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LEASE

**32385**

THIS LEASE is made and entered, in duplicate, as of October 1, 2011 pursuant to a minute order of the City Council of the City of Long Beach made on October 18, 2011, by and between the CITY OF LONG BEACH, whose address is 333 W. Ocean Blvd., 3<sup>rd</sup> Floor, Long Beach, CA 90802 (the "Landlord"), and LONG BEACH LOCAL, INC., whose address is 2076 Eucalyptus, Long Beach, CA 90806 (the "Tenant").

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

1. Premises. Landlord hereby leases to Tenant and Tenant hereby accepts and leases approximately 0.6 acres of that certain undeveloped and vacant land depicted as the "Leased Premises" in Exhibit "A" attached hereto (the "Premises"), located near 2712 California Avenue. Tenant shall have also have a non-exclusive right to use certain adjacent land located between the Premises and California Street, depicted as the "Parking Area" in Exhibit "A" attached hereto (the "Parking Area"), for purposes of (i) ingress and egress to the Premises; and (ii) parking for members of the public visiting the Premises.

2. Term. The term of this Lease shall commence on November 1, 2011 (the "Commencement Date"), and shall terminate at midnight on October 31, 2013, unless sooner terminated as provided herein. Landlord and Tenant shall have one (1) mutual option to extend the term of this Lease for a period of one (1) additional year, said extension to be jointly exercised by the parties in writing on or before the then-current expiration date of this Lease.

3. Termination Right. Either party may terminate this Lease at any time and for any reason during the term, provided that such party provides ninety (90) days advance notice in writing to the other party.

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1           4.     Rent. Tenant shall pay to Landlord a rental payment of One Dollar  
2 (\$1.00) per year. ("Base Rent"). In addition to the Base Rent, Tenant shall pay to  
3 Landlord an amount equal to one percent (1%) of the gross revenue generated by  
4 Tenant's operations at the Premises (the "Additional Rent"), including without limitation  
5 revenue generated by the off-Premises sale of any food grown on the Premises. The  
6 Additional Rent shall be due and payable annually, within thirty (30) days after the  
7 conclusion of each year of the term of this Lease (for example, the first payment of  
8 Additional Rent for the period from October 1, 2011 through September 30, 2012, shall  
9 be paid on or before October 30, 2012). Should the term of this Lease be terminated  
10 early for any reason, then Additional Rent shall be due and payable on the date which is  
11 thirty (30) days after such termination. In addition to and together with Tenant's payment  
12 of Additional Rent, Tenant shall prepare and deliver to Landlord an accounting of all  
13 gross revenue generated by Tenant at the Premises, in form and substance reasonably  
14 acceptable to Landlord and the City Auditor of Long Beach.

15           5.     Use. Tenant shall use the Premises for the development and  
16 management of an urban farm and sustainable produce stand, and Landlord and Tenant  
17 intend to develop community educational programs at the Premises in connection  
18 therewith. The Premises shall not be used by Tenant for any other purpose without the  
19 express written consent of Landlord, which may be withheld in its sole and absolute  
20 discretion. In addition to the prohibition contained in Section 11, Tenant shall not use any  
21 pesticides, herbicides, chemical fertilizers or other caustic chemical agents in its  
22 operation of the Premises. At all times Tenant shall employ strictly organic growing  
23 methods. Tenant shall employ water efficient growing methods, and at no time shall  
24 Tenant's operations produce run-off which collects upon any property outside the  
25 Premises, including without limitation the Parking Area and the Mulch Yard, as shown on  
26 Exhibit "A" attached hereto. Tenant shall maintain an eight (8)-foot wide corridor of open  
27 space depicted as the "Underground Pipeline Corridor" on Exhibit "A" attached hereto. At  
28 no time shall Tenant grade, plant, or otherwise disturb the soil located within the

1 Underground Pipeline Corridor. Tenant shall operate the Premises no earlier than an  
2 hour before sunrise and no later than 10:00pm. Tenant shall conduct its operations in  
3 accordance with additional operating restrictions which may be reasonably imposed by  
4 Landlord.

5           6.     Tenant Improvements. The Premises shall be leased in “as is”  
6 condition, without any representations or warranties whatsoever by Landlord as to the  
7 suitability for the intended use of the Premises. Tenant shall construct, at its own cost  
8 and expense, (i) a temporary structure suitable for storing equipment and selling food  
9 produced at the Premises, and (ii) fencing surrounding those portions of the Premises as  
10 required by Landlord (collectively, the “Required Improvements”). The location and  
11 nature of the Required Improvements shall be subject to the approval of Landlord.  
12 Tenant shall be solely responsible for ensuring the Premises comply with the Americans  
13 with Disabilities Act to the extent required.

14           7.     Maintenance Obligations. Tenant shall keep the Premises in a neat,  
15 safe and sanitary condition. Tenant shall be responsible for any and all repairs  
16 associated with the Premises. Landlord shall have no maintenance obligations with  
17 respect to the Premises. Landlord makes no representations and/or warranties as to the  
18 condition of the Parking Area, and Landlord shall not be obligated to maintain the Parking  
19 Area for the benefit of Tenant.

20           8.     Utilities. Landlord shall provide a water meter and above-ground  
21 spigot to be installed and maintained at the Premises. Tenant shall be responsible for  
22 the provision of all other utilities to the Premises and shall be responsible for the payment  
23 of all utility expenses, including water.

24           9.     Taxes. Landlord shall be responsible for payment of all real property  
25 taxes, and Tenant shall be responsible for the payment of all other taxes arising from its  
26 use and occupancy of the Premises, including any possessory interest taxes.

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1           10.   Insurance.

2           A.     During the entire term, Tenant shall at its sole cost and  
3 expense procure and maintain:

4                   (i)    Commercial general liability insurance equivalent in  
5 coverage scope to ISO CG 00 01 10 93 in an amount not less than One  
6 Million Dollars (\$1,000,000) per occurrence and Two Million Dollars  
7 (\$2,000,0000) in aggregate covering bodily injury and property damage  
8 liability combined arising from Tenant's obligations under or in connection  
9 with this Lease. Such insurance shall name Landlord, and any other party it  
10 so specifies in writing to Tenant, as an additional insured on an  
11 endorsement equivalent in coverage scope to ISO CG 20 26 11 85.

12                   (ii)   The minimum limits of policies of insurance required of  
13 Tenant under this Lease shall in no event limit the liability of Tenant under  
14 this Lease. Such insurance shall (a) be issued by an insurance company  
15 having a rating of not less than A-VIII in Best's Insurance Guide or which is  
16 otherwise acceptable to Tenant and Landlord, (b) be primary insurance as  
17 to all claims thereunder and provide that any insurance carried by Tenant or  
18 Landlord is excess and is non-contributing with any insurance requirement  
19 of Tenant, (c) provide that said insurance shall not be canceled or coverage  
20 changed unless thirty (30) days' prior written notice shall have been given  
21 to Landlord and any mortgagee or ground or underlying lessor of Landlord,  
22 and (d) contain a cross-liability endorsement or severability of interest  
23 clause acceptable to Landlord. Tenant shall deliver said policy or policies  
24 or certificates thereof to Landlord on or before the effectiveness of this  
25 Lease.

26           B.     Notwithstanding the provisions of this Section 10, Tenant and  
27 Landlord each hereby waive any and all rights of recovery against the other, or  
28 against the officers, employees, agents and representatives of the other, for loss

1 of or damage to such waiving party or its property or the property of others under  
2 its control but only to the extent that (a) such loss or damage is insured against or  
3 is required to be insured against under the terms of this Lease, and (b) such  
4 insurance policies permit and do provide for such waiver. In this regard, Landlord  
5 and Tenant each agree to have their respective insurers issuing the insurance  
6 described in this Section 10 waive any rights of subrogation that such companies  
7 may have against the other party. Tenant shall provide, at its sole cost and  
8 expense, such additional insurance or increased coverage amounts as may be  
9 required by Landlord's Risk Manager acting in his or her sole discretion.

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

18 12. Default. The occurrence of any of the following acts shall constitute  
19 a default by Tenant:

- 20 A. Failure to pay rent when due after ten (10) days written notice;
- 21 B. Failure to perform any of the terms, covenants, or conditions  
22 of this Lease if said failure is not cured within thirty (30) days after written notice of  
23 said failure. If the default cannot reasonably be cured in thirty (30) days, Tenant  
24 shall not be in default if Tenant begins to cure within the thirty-day period and  
25 diligently proceeds to cure to completion; or
- 26 C. Any attempted assignment or transfer.

27 If Tenant does not comply with each provision of this Lease or if a default  
28 occurs, then Landlord may terminate this Lease and Landlord may enter the Premises

1 and take possession thereof provided, however, that these remedies are not exclusive  
2 but cumulative to other remedies provided by law in the event of Tenant's default, and the  
3 exercise by Landlord of one or more rights and remedies shall not preclude Landlord's  
4 exercise of additional or different remedies for the same or any other default by Tenant.

5 13. Right of Entry. Landlord shall have the right of access to the  
6 Premises at all times.

7 14. Condemnation. If the whole or any part of the Premises shall be  
8 taken by any public or quasi-public authority under the power of eminent domain, then  
9 this Lease shall immediately terminate. All damages for such taking shall belong to  
10 Landlord.

11 15. Nondiscrimination. Subject to applicable laws, rules and regulations,  
12 Tenant shall not discriminate against any person or group on the basis of race, religion,  
13 national origin, color, age, gender, sexual orientation, gender identity, AIDS, HIV status,  
14 handicap or disability with respect to the use of the Premises or the performance of its  
15 obligations under this Lease. In the performance of this Lease, Tenant shall not  
16 discriminate against any employee or applicant for employment on the basis of race,  
17 religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS, HIV  
18 status, handicap or disability. Tenant shall take affirmative action to ensure that  
19 applicants are employed and that employees are treated without regard to these bases.  
20 Such action shall include but not be limited to employment, upgrading, demotion,  
21 transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other  
22 forms of compensation, and selection for training including apprenticeship. Tenant shall  
23 post in conspicuous places notices stating this provision.

24 16. Indemnification. Tenant shall defend, indemnify and hold harmless  
25 Landlord from all claims, demands, damages, causes of action, losses, liability, costs or  
26 expenses, including reasonable attorney's fees, of any kind or nature whatsoever  
27 (collectively referred to in this Section and Section 16 as "claims") which Landlord may  
28 incur for injury to or death of persons or damage to or loss of property occurring in, on, or

1 about the Premises arising from the condition of the Premises, products grown on the  
2 Premises or distributed thereon, the alleged acts or omissions of Tenant, Tenant's  
3 employees, or agents, the occupancy, use, or misuse of the Premises by Tenant,  
4 Tenant's employees, agents, approved subtenants, licensees, patrons, or visitors, or any  
5 breach of this Lease.

6           17.    Relocation. Tenant agrees that nothing contained in this Lease shall  
7 create any right in Tenant for any relocation assistance or payment under applicable  
8 California law from Landlord on the expiration or termination of this Lease. Tenant  
9 agrees that nothing contained in this Lease shall create any right for any reimbursement  
10 of Tenant's moving expenses incurred prior to or during the term of this Lease.

11           18.    Assignment. Tenant shall not assign or transfer this Lease or any  
12 interest herein, nor sublease the Premises or any part thereof (collectively referred to as  
13 "transfer").

14           19.    Signs. Tenant may post signs on and about the Premises and in the  
15 Parking Area subject to the approval of Landlord.

16           20.    Access. Tenant shall have access to the Premises twenty-four (24)  
17 hours per day, seven (7) days per week.

18           21.    Parking. Tenant and its invitees may use the Parking Area on a non-  
19 exclusive first come-first served basis. Landlord shall not be obligated to provide Tenant  
20 with any parking spaces in connection with this Lease.

21           22.    Surrender of Premises. On the expiration or sooner termination of  
22 this Lease Tenant shall remove all improvements on the Premises and otherwise deliver  
23 to Landlord possession of the Premises in substantially the same condition that existed  
24 immediately prior to the date of execution hereof.

25           23.    Notice. Any notice required hereunder shall be in writing and  
26 personally served or deposited in the U. S. Postal Service, first class, postage prepaid to  
27 Landlord and Tenant at the respective addresses first stated above. Notice shall be  
28 deemed effective on the date of mailing or on the date personal service is obtained,

1 whichever first occurs. Change of address shall be given as provided herein for notice.

2           24. Waiver of Rights. The failure or delay of Landlord to insist on strict  
3 enforcement of any term, covenant, or condition herein shall not be deemed a waiver of  
4 any right or remedy that Landlord may have and shall not be deemed a waiver of any  
5 subsequent or other breach of any term, covenant, or condition herein. The receipt of  
6 and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other  
7 default but shall only constitute a waiver of timely payment of rent. Any waiver by  
8 Landlord of any default or breach shall be in writing. Landlord's approval of any act by  
9 Tenant requiring Landlord's approval shall not be deemed to waive Landlord's approval of  
10 any subsequent act of Tenant.

11           25. Successors in Interest. This Lease shall be binding on and inure to  
12 the benefit of the parties and their permitted successors, heirs, personal representatives,  
13 transferees, and assignees, and all of the parties hereto shall be jointly and severally  
14 liable hereunder.

15           26. Force Majeure. Except as to the payment of rent, in any case where  
16 either party is required to do any act, the inability of that party to perform or delay in  
17 performance of that act caused by or resulting from fire, flood, earthquake, explosion,  
18 acts of God, war, strikes, lockouts, or any other cause whether similar or dissimilar to the  
19 foregoing which is beyond the control of that party and not due to that party's fault or  
20 neglect shall be excused and such failure to perform or such delay in performance shall  
21 not be a default or breach hereunder. Financial inability to perform shall not be  
22 considered cause beyond the reasonable control of the party.

23           27. Partial Invalidity. If any term, covenant, or condition of this Lease is  
24 held by a court of competent jurisdiction to be invalid, void or unenforceable, the  
25 remainder of the provisions hereof shall remain in full force and effect and shall in no way  
26 be affected, impaired or invalidated thereby.

27           28. Time. Time is of the essence in this Lease, and every provision  
28 hereof.



1           29.   Governing Law. This Lease shall be governed by and construed in  
2 accordance with the laws of the State of California.

3           30.   Integration and Amendments. This Lease represents and constitutes  
4 the entire understanding between the parties and supersedes all other agreements and  
5 communications between the parties, oral or written, concerning the subject matter  
6 herein. This Lease shall not be modified except in writing signed by the parties and  
7 referring to this Lease.

8           31.   Joint Effort. This Lease is created as a joint effort between the  
9 parties and fully negotiated as to its terms and conditions and nothing contained herein  
10 shall be construed against either party as the drafter.

11           32.   No Recordation. This Lease shall not be recorded.

12           33.   Attorney's Fees. In any action or proceeding relating to this Lease,  
13 the prevailing party shall be entitled to its costs, including a reasonable attorney's fee.

14           34.   Captions and Organization. The various headings and numbers  
15 herein and the grouping of the provisions of this Lease into separate sections,  
16 paragraphs and clauses are for convenience only and shall not be considered a part  
17 hereof, and shall have no effect on the construction or interpretation of this Lease.

18           35.   Relationship of Parties. The relationship of the parties hereto is that  
19 of Landlord and Tenant, and the parties agree that nothing contained in this Lease shall  
20 be deemed or construed as creating a partnership, joint venture, association, principal-  
21 agent or employer-employee relationship between them or between Landlord or any third  
22 person or entity.

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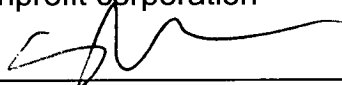
OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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IN WITNESS WHEREOF, the parties have executed this Lease with all of the formalities required by law as of the date first above written.

LONG BEACH LOCAL, INC., a California nonprofit corporation

~~NOV 03~~ 2011, 2011

By   
President  
Sasha Kanno  
Type or Print Name

\_\_\_\_\_, 2011

By \_\_\_\_\_  
Secretary  
\_\_\_\_\_  
Type or Print Name

"Tenant"

CITY OF LONG BEACH, a municipal corporation


11-10, 2011

By   
Assistant City Manager  
Patrick H. West  
City Manager

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

"Landlord"

This Lease is hereby approved as to form on November 10, 2011.

ROBERT E. SHANNON, City Attorney  
By   
Deputy

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

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EXHIBIT "A"  
DEPICTION PREMISES, PARKING AREA, MULCH YARD  
AND UNDERGROUND PIPELINE CORRIDOR



California Avenue

Mulch Yard

Leased Premises

Underground Pipeline Corridor

Parking Area

Access Gate

27th Street

**Farm Lot 59 Lease Area**

0 25 50 100 Feet



October 25, 2011  
Office of Sustainability  
City of Long Beach