

APPROVED
JUL 17 2019

**BOARD OF RECREATION
AND PARK COMMISSIONERS**

BOARD REPORT

NO. 19-148 REVISED

DATE July 17, 2019

C.D. N/A

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: WILLIAM S. HART PARK – LEASE AGREEMENT WITH THE CITY OF WEST HOLLYWOOD FOR THE USE OF WILLIAM S. HART PARK FOR THE IMPROVEMENT, OPERATION AND MAINTENANCE OF THE PARK; CATEGORICAL EXEMPTION FROM THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO ARTICLE III, SECTION 1, CLASS 1(14) [ISSUANCE OF LEASE] OF CITY CEQA GUIDELINES AND ARTICLE 19, SECTION 15301 OF CALIFORNIA STATE CEQA GUIDELINES

AP Diaz	_____	S. Piña-Cortez	_____
H. Fujita	_____	<i>fr</i> C. Santo Domingo	<i>DF</i> _____
V. Israel	_____	* N. Williams	_____



General Manager

Approved X Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Adopt a proposed Resolution, herein included as Attachment 1, authorizing the Department of Recreation and Parks (RAP) to enter into a proposed thirty-five (35) year Lease Agreement with the City of West Hollywood (West Hollywood) for the use of William S. Hart Park (Park) for the improvement, operation and maintenance of the Park in accordance with Charter Sections 594 and 595;
2. Approve the proposed Lease Agreement with West Hollywood for the use, improvement, operation and maintenance of the Park in substantially the form attached as Attachment 4 to this Report (Lease), subject to the approval of the City Council by ordinance and approval of the City Attorney as to form;
3. Authorize the Board of Recreation and Park Commissioners (Board) President and Secretary to execute the Lease, upon receipt of all necessary approvals; and
4. Find that the issuance of the Lease is categorically exempt from the California Environmental Quality ACT (CEQA) pursuant to Article III, Section 1, Class 1(14) of City CEQA Guidelines and Article 19, Section 15301 of California State CEQA Guidelines, and direct RAP staff to file a Notice of Exemption (NOE); and

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5. Authorize the RAP Chief Accounting Employee to prepare a check to the Los Angeles County Clerk in the amount of Seventy-Five Dollars (\$75.00) for the purpose of filing a Notice of Exemption.

SUMMARY

On August 23, 1944 William S. Hart gifted to the City of Los Angeles (City) the 0.83 acre property currently known as William S. Hart Park located at 8341 De Longpre Avenue, which at that time was located in an unincorporated area of the County of Los Angeles (Attachment 2, Exhibit A). In addition to the property, Mr. Hart also gave the City fifty thousand dollars (\$50,000.00). On November 29, 1984, the City of West Hollywood (West Hollywood) was incorporated and included the previously unincorporated area of the County of Los Angeles where the Park is located. In 1987, through Report No. 12-87, the Board approved an interim lease agreement, allowing West Hollywood to operate and maintain the Park, while negotiations were underway between the parties on a long-term lease.

On September 18, 1989, through Report No. 507-89, the Board approved the redevelopment plans of the Park, proposed by West Hollywood.

On December 4, 1989, through Report No. 662-89, the Board approved a thirty (30) year lease (an initial ten (10) year lease term with subsequent five (5) year automatic term renewals up to the thirtieth year) with West Hollywood for the improvement, operation and maintenance of the Park and the transfer of funds in the Hart Trust to West Hollywood. Staff at the time determined that it would be practical and desirable for West Hollywood to improve the Park and thereafter operate and maintain it for Public Park and recreational purposes. Further, along with West Hollywood taking on the responsibilities for the improvement, operation and maintenance of the Park, staff acknowledged that the residents of both the cities of Los Angeles and West Hollywood would enjoy the same benefits of the use of the Park. For its part, West Hollywood, due to the geographic location of the Park and its need at the time to provide more public park and recreation space, had a strong interest and stake in improving, operating and maintaining the Park. The current lease expires on December 4, 2019.

Recently, West Hollywood, pursuant to Article 5 of the current lease, submitted a written request to extend the term of the lease. Article 5 of the Lease provides that the term may be extended by written agreement of the parties to the lease. Staff is still of the opinion that it would be practical and desirable for West Hollywood to continue operating and maintaining the Park.

The Park contains two (2) buildings which were the former residential home and garage of William S. Hart. Over the years these have been converted and used as offices, a meeting room and a rehearsal theater. There is also an off-leash dog park on the premises (Attachment 3, Exhibit B). West Hollywood is proposing to implement an approximately Eight Hundred Thousand Dollars (\$800,000.00) renovation and site accessibility improvement project at the Park. The proposed Park improvements include, but are not limited to, handicap parking improvements and increased access along paths of travel, concrete foundation retrofit, roofing repairs, door and window replacement/repairs, pedestrian bridge repair, shade structure refurbishment, and installation of fire and smoke detectors and security alarm systems.

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Proposed Lease Agreement Terms

West Hollywood has proposed to continue improving, operating, and maintaining the Park under a new Lease Agreement that includes, without limitation, the following terms and conditions:

1. Park shall only be used for park and recreational uses for the benefit of people from Los Angeles and West Hollywood.
2. All costs for the operation and maintenance of the Park shall be at no cost to the City of Los Angeles.
3. Proposes to implement an approximately Eight Hundred Thousand Dollars (\$800,000.00) renovation and site accessibility improvement project at the Park which shall be subject to final approval of the City.
4. All improvements with an estimated value exceeding Five Thousand Dollars (\$5,000.00) shall be subject to the written consent and approval of the City.
5. Subletting of any portion of the Park shall be subject to the written consent and approval of the City.
6. West Hollywood agrees to indemnify and hold the City and its officers, agents, and employees from all suits and causes of action, claims, loses, and demands and related expenses.
7. Proposed term of this Lease Agreement shall be thirty-five (35) years.

The draft of the proposed new Lease Agreement is attached as Attachment 4 to this Report. Staff is recommending the approval of this proposed thirty-five (35) year Lease as West Hollywood will continue to assume the full responsibility of the improvements, operation and maintenance of the Park, at no cost to the City of Los Angeles. Further, West Hollywood intends to apply for various grants to fund the improvement and upgrade of the existing facilities and amenities on the Park. It is recommended that the Board grant approval of the proposed thirty-five (35) Lease to West Hollywood in the form attached as Attachment 4 to this Report, subject to City Council approval by ordinance and City Attorney approval as to form.

TREES AND SHADE

The recommendations in this Report will not affect tree canopy or shade structures.

ENVIRONMENTAL IMPACT

This proposed project consists of the award of a lease for an existing facility with no financial burden for the City of Los Angeles. The City of West Hollywood (lease) will implement all capital improvements under the terms of the lease agreement and be responsible for compliance with the California Environmental Quality Act (CEQA) requirements. Therefore, RAP staff recommends that the Board determine that this Project is categorically exempt from CEQA pursuant to Article III, Section 1, Class 1(14) of City CEQA Guidelines and to Article 19, Section 15301 of California State CEQA Guidelines. A Notice of Exemption will be filed with the Los Angeles County Clerk upon approval by the Board.

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FISCAL IMPACT

There will be no impact to RAP's General Fund associated with this action. The City of West Hollywood will be responsible for all costs associated with the operation and maintenance of the Park.

STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Board Report advances RAP's Strategic Plan by supporting:

- Goal No. 1:** Provide Safe and Accessible Parks
Outcome No. 1: Every Angeleno has walkable access to a park in their neighborhood
Outcome No. 2: All parks are safe and welcoming
Key Metric: Percentage of Angelenos with park access within a one-half (½) mile of their home
Target: 60% by 2022
Result: The City of West Hollywood would continue to improve, operate and maintain the Park, with the Park serving residents of both the cities of Los Angeles and West Hollywood who are within a walkable distance of the Park.

This Report was prepared by Ian Kim, Management Analyst II, Planning, Maintenance and Construction Branch.

LIST OF ATTACHMENTS/EXHIBITS

- 1) Proposed Resolution
- 2) Exhibit A – Area Map
- 3) Exhibit B – Aerial Map of the Property
- 4) Proposed Lease

RESOLUTION NO. _____

WHEREAS, the Department of Recreation and Parks (City) owns a 0.83 acre park located at 8341 De Longpre Avenue within the city limits of the City of West Hollywood (West Hollywood) which is commonly known as the William S. Hart Park (Park);

WHEREAS, the Park is comprised of two (2) building structures and a dog park to be used for park and recreational purposes;

WHEREAS, the City of West Hollywood, a municipal corporation formed in 1984, has improved, operated and maintained the Park since 1987 through a series of lease agreements with the most recent one approved by the Los Angeles City, Board of Recreation and Park Commissioners (BOARD) on December 4, 1989, through Board Report No. 662-89;

WHEREAS, the current lease agreement with West Hollywood expires in December 2019 and West Hollywood intends to continue to operate and maintain the Park and has proposed to implement an approximately \$800,000.00 renovation and site accessibility improvement project at the Park;

WHEREAS, West Hollywood intends to pursue various grant applications to fund the proposed renovation and improvement project and the award for such grants require that West Hollywood maintain site control for the Park through a long-term lease;

WHEREAS, the City and West Hollywood desire to enter into a thirty-five (35) year Lease for the lease, renovation and improvement, operation, and maintenance of the Park;

WHEREAS, West Hollywood, at its own cost, agrees to provide said services as a public service such that West Hollywood will use the Park as a public park (including any use incidental or ancillary thereto), and to provide for the construction of improvements, maintenance and operation of the Park in accordance with the standards set forth herein.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Recreation and Park Commissioners (Board) approves the proposed Lease Agreement between West Hollywood and the City for the use of the Park for a thirty-five (35) year term in the form approved by the Board at its meeting approving these Resolutions (Lease); and,

BE, IT FURTHER RESOLVED, the Board President and Secretary are authorized to execute the final Lease, subject to the approval of the City Attorney as to form, and the approval of the City Council by ordinance.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Recreation and Park Commissioners of the City of Los Angeles at its Meeting held on _____, 20__ (Report No. _____)

Iris L. Davis, Secretary

Resolution No. _____

Exhibit A

William S. Hart Park - Area Map

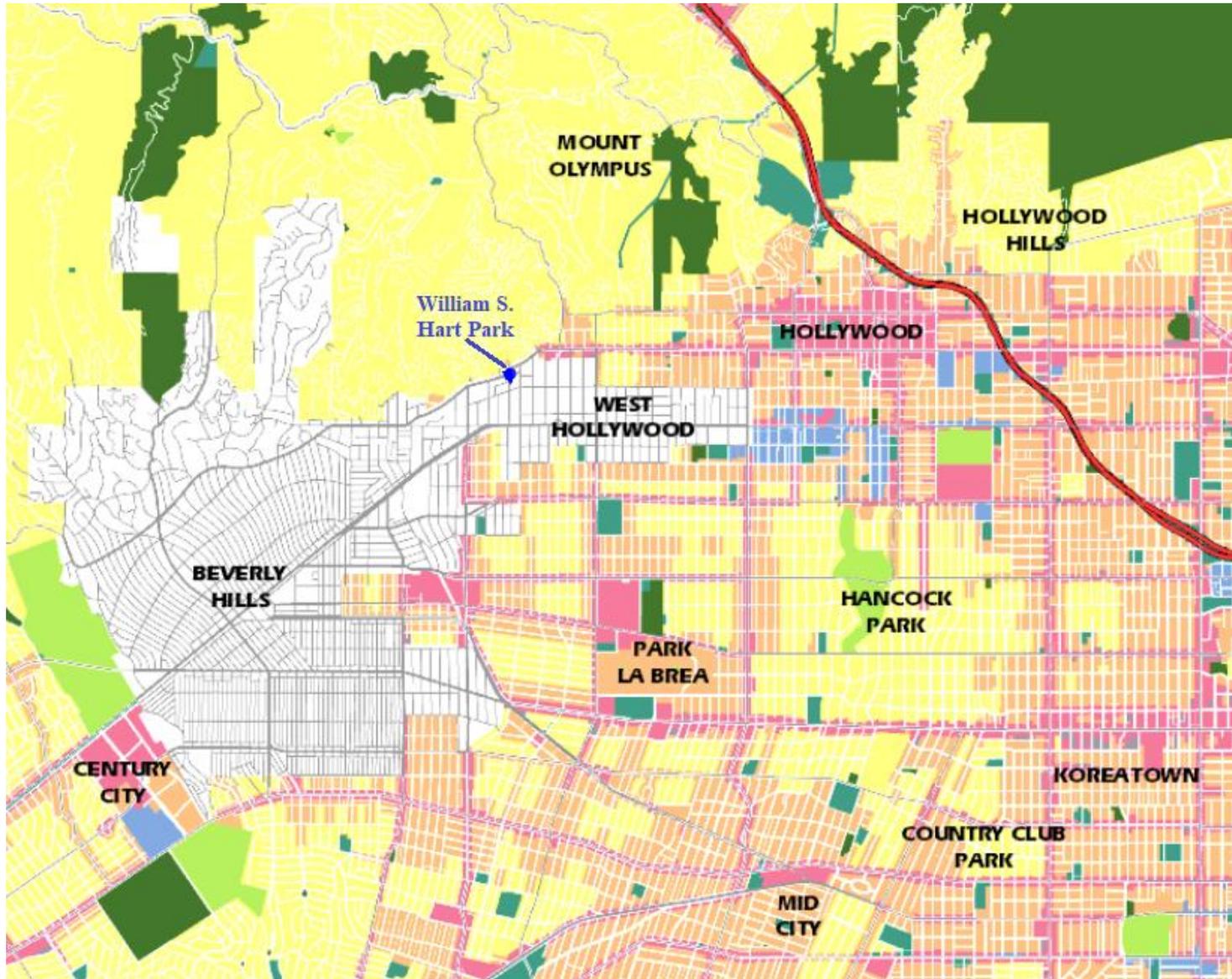


Exhibit B

William S. Hart Park
8341 De Longpre Avenue
West Hollywood, CA 90069

Aerial Map



LEASE SUMMARY
BETWEEN THE CITY OF LOS ANGELES,
DEPARTMENT OF RECREATION AND PARKS, LANDLORD,
AND
CITY OF WEST HOLLYWOOD, TENANT,
FOR THE WILLIAM S. HART PARK

For information purposes only - not part of Lease

REPORT NO: 19-xxx
APN NO.: Current APN is 5554-024-270 thru 272
CF NO.: _____
Council
Council
Approval Date: _____

PREMISES ADDRESS: William S. Hart Park
8341 De Longpre Avenue
West Hollywood, California 90069-2601

City
ATTORNEY SIGNATURE: _____
City Attorney/

LANDLORD: _____
Department of Recreation and Parks/Cid Macaraeg

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Recreation and Park Commissioners

TENANT: City of West Hollywood, a municipal corporation.

TERM: 30 Years, commencing upon execution of Lease.

RENT: City of West Hollywood (West Hollywood) will pay no monetary rent to the City of Los Angeles for the non-exclusive use of the William S. Hart Park. It is understood and agreed that the consideration for this Lease will be the public benefit to be realized from the development, operation and maintenance of the park. It is also understood Tenant will bear the costs of all considerations indicated.

LEASE SUMMARY
 BETWEEN THE CITY OF LOS ANGELES,
 DEPARTMENT OF RECREATION AND PARKS, LANDLORD,
 AND
 CITY OF WEST HOLLYWOOD, TENANT,
 FOR THE WILLIAM S. HART PARK

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LEASE AGREEMENT
BETWEEN THE CITY OF LOS ANGELES,
DEPARTMENT OF RECREATION AND PARKS, LANDLORD,
AND
CITY OF WEST HOLLYWOOD, TENANT,
FOR THE WILLIAM S. HART PARK

ARTICLE 1. BASIC LEASE PROVISION

1.1 Parties. This Lease ("Lease") is entered into on _____, 20__, by and between the CITY OF LOS ANGELES, a municipal corporation, acting by and through its BOARD OF RECREATION AND PARK COMMISSIONERS, as Landlord ("City"), and City of West Hollywood, a municipal corporation, as Tenant ("Tenant").

1.2 Recitals.

1.2.1 The City of Los Angeles controls a portion of land, known as William S. Hart Park ("Park") located in the City of West Hollywood. The entire Park measures approximately 0.83 acres and is comprised of two building structures and a dog park area (see Exhibit A). The Park is under the management and control of the Board of Recreation and Park Commissioners ("Board") of the City of Los Angeles; and

1.2.2 Tenant is a municipal corporation formed for the purpose of serving the residents of the City of West Hollywood (West Hollywood) by providing various services and programs, including recreational activities. The Park has been operated and maintained by the Tenant through a Lease Agreement executed in 1989 for park and recreational purposes; and

1.2.3 City and Tenant desire to enter into this Lease for the continued development, operation and maintenance of the Park. This Lease shall set forth the duties, obligations, responsibilities, aims, and goals of the parties, for the aforementioned purposes at the Park; and this Lease expressly authorizes the lease of the entire Park to the Tenant in accordance with the terms and conditions contained herein.

1.2.4 Tenant agrees to provide said services as a public service such that Tenant will use Premises for the Term as a public park (including any use incidental or ancillary thereto), and to provide for the construction of improvements, maintenance and operation of the Park in accordance with the standards set forth herein.

1.2.5 NOW, THEREFORE, in consideration of the above recitals and the covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1.3 Definitions In Lease. When used in this Lease, or any Exhibits to this Lease, except where a different definition is clearly and expressly given, the following words or phrases, capitalized as shown, shall mean:

1.3.1 Board. The defined term "Board" shall mean the Board of Recreation and Park Commissioners of the City of Los Angeles, which is the citizen board that presides over the Department of Recreation and Parks.

1.3.2 City. The defined term “City” shall mean the City of Los Angeles, as Landlord of this Lease. Except where clearly and expressly provided otherwise in this Lease, any action to be taken by City may be taken for City by the General Manager as defined in Paragraph 1.3.5. Except where clearly and expressly provided otherwise in this Lease, the capacity of the City of Los Angeles in this Lease shall be as landlord, and any benefits, obligations, or restrictions conferred or imposed by this Lease on City shall be limited to that capacity and shall not relate to or otherwise affect any activity of the City of Los Angeles in its governmental capacity, including, but not limited to, enacting laws, inspecting structures, reviewing and issuing permits, and all other legislative, administrative, or enforcement functions of the City of Los Angeles pursuant to federal, state, or local law.

1.3.3 Department. The defined term “Department” shall mean the Department of Recreation and Parks for the City of Los Angeles, as Landlord of this Lease.

1.3.4 Execution Date. The defined term “Execution Date” shall mean the date the Office of the City Clerk of Los Angeles attests this Lease.

1.3.5 General Manager. The defined term “General Manager” shall mean the General Manager of the Department of Recreation and Parks of the City of Los Angeles, or such successor position as the City Council of the City of Los Angeles may designate. The defined term “General Manager” shall also include any person designated by the General Manager to act on behalf of the General Manager.

1.3.6 Premises. The defined term “Premises” shall be the entirety of the Park, as more particularly described in Exhibit A, attached hereto.

1.3.7 West Hollywood. The defined term “West Hollywood” shall mean the City of West Hollywood, the lessee of the Premises.

ARTICLE 2. TERM

2.1 Term. The term of this Lease (the “Term”) shall be for thirty-five (35) years, commencing on the Execution Date and ending on the 35th anniversary of the Execution Date.

2.2 Holdover. Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease.

ARTICLE 3. CONSIDERATION

3.1 Consideration. The consideration for this Lease shall be (a) the Tenant’s promise to repair the Park and to use, operate, and maintain the Premises at no expense to the City for the purposes set forth in Article 5 and for no other purposes, and (b) Tenant’s promise to abide by and fully comply with the other provisions and conditions of this Lease.

ARTICLE 4. DEMISE OF PREMISES

4.1 Demise and Acceptance of Premises. The City hereby leases the Premises to the Tenant in accordance with the terms and conditions contained herein. Tenant represents that Tenant has inspected the Premises, and accepts the Premises in the condition that exists as of the Execution Date of this Lease.

ARTICLE 5. USE OF PREMISES

5.1 Use. Landlord grants Tenant permission to repair and provide improvements to the Park as set forth herein, and to maintain, manage and operate the Premises for organized park, cultural, recreational and community activities. The Premises shall be used for park and recreational uses only. Such use shall be consistent with the purposes of this Lease and shall be compatible with the Department's use and requirements for the Premises.

5.1.1 Repair of the Park. Tenant has proposed to implement historical renovations and site accessibility improvements. Tenant intends to replace and/or repair the following elements of the two building structures: roof; exterior; windows and doors; interior walls, flooring and partitions; fireplaces; kitchen and bathrooms; electrical switching and lighting, and removal of potential hazardous materials. Tenant further intends to replace and/or repair the following elements of the outdoor areas and dog park: parking area, walkways, ramps, stairs, door/gate, signage, drinking fountain, restrooms, other outdoor constructed features. All capital costs and all other costs related to such replacement and repairs shall be borne by the Tenant.

5.1.2 Park Operations and Use. Tenant (and, if applicable, other nonprofit organizations that might use or share the Premises) shall use the Premises for the operation of free recreational, cultural, instructional and art and theater-related programs for the general public. The Premises shall be open to the public, and the public programming shall be made available to the public.

5.2 Ancillary Income. During the Term, in the event the Tenant obtains income from uses of the Premises which are ancillary to the uses contemplated under this Lease, Tenant shall use such income only for such purposes as are consistent with the activities permitted with respect to the use of the Premises and only for activities on the Premises. Any receipt of such income shall be reported to City, and the Tenant, if requested by General Manager, shall provide General Manager with such accountings as shall reasonably be required to demonstrate compliance with this Section. Nothing in this Section shall be construed to permit uses of the Premises not otherwise allowed under the provisions of this Lease, nor shall anything in this Section be construed to negate or modify any requirement for prior approval of activities.

ARTICLE 6. ALTERATIONS AND IMPROVEMENTS

6.1 Alterations. No structure or improvement shall be constructed or maintained, nor shall Tenant make any improvements, alterations or additions (collectively "Alterations") without the prior written consent and approval of the plans by the General Manager, which approval shall not be unreasonably withheld or delayed. The entire cost of such Alterations shall be paid by Tenant, including design costs and fees related thereto. In granting approval, City may require the Alterations to be so designed and constructed to allow either the Premises to be restored to its previous condition at the termination of this Lease or to allow the structures to be usable by City or subsequent tenant. Any other approval, permit, or inspection requirements, are in addition to the approval of the General Manager and shall be obtained for Alterations where required by law.

6.2 "As Built" Drawings. For any Alterations requiring building plans to be prepared and approved, after completion thereof, Tenant shall submit to City reproducible "as built" drawings of all Alterations constructed on the Premises with the sole exception of any security systems.

6.3 No Creation Of Liability. Nothing contained herein shall be construed or deemed to create any obligation or liability, including without limitation liability as a guarantor or surety, on the part of the City with respect to any Alterations constructed from time to time on the Premises, or any plans or specifications, construction contracts, financing or other matter, instrument or document of any nature whatsoever relating to such Alterations. City is not and shall at no time be liable to any creditor of Tenant or any other persons occupying any part of the Premises or the Alterations thereon as a sublessee, licensee or otherwise or to any claimant against the estate or property of Tenant or such other occupants for any of their debts, losses, contracts or other obligations except under this Lease. The relationship between the City and Tenant is solely that of landlord and tenant and is not and shall not be deemed a partnership or joint venture.

ARTICLE 7. COMPLIANCE WITH ALL LAWS AND REGULATIONS

7.1 Federal, State And Local Laws. Tenant agrees that in achieving its goals as set forth in this Lease, it will comply with all applicable laws, ordinances, rules and regulations enacted or promulgated or which are enacted or promulgated in the future by the City of West Hollywood, the County of Los Angeles, the State of California, and the Federal Government. Tenant will ensure that each employee and volunteer of Tenant working on the Premises shall have passed the Tenant's background check if the individual has supervisory or disciplinary authority over any minor. In the case that the Board, or any successor board or commission having jurisdiction over the Premises adopts any rule or regulation which restricts, limits, or otherwise impedes Tenant's ability to operate in the Premises, Tenant may terminate this Lease by delivering written notice to the City.

7.1.1 Notwithstanding Tenant's operating hours, the Premises area shall be closed to the public between the hours of 10:00 p.m. and 6:00 a.m. of the following day.

7.2 Compliance With Americans With Disabilities Act. Tenant agrees that as between Tenant and City, Tenant shall be responsible for compliance, including all costs of compliance, with the Americans With Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.) and any and all other federal, state, and local laws related to the accessibility of the Premises to persons with disabilities.

7.3 Right Of Entry. City, General Manager, and their authorized representatives, agents and employees shall have the right to enter upon the Premises at any and all reasonable times within operating hours for the purposes of inspection and observation, and for determining Tenant's compliance with Article 9 of this Lease. City shall endeavor to conduct such inspections and observations in a manner calculated to minimize disruption to the use and enjoyment of the Premises by Tenant, its employees, and patrons. Said inspections may be made by persons identified to Tenant as City employees or by independent contractors engaged by City. Inspections shall be made with two (2) days' prior notice during operating hours (except in the case of emergency, where no notice is required).

7.4 Operating Permits And Licenses. Tenant shall obtain, at its sole expense, any and all permits or licenses that may be required in connection with its operations including, but not limited to, tax permits, business licenses, health permits, building permits, use permits, fire permits, police permits, and any other permits required by applicable governmental agencies, if any.

ARTICLE 8. INSURANCE

8.1 Insurance. Prior to the occupancy of the Premises, Tenant shall furnish the City with evidence of insurance from insurers (i) reasonably acceptable to City, and (ii) approved to write surplus lines in the State of California or licensed to do business in the State of California, on a form reasonably acceptable to the City Administrative Officer, Risk Management for the following coverages and minimum limits of insurance (as summarized on Exhibit B attached to this Lease) which shall be maintained by Tenant at its sole cost and expense throughout the Term of this Lease.

8.1.1 General Liability Insurance. Tenant shall obtain Commercial General Liability insurance with coverage for Premises and Operations, Products and Completed Operations, Blanket Contractual Liability, Broad Form Property Damage, and Personal Injury coverages included and shall provide for total limits of not less than FIVE MILLION DOLLARS (\$5,000,000) Combined Single Limit for bodily injury and property damage. Umbrella or Excess Liability coverages may be used to supplement primary coverages to meet required limits. Such insurance shall conform to City requirements established by Charter, ordinance or policy and be in a form reasonably acceptable to City Administrative Officer, Risk Management and provide for the following:

8.1.1.1 Include City, its boards, officers, agents and employees as additional insureds for the development, operation and maintenance of the Premises and all activities and insured risks related thereto.

8.1.1.2 That the insurance is primary and not contributing with any other insurance maintained by the City of Los Angeles.

8.1.1.3 That the policy includes a Severability of Interest or Cross-Liability clause such as "The policy to which this endorsement is attached shall apply separately to each insured against whom a claim is brought, except with respect to the limits of the company's liability."

8.1.1.4 With respect to the interests of City, if an insurance company or insurance pool elects to cancel insurance before the stated expiration date, or declines to renew in the case of a continuous policy, or materially reduces the coverage period by changing the retroactive date (if any), or the extended discovery period (if any), or reduces the stated limits other than by impairment of an aggregate limit, or materially reduces the scope of coverage which affects City's interest, the company will provide City at least thirty (30) days prior written notice of such election. In addition to the persons and addresses required notice pursuant to Section (page), notice will be made by receipted delivery addressed as follows: City Administrative Officer, Risk Management, City Hall East, Room 1240, 200 North Main Street, Los Angeles, California 90012, or at such address as City may, from time to time, specify by written notice. It is understood, however, that such notice to City shall not affect the company's right to give a lesser notice to Tenant in the event of nonpayment of premium.

8.1.1.5 Coverage of Improvements. At all times during the Term of the Lease or any extension of the Lease, with respect to any improvements made by Tenant on the Premises ("Improvements"), Tenant shall, at its sole cost and expense, cause to be provided and kept in force and effect insurance policies, naming City as an additional insured, against loss or damage to the Improvements, in amount consistent with what a prudent operator of a comparable building would carry providing replacement cost coverage for perils typically insured against in a

California standard form fire insurance policy. The replacement cost of the Improvements shall be determined in accordance with the standard practices of the insurance industry and evidenced by the certificate of the insurance company or companies issuing such insurance at the time the policy or policies are obtained. Such coverage is not expected to respond to the active negligence of the City. The City is to be named a Loss Payee As Its Interest May Appear in the property insurance in which the City has an interest, eg., as a lien holder. The General Manager shall have the ability, from time to time, to re-determine the valuation of the Improvements.

8.1.1.6 **Builder's Risk Insurance.** Prior to the commencement of any construction or expansion of the Premises, Tenant shall, at its sole cost and expense, cause to be provided and kept in full force and effect "Builder's Risk" insurance, including vandalism and malicious mischief, covering improvements in place, and all materials and equipment at the job site. Said insurance shall remain in full force and effect until the improvements shall have been completed and fully insured as provided in this Article.

8.1.1.7 **Workers' Compensation.** Tenant shall comply with the provisions of section 3700, et seq., of the California Labor Code and shall be insured (and shall require that each of its contractors and subcontractors comply with such Code and be insured) against liability for workers' compensation and employers' liability risk in accordance with the provisions of such Code before commencing the performance of any work on or about the Premises or otherwise in relation to this Lease. A Waiver of Subrogation in favor of City is required.

8.1.1.8 **Adjustment of Insurance Levels.** City reserves the right at any time during the Term of this Lease, at its sole discretion applying generally accepted Risk Management principles, to change the amounts and types of insurance required hereunder effective at the renewal date of insurance then in effect (in no case more than one year from the written notice) by giving ninety (90) days written notice provided that such amounts and/or types shall be reasonably available to at commercially reasonable premiums.

8.1.1.9 **Reduction of Insurance Protection.** If any of the required insurance coverages contain aggregate limits, or apply to other operations or tenancies of outside this Lease, Tenant shall give City prompt, written notice of any incident, occurrence, claim, settlement, or judgment against such insurance which in Tenant's best judgment may diminish the protection such insurance affords City. Tenant shall further take immediate steps to restore such aggregate limits or shall provide other insurance protection for such aggregate limits.

8.1.1.10 **Third-Party Insurance.** Tenant shall be responsible for requiring indemnification and insurance as it deems appropriate from its employees receiving mileage allowance, consultants, and agents, if any, to protect Tenant's and City's interests, and for ensuring that they comply with any applicable insurance statutes. Tenant is encouraged to seek professional advice in this regard.

8.2 **Self-Insurance Programs.** Self-insurance programs and self-insured retention in insurance policies are subject to separate approval by City upon review of evidence of financial capacity to respond. Additionally, such programs or self-insured retentions must provide City with at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance.

8.3 **Failure To Maintain Insurance.** Tenant's failure to procure or maintain required insurance or self-insurance programs shall constitute a material breach of this Lease under which City may immediately terminate this Lease, or, at its discretion, procure or renew such insurance

to protect City's interest and pay any and all premiums in connection therewith, and recover all monies so paid from Tenant. If City elects to terminate this Lease, Tenant agrees to immediately cease all operations and activities under this Lease and to peacefully surrender the Premises.

8.4 City Insurance Obligations. At all times during the Term of the Lease or any extension of the Lease, City shall, at its sole cost and expense, cause to be provided and kept in force and effect insurance policies, naming Tenant as an additional insured or loss payee as their interests may appear, against loss or damage to the Park, including the Shared Spaces, and the Premises (excluding the Improvements), in an amount consistent with what a prudent operator of a comparable property would carry providing replacement cost coverage for perils typically insured against in a California standard form fire insurance policy. The replacement cost of the improvements shall be determined in accordance with the standard practices of the insurance industry and evidenced by the certificate of the insurance company or companies issuing such insurance at the time the policy or policies are obtained. All insurance policies required to be carried by the City hereunder shall include a waiver of subrogation in favor of the Tenant. The City may elect to self-insure, provided that the City's self-insurance programs or retention provide at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance.

8.5 Indemnification. Except for the active negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Tenant undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, reasonable attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Tenant's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by Tenant or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of PSC-20 shall survive expiration or termination of this Contract.

ARTICLE 9. MAINTENANCE, OPERATION AND SECURITY

9.1 Maintenance and Operation of Premises. Tenant agrees to operate and maintain, or cause others to operate and maintain, at Tenant's sole cost and expense, the Premises in a condition that at a minimum conforms to the standard of maintenance described in Paragraph 9.2 of this Lease, during the entire term of this Lease. Operation and maintenance duties shall include but are not limited to maintenance and repair of the electrical systems, lighting, electronic equipment, structures, trash collection, and security within the Premises (as applicable).

9.2 Standard. City and Tenant desire the Premises and the Park to be operated and maintained in a condition so they can be safely used for the operation of art-, culture, and theater-related public programs and related uses. The condition and state of repair covering the Premises, shall at all times be, without limitation, as follows: Secured and watertight and safe and free from hazard; free from unsightly signs, displays, markings, and graffiti; free from litter, debris and dead leaves; walkways, fencing and landscaping in neat and safe condition; and all areas in such condition as not to detract from the surrounding neighborhood.

9.3 Safety Requirements and Correction of Deficiencies. Tenant shall provide for the safety of its employees, co-operators, and the general public in their use of the Premises under this Lease. Tenant shall promptly correct all safety deficiencies and violations of safety practices in the Premises of which it has knowledge and shall cooperate fully with City in the investigation of accidents occurring on the Premises.

Tenant shall take steps to ensure that all accidents involving personal injury and/or property damage and fires occurring within the Premises of which Tenant has actual knowledge are reported immediately to General Manager. In the event of injury to a patron or customer, Tenant shall use its best efforts to contact the appropriate first responders to attend to the injured person; provided, however, that nothing in this Section is intended to confer any third-party beneficiary status on any person not a party to this Lease. As soon as possible thereafter, Tenant shall submit to City, a City Form General No. 87 ("Non-Employee Accident or Illness Report"), or similar standard City of West Hollywood form, or make such other report as City may reasonably require..

9.3.1 Tenant shall designate a staff person with authority to represent and to carry out Tenant's responsibilities for health and safety under this Lease. Such designation shall be in writing with notification to General Manager within thirty (30) days from the date of execution of this Lease.

9.3.2 Tenant shall provide and maintain adequate first aid equipment to serve the potential needs of employees, its contractors and co-operators, and the general public in their use of the Premises.

9.3.3 Tenant shall, in consultation with General Manager, and other appropriate inspection officials, participate in a regular program of Fire and Safety Inspections covering the Premises.

9.3.4 Tenant shall provide and maintain portable fire extinguishers of appropriate size, type, and distribution to adequately protect the Premises.

9.4 Effect Of Inspections Or Approvals. Wherever in this Lease inspections or approvals are required from City in its role as Landlord under this Lease, including from the General Manager, such inspections or approvals are additional to, and are not in lieu of, any inspections or approvals otherwise required under any applicable ordinance, regulation, or statute. Such inspections or approvals by City are discretionary acts and shall not impose any liability on City to third persons nor to , and, in addition, shall not obligate City for any costs or expenses related to the construction, improvement, or maintenance of any building or other structure at the Premises.

9.5 Refuse and Trash; Recycling. Tenant shall keep the Premises neat, clean and sanitary at all times. No refuse matter, nor any substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or allowed to remain thereon, and Tenant shall take all reasonable precautions to prevent any such matter or material from being or accumulating upon the Premises. Tenant shall provide for the collection and removal of all garbage and/or refuse from the Premises as often as necessary. Tenant shall, during the Term of this Lease or any extension thereof, conduct a recycling program on the Premises. Such program will include all materials which may be reasonably recycled (e.g. white paper, mixed paper, newspaper, aluminum cans, and plastic and glass containers).

9.6 Security. Tenant shall be responsible to provide all security for the Premises

ARTICLE 10. UTILITIES, SEWERS, AND STORM DRAINS

10.1 Utilities. Tenant shall pay or cause to be paid all service charges for water, sewer, electricity, power and all other utilities or services used rendered or supplied to, upon or in connection with the Premises.

ARTICLE 11. DAMAGE

11.1 Damage. Except as otherwise provided in this Lease, if the Improvements located on the Premises are damaged and such damage was caused by fire or other peril covered by Tenant's insurance, Tenant agrees to repair such damage and the Lease shall continue in full force and effect. If such Improvements are damaged as the result of any cause other than perils required to be covered by Tenant's insurance, then Tenant may, at Tenant's option, either (a) repair such damage as soon as reasonably practicable at Tenant's sole cost and expense, in which event this Lease shall continue in full force and effect, or (b) give written notice to City within ninety (90) days after the date of occurrence of such damage of Tenant's intention to cancel and terminate this Lease as of the date of occurrence of such damage, in which event the Lease shall terminate and the City shall release Tenant from the provisions of this Lease.

11.2 Obligation To Restore. If this Lease is not terminated pursuant to any of the provisions of this Article 11, Tenant shall, to the extent of available insurance proceeds plus any deductible Tenant elected to carry, promptly and diligently restore and repair the improvements to substantially the same condition, to the extent possible, they were in immediately prior to the occurrence of the damage, except for modifications required by building codes and other laws and except for any other modifications to the improvements considered desirable by the Department and approved by the General Manager. Tenant's obligation to restore is subject to reasonable delays for insurance adjustment and other matters beyond Tenant's reasonable control.

ARTICLE 12. HAZARDOUS MATERIALS

12.1 Hazardous Materials. City and Tenant agree as follows with respect to the existence or use of Hazardous Material (as defined in Paragraph 12.1.3) on the Premises:

12.1.1 Prohibition. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Premises (other than common products typically used in connection with the operation of similar parks) by its agents, employees, tenants, sub-tenants, contractors or invitees in violation of law or in quantities which would require reporting to a governmental entity, without the prior written consent of General Manager, acting at General Manager's sole discretion. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Premises caused by Tenant results in contamination of the Premises, or if contamination of the Premises by Hazardous Material otherwise occurs for which Tenant is legally liable to City for damage resulting therefrom, then, Tenant shall indemnify, hold City harmless, and defend City (with counsel reasonably acceptable to City) from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Term as a result of such contamination, except to the extent such contamination is related to the negligence or willful misconduct of the City. This indemnification of City by Tenant includes,

without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Premises, which was caused by Tenant. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises caused by Tenant results in any contamination of the Premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such Hazardous Material to the Premises; provided that City's approval of such actions shall first be obtained.

12.1.2 Compliance Costs. Notwithstanding anything to the contrary in Section 12.1.1 above, City and Tenant acknowledge that City is legally liable for the costs of complying with laws relating to Hazardous Material under the following circumstances: (1) Hazardous Material present in the soil or ground water which was not introduced to the soil or ground water by Tenant; (2) a change in Laws which relate to Hazardous Material which make such Hazardous Material which is present on the Premises as of the date Tenant initially occupied the Premises, whether known or unknown to City, a violation of such new laws; (3) Hazardous Material that migrates, flows, percolates, diffuses or in any way moves on to or under the land and was not introduced to the Premises by Tenant; (4) Hazardous Material present on or under the land as a result of any discharge, dumping or spilling (whether accidental or otherwise) on the land by other occupiers of the Park or the Premises or their agents, employees, contractors or invitees, or by others. Accordingly, City and Tenant agree that any loss by City related to such Hazardous Materials, including, but not limited to, any claims, judgments, damages, penalties, fines, liabilities or costs of complying with laws shall be borne by City.

12.1.3 "Hazardous Material" - Definition. As used herein, the defined term "Hazardous Material" means any chemical, substance, material, or waste or component thereof the presence of which requires investigation or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy, or common law, or which is now or hereafter listed, defined, or regulated as a flammable explosive, radioactive material, hazardous or toxic chemical, substance, material or waste or component thereof (whether injurious by themselves or in conjunction with other materials) by any federal, state, or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by such body, or for which any such body has adopted any requirements for the preparation or distribution of a material safety data sheet. "Hazardous Material" includes, without limitation, any material or substance which is: (1) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (2) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code Section 25300, et seq.); (3) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory, California Health and Safety Code Section 25500, et seq.); (4) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances, California Health and Safety Code Section 25280, et seq.); (5) petroleum; (6) asbestos; (7) defined as a "hazardous constituent," "hazardous material," "hazardous waste," or "toxic waste" under Article 2 of Chapter 10 (Section 66260.10) or defined as a "hazardous waste" under Article 1 of Chapter 11 (Section 66261.3) of Title 22 of the California Code of Regulations, Division 4.5 (Environmental Health Standards for the Management of Hazardous Waste, 22

C.C.R. Section 66001, et seq.); (8) designated as a “hazardous substance” pursuant to Section 311 (33 U.S.C. § 1321) of the Clean Water Act of 1977, as amended (Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq.); (9) defined as a “hazardous waste” pursuant to Section 1004 (42 U.S.C. § 6903) of the Federal Resource Conservation and Recovery Act of 1976, as amended (RCRA, 42 U.S.C. § 6901, et seq.); (10) defined as a “hazardous substance” pursuant to Section 101 (42 U.S.C. § 9601) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA, 42 U.S.C. § 9601, et seq.); or (11) defined as “hazardous material” under Section 103 (49 U.S.C. § 1802) of the Hazardous Materials Transportation Act (49 U.S.C. § 1801, et seq.), as such laws may be amended from time to time, and the regulations adopted and publications promulgated pursuant to such laws.

12.1.4 Disposal of Hazardous Material. If Tenant and/or its subtenants, dispose of any soil, material, chemicals, fluids, or groundwater contaminated with Hazardous Material, Tenant shall provide City copies of all permits, certificates, and records relating to such disposal, including a copy of each uniform hazardous waste manifest indicating the quantity and type of material being disposed of, the method of transportation of the material to the disposal site and the location of the disposal site.

12.1.5 Hazardous Material Tests. Any tests required of Tenant by this Article shall be performed by a State of California Department of Health Services certified testing laboratory satisfactory to City. By signing this Lease, Tenant hereby irrevocably directs any such laboratory to provide City, upon written request from City, copies of all of its reports, test results, and data gathered. As used in this Article, the term “Tenant” includes agents, employees, contractors, subcontractors, and/or invitees of Tenant.

12.1.6 Notice Of Hazardous Substances. California Health and Safety Code Section 25359.7(a) requires any owner of nonresidential real property who knows, or has reasonable cause to believe, that any release of hazardous substance has come to be located on or beneath that real property to, prior to the lease or rental of that real property or when the presence of such release is actually known, give written notice of that condition to the lessee or renter. California Health and Safety Code Section 25359.7(b) requires any tenant of real property who knows, or has reasonable cause to believe, that any release of hazardous substance has come to be located on or beneath that real property to given written notice of such condition to the owners. Tenant and City shall comply with the requirements of Section 25359.7 and any successor statute thereto and with all other statutes, laws, ordinances, rules, regulations and orders of governmental authorities with respect to hazardous substances.

ARTICLE 13. DEFAULT, CANCELLATION AND TERMINATION

13.1 Events Of Default. The following occurrences are “Events of Default”:

13.1.1 Breach Of Lease. Tenant materially breaches or fails in the performance of any of the provisions or conditions of this Lease, including without limitation, failure to maintain required insurance coverage(s), and failure to perform or comply with any of the other agreement, terms, covenants or conditions hereof on Tenant’s part to be performed or complied with, including without limitation, its obligation to maintain and operate the premises in accordance with Article 9 hereof and its obligation to use the Premises for the purposes stated in Section 5.1, and

its obligation to comply with the provisions of Article 18 (Ordinance Mandated Provisions), or should Tenant cease to operate; or

13.1.2 Failure To Conform To Laws. Tenant fails to materially conform to statutes and regulations of the United States, State of California or the County of Los Angeles, and any other applicable law, or the deed by which the City holds the Premises; or

13.1.3 Attempted Transfer. Tenant participates in any transfer or attempted transfer of this Lease which is not expressly permitted under the terms of this Lease.

13.2 Default - City's Remedies. If any one or more Events of Default set forth in Section 13.1 occurs, then City may, at its election, without any further notice to or authorization from Tenant, and without waiving its rights at any time to select any other remedy provided in this Section, elsewhere in this Lease, or under law, do any one of the following:

13.2.1 Termination and Substitution of Successor. City may give Tenant written notice of such Event of Default. If Tenant does not cure said default within thirty (30) days after notice (or forthwith for a default involving sanitary or safety conditions and maintaining insurance required under this Lease, or such longer period as is reasonably necessary to remedy such default, provided that Tenant shall continuously and diligently pursue such remedy at all times until such default is cured), City may, upon delivering written notice to Tenant, terminate this Lease. Should said termination be ordered, Tenant will peaceably surrender and vacate the Premises and will comply with all of the requirements of this Lease with regard to termination.

13.2.2 Specific Performance. City may give file with the appropriate court of competent jurisdiction an action for specific performance under this Lease;

13.2.3 Remedies Exclusive. The specified remedies of Termination and Substitution of Successor and Specific Performance are exclusive of any other remedies afforded by law.

13.3 No Waiver. The conduct of either party or the acceptance of all or part of any payment by City after an Event of Default for any period after an Event of Default shall not be deemed a waiver of any rights and remedies, nor a waiver of the default of the same or any other provision, covenant or condition. Waiver by either City or Tenant of any breach by the other of any covenant, condition or obligation herein contained or failure by either City or Tenant to exercise any right or remedy in respect of any such breach shall not constitute a waiver or relinquishment for the failure of any such covenant, condition or obligation or of any subsequent breach of any such covenant, condition or obligation nor bar any right or remedy of City or Tenant in respect of any such subsequent breach.

13.4 Default By City. In the event City defaults in the performance of any of the provisions or conditions of this Lease, and if a written notice of such default is issued to City by Tenant, and if City does not commence to cure said default within sixty (60) days of receipt of said notice, Tenant may terminate this Lease or obtain specific performance, except that where immediate action is reasonably required, Tenant may immediately obtain specific performance.

ARTICLE 14. SURRENDER OF PREMISES

14.1 Surrender Of Premises. Upon termination of this Lease for any reason whatsoever, Tenant shall quit and surrender possession to City the Premises in good and usable condition, reasonable wear and tear and damage by fire or other casualty excepted.

14.2 Failure To Surrender. If Tenant fails to surrender the Premises, together with the improvements thereon, upon the termination of this Lease, Tenant agrees to indemnify and hold harmless City from and against any loss or liability, including costs and reasonable attorney's fees, resulting from such failure to surrender, including, but not limited to, any claims made by any succeeding tenant based on or resulting from such failure to surrender. Nothing herein contained shall be construed as a consent to any occupancy or possession of any portion of the Premises and the improvements thereon by Tenant beyond the expiration of the Term or the earlier termination of this Lease.

ARTICLE 15. ASSIGNMENT AND BANKRUPTCY

15.1 Assignment And Subletting. Except as described in Section 15.1.1 below, Tenant shall not sublet the Premises or any part thereof or allow the same to be used or occupied by any other person, group or organization for any other use than that herein specified, nor assign this Lease, in whole or in part, nor transfer, assign or in any manner convey any of the rights or privileges herein granted to any other entity without the prior written approval of City, which approval shall not be unreasonably withheld. Any attempt to sublease, assign or transfer without the written consent required by this Section shall be void and shall transfer no rights to the Premises. Notwithstanding the foregoing, Tenant may assign this Lease to an affiliate of Tenant without the prior consent of City. The use of the Premises by other non-profit organizations which provide programming in the Premises and/or the short term and occasional use of the Premises for other activities such as location filming, special events, and projects with artists or other non-profit or governmental agencies shall not be considered assignments or subletting and Tenant may allow such use without the prior written consent of City (however, net income, if any, from such activities is subject to the provisions of Section 5.2).

15.1.1. Notwithstanding Section 15.1 above, Tenant shall be allowed to enter into a license agreement with the Actors Studio, a New York nonprofit public benefit corporation, to use the Hart House on a non-profit basis, in accordance with the terms of this Lease.

15.2 Bankruptcy. To the extent permitted by law, neither this Lease nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceedings in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. To the extent the previous sentence is not permitted by law, in the event that Tenant shall be adjudicated a bankrupt, or become involved in any proceedings under the bankruptcy laws of the United States or the receivership laws of the State of California, or if the leasehold interest created by this Lease or any improvements constructed pursuant to this Lease are transferred due to operations of law, including, without limitation, the enforcement of a judgment, the trustee in bankruptcy, the receiver, the assignee, or the judgment purchaser shall be bound by all provisions of this Lease, including, without limitation, the requirement that the Premises be operated by a nonprofit entity.

ARTICLE 16. CONDEMNATION

16.1 Eminent Domain. Should the Premises be taken for public use under the power of eminent domain or by negotiated sale and purchase in lieu thereof, this Lease shall immediately terminate upon acquisition of said property for public use. and any compensation, sums, or anything of value awarded, paid, or received for or on account of the Premises shall be allocated to the parties in accordance with their respective interests in the Premises. If a portion only of the Premises is taken and the remainder is suitable for continued use under the provisions of this Lease, Tenant may, at Tenant's option, terminate the Lease by delivering written notice of Tenant's election to City within forty-five (45) days following such taking. In the case Tenant elects not to terminate the Lease, the entire award including severance damages to land and improvements shall belong to City for the restoration of the Premises.

To the extent permitted by Law, the City, for itself and for any entity controlled by or related to the City, hereby agrees that a total taking of the Tenant's interest in this Lease or a partial taking that would give Tenant a right to terminate this Lease pursuant to this section shall only be effected if the City reasonably determines that (a) the overriding public interest or necessity requires the City to take possession of the Premises, (b) the City's proposed use of the Premises is planned and located in a manner that will be most compatible with the greatest public good and least private injury and (c) the Premises is necessary for the City's overriding proposed use. Further, if the taking results in a termination of this Lease, the City and the Tenant stipulate to an award for Tenant's interest in the Lease, which will be paid solely to Tenant, that is the greater of (i) the award determined by a court for such taking or (ii) the "Unamortized Improvement Value," the amount of which shall be calculated in accordance with the following:

As used herein, the term "Cost of Improvements" shall mean the sum of all amounts expended by Tenant for the repair of the buildings and and all amounts subsequently expended by Tenant for other improvements and Alterations to the Premises.

The Cost of Improvements shall be amortized over a number of years equal to the number of remaining lease years at a rate of interest equal to the prime rate of interest as published in the Wall Street Journal plus two percent (2%) in effect as of the date of each completion of such Improvement. The Unamortized Improvement Value shall be equal to the sum obtained by adding the unamortized values calculated in accordance with the foregoing two sentences as of the date of condemnation.

ARTICLE 17. NOTICES

17.1 Notices. All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands shall be personally delivered (including by means of professional messenger service), sent by United States mail, postage prepaid, return receipt requested, or transmitted by telecopier (e.g., Fax) or electronic mail, in which case the receiving party shall immediately confirm receipt of such telecopied or e-mailed notice. All notices are effective upon receipt. For the purposes of such notices, the addresses for the parties are set forth in Section 17.2 below. In the event City is unable to give notice to Tenant at the address(es) provided to City by Tenant, notice shall be deemed effective when addressed to Tenant at the Premises. Either party may from time to time designate another person or place in a notice.

17.2 Notices - Where Sent. All notices given under this Lease which are mailed or telecopied shall be addressed (unless re-designated as provided above) to the respective parties as follows:

To City:

City of Los Angeles
Board of Recreation and Park Commissioners
221 North Figueroa Street, Room 300
Los Angeles, California 90012

Telephone: (213) 202-2640
Facsimile: (213) 202-2610

with a copy of any notice to:

Department of Recreation and Parks
General Manager
221 North Figueroa Street, Room 350
Los Angeles, California 90012

Telephone: (213) 202-2633
Facsimile: (213) 202-2614

and with another copy of any notice to:

Office of the City Attorney
Real Property/Environment Division
200 North Main Street, Room 700 City Hall
East
Los Angeles, California 90012-4130

Facsimile: (213) 978-8090

To Tenant:

City of West Hollywood
8300 Santa Monica Boulevard
West Hollywood, California 90069

Telephone: (323) 848-6400

with a copy of any notice to:

Best Best & Krieger, LLP
Attention: Michael Jenkins, Esq.
1230 Rosecrans Avenue, Suite 110
Manhattan Beach, CA 90266

Telephone: (310) 643-8448
Facsimile: (310) 643-8441

and with another copy of any notice to:

Department of Facilities and Recreation
Services
Attn: Director
8300 Santa Monica Blvd.
West Hollywood, CA 90069

Telephone: (323) 848-6400

ARTICLE 18. ORDINANCE MANDATED PROVISIONS

18.1 Child Support Assignment Orders. This Lease is subject to Section 10.10, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders. Pursuant to this Section, (and any contractor or subcontractor providing services to City under this Lease) shall (1) fully comply with all State and Federal employment

reporting requirements for contractor's or subcontractor's employees applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) thereof and applicable subcontractors are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230, et seq.; and (4) maintain such compliance throughout the Term of this Lease. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of Tenant or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) contractor or applicable subcontractors to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Lease.

18.2 Service Contract Worker Retention Ordinance. This Lease is subject to the Service Contract Worker Retention Ordinance ("SCWRO") (Section 10.36, et seq, of the Los Angeles Administrative Code). The SCWRO requires that, unless specific exemptions apply, all employers (as defined) under contracts that are primarily for the furnishing of services to or for the City of Los Angeles and that involve an expenditure or receipt in excess of \$25,000 and a contract term of at least three (3) months shall provide retention by a successor contractor for a ninety-day (90-day) transition period of the employees who have been employed for the preceding twelve (12) months or more by the terminated contractor or subcontractor, if any, as provided for in the SCWRO. Under the provisions of Section 10.36.3(c) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Lease and otherwise pursue legal remedies that may be available if City determines that the subject contractor violated the provisions of the SCWRO.

18.3 Living Wage Ordinance.

18.3.1 General Provisions: Living Wage Policy. This Lease is subject to the Living Wage Ordinance ("LWO") (Section 10.37, et seq, of the Los Angeles Administrative Code). The LWO requires that, unless specific exemptions apply, any employees of tenants or licensees of City property who render services on the leased or licensed premises are covered by the LWO if any of the following applies: (1) the services are rendered on premises at least a portion of which are visited by substantial numbers of the public on a frequent basis, (2) any of the services could feasibly be performed by City of Los Angeles employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City of Los Angeles has determined in writing that coverage would further the proprietary interests of the City of Los Angeles. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year (July 1, 2004, levels: \$8.78 per hour with health benefits of at least \$1.25 per hour or otherwise \$10.03 per hour). The LWO also requires that employees be provided with at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request, and at least ten (10) additional days per year of uncompensated time pursuant to Section 10.37.2(b). The LWO requires employers to inform employees making less than twelve dollars (\$12) per hour of their possible right to the federal Earned Income Tax Credit ("EITC") and to make available the forms required to secure advance EITC payments from the employer pursuant to Section 10.37.4. LACGC shall permit access to work sites for authorized City representatives to review the operation, payroll, and related documents, and to provide certified copies of the relevant records upon request by the City. Whether or not subject to the LWO, Tenant shall not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, pursuant to Section 10.37.6(c), Tenant agrees to comply with federal law prohibiting retaliation for union organizing.

18.3.2 Living Wage Coverage Determination. The Board of Recreation and Parks Commissioners and the Office of the City Administrative Officer have made an initial determination as to whether this Lease is a proprietary lease or a proprietary license under the LWO, and, if so, whether it is exempt from coverage by the LWO. If the determination has been made that the LWO is applicable to with respect to this Lease, a Declaration of Compliance, must be executed by Tenant prior to or contemporaneously with this Lease. Determinations as to whether this Lease is a proprietary lease or license covered by the LWO, or whether an employer or employee are exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and/or other interpretations of the law are considered. In some circumstances, applications for exemption must be renewed periodically (e.g., every two (2) years for proprietary lessees or licenses claiming exemption due to annual gross revenues of less than \$200,000 and with less than seven (7) employees (Section 10.37.1(l)). City shall notify Tenant in writing about any redetermination by City of coverage or exemption status. To the extent Tenant claims non-coverage or exemption from the provisions of the LWO, the burden shall be on Tenant to prove such non-coverage or exemption.

18.3.3 Termination Provisions And Other Remedies: Living Wage Policy. Under the provisions of Section 10.37.6(c) of the Los Angeles Administrative Code, violation of the LWO shall constitute a material breach of this Lease.

18.4 Non-Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, or medical condition in the lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Premises or any part of the Premises or any operations or activities conducted on the Premises or any part of the Premises, nor shall Tenant or any person claiming under or through Tenant establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, subtenants, or vendees of the Premises. Any sublease or assignment which may be permitted under this Lease shall also be subject to the non-discrimination clauses contained in this Section 18.4.

18.4.1 Non-Discrimination In Employment. During the Term of this Lease Tenant agrees not to discriminate against any employee or applicant for employment because of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status or medical condition. Tenant shall take affirmative action to insure that applicants for employment are treated during the Term of this Lease without regard to the aforementioned factors and shall comply with the affirmative action requirements of the Los Angeles Administrative Code sections 10.8, et seq., or any successor ordinances or law concerned with discrimination.

18.5 Contractor Responsibility Ordinance

18.5.1 General Provisions; Contractor Responsibility Policy. This Lease is subject to the Contractor Responsibility Ordinance ("CRO") (Section 10.40, et seq, of the Los Angeles Administrative Code "LAAC") and the rules and regulations promulgated pursuant thereto as they may be updated. The CRO requires that, unless specific exemptions apply as specified in LAAC 10.37.1(l)(b) or LAAC 10.40.4, lessees or licensees of City property who render services on the leased or licensed premises are covered by the CRO if any of the following applies: (1) the services are rendered on premises at least a portion of which are visited by substantial

numbers of the public on a frequent basis, (2) any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or (3) a designated administrative agency of the City has determined in writing that coverage would further the proprietary interests of the City. Lessees or licensees of City property who are not exempt pursuant to LAAC 10.40.4 (a) or (b), unless subject to the CRO solely due to an amendment to an existing lease or license, are required to have completed a questionnaire ("Questionnaire") signed under penalty of perjury designed to assist the City in determination that the lessee or licensee is one that has the necessary quality, fitness and capacity to perform the work set forth in the contract. All lessees or licensees of City property who are covered by the CRO, including those subject to the CRO due to an amendment, are required to complete the following Pledge of Compliance ("POC"):

(1) comply with all applicable federal state, and local laws and regulations in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees;

(2) notify the awarding authority within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the lessee or licensee did not comply with subparagraph (1) above in the performance of the lease or license;

(3) notify the awarding authority within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the lessee or licensee has violated subparagraph (1) above in the performance of the lease or license;

(4) ensure within thirty (30) days (or such shorter time as may be required by the awarding authority) that subcontractors working on the lease or license submit a POC to the awarding authority signed under penalty of perjury; and

(5) ensure that subcontractors working on the lease or license abide by the requirements of the POC and the requirement to notify the awarding authority within thirty (30) calendar days that any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated subparagraph (1) above in the performance of the lease or license.

Tenant shall ensure that its subcontractors meet the criteria for responsibility set forth in the CRO and any rules and regulations promulgated thereto. Tenant may not use any subcontractor that has been determined or found to be a non-responsible contractor by City. Subject to approval by the awarding authority, Tenant may substitute a non-responsible subcontractor with another subcontractor with no change in the consideration for this Lease. Tenant shall submit to City a Pledge of Compliance, for each subcontractor listed by the Tenant in its Questionnaire, as performing work on this Lease within thirty (30) calendar days of execution of this Lease, unless the Department of General Services requires in its discretion the submission of a Pledge of Compliance within a shorter time period. The signature of Tenant shall constitute a declaration under penalty of perjury that Tenant shall comply with the POC.

18.5.2 Update of Information. Tenant shall:

(1) notify the awarding authority within thirty (30) calendar days after receiving notification that any governmental agency has initiated an investigation that may result in a finding that Tenant did not comply with any applicable federal, state, or local law in the

performance of this Lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees;

(2) notify the awarding authority within thirty (30) calendar days of receiving notice of any findings by a government agency or court of competent jurisdiction that Tenant violated any applicable federal, state, or local law in the performance of this Lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees; and

(3) notify the awarding authority within thirty (30) calendar days of becoming aware of any information regarding its subcontractors and investigations or findings regarding the subcontractor's violations of any applicable federal, state, or local law in the performance of this Lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

Updates of information contained in Tenant's responses to the Questionnaire must be submitted to the awarding authority within thirty (30) days of any changes to the responses if the change would affect Tenant's fitness and ability to continue performing this Lease. Notwithstanding the above, Tenant shall not be required to provide updates to the Questionnaire if Tenant became subject to the CRO solely because of an amendment to the original lease or license. Tenant shall cooperate in any investigation pursuant to CRO by providing such information as shall be requested by City. Tenant agrees that City may keep the identity of any complainant confidential. Tenant shall ensure that subcontractors who perform work on this Lease abide by these same updating requirements including the requirement to:

(1) notify the awarding authority within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the subcontractor did not comply with any applicable federal, state, or local law in the performance of this Lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees; and

(2) notify the awarding authority within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the subcontractor violated any applicable federal, state, or local law in the performance of this Lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

18.5.3 Compliance; Termination Provisions and Other Remedies. If Tenant is not initially exempt from the CRO, Tenant shall comply with all of the provisions of the CRO and this Lease. If Tenant is initially exempt from the CRO, but later no longer qualifies for such exemption, Tenant shall, at such time Tenant is no longer exempt, comply with the provisions of the CRO and this Lease. Failure to comply with the provisions of the CRO, including without limitation the requirements that all responses to the Questionnaire are complete and accurate, to provide updates as provided therein and to correct any deficiencies within ten (10) days of notice by City, or failure to comply with the provisions of this Lease shall constitute a material breach of this Lease.

18.6 Slavery Disclosure Ordinance. This Lease is subject to the applicable provisions of the Slavery Disclosure Ordinance. ("SDO") (Section 10.41, et seq, of the Los Angeles Administrative Code). Unless otherwise exempt in accordance with the provision of this Ordinance, Tenant certifies that it has complied with the applicable provisions of the Ordinance.

Under the provisions of Section 10.41.2(b) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Lease and otherwise pursue legal remedies that may be available to City if City determines that Tenant failed to fully and accurately complete the SDO affidavit or otherwise violated any provision of the SDO.

18.7 Equal Benefits Provisions. This Lease is subject to Section 10.8.2.1, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code (“Equal Benefits Provisions”) related to equal benefits to employees. Tenant agrees to comply with the provisions of Section 10.8.2.1. By way of specification but not limitation, pursuant to Section 10.8.2.1.c of the Los Angeles Administrative Code, the failure of Tenant to comply with the Equal Employment Practices provisions of this Lease may be deemed to be a material breach of this Lease. No such finding shall be made or penalties assessed, except upon a full and fair hearing after notice and an opportunity to be heard has been given to Tenant. Upon a finding duly made that Tenant has failed to comply with the Equal Employment Practices provisions of this Lease, this Lease may be forthwith terminated.

18.8 Tax Registration Certificates And Tax Payments. This Section is applicable where Tenant is engaged in business within the City of Los Angeles and is required to obtain a Tax Registration Certificate (“TRC”) pursuant to one or more of the following articles (collectively “Tax Ordinances”) of Chapter II of the Los Angeles Municipal Code: Article 1 (Business Tax Ordinance) [section 21.00, et seq.], Article 1.3 (Commercial Tenant’s Occupancy Tax) [section 21.3.1, et seq.], Article 1.7 (Transient Occupancy Tax) [Section 21.7.1, et seq.], Article 1.11 (Payroll Expense Tax) [Section 21.11.1, et seq.], or Article 1.15 (Parking Occupancy Tax) [Section 21.15.1, et seq.]. Prior to the execution of this Lease, or the effective date of any extension of the Term or renewal of this Lease, Tenant shall provide to the Department of General Services proof satisfactory to the General Manager of the Department of General Services that Tenant has the required TRCs and that Tenant is not then currently delinquent in any tax payment required under the Tax Ordinances. City may terminate this Lease upon thirty (30) days’ prior written notice to Tenant if City determines that Tenant failed to have the required TRCs or was delinquent in any tax payments required under the Tax Ordinances at the time of entering into, extending the Term of, or renewing this Lease. City may also terminate this Lease upon ninety (90) days prior written notice to at any time during the Term of this Lease if Tenant fails to maintain required TRCs or becomes delinquent in tax payments required under the Tax Ordinances and fails to cure such deficiencies within the ninety (90) day period (in lieu of any time for cure provided in Section 15).

ARTICLE 19. MISCELLANEOUS PROVISIONS

19.1 Amendment Of Lease. No amendment, modification, supplement or mutual termination of any provision of this Lease shall in any event be effective unless the same shall be in writing and signed by City and Tenant.

19.2 Binding Effect. Subject to the provisions of this Lease relative to assignment (Article 15), this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, transferees, successors and assigns of the respective parties hereto.

19.3 Captions, Table Of Contents, And Index. The captions, table of contents, and index of this Lease are inserted only as a matter of convenience and reference, and they in no way define, limit, or describe the scope of any provisions of this Lease, or the intent of any provision of this Lease, and shall not be used with respect to the interpretation of any provision of this Lease.

19.4 Conflict Of Laws And Venue. This Lease shall be governed by and construed under the laws of the State of California. Venue on any action arising out of this Lease will be proper only in the County of Los Angeles, State of California.

19.5 Counterparts. This Lease may be executed in one or more counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument.

19.6 Exhibits - In Lease. All exhibits referred to are attached to this Lease and incorporated by reference.

19.7 Force Majeure. Whenever either party hereto shall be required by the provisions of this Lease or by law to perform any contract, act, work, construction, labor or services (excepting only the obligation to pay rent due hereunder) or to discharge any lien against the Premises, or to perform and comply with any laws, rules, orders, ordinances, regulations or zoning regulations, said party shall not be deemed to be in default herein and the other party shall not enforce or exercise any of its right under this Lease, if and so long as nonperformance or default herein shall be directly caused by strikes, non-availability of materials, war or national defense preemptions, governmental restrictions, acts of God or other similar causes beyond the reasonable control of the nonperforming party; provided, however, that notwithstanding any of the provisions of the foregoing, the nonperforming party shall commence such performance and continue the same with diligence and continuity immediately after the removal of any of the causes hereinabove specified.

19.8 Gender. As used herein, the neuter gender includes the feminine and masculine, the masculine includes the feminine and the neuter and feminine includes the masculine and the neuter, and each includes , limited liability companies, partnerships or other legal entities when the context so requires.

19.9 Memorandum Of Lease. A Memorandum of Lease, substantially in the form as that attached to this Lease as Exhibit C, shall be completed and executed by both parties concurrently with the execution of this Lease. City shall record such Memorandum of Lease at its sole cost and expense immediately after execution of the Lease.

19.10 Integration. This Lease contains all of the agreements of the parties hereto with respect to the matters covered hereby, and no prior agreements, oral or written, or understandings or representations of any nature whatsoever pertaining to any such matters shall be effective for any purpose unless expressly incorporated in the provisions of this Lease.

19.11 No Relocation Assistance. Tenant acknowledges that it is not entitled to relocation assistance or any other benefits under the California Relocation Assistance Act (Government Code Section 7260, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C.A. §4601, et seq.), or any other provisions of law upon termination of this Lease.

19.12 Possessory Interest Tax. By executing this Lease and accepting the benefits thereof, Tenant may be creating a property interest known as "possessory interest" which may be subject to property taxation. Tenant, as the party in whom the possessory interest is vested, shall be responsible for the payment of all property taxes, if any, levied upon such interest. Tenant acknowledges that the notice required under California Revenue and Taxation Code section 107.6 has been provided.

19.13 Quiet Enjoyment. If Tenant is not in default as provided herein, Tenant shall and may peaceably and quietly have, hold, and enjoy the Premises with necessary ingress and egress in accordance with the provisions hereof.

19.14 Severability. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

19.15 Sole Discretion. Except as otherwise expressly provided herein, all approvals, elections, consents, agreements, determinations, options and actions of City required pursuant to this Lease shall be granted in City's sole and absolute discretion. The parties expressly agree that City or General Manager or other City of Los Angeles agency, as the case may be, has the absolute unfettered discretion to grant or withhold approval, either arbitrarily or otherwise, and without or without reason, and neither Tenant nor any other party or tribunal shall have any right or power to inquire into or review the granting or withholding of such approval or the reasons or lack of reasons therefore.

19.16 Time. Time is of the essence with respect to the performance or observance of each of the obligations, covenants and agreements under this Lease. Except where expressly stated to be "business days" or "working days," the word "days" shall mean "calendar days."

[Signature Page to Follow]

IN WITNESS WHEREOF, the CITY OF LOS ANGELES, a municipal corporation, acting by and through its BOARD OF RECREATION AND PARK COMMISSIONERS, Landlord herein, and the CITY OF WEST HOLLYWOOD, a municipal corporation, Tenant herein, have caused this Lease to be executed as of the date of the attestation by the City Clerk.

Executed this _____ day
of _____, 20__

CITY OF LOS ANGELES, a municipal
corporation, acting by and through its
BOARD OF RECREATION AND
PARK COMMISSIONERS

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

By _____
President

By _____
Deputy City Attorney

By _____
Secretary

Date:

Executed this _____ day
of _____, 20__

CITY OF WEST HOLLYWOOD, a
municipal corporation

APPROVED AS TO FORM:
MICHAEL JENKINS, City Attorney

By _____
John D'Amico, Mayor

By _____
City Attorney

By _____
Yvonne Quarker, City Clerk

Date:

ATTEST:
Date:

HOLLY WOLCOTT, City Clerk

By _____
Deputy City Clerk

Council File Number: _____ Date of Approval: _____
Said Agreement is Number _____ of City Contracts

EXHIBIT A: PLOT PLAN AND LEGAL DESCRIPTION

CURRENT APN: 5554-024-270 thru 272

STREET ADDRESS 8341 DE LONGPRE AVENUE, WEST HOLLYWOOD, CA 90069-2601

EXHIBIT A

PLOT PLAN AND LEGAL DESCRIPTION

PLOT PLAN

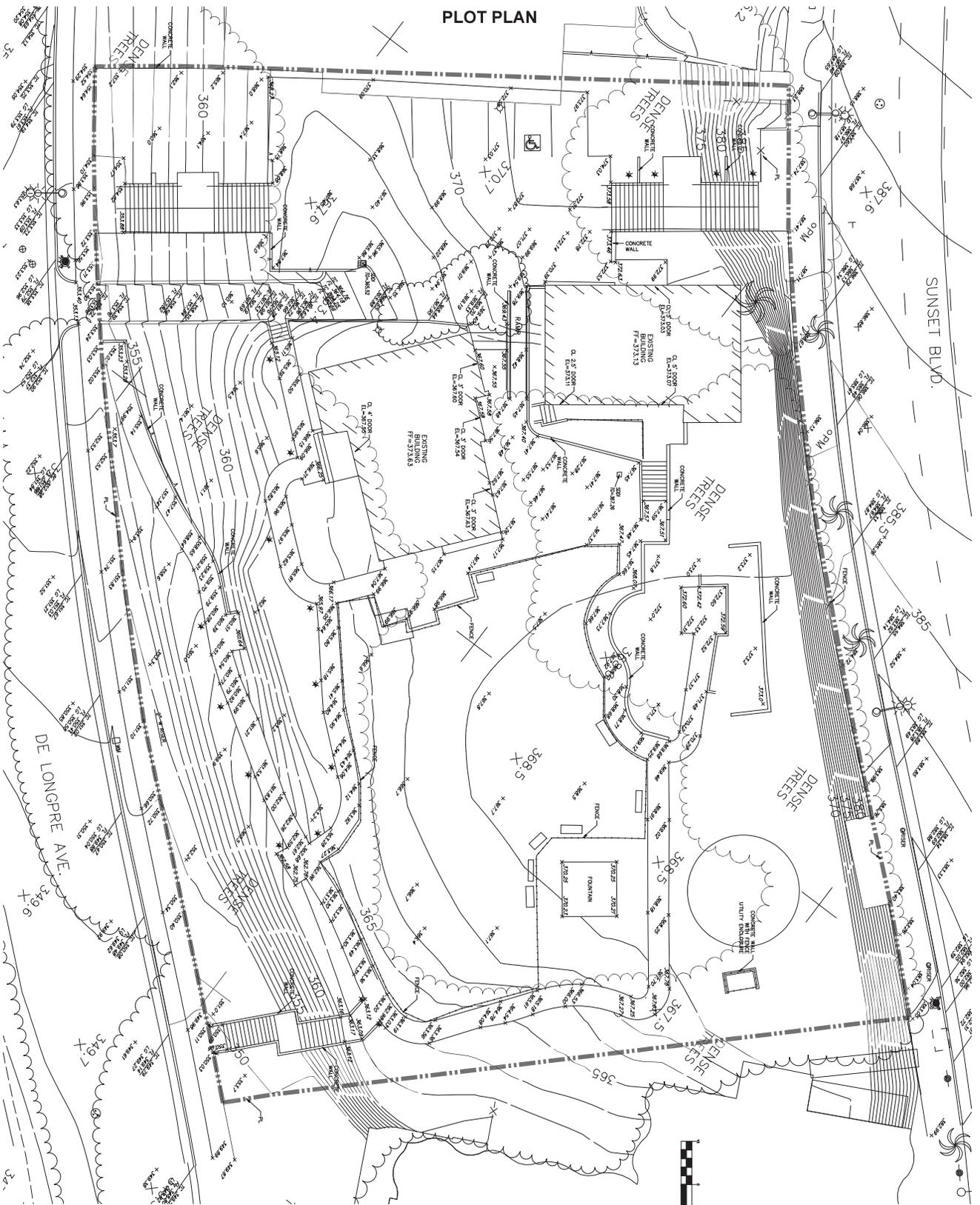


EXHIBIT A
(Continued)

PLOT PLAN AND LEGAL DESCRIPTION

LEGAL DESCRIPTION

THE REAL PROPERTY IN THE CITY OF WEST HOLLYWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS:

LOTS 11 AND 12, TRACT NO. 1501, AS PER MAP RECORDED IN BOOK 23, PAGE 64 OF MAPS, RECORDS OF LOS ANGELES COUNTY, AND THAT PORTION OF LOT 10, SAID TRACT NO. 1501, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 10; THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY LINE OF SAID LOT 10 AN ARC DISTANCE OF 50 FEET; THENCE NORTHWESTERLY IN A DIRECT LINE TO A POINT IN THE NORTHWESTERLY LINE OF SAID LOT 10 DISTANT OR DISTANCE THEREON 40 FEET SOUTHWESTERLY FROM THE MOST NORTHERLY CORNER OF SAID LOT 10; THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE OF LOT 10 AN ARC DISTANCE OF 40 FEET TO SAID MOST NORTHERLY CORNER; THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 10 TO THE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBERS: 5554-024-270, 5554-024-271 AND 5554-024-272
STREET ADDRESS: 8341 DE LONGPRE AVENUE, WEST HOLLYWOOD, CA 90069-2601

EXHIBIT B: INSURANCE REQUIREMENTS

Attached.

Required Insurance and Minimum Limits

Name: City of West Hollywood, Tenant, for the William S. Hart Park

Date: 02/20/2019

Agreement/Reference: Lease Agreement, APN 5554-024-027 thru 272

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation (WC) and Employer's Liability (EL)

WC Statutory

EL 1,000,000

Waiver of Subrogation in favor of City

Longshore & Harbor Workers

Jones Act

General Liability City of Los Angeles must be named as an Additional Insured Party

5,000,000

Products/Completed Operations

Sexual Misconduct _____

Fire Legal Liability _____

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

1,000,000

Professional Liability (Errors and Omissions)

Discovery Period _____

Property Insurance (to cover replacement cost of building - as determined by insurance company)

All Risk Coverage

Boiler and Machinery

Flood _____

Builder's Risk

Earthquake _____

Surety Bonds - Performance and Payment (Labor and Materials) Bonds

Crime Insurance

Other: Provided to: Ian Kim @ RAP; ph: 213 202-2658

If a contractor has no employees and decides to not cover herself/himself for workers' compensation, please complete the form entitled "Request for Waiver of Workers' Compensation Insurance Requirement" located at: <http://cao.lacity.org/risk/InsuranceForms.htm>

In the absence of imposed auto liability requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

EXHIBIT C: MEMORANDUM OF LEASE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND
PARKS

c/o Office of the City Attorney
Real Property/Environment Division
Room 700, James K. Hahn City Hall East
200 North Main Street
Los Angeles, California 90012

Free recording in accordance with
California Government Code section
6103

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (“Memorandum”) is made as of the date of attestation by the City Clerk of the City of Los Angeles on page 2 of this Memorandum, by and between the CITY OF LOS ANGELES, a municipal corporation, as Landlord (“City”) and the CITY OF WEST HOLLYWOOD, a municipal corporation (“Tenant”), who agree as follows:

1. Term and Premises. City leases to Tenant, and Tenant leases from City, that real property located in the City of West Hollywood, County of Los Angeles, State of California, at 8341 De Longpre Avenue, West Hollywood, California 90069-2601; also known as William S. Hart Park, for a term of thirty-five (35) years, on or about the date of execution of this Memorandum, on the provisions of the lease between the parties (“Lease”). These provisions are incorporated into this Memorandum by reference.
2. Provisions Binding On Tenant. The provisions of the Lease to be performed by Tenant, whether affirmative or negative in nature, are intended to and shall bind Tenant and its successors and assigns at any time, and shall inure to the benefit of City and its successors and assigns.
3. Provisions Binding on City. The provisions of the lease to be performed by City, whether affirmative or negative in nature, are intended to and shall bind City and its successors and assigns at any time, and shall inure to the benefit of Tenant and its successors and assigns.
4. Purpose of Memorandum. This Memorandum is prepared for the purpose of recordation, and it in no way modifies the provisions of the Lease.
5. Reference to Lease for All Purposes. Reference is hereby made to the entire Lease for any and all purposes. A true copy of the Lease is on file with the City Clerk of the City of Los Angeles, whose office is Room 360, City Hall, 200 North Spring Street, Los Angeles, California 90012.

Executed this _____ day
of _____, 20__

THE CITY OF LOS ANGELES, a municipal
corporation, acting by and through its
BOARD OF RECREATION AND PARK
COMMISSIONERS

By Do Not
Sign

PRESIDENT

By Do Not
Sign

SECRETARY

Executed this _____ day
of _____, 20__

CITY OF WEST HOLLYWOOD, a municipal
corporation

By Do Not
Sign

Approved as to Form:
Date:
MICHAEL N. FEUER,
City Attorney

By _____
LAURA CADOGAN
HURD
Deputy City
Attorney

ATTEST:
Date:
HOLLY WOLCOTT, City Clerk

By
DEPUTY CITY CLERK

Council File Number: _____ Date of Approval: _____
Said Agreement is Number _____ of City Contracts

