

FIRST AMENDMENT TO LEASE NO. 14895

14895

THIS FIRST AMENDMENT TO LEASE NO. 14895 ("Amendment") is made and entered into in duplicate as of the 8th day of April, 2015 ("Effective Date"), pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting of April 7, 2015, by and between the CITY OF LONG BEACH, a municipal corporation ("Landlord") and ELEVEN GOLDEN SHORE, L.P., a California limited partnership ("Tenant"), as successor-in-interest to Golden Shore Professional Building, a general partnership ("Original Tenant"), having its place of business at 400 Oceangate, Long Beach, California 90802.

1. Recitals. This Amendment is made with reference to the following facts and objectives:

1.1 Landlord and Original Tenant entered into a lease dated October 25, 1979 (the "Lease"), pursuant to which Landlord leased certain real property to Tenant consisting of approximately 5,397 square feet and as more particularly described in the Lease and depicted on Exhibit "A" attached to this Amendment (the "Leased Premises").

1.2 Tenant, with Landlord's consent, has assumed the leasehold interest evidenced by the Lease.

1.3 The parties desire to amend the Lease by, among other things, extending the term of the Lease and increasing the rent due thereunder.

2. Term. The Lease term shall expire on October 31, 2080. The extension option provided in Section 4 of the Lease is hereby deleted.

3. Rent. Beginning on the Effective Date of this Amendment and continuing until October 31, 2054, Tenant shall continue to pay base rent equal to One Dollar (\$1.00) per year in accordance with the Lease. Beginning on November 1, 2054, Tenant shall pay base rent in the amount of Thirty-One Thousand Six Hundred Eighty-Nine Dollars (\$31,689) per year payable annually in advance. The base rent shall

thereafter increase annually in accordance with Exhibit "B" to this Amendment.

4. Insurance. Section 9 is hereby amended and restated in its entirety to read as follows:

"9. INSURANCE: As a condition of continued occupancy of the Leased Premises, Tenant shall procure and maintain the following types of insurance at Tenant's sole expense for the duration of this Lease, including any extensions, renewals, or holding over thereof, from insurance companies that are admitted to write insurance in the State of California or from authorized non-admitted insurers that have ratings of or equivalent to an A:VIII by A.M. Best Company:

(a) Commercial general liability insurance equivalent in coverage scope to ISO form CG 00 01 10 93 in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate. Such coverage shall include but is not limited to broad form contractual liability coverage, cross liability protection, products and completed operations, and , if applicable, garage keepers legal liability. The City of Long Beach (the "City"), its officials, employees, and agents shall be added as additional insureds by endorsement equivalent in coverage scope to ISO form CG 20 26 11 85 and such endorsement shall protect the City, its officials, employees, and agents 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 Tenant or from maintenance or use of the Leased Premises. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, and agents, and Tenant agrees to obtain and furnish evidence to Landlord of the waiver of Tenant's liability insurance carrier of any right of subrogation against the City.

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

(c) Workers' compensation insurance required by the State of California

1 and employer's liability insurance in an amount not less than One Million Dollars
2 (\$1,000,000) per accident or occupational illness. Tenant agrees to obtain and furnish
3 evidence to Landlord of the waiver of Tenant's workers' compensation insurance carrier
4 of any right of subrogation against the Landlord.

5 (d) With respect to damage to property, Landlord and Tenant hereby
6 waive all rights of subrogation, one against the other, but only to the extent that collectible
7 commercial insurance is available for said damage.

8 (e) Any self-insurance program or self-insured retention must be
9 approved separately in writing by Landlord and shall protect the City, its officials,
10 employees, and agents in the same manner and to the same extent as they would have
11 been protected had the policy or policies not contained retention provisions.

12 (f) Each insurance policy shall be endorsed to state that coverage shall
13 not be cancelled, non-renewed or changed by either party except after thirty (30) days
14 prior written notice to Landlord and shall be primary to Landlord. Any insurance or self-
15 insurance maintained by Landlord shall be excess to and shall not contribute to insurance
16 or self-insurance maintained by Tenant.

17 (g) Tenant shall deliver to Landlord certificates of insurance and the
18 required endorsements for approval as to sufficiency and form. The certificates and
19 endorsements for each insurance policy shall contain the original signature of a person
20 authorized by that insurer to bind coverage on its behalf. Tenant shall, at least thirty (30)
21 days prior to expiration of such policies, furnish Landlord with evidence of renewals.
22 Landlord reserves the right to require complete certified copies of all said policies at any
23 time.

24 (h) Such insurance as required herein shall not be deemed to limit
25 Tenant's liability relating to performance under this Lease. The procuring of insurance
26 shall not be construed as a limitation on liability or as full performance of the
27 indemnification and hold harmless provisions of this Lease. Tenant understands and
28 agrees that, notwithstanding any insurance, Tenant's obligation to defend, indemnify, and

1 hold Landlord, its officials, agents, and employees harmless hereunder is for the full and
2 total amount of any damage, injuries, loss, expense, costs, or liabilities caused by the
3 condition of the Leased Premises or in any manner connected with or attributed to the
4 acts or omissions of Tenant, its officers, agents contractors, employees, sub-lessees,
5 licensees, vendors, patrons, or visitors, or the operations conducted by or on behalf of
6 Tenant, or the Tenant's use, misuse, or neglect of the Leased Premises.

7 (i) Not more frequently than every three (3) years, if in the opinion of
8 Landlord the amount of the foregoing insurance coverages is not adequate, Tenant shall
9 amend the insurance coverage as required by Landlord's Risk Manager or designee.

10 (j) Any modification or waiver of the insurance requirements herein shall
11 be made only with the written approval of the Landlord's Risk Manager or designee."

12 5. Indemnification. Section 10 is hereby amended and restated in its
13 entirety to read as follows:

14 "10. INDEMNIFICATION:

15 a. Tenant shall indemnify, protect and hold harmless Landlord, its
16 Boards, Commissions, and their officials, employees and agents ("Indemnified Parties"),
17 from and against any and all liability, claims, demands, damage, loss, obligations, causes
18 of action, proceedings, awards, fines, judgments, penalties, costs and expenses,
19 including attorneys' fees, court costs, expert and witness fees, and other costs and fees
20 of litigation, arising or alleged to have arisen, in whole or in part, out of or in connection
21 with (1) Tenant's breach or failure to comply with any of its obligations contained in this
22 Lease, or (2) Tenant's use of the Leased Premises (collectively "Claims" or individually
23 "Claim").

24 b. In addition to Tenant's duty to indemnify, Tenant shall have a
25 separate and wholly independent duty to defend Indemnified Parties at Tenant's expense
26 by legal counsel approved by Landlord, from and against all Claims, and shall continue
27 this defense until the Claims are resolved, whether by settlement, judgment or otherwise.
28 No finding or judgment of negligence, fault, breach, or the like on the part of Tenant shall

1 be required for the duty to defend to arise. Landlord shall notify Tenant of any Claim,
2 shall tender the defense of the Claim to Tenant, and shall assist Tenant, as may be
3 reasonably requested, in the defense.

4 c. If a court of competent jurisdiction determines that a Claim was
5 caused by the sole negligence or willful misconduct of Indemnified Parties, Tenant's
6 costs of defense and indemnity shall be (1) reimbursed in full if the court determines sole
7 negligence by the Indemnified Parties, or (2) reduced by the percentage of willful
8 misconduct attributed by the court to the Indemnified Parties.

9 d. The provisions of this Section shall survive the expiration or
10 termination of this Lease.

11 6. Binding Effect. Except as amended by this Amendment, the Lease
12 remains unchanged and in full force and effect.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Lease.

ELEVEN GOLDEN SHORE, L.P., a California limited partnership

3/19/15, 2015

By: [Signature]

Its: EXEC. DIR. - GP.

"TENANT"

CITY OF LONG BEACH, a municipal corporation

April 21, 2015

By: [Signature]

"LANDLORD"

The foregoing First Amendment to Lease No. 14895 is approved as to form this 8 day of April, 2015.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

EXHIBIT 'A'

SHT. 1 OF 2 SHTS

LEGAL DESCRIPTION PARCEL 4

THAT PORTION OF SEASIDE WAY AS SHOWN ON MAP OF TRACT NO. 27757, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 820 PAGES 91 TO 94 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

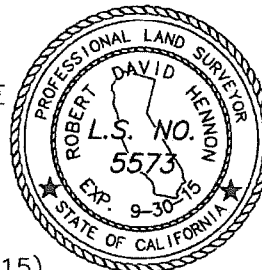
BEGINNING at the southeast corner of Parcel 1 of Tract No. 27757 as per map recorded in Book 820, pages 93 and 94 of Maps, in the office of the County Recorder of said County, said corner being the intersection of the westerly line of Golden Shore (formally Golden Avenue) and the northerly line of Seaside Way (formally Seaside Boulevard). Said point also being an angle point in the Compromise Tideland Boundary as described in Section 7, Chapter 138, page 20, Statutes of 1964, First Extraordinary Session, of said state. Thence S 00°00'35" E 54.48 feet along the southerly prolongation of the westerly line of Golden Shore and said Compromise Tideland Boundary to a point on a non-tangent curve concave northerly, having a radius 593.50 feet to which a radial bears S 06°00'33" W. Said curve being 2.00 feet northerly and concentric with the northerly line of Shoreline Drive as shown on said Tract 27757. Thence westerly along said curve 176.30 feet through a central angle of 17°01'11" to a point on the southerly line of said Parcel 1, Tract 27757. Said point being 8.83 feet easterly from the southwest corner of said Parcel 1. (Also being the southerly line of Parcel 2 of Parcel Map 7217 as per map recorded in Book 73, page 96 of Maps, in the office of the County Recorder, of said County and said Compromise Tideland Boundary). To which a radial bears S 23°01'44" W. Thence N 86°29'09" E 167.34 feet along said southerly line of Parcel 1 to the southeast corner of Parcel 2 of said Parcel Map 7217. Thence N 86°29'09" E 3.01 feet to the point of beginning.

EXCEPTING an easement blanket in nature over that said portion. For access to, maintenance and repair of utilities.

CONTAINING 5,397 SQUARE FEET, OR 0.1239 ACRES, MORE OR LESS.

SEE ATTACHED EXHIBIT MAP MADE A PART HEREOF BY REFERENCE HEREIN FOR INFORMATIONAL PURPOSES.

THIS LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH PROVISIONS OF THE LAND SURVEYORS' ACT OF THE STATE OF CALIFORNIA.



Robert D. Hennon
ROBERT HENNON, PLS 5573 (LIC. EXP. 9-30/15)

SEE ALSO PROJECT 1768

DATE: FEB. 20, '14

THOM. GDE: 825 C1

FILE: 3261.DWG

PROJECT NO: 3261

HENNON

Surveying & Mapping, Inc.

601 E. GLENOAKS BLVD., SUITE 208
GLENDALE, CALIFORNIA 91207

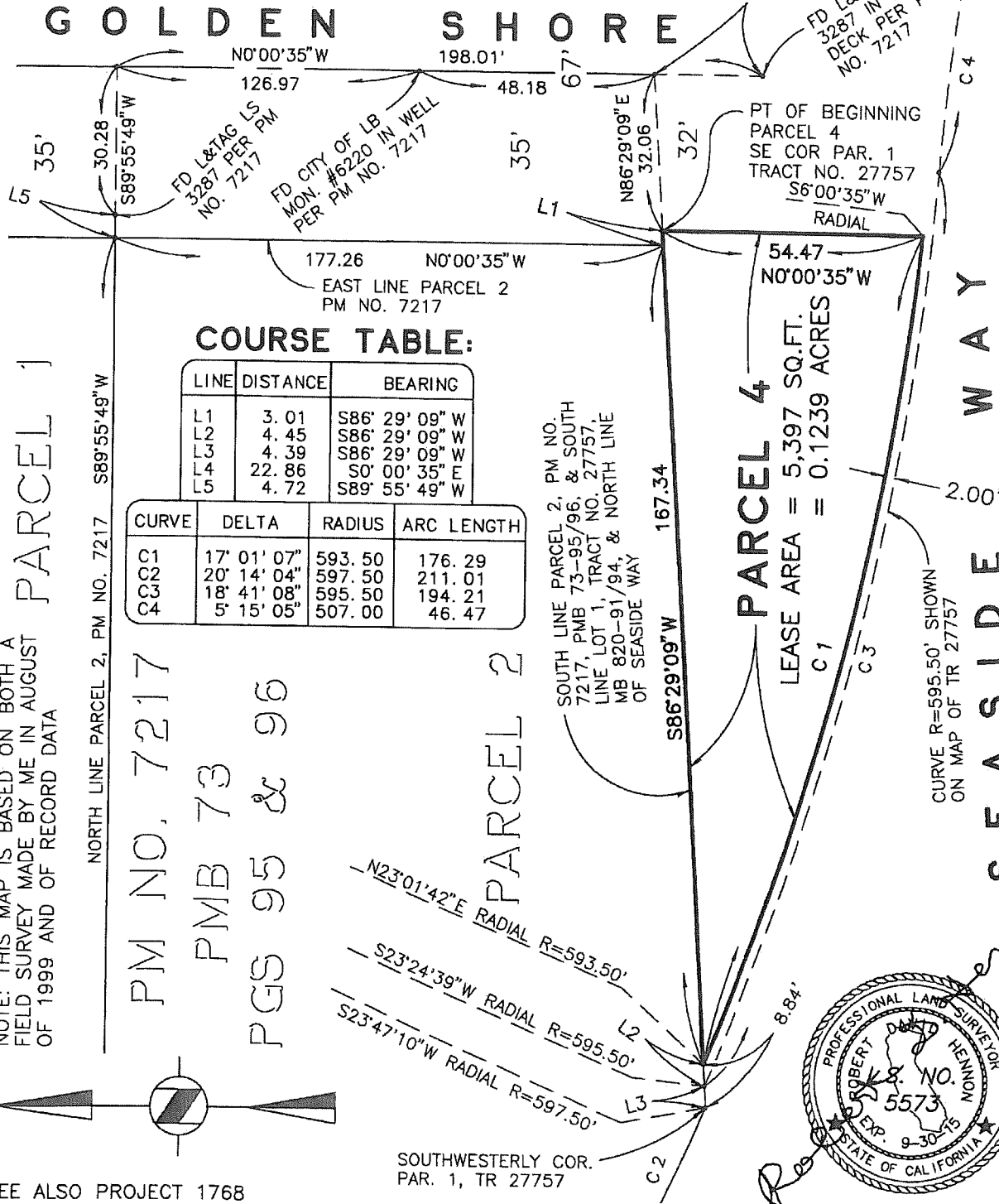
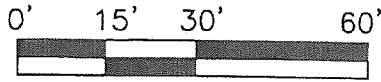
(818)243-0640

FAX: (818)243-0650

SCALE: 1"=30'

EXHIBIT 'A'

SHT. 2 OF 2 SHTS



NOTE: THIS MAP IS BASED ON BOTH A FIELD SURVEY MADE BY ME IN AUGUST OF 1999 AND OF RECORD DATA

SEE ALSO PROJECT 1768

DATE: FEB. 20, '14
THOM. GDE: 825 C1
FILE: 3261.DWG
PROJECT NO: 3261

HENNON
Surveying & Mapping, Inc.

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GLENDALE, CALIFORNIA 91207
(818)243-0640
FAX: (818)243-0650

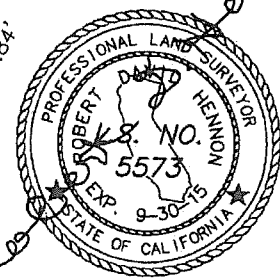


EXHIBIT "B"

Lease #14895
Tidelands Parcel Adjacent to 11 Golden Shore
5,397 SF
Lease Anniversary Date: October 25

		Adjust Lease Anniversary Date to the beginning of the nearest month	Current FMV Lease Rate (PSF) with 3% Annual Increases	Annual Lease Rate
66-Year Maximum Lease Term for Tidelands	Remaining Lease Term	November 1, 2014	\$ 1.8000	\$ 1
		November 1, 2015	\$ 1.8540	\$ 1
		November 1, 2016	\$ 1.9096	\$ 1
		November 1, 2017	\$ 1.9669	\$ 1
		November 1, 2018	\$ 2.0259	\$ 1
		November 1, 2019	\$ 2.0867	\$ 1
		November 1, 2020	\$ 2.1493	\$ 1
		November 1, 2021	\$ 2.2138	\$ 1
		November 1, 2022	\$ 2.2802	\$ 1
		November 1, 2023	\$ 2.3486	\$ 1
		November 1, 2024	\$ 2.4190	\$ 1
		November 1, 2025	\$ 2.4916	\$ 1
		November 1, 2026	\$ 2.5664	\$ 1
		November 1, 2027	\$ 2.6434	\$ 1
		November 1, 2028	\$ 2.7227	\$ 1
		November 1, 2029	\$ 2.8043	\$ 1
		November 1, 2030	\$ 2.8885	\$ 1
		November 1, 2031	\$ 2.9751	\$ 1
		November 1, 2032	\$ 3.0644	\$ 1
		November 1, 2033	\$ 3.1563	\$ 1
		November 1, 2034	\$ 3.2510	\$ 1
		November 1, 2035	\$ 3.3485	\$ 1
		November 1, 2036	\$ 3.4490	\$ 1
		November 1, 2037	\$ 3.5525	\$ 1
		November 1, 2038	\$ 3.6590	\$ 1
		November 1, 2039	\$ 3.7688	\$ 1
		November 1, 2040	\$ 3.8819	\$ 1
		November 1, 2041	\$ 3.9983	\$ 1
		November 1, 2042	\$ 4.1183	\$ 1
		November 1, 2043	\$ 4.2418	\$ 1
		November 1, 2044	\$ 4.3691	\$ 1
		November 1, 2045	\$ 4.5001	\$ 1
		November 1, 2046	\$ 4.6351	\$ 1
		November 1, 2047	\$ 4.7742	\$ 1
		November 1, 2048	\$ 4.9174	\$ 1
		November 1, 2049	\$ 5.0650	\$ 1
		November 1, 2050	\$ 5.2169	\$ 1
		November 1, 2051	\$ 5.3734	\$ 1
		November 1, 2052	\$ 5.5346	\$ 1
		November 1, 2053	\$ 5.7006	\$ 1
	Extended Lease Term	November 1, 2054	\$ 5.8717	\$ 31,689
		November 1, 2055	\$ 6.0478	\$ 32,640
		November 1, 2056	\$ 6.2293	\$ 33,619
		November 1, 2057	\$ 6.4161	\$ 34,628
		November 1, 2058	\$ 6.6086	\$ 35,667
		November 1, 2059	\$ 6.8069	\$ 36,737
		November 1, 2060	\$ 7.0111	\$ 37,839
		November 1, 2061	\$ 7.2214	\$ 38,974
		November 1, 2062	\$ 7.4381	\$ 40,143
		November 1, 2063	\$ 7.6612	\$ 41,347
		November 1, 2064	\$ 7.8910	\$ 42,588
		November 1, 2065	\$ 8.1278	\$ 43,866
		November 1, 2066	\$ 8.3716	\$ 45,181
		November 1, 2067	\$ 8.6227	\$ 46,537
		November 1, 2068	\$ 8.8814	\$ 47,933
		November 1, 2069	\$ 9.1479	\$ 49,371
		November 1, 2070	\$ 9.4223	\$ 50,852
		November 1, 2071	\$ 9.7050	\$ 52,378
		November 1, 2072	\$ 9.9961	\$ 53,949
		November 1, 2073	\$ 10.2960	\$ 55,568
		November 1, 2074	\$ 10.6049	\$ 57,235
		November 1, 2075	\$ 10.9230	\$ 58,952
		November 1, 2076	\$ 11.2507	\$ 60,720
		November 1, 2077	\$ 11.5882	\$ 62,542
		November 1, 2078	\$ 11.9359	\$ 64,418
		November 1, 2079	\$ 12.2940	\$ 66,351

Termination Date: October 31, 2080