



1 cost prohibitive to repair such damage.

2           4.     Rent and other Consideration. Tenant shall pay to Landlord a rental  
3 payment of One Dollar (\$1.00) per year. Landlord shall be occasionally entitled to use  
4 Tenant's materials and resources (e.g., artwork, displays, photographs and archives) on  
5 a temporary basis without any charge therefore. Landlord shall have the right to use the  
6 Premises for up to five (5) days per calendar year provided that (i) Landlord gives Tenant  
7 at least fifteen (15) days advance notice and (ii) Tenant has not previously scheduled an  
8 event which conflicts with Landlord's proposed use.

9           5.     Use. The Premises shall be primarily used as a museum/gallery  
10 displaying historical artifacts relating to the City of Long Beach and as a gift shop for retail  
11 sales. The Premises shall be used for public display of such artifacts, storage of such  
12 artifacts, administrative offices used in connection with the museum/gallery, and other  
13 occasional special events. The Premises shall not be used by Tenant for any other  
14 purpose without the express written consent of Landlord. The Premises shall be open  
15 and available to the public during all Bixby Knolls Improvement Association special  
16 events, at least one (1) weekend day per week, and at least a total of forty (40) hours per  
17 week. The Tenant shall also provide to Landlord a monthly operation schedule at least  
18 ten (10) days in advance of the beginning of each month.

19           6.     Tenant Improvements. Landlord shall have no obligation to provide  
20 Tenant with a tenant improvement allowance. The Premises shall be leased in "as is"  
21 condition. Any tenant improvements undertaken by Tenant and any contractors to  
22 perform such improvements shall each first be approved by Landlord, and all costs  
23 associated with permits, materials and entitlements in connection with such tenant  
24 improvements shall be the sole responsibility of Tenant. Tenant shall pay prevailing  
25 wage as required by the California Labor Code in connection with all tenant  
26 improvements. Tenant shall be responsible for ensuring the Premises comply with the  
27 Americans with Disabilities Act to the extent required. Tenant shall complete any tenant  
28 improvements approved by Landlord in a timely manner. Under no circumstances shall

1 Tenant make any changes to any portion of the Building that does not constitute the  
2 Premises, including without limitation the exterior of the Building, unless agreed to in  
3 writing by Landlord.

4           7.     Maintenance Obligations. Tenant shall keep the Premises in a neat,  
5 safe and sanitary condition, and shall procure and pay for janitorial and pest control  
6 services to the extent necessary for the Premises. Tenant shall be responsible for minor  
7 repairs associated with Tenant's daily use of the Premises, including any repairs made to  
8 any exterior signage. Unless such repairs are necessitated by Tenant's or its invitee's  
9 actions, Landlord shall be responsible for major repairs required to be made to the  
10 Building and the major components thereof (including, without limitation, foundation,  
11 walls, roof and HVAC systems), subject to Landlord's termination rights contained in  
12 Section 3.

13           8.     Utilities. Tenant shall be responsible for the provision of all utilities to  
14 the Premises and shall be responsible for the payment of all utility expenses.

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

18           10.    Insurance.

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

21                   (i)    Commercial general liability insurance in an amount not  
22 less than One Million Dollars (\$1,000,000) per occurrence and in aggregate  
23 covering bodily injury and property damage liability combined arising from  
24 Tenant's obligations under or in connection with this Lease. Such  
25 insurance shall name Landlord, and any other party it so specifies in writing  
26 to Tenant, as an additional insured.

27                   (ii)   The minimum limits of policies of insurance required of  
28 Tenant under this Lease shall in no event limit the liability of Tenant under

1 this Lease. Such insurance shall (a) be issued by an insurance company  
2 having a rating of not less than A-X in Best's Insurance Guide or which is  
3 otherwise acceptable to Tenant and Landlord, (b) be primary insurance as  
4 to all claims thereunder and provide that any insurance carried by Tenant or  
5 Landlord is excess and is non-contributing with any insurance requirement  
6 of Tenant, (c) provide that said insurance shall not be canceled or coverage  
7 changed unless thirty (30) days' prior written notice shall have been given  
8 to Landlord and any mortgagee or ground or underlying lessor of Landlord,  
9 and (d) contain a cross-liability endorsement or severability of interest  
10 clause acceptable to Landlord. Tenant shall deliver said policy or policies  
11 or certificates thereof to Landlord on or before the effectiveness of this  
12 Lease.

13 B. Notwithstanding the provisions of this Section 10, Tenant and  
14 Landlord each hereby waive any and all rights of recovery against the other, or  
15 against the officers, employees, agents and representatives of the other, for loss  
16 of or damage to such waiving party or its property or the property of others under  
17 its control but only to the extent that (a) such loss or damage is insured against or  
18 is required to be insured against under the terms of this Lease, and (b) such  
19 insurance policies permit and do provide for such waiver. In this regard, Landlord  
20 and Tenant each agree to have their respective insurers issuing the insurance  
21 described in this Section 10 waive any rights of subrogation that such companies  
22 may have against the other party. Tenant shall provide, at its sole cost and  
23 expense, such additional insurance or increased coverage amounts as may be  
24 required by Landlord's Risk Manager acting in his or her sole discretion.

25 11. Hazardous Materials. No goods, merchandise, supplies, personal  
26 property, materials, or items of any kind shall be kept, stored, or sold in or on the  
27 Premises which are in any way explosive or hazardous. Tenant shall comply with  
28 California Health and Safety Code Section 25359.7 or its successor statute regarding

1 notice to Landlord on discovery by Tenant of the presence or suspected presence of any  
2 hazardous material on the Premises. "Hazardous Materials" means any hazardous or  
3 toxic substance, material or waste which is or becomes regulated by the City, the County  
4 of Los Angeles, the State of California or the United States government.

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

7 A. Failure to pay rent when due after ten (10) days written notice;

8 B. Failure to perform any of the terms, covenants, or conditions  
9 of this Lease if said failure is not cured within thirty (30) days after written notice of  
10 said failure. If the default cannot reasonably be cured in thirty (30) days, Tenant  
11 shall not be in default if Tenant begins to cure within the thirty-day period and  
12 diligently proceeds to cure to completion; or

13 C. Any attempted assignment or transfer.

14 If Tenant does not comply with each provision of this Lease or if a default  
15 occurs, then Landlord may terminate this Lease and Landlord may enter the Premises  
16 and take possession thereof provided, however, that these remedies are not exclusive  
17 but cumulative to other remedies provided by law in the event of Tenant's default, and the  
18 exercise by Landlord of one or more rights and remedies shall not preclude Landlord's  
19 exercise of additional or different remedies for the same or any other default by Tenant.

20 13. Right of Entry. Landlord shall have the right of access to the  
21 Premises during reasonable business hours. Landlord shall have the right to locate a  
22 polling place on the Premises upon reasonable advance notice to Tenant; provided,  
23 however, that Tenant shall not be responsible for staffing or maintenance of such polling  
24 place.

25 14. Condemnation. If the whole or any part of the Premises shall be  
26 taken by any public or quasi-public authority under the power of eminent domain, then  
27 this Lease shall terminate as to the part taken or as to the whole, if taken, as of the day  
28 possession of that part or the whole is required for any public purpose, and on or before

1 the day of the taking Tenant shall elect in writing either to terminate this Lease or to  
2 continue in possession of the remainder of the Premises, if any. All damages for such  
3 taking shall belong to Landlord and/or Tenant in accordance with applicable law.

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

17           16. Indemnification. Tenant shall defend, indemnify and hold harmless  
18 Landlord from all claims, demands, damages, causes of action, losses, liability, costs or  
19 expenses, including reasonable attorney's fees, of any kind or nature whatsoever  
20 (collectively referred to in this Section and Section 16 as "claims") which Landlord may  
21 incur for injury to or death of persons or damage to or loss of property occurring in, on, or  
22 about the Premises arising from the condition of the Premises, the alleged acts or  
23 omissions of Tenant, Tenant's employees, or agents, the occupancy, use, or misuse of  
24 the Premises by Tenant, Tenant's employees, agents, approved subtenants, licensees,  
25 patrons, or visitors, or any breach of this Lease.

26           17. Relocation. Tenant agrees that nothing contained in this Lease shall  
27 create any right in Tenant for any relocation assistance or payment under applicable  
28 California law from Landlord on the expiration or termination of this Lease. Tenant

1 agrees that nothing contained in this Lease shall create any right for any reimbursement  
2 of Tenant's moving expenses incurred prior to or during the term of this Lease.

3           18. Assignment. Tenant shall not assign or transfer this Lease or any  
4 interest herein, nor sublease the Premises or any part thereof (collectively referred to as  
5 "transfer"). Notwithstanding the foregoing, Tenant may sublease a portion of the  
6 Premises to entity whose mission is reasonably related to Tenant's mission and which is  
7 otherwise approved in writing by Landlord, which approval shall not be unreasonably  
8 withheld, and provided that such subtenant is subject to the requirements of this Lease  
9 (including insurance requirements).

10           19. Signs. Tenant shall have the right to place signs on the exterior of  
11 the Building subject to the reasonable approval of Landlord.

12           20. SNDA. In the event a mortgage is recorded against the Premises,  
13 Landlord shall use its best efforts to cause the lienholder to execute a commercially  
14 reasonable subordination, non-disturbance and attornment agreement and Tenant  
15 agrees to execute the same in favor of the lienholder within a reasonable time.

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

18           22. Parking. Landlord shall not be obligated to provide Tenant with any  
19 additional parking spaces other than those designated parking spaces provided with the  
20 Building as of the date of this Lease. Tenant shall procure additional parking at its own  
21 cost and expense.

22           23. Holding Over. If Tenant holds over and remains in possession of the  
23 Premises or any part thereof after the expiration of this Lease with the express or implied  
24 consent of Landlord, then such holding over shall be construed as a tenancy from month  
25 to month at the monthly rent then in effect and otherwise on the same terms, covenants,  
26 and conditions contained in this Lease.

27           24. Surrender of Premises. On the expiration or sooner termination of  
28 this Lease Tenant shall deliver to Landlord possession of the Premises in substantially

1 the same condition that existed immediately prior to the date of execution hereof,  
2 reasonable wear and tear excepted.

3 25. Notice. Any notice required hereunder shall be in writing and  
4 personally served or deposited in the U. S. Postal Service, first class, postage prepaid to  
5 Landlord and Tenant at the respective addresses first stated above. Notice shall be  
6 deemed effective on the date of mailing or on the date personal service is obtained,  
7 whichever first occurs. Change of address shall be given as provided herein for notice.

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

17 27. Successors in Interest. This Lease shall be binding on and inure to  
18 the benefit of the parties and their permitted successors, heirs, personal representatives,  
19 transferees, and assignees, and all of the parties hereto shall be jointly and severally  
20 liable hereunder.

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

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

5           30. Time. Time is of the essence in this Lease, and every provision  
6 hereof.

7           31. Governing Law. This Lease shall be governed by and construed in  
8 accordance with the laws of the State of California.

9           32. Integration and Amendments. This Lease represents and constitutes  
10 the entire understanding between the parties and supersedes all other agreements and  
11 communications between the parties, oral or written, concerning the subject matter  
12 herein. This Lease shall not be modified except in writing signed by the parties and  
13 referring to this Lease.

14           33. Joint Effort. This Lease is created as a joint effort between the  
15 parties and fully negotiated as to its terms and conditions and nothing contained herein  
16 shall be construed against either party as the drafter.

17           34. No Recordation. This Lease shall not be recorded.

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

20           36. Captions and Organization. The various headings and numbers  
21 herein and the grouping of the provisions of this Lease into separate sections,  
22 paragraphs and clauses are for convenience only and shall not be considered a part  
23 hereof, and shall have no effect on the construction or interpretation of this Lease.

24           37. Relationship of Parties. The relationship of the parties hereto is that  
25 of Landlord and Tenant, and the parties agree that nothing contained in this Lease shall  
26 be deemed or construed as creating a partnership, joint venture, association, principal-  
27 agent or employer-employee relationship between them or between Landlord or any third  
28 person or entity.

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

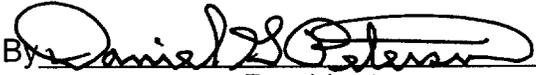
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38. Record Inspection. Tenant shall keep reasonably detailed records of all revenues and expenditures in accordance with generally accepted accounting principles, and shall make such records, Tenant's financial statements (if any), Tenant's tax returns (if any), and other related financial information as may be reasonably requested, available to the City Auditor of the City of Long Beach for review and audit for a period of at least three (3) years.

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

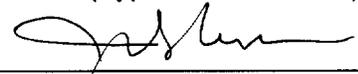
HISTORICAL SOCIETY OF LONG BEACH, CALIFORNIA, a California nonprofit corporation

MARCH 16, 2010

By   
President

DANIEL G. PETERSON  
(Type or Print Name)

March 14, 2010

By   
Secretary

John Thomas  
(Type or Print Name)

"Tenant"

CITY OF LONG BEACH, a municipal corporation

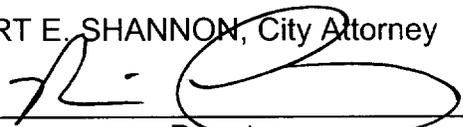
6.8, 2010

By   
Assistant City Manager  
City Manager

"Landlord"

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

This Lease is hereby approved as to form on April 12, 2010.

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"  
PREMISES DESCRIPTION

That certain real property located in the County of Los Angeles, State of California, more particularly described as follows:

Lot 37, Block G, of Tract No. 9984, recorded in Book 169, Pages 24 through 26 of Maps in the office of the County Recorder of Los Angeles County.

APN: 7138-009-900