cooperate in good faith to adjust the 2028 Race schedule or make such other
26 amendments to the Agreement as necessary to accommodate the 2028 Olympics.

27 14. City supports the ongoing environmental mitigation efforts of
28 Association and IndyCar, and in furtherance thereof Association agrees to make a good

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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faith effort to promote such environmental mitigation initiatives to the local community.

15. All terms, covenants, and conditions of the Agreement, except as amended herein, shall remain unchanged and in full force and effect.


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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"

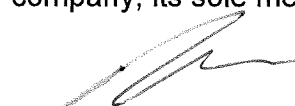
CITY OF LONG BEACH, a California municipal corporation

By: 
Name: LINDA F TATUM
Title: ASST CITY MANAGER

"Association"

GRAND PRIX ASSOCIATION OF LONG BEACH, LLC, a Delaware limited liability company

By: Aquarium Holdings, LLC, a Delaware limited liability company, its sole member

By: 
Pierre Wildman
Manager

This First Amendment to Agreement No. 34876 is approved as to form on

2-1, 2022.

CHARLES PARKIN, City Attorney


By: 
Deputy



Exhibit E: Elephant Lot

Elephant Lot