

NO.

DATE	June 15, 2023	-	C.D	15
BOARD OF RECREATION AND PARK COMMISSIONERS				
SUBJECT:	SANITATION DISTROPERATION, AND ME CATEGORICAL EXEMPLE OF THE CATEGORICAL EXEMPLE OF THE CATEGORICAL PROPERTY OF TH	ETIC COMPLEX – LEARICT NO. 8 OF LOSMAINTENANCE OF WILLI MPTION FROM THE PEQUALITY ACT (CEQA 1(14) [ISSUANCE, RENDR PERMIT TO USE G NEGLIGIBLE OR NO AND ARTICLE 19, S	ANGELES COUNTY MINGTON ATHLETIC ROVISIONS OF THE ALL OF AMENDMIN AN EXISTING STRUCK EXPANSION OF USES	FOR USE, COMPLEX - CALIFORNIA ARTICLE III, ENT OF ANY JCTURE OR SE] OF CITY
B. Aguirre _	M. Rudnick For *C. Santo Domin	go DF		
B. Jackson _	N. Williams		General Manage	er
Approved _	X	Disapproved	Withdrav	

#### RECOMMENDATIONS

**BOARD REPORT** 

- 1. Approve a proposed Lease Agreement, substantially in the form on file in the Board Office and as attached as Exhibit A to this Report, between the Department of Recreation and Parks (RAP) and the County Sanitation District No. 8 of Los Angeles County (District) for the use, operation, and maintenance of the Wilmington Athletic Complex;
- 2. Authorize the Board President and Secretary to execute the Lease Agreement subsequent to obtaining all necessary approvals and subject to approval of the City Attorney as to form;
- 3. Authorize RAP staff to issue a temporary revocable Right-of-Entry (ROE) Permit for a term not to exceed three (3) years to the Friends of Wilmington Sports Complex, LLC and/or related organization for the operation and maintenance of a portion of the Wilmington Athletic Complex, as further described in the Report;

PG. 2 NO. <u>23-124</u>

- 4. Determine that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(14) [Issuance, renewal or amendment of any lease, license or permit to use an existing structure or facility involving negligible or no expansion of use] of City CEQA Guidelines and Article 19, Section 15301 of California CEQA Guidelines and direct RAP staff to file a Notice of Exemption (NOE) with the Los Angeles County Clerk;
- 5. Authorize RAP's Chief Accounting Employee or designee to prepare a check to the Los Angeles County Clerk in the amount of \$75.00 for the purpose of filing an NOE; and,
- 6. Authorize RAP staff to make technical corrections as necessary to carry out the intent of this Report.

#### SUMMARY

The County Sanitation District No. 8 of Los Angeles County (District) owns approximately eighteen (18) acres of property located at 1700 South Figueroa Street in the Wilmington neighborhood of the City of Los Angeles that is commonly known as the Wilmington Athletic Complex. The Wilmington Athletic Complex is currently improved with a variety of recreational improvements including two (2) soccer fields, three (3) ballfields, two (2) parking lots, a trackand-field throws area, perimeter fencing, a restroom, storage building, and snack bar.

In addition to the aforementioned recreation improvements, the property also contains various oil facilities for oil production, storage, conveyance and related activities. The oil production and storage facilities are contained within individual areas that are separately fenced and apart from the recreational facilities.

The site is currently operated by Friends of Wilmington Sports Complex, LLC, who have a Licensee Agreement from the District to use and operate the site. It should be noted that Friends of Wilmington Sports Complex, LLC has made extensive improvements to the site during the last several years, including the conversion of one of the smaller ball diamonds into a shot-put field and hammer-discus field as well as the improvement of an adjacent building to include an indoor strength training and storage room and outdoor weightlifting and dining areas (collectively referred to as the "Throws Area").

#### **BACKGROUND**

RAP has identified a need to secure and provide additional active recreational space in the Wilmington community. The Wilmington community of the City is densely populated, with only a limited number of sports fields and active recreational space. RAP has several facilities in this area of the City, including Banning Park, Wilmington Recreation Center, and East Wilmington Greenbelt Community Center, and East Wilmington Greenbelt Park. However, these facilities are heavily used and there remains a need to secure additional recreational space.

PG. 3 NO. <u>23-124</u>

The Wilmington Athletic Complex was identified as a potential location that RAP could utilize in order to help RAP meet the needs of the surrounding community. The existing fields and recreational facilities at the Wilmington Athletic Complex are already actively used by the local community, nearby schools, as well as by area leagues and organizations.

In early 2020 RAP staff conducted some preliminary analysis and discussion about the feasibility of utilizing the Wilmington Athletic Complex. RAP then begin engaging with local stakeholders, as well as the Office of Council District 15, to help develop a potential framework for the operation of the facility as well as to identify potential funding sources for long term improvements and upgrades to the facility.

In June 2021 RAP engaged in direct discussions with the District about obtaining long term access and operational control of the Wilmington Athletic Complex. After extensive discussion and negotiations, RAP staff and District staff have developed a proposed Lease Agreement for the use, operation, and maintenance of the Wilmington Athletic Complex (Lease Agreement).

#### LEASE AGREEMENT

The proposed Lease Agreement is attached as Exhibit A to this report.

A summary of the major provisions of the proposed Lease Agreement is provided below:

- Name Wilmington Athletic Complex, unless otherwise approved by District. RAP allowed to install facility identification signage at the site
- Permitted Use Recreational programming, organized sports, passive recreational activities, fundraising or community events, on-site concessions, and administrative/maintenance functions. Priority for RAP planned programming. RAP discretion to prioritize local community groups and teams over teams and groups from outside the local community.
- Term Forty (40) years. Lease Commencement date is fourteen (14) days after the City Clerk attests the Lease.
- Termination by District After 10 years District may terminate Lease by providing five (5) years written notice. Earliest termination by District is fifteen (15) years after Lease commencement date.
- Termination by RAP RAP may terminate by providing two (2) years written notice.
- Rent \$40.00 for the entire term. Due within 30 days of Commencement Date as single lump sum payment.

PG. 4 NO. <u>23-124</u>

- Oil Leases and Oil Lease Sites RAP shall at no time block the ingress or egress to any
  Oil Lease Site. RAP to coordinate any improvements in advance with Oil Lease holders
  prior to any improvements or activity that may interfere with access to an Oil Lease site.
  RAP has no responsibility for, or oversight of, the Oil Lessees and their operations. (See
  Exhibit A of Lease)
- Access and Gate Closures Site access is from two existing driveways off Figueroa Street and Q Street. RAP responsible for closing and locking the access gates. RAP responsible for ensuring Oil Lessees have access though any entry gates.
- Offsite Parking for Q Street Property (Boys & Girls Club of Wilmington) A total of 58 parking spaces are to be provided on-site for the Q Street Property. 31 of the 58 parking spaces are located in the existing improved South Parking Lot. 27 of the 58 spaces are located in the unimproved parking lot at the southwestern corner of the site. (See Exhibit C of Lease). District shall be responsible for the maintenance, repair, and improvement to South Parking Lot and the unimproved parking lot.
- Use of Parking for Q Street Property (Boys & Girls Club of Wilmington) Each lessee, licensee, occupant, or invitee of the Q Street Property shall deliver to District and RAP a Parking License in order to have non-exclusive right to enter the site, via the Q Street entrance, and park personal vehicles Monday-Friday from 2:00 pm to 8:00 pm and Saturday-Sunday from 8:00 am to 10:00 pm. District will require each Parking License user to open and close the driveway gate on each day of use.
- Maintenance by District District shall be responsible for the maintenance, repair, and improvement to South Parking Lot, the unimproved parking lot, access gates, perimeter fence, exterior landscaping outside the fence, and irrigation piping for exterior landscaping. District responsible for repair the sewer lateral for the building, the roof of the building, and the non-utility owned portions of the potable water and natural gas pipelines on the site for the first five (5) years.
- Maintenance by RAP RAP shall be responsible for all improvements located at site, including parking lots, buildings and improvements, irrigation, sports fields, trees and landscaping, etc. RAP responsible for operating the existing perimeter irrigation system.
- Utilities District will pay for potable water and sewer use for the first five (5) years. RAP
  responsible for playing all remaining utilities, and for water and sewer use after five (5)
  years.
- Signage RAP allowed to post facility identification signage and regulatory signage. No other signage, banners, flags, etc. may be erected on site without District's prior approval.

PG. 5 NO. <u>23-124</u>

- Alterations and Improvements Any alterations, additions, or improvements made at the
  site require the written approval of District. For any improvements that are proposed at
  the site, RAP shall prepare project plans and specifications and submit them along with
  a detailed schedule to the District for review and approval. It should be noted that the
  construction of storage sheds, restrooms, bleachers, fencing, parking lots, and lighting,
  installation of temporary trailers or structures, and other minor improvements typical for
  an athletic complex are not subject to the requirement of prior District approval.
- Subletting In general, RAP shall not sublet without prior written consent of District.
  RAP permittees (via a Facility Use Permit) are not considered sublets. However, RAP
  has right, without District consent, to sublease or license the "Throws Area" of the site,
  which includes the shot-put field, the hammer-discus field, the indoor strength training
  and storage room and the outdoor weightlifting and dining areas (See Exhibit D).
- Progress Reports RAP required to provide annual written report on July 1<sup>st</sup> of each
  year that includes list of all permittees, details on activities being performed on site, and
  the status of any development or improvement of the site. RAP also to provide, as
  requested, a copy of a calendar or schedule of field events occurring on site.

#### Right-of-Entry (ROE) Permit to Friends of Wilmington Sports Complex, LLC

Pursuant to Section 19.2 of the Lease, RAP intends to move forward with a sublease of a portion of site to Friends of Wilmington Sports Complex, LLC. As previously noted, Friends of Wilmington Sports Complex, LLC has made extensive improvements to the site and has expressed a desire to continue to operate and maintain the facilities they have constructed in the Throws Area. The Throws Area

It is anticipated that the proposed sublease will include (a) use the Throws Area for recreational programming, including organized sport events, (b) the promotion, organization, scheduling, and permitting of various organization to use the Throws Area, (c) use of the area for fundraising or community events organized by Friends, (d) a process for allowing improvements to the Throws Area to support potential recreational opportunities (e) terms for the operation, maintenance, and repair of the Throws Area and (f) procedures for the approval of signage.

Upon commence of the Lease, RAP intends to issue a ROE permit to Friends of Wilmington Sports Complex, LLC, for a term not to exceed three (3) years, for their continued operation of the Throws Area while the proposed sublease or license agreement is being drafted between RAP and Friends of Wilmington Sports Complex, LLC.

Once the sublease or license agreement is completed, RAP will return to the Board for approval of the agreement.

PG. 6 NO. <u>23-124</u>

#### **ENVIRONMENTAL IMPACT**

The Sanitation Districts of Los Angeles County provided RAP a Phase I Environmental Site Assessment (ESA) report that was completed in 2021. The Phase I ESA report indicated that there were concerns regarding the current and historical on-site oil operations. The report indicated the current presence of four active oil wells and one historical water disposal well with crude oil storage, as well as the property is located in a significant oil production area or a "Methane Zone". The Phase I ESA consultant (Partner Engineering and Science, Inc.) recommended further investigation based on the current and historical oil operations at the property.

Therefore, RAP had a Phase II ESA completed by Orion Environmental Inc. in March 2022 based upon the findings of the Phase I ESA report. The Phase II ESA tested shallow soils for metals and total petroleum hydrocarbons and ambient air and soil vapor methane and hydrogen sulfide across the property and in the vicinity of the active oil wells, crude oil storage tanks, and site building.

The Phase II investigation found the following:

- Elevated lead in the main asphalt-paved parking area north of an active oil well. The
  presence of the elevated lead concentrations at 2.5 feet below ground surface (bgs)
  versus the background levels detected at 5 feet bgs suggests that there may be lead in
  shallow fill material;
- Slightly elevated levels of arsenic and cobalt were detected in three samples from 5 and 10 feet bgs;
- Hydrocarbon concentrations did not exceed regulatory screening levels;
- Hydrogen sulfide was not detected in the ambient air samples collected; and
- Methane concentrations ranging from non-detectable up to 370 parts per million volume at 15 feet bgs adjacent to the crude oil storage tanks.

The recommendations of the Phase II included a Soil Management Plan (SMP) to outline procedures to conduct additional soil testing as it relates to lead, arsenic, cobalt, and petroleum hydrocarbons; as well as encountering impacted soils and monitor/protect worker safety during any future construction or grading. Furthermore, it was recommended to maintain the asphalt pavement to reduce exposure to lead. Based on the methane concentrations reported the property may require a Level II Site Design per Division 71 of the Los Angeles Building Code. Further testing for methane was suggested for areas of elevated methane, the existing building, and any future building location(s).

The proposed Project consists of issuance of a lease to use an existing structure or facility involving negligible or no expansion of use.

PG. 7 NO. <u>23-124</u>

According to the parcel profile report retrieved on June 5, 2023, this area partially resides in a liquefaction zone. The construction of this Project will not create conditions that could lead to liquefaction. This site is not within a coastal, historic zone, but is located in a methane zone. The proposed action does not include the construction of enclosed spaces that could increase the risk of methane exposure. Furthermore, in case the Department of Recreation and Parks (RAP) would want to improve the buildings extant on the property, appropriate methane surveys will be performed and appropriate methane dispersion equipment will be installed. Therefore, there is no reasonable possibility that the proposed Project may impact on an environmental resource of hazardous or critical concern or have a significant effect due to unusual circumstances. No other known projects would involve cumulatively significant impacts. Any future project, resulting from this action will be evaluated according to CEQA, when a scope is defined and a funding source determined. As of June 14, 2023, the State Department of Toxic Substances Control (DTSC) (Envirostor at www.envirostor.dtsc.ca.gov) and the State Water Resources Control Board (SWCB) (Geotracker at https://geotracker.waterboards.ca.gov/) have not listed the Project site or any contaminated sites near the Project area (within 1,000 feet). According to the Caltrans Scenic Highway Map there is no scenic highway located within the vicinity of the proposed Project or within its site. Furthermore, the proposed Project is not located in proximity of a known historical resources and will not cause a substantial adverse change in the significance of any historical resource.

Based in this information, staff recommends that the Board of Recreation and Parks Commissioners (Board) determines that this action is categorically exempt from the provisions of 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 CEQA Guidelines. Staff will file a Notice of Exemption with the Los Angeles County Clerk upon Board's approval.

#### FISCAL IMPACT

Funding for the on-going maintenance of the site will be requested through the City's annual budget process.

#### 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 regardless of race ethnicity or socio-economic status.

**Result:** The approval of this Lease Agreement will allow RAP to operate the Wilmington Athletic Complex site and to provide additional opportunities for recreational programming and activit4es for City residents.

PG. 8 NO. <u>23-124</u>

This Report was prepared by Darryl Ford, Superintendent, Planning, Maintenance and Construction Branch, Department of Recreation and Parks.

#### **LIST OF ATTACHMENS**

Exhibit A - Proposed Lease Agreement with County Sanitation District No. 8 of Los Angeles County

CSD C#5449

#### LEASE AGREEMENT

(Wilmington Athletic Complex property adjacent to JWPCP)

#### Recitals

- A. <u>Districts' Administration</u>. The District and County Sanitation District No. 2 of Los Angeles County ("**District No. 2**"), among others, are parties to an *Amended Joint Outfall Agreement*, effective July 1, 1995, under which District No. 2 has been delegated authority to manage and operate the Joint Outfall System facilities, including the JWPCP (as defined below) and the Premises (as defined below). District No. 2 approves this Lease and will administer it on behalf of the District.
- B. <u>JWPCP</u>. The District owns, operates and maintains a wastewater treatment facility known as the Joint Water Pollution Control Plant ("**JWPCP**"), located at 24501 S. Figueroa Street, City of Carson, California 90745.
- C. <u>Premises</u>. The District owns approximately 18 acres of real property located at 1700 S. Figueroa Street in the Wilmington neighborhood of the City of Los Angeles, California 90744, commonly known as the Wilmington Athletic Complex and identified as Los Angeles County Assessor's Parcel Numbers 7414-002-903 and -904 (the "**Property**"), as shown on <u>Exhibit A</u>. The Property contains sports fields, two paved parking lots, restrooms, an indoor fitness area, and storage areas with a snack bar (collectively, "**Recreational Facilities**"). The Property acts as a buffer for the JWPCP and may be used by the District in the future for expansion of the JWPCP subject to the terms of this Lease. The Property also includes oil production, storage, conveyance and related facilities (collectively, "**Oil Facilities**") within fenced and secured areas that are leased by the District to others (each, an "**Oil Lease Site**") at the locations depicted on <u>Exhibit A</u>. The Property, excluding the Oil Lease Sites, is referred to herein as the "**Premises**". For the avoidance of doubt, the Oil Lease Sites and the Oil Facilities are not included as a part of the Premises for purposes of this Lease.
- Property History. Between 1954 and 1960, the District purchased various lots that collectively now comprise the Property, which was at the time undeveloped land with oil production facilities. Starting in 1975, the District entered into a series of permits and agreements with the Wilmington Junior Chamber of Commerce (subsequently known as the Wilmington Jaycees Foundation, Inc.) ("Javcees") for construction of athletic fields and related improvements at the Property to promote organized sporting activities for the residents of the local community. In the late 1970s, the Jaycees constructed athletic fields, dugouts, bleachers, and a parking area at the Property and, in 1983, constructed a single-story building containing restrooms, an indoor fitness area, storage areas, and a snack bar (the "Building") at the Property. The most recent lease agreement with the Jaycees (District's Contract No. 4802) terminated on August 31, 2021. Following a competitive proposal process conducted by the District in Spring 2021, the District and Friends of Wilmington Sports Complex, LLC ("Licensee") entered into a License Agreement dated September 3, 2021 (District's DOC 6241120), for the interim operation and maintenance of the Property (the "License Agreement") while the District negotiated a long-term lease agreement with Tenant. Licensee entered into that certain Property Management Agreement, dated September 3, 2021, with Boys & Girls Clubs of the Los Angeles Harbor (the "B&G Club") pursuant to which the B&G Club conducts the day-to-day operations at the Property during the term of the License Agreement. Pursuant to the License Agreement, Licensee has constructed a track-and-field throws area

4895-9567-4692.1 1 DOC 6050787

(the "Throws Area") at the southeast corner of the Property, as depicted on Exhibit A attached to this Lease. Licensee also has completed the repairs and improvements identified in Exhibit D attached to the License Agreement pursuant to the terms and conditions of the License Agreement. The License Agreement expires upon the earlier to occur of (a) June 30, 2023, (b) the commencement date of this Lease, (c) the expiration of 10 days after written notice from the District, or (d) the expiration of 10 days after written notice from Licensee is unable to conduct the Permitted Use (as defined in the License Agreement) due to (i) no fault of its own or (ii) unforeseen legal or permitting costs.

- E. <u>District Objectives for Premises</u>. The District is committed to ensuring that the Premises is a safe, organized, and well-maintained facility where residents of the local community can participate in recreational activities. The District's objectives for the Premises include ensuring that: (a) the use of the Premises is compatible, and does not interfere, with operations at the JWPCP, and (b) the Premises is accessible to the residents and sports teams of the Wilmington and surrounding communities at customary rates established by Tenant.
- F. <u>Lease and Use of Premises</u>. In June 2021, Tenant expressed its interest to lease the Premises in order to: (a) implement improvements to the existing facilities on the Premises to support potential recreational opportunities in support of Tenant programming, (b) promote and organize sporting activities on the Premises for the benefit of the local community and others, and (c) regularly operate, maintain, and repair the facilities on the Premises. The consideration for this Lease is, in part, Tenant's commitment and obligation to improve, repair, operate and maintain the Premises for the benefit of the local community. On July 14, 2021, the Boards of Directors of the District and District No. 2 endorsed entering into negotiations with Tenant on a long-term lease agreement for the Premises. On June 8, 2022, the Boards of Directors of the District and District No. 2 approved a deal term sheet pertaining to this Lease with Tenant and authorized the Chief Engineer and General Manager (the "Chief Engineer") to execute this Lease on behalf of the District and District No. 2.
- G. <u>District Use</u>. The District does not have an immediate need for use of the Premises in support of operations at the JWPCP and intends to have it remain as an operationally compatible buffer and a recreational community benefit pending its use for District purposes, subject to the terms of this Lease. The planned use of the Premises by Tenant, subject to the terms and conditions of this Lease, is compatible with the District's current operations at the JWPCP. The District does not have any business, financial or other need for any Alterations (as defined below) to be constructed or for any Trade Fixtures (as defined below) to be installed at the Premises. The construction of any Alterations and the installation of any Trade Fixtures is solely for the benefit of Tenant, the surrounding local community, and the users of the Premises and the facilities thereon, and is subject to the sole discretion of Tenant.
- H. <u>Surplus Land Act Compliance</u>. In accordance with the terms, provisions and requirements of the California Surplus Land Act (California Government Code Sections 54220-54233) (the "Act"), the Board of Directors of District No. 2 adopted a resolution on April 13, 2022, declaring the Premises "exempt surplus land" for purposes of the Act because the Premises serves a valid agency use as a buffer property for the JWPCP, and lease of the Premises to Tenant furthers that agency use.

The Parties therefore agree as follows:

#### 1. Leased Premises.

1.1 <u>Leased Premises</u>. Subject to the terms and conditions of this Lease, the District hereby leases to Tenant, and Tenant leases from the District, the Premises, which is commonly known as the Wilmington Athletic Complex. Tenant shall not publicly refer to the Premises using a name other than "Wilmington Athletic Complex" without the prior written approval of the District, which approval may be withheld in the District's sole and absolute discretion.

- Leasehold Limitations. This Lease, and the rights and privileges granted to Tenant in and to the Premises, are subject to all applicable Laws (as defined below), as well as all covenants, conditions, restrictions, the Oil Leases (as defined below), easements, and exceptions of record, including, without limitation, those exceptions that are set forth in the "Preliminary Report" dated February 27, 2022 prepared by Provident Title Company (Order No. 12365566) for the Premises (District's folder DOC 3410005), a copy of which has been provided to Tenant, that are applicable to the Premises (collectively, the "Existing Conditions"). Subject to the Existing Conditions and the provisions of this Lease, Tenant shall have access to and use of the Premises 24 hours per day, 7 days per week. Nothing contained in this Lease or in any document related to this Lease will be construed to imply the conveyance to Tenant of rights in the Premises that exceed those held by the District, or any representation or warranty, either expressed or implied, relating to the nature or condition of the Premises or the District's interest in the Premises.
- 1.3 "As Is, Where Is" Condition. Tenant acknowledges and agrees that, except as set forth in this Lease, it is occupying the Premises and has the right to use certain aspects of the Premises (as specifically set forth in this Lease) on an "as is", "where is", and "with all faults" basis subject to all Laws and Existing Conditions. As used herein, "Laws" shall mean any law (including, without limitation, zoning laws or Environmental Laws (as defined below)), rule, regulation, order of law, statute, bylaw or ordinance of a governmental agency having jurisdiction governing or regulating the Premises, as they may be amended from time to time. Tenant further acknowledges and agrees that, except only as expressly set forth in this Lease, none of the District Indemnified Parties (as defined below) has made any representations or warranties with respect to any aspect of the Property, including, without limitation, its physical, environmental, title, leasing, financial, or regulatory condition.

#### 2. Use.

- Permitted Use. Subject to the terms and conditions of this Lease, Tenant is 2.1 permitted to: (a) use the Premises for recreational programming, including organized sports, and to promote, organize, schedule, and permit third parties (each, a "Permittee") to use the Premises for organized sports and related active and passive recreational activities (collectively, "Recreational Activities"), (b) host fundraising or community events organized by Tenant or Permittees at the Premises (collectively, "Fundraising Events"), (c) operate and sell concessions at the Premises provided that the sale and operation of the concessions are directly related to, and are solely for, the Recreational Activities or Fundraising Events, and (d) perform administrative and maintenance functions in temporary or permanent structures, yards, or facilities to be constructed on the Premises in support of the Recreational Activities or Fundraising Events, and no other purposes (collectively, the "Permitted Use"). When the Premises is otherwise open for activities, Tenant shall allow the public to access the Premises for recreational activities such as walking or jogging. In allowing Permittees to use the Premises for organized sports and related active and passive recreational activities, Tenant shall give priority to existing or planned Tenant-operated or supported recreational programs, with consideration given to use of certain Recreational Facilities by local community groups and teams over teams and groups from outside of the local community at Tenant's discretion.
- any portion of the Premises unless and until the Permittee and Tenant have executed a Facility Use Permit and a Covid-19 Permittee Agreement (to the extent applicable) under Tenant's existing permitting procedure and Schedule of Rates and Fees (and substantially in the form attached hereto as Exhibit B) (collectively, the "Facility Use Permit"). In accordance with this Section 2.1, Tenant shall maintain record of the executed Facility Use Permits, which shall be made available to District upon request, including any other documentation or information as may be reasonably requested by the District related to the Permittees and their use of the Premises. Tenant shall require that all Recreational Activities and Fundraising Events are supervised by an officer, director, or other authorized or designated personnel of Tenant or the

applicable Permittee. Any and all Facility Use Permits are subject and subordinate to this Lease and shall immediately, automatically, and unconditionally terminate upon termination or expiration of this Lease.

- 2.1.2 <u>Fundraising Events</u>. Tenant shall notify the District fifteen (15) days prior to Tenant's use of the Premises for any Fundraising Events.
- 2.1.3 Restroom Facilities. Tenant shall regularly maintain the existing restroom facilities on the Premises, or any new restroom facilities that Tenant may construct, and ensure that permanent, fixed restrooms are always operational and available during Recreational Activities or Fundraising Events. Tenant may also provide temporary, portable restroom facilities at the Premises for convenience or temporary use during large events. Such temporary, portable restroom facilities must be removed by Tenant immediately after the subject event has ended. In temporarily installing and maintaining such facilities, Tenant shall comply with all applicable Laws and shall ensure that the facilities are properly maintained in a clean, neat, and sanitary condition at all times. Tenant shall dispose of sanitary waste in compliance with all Laws (including, without limitation, the regulations of the City of Los Angeles) and Existing Conditions.
- 2.2 <u>Prohibited Use.</u> Tenant shall not use the Premises for any purpose, or engage in or permit any activity within or from the Premises, other than as expressly provided in Section 2.1. Tenant shall not conduct or permit to be conducted any public or private nuisance in, on, or from the Premises, commit or permit to be committed any waste within the Premises, or allow any aspect of the Premises to be used for residential purposes. Except for the storage and use at the Premises of Authorized Hazardous Products (as defined below), Tenant shall not engage in any activities that involve the discharge or storage of Hazardous Materials (as defined below). Except only as provided in Section 21, Tenant shall not erect, place upon, operate, or maintain any improvement within the Premises or on the Premises without the prior written consent of the District, which consent may be withheld in the District's sole and absolute discretion. Tenant shall not conduct any business on the Premises in violation of the terms of this Lease, or any applicable Laws or Existing Conditions.
- 2.3 Prohibited Items. Tenant shall not transport or permit to be transported to or from the Premises any Controlled Substance (as defined in 21 U.S.C. §802), cannabis (in any form) or any Hazardous Materials as defined below. In addition, Tenant shall not (i) possess or permit any person or entity to possess, and shall expressly prohibit (via signage substantially consistent with signage at similar recreational facilities operated by Tenant), at the Premises any cannabis, marijuana or cannabinoid product or compound (collectively "Cannabis"), or any substance regulated under any state or federal Law ("Regulated Substances"), or (ii) use the Premises (or any portion thereof), or permit the Premises (or any portion thereof) to be used, for the growing, cultivation, manufacturing, administration, distribution (including without limitation, any retail sales), possession, use, or consumption of any Cannabis or any Regulated Substance. Tenant shall not permit and shall expressly prohibit (via signage substantially consistent with signage at similar recreational facilities operated by Tenant) at the Premises (a) the smoking of any substance, including, without limitation, tobacco, by any person, and (b) the possession, sale, distribution, or consumption of alcohol by any person or entity.
- 2.4 <u>Permits and Licenses</u>. Tenant shall obtain, comply with, and keep in force at all times, at Tenant's sole cost and expense, any and all required governmental licenses, approvals and permits needed for the proper and lawful conduct of Tenant's use of the Premises and Tenant's business and activities at the Premises (collectively, "**Permits**"). Tenant shall provide copies of all Permits to the District at the District's request.
- 2.5 <u>Maintenance and Compliance with Laws</u>. Tenant shall comply with all applicable Laws and Existing Conditions in using and occupying the Premises, in performing its obligations under this Lease, and in conducting any activities at the Premises. The District is not responsible for any changes in

federal, state, county, district, or local regulations that may require Tenant to modify, change, or upgrade its operations at the Premises.

- 2.6 <u>Non-Interference</u>. Tenant shall not interfere with the District's operation of the JWPCP. Subject to payment by Tenant of all rent and performance of all of the covenants, conditions and provisions on Tenant's part to be observed and performed under this Lease, District shall not interfere with Tenant's quiet enjoyment or Permitted Use of the Premises.
- 2.7 Site Entitlement and CEQA Compliance. Alterations (as defined below) to the Premises shall only be constructed after Tenant has secured all requisite and required permits, entitlements and land use authorizations including, without limitation, any required approvals and clearances from any regulatory agency, either state or federal, all general plan and zoning clearances, all building, use and occupancy permits and any other legal clearances, authorizations and approvals (collectively, the "Entitlements") required by Tenant to construct any Alterations including, without limitation, compliance with any requirements of the California Environmental Quality Act ("CEQA"). Tenant shall be the applicant for all Entitlement applications and shall, when appropriate, act as the lead agency with respect to any and all CEQA matters and the CEQA process. The District makes no guaranty on the outcome of, and shall bear no cost nor act in any official or approval capacity for, any CEQA process. The District shall reasonably cooperate with Tenant in connection with Tenant's applications for Entitlements provided that such cooperation is at no cost or liability to the District. Tenant shall indemnify, defend, and hold harmless the District, its directors, officers, agents, representatives, and employees, from all claims, demands, actions, costs, liabilities, losses, damages, including reasonable attorneys' fees, penalties, fines, and administrative civil liabilities arising out of or relating to any Entitlements or CEQA challenges that may be filed against the District or where the District is named for any such Tenant projects, or any related legal proceedings involving any Entitlements or CEOA clearances related to construction on the Premises by Tenant.

#### 2.8 Intentionally Omitted.

#### 2.9 <u>Intentionally Omitted.</u>

2.10 <u>Progress Updates.</u> On July 1<sup>st</sup> of each year throughout the Term of this Lease, Tenant shall deliver to the District a written report, in such detail as the District may reasonably require, which includes: (a) a list of the names of all Permittees to date and their current status as "active" or "inactive", (b) a description of the activities that each active Permittee is performing at the Premises, on which fields, and on what days and times of the week, and (c) a detailed description of the status and schedule of completion of improvements by Tenant at the Premises, if any, and any actions taken by Tenant related to activities on and development of the Premises. Tenant shall provide an updated copy of a field use calendar or schedule to the District at any time upon the District's request to Tenant. Tenant's provision of such field use calendar or schedule shall not be unreasonably withheld or delayed.

#### 3. Term.

3.1 <u>Initial Term.</u> The term of this Lease commences on the Commencement Date (as defined below) and shall expire forty (40) years thereafter, unless terminated earlier pursuant to the provisions of this Lease (the "**Term**"). The term "**Commencement Date**" shall mean the date that is fourteen (14) days after the Office of the City Clerk of Los Angeles attests to this Lease. The terms and conditions of this Lease shall be in full force and effect as of the Commencement Date.

#### 3.2 Intentionally Omitted.

3.3 <u>District's Right to Terminate</u>. If, at any time after 10 years from the Commencement Date, the District determines, in its sole and absolute discretion, that it needs to use the

Premises (or any part thereof) for new or ancillary facilities in support of JWPCP operations, the District may terminate this Lease, in its sole and absolute discretion, by providing 5 years' prior written notice to Tenant. At the end of the 5-year period (which shall be no earlier than 15 years after the Commencement Date), this Lease shall immediately, automatically, and unconditionally terminate without further notice to Tenant and all obligations shall terminate except for any obligations that accrued prior to such termination and that expressly survive the termination of this Lease. Upon termination of this Lease, Tenant shall vacate and surrender the affected portions of the Premises in accordance with Section 18 below.

- 3.3.1 If termination of this Lease by the District pursuant to Section 3.3 above results in Tenant being obligated to pay back any grant funding it has received from State or Federal sources (the "Lenders") that was used to construct permitted improvements at the Premises (the "Grant Repayment"), then upon receipt of written detailed evidence reasonably acceptable to the District that Grant Repayment is required by the Lenders and the amount of such Grant Repayment, then the District agrees to fully reimburse Tenant for such Grant Repayment. Notwithstanding the immediately preceding sentence, the District shall have no obligation to pay more than \$5,000,000 in total reimbursement to Tenant for any Grant Repayment. Further, the repayment for Grant Repayment described in this Section 3.3.1 shall apply only upon termination of this Lease by the District as described in Section 3.3 above; it being understood that if this Lease is terminated for any other reason (including, without limitation, as a result of Tenant's right to terminate as provided in Section 3.4 below), the District shall not be obligated to reimburse Tenant for any Grant Repayment pursuant to this Section 3.3.1. This Section 3.3.1 and the obligations of the District herein shall survive the expiration or termination of this Lease.
- 3.4 <u>Tenant's Right to Terminate</u>. Tenant shall have the right to terminate this Lease in its sole and absolute discretion at any time and for any reason by providing 2 years' prior written notice to the District (the "**Tenant Termination Notice**"). Upon the expiration of 2 years from and after delivery of the Tenant Termination Notice, this Lease shall immediately, automatically, and unconditionally terminate without further notice to the District and all obligations shall terminate except for any obligations that accrued prior to such termination and that expressly survive the termination of this Lease. Tenant's right of termination shall apply to the entirety of the Premises only.
- 4. Rent. Within 30 days after the Commencement Date, Tenant shall pay to the District base rent in a single lump-sum payment of \$40.00 for the Premises for the entire Term (the "Base Rent"). Any and all payments to be made by Tenant under this Lease, including the Base Rent, to the District shall be made to "County Sanitation District No. 8 of Los Angeles County" and shall be sent to the address provided in Section 27 (or such other address as the District may designate in writing from time to time). All monetary obligations of Tenant under this Lease (including, without limitation, the payment of Base Rent) are deemed to be "rent" or "Rent".

#### 5. **Intentionally Omitted.**

#### 6. **Intentionally Omitted**.

7. <u>Taxes and Assessments</u>. Tenant acknowledges that a leasehold interest in the Premises may be a possessory interest that is subject to the imposition of taxes by the Los Angeles County Assessor's Office. In the event that, for any reason, Tenant is not exempt from the payment of any applicable possessory interest taxes and assessments ("Possessory Interest Taxes") that become due on the Premises during the term of this Lease or any applicable taxes and assessments that become due for fixtures, equipment, or Alterations installed or constructed by Tenant on the Premises ("Other Property Taxes") during the term of this Lease, Tenant shall pay such Possessory Interest Taxes and Other Property Taxes in a timely manner.

#### 8. Utilities; Oil Lease Sites.

- 8.1 <u>Utilities</u>. The Premises has potable water, sewer, natural gas, and electric power services. The District will pay for potable water use and sewer use at the Premises for the first 5 years of the Term of this Lease. Tenant shall be responsible for paying for all remaining utilities, and for paying for potable water use and sewer use starting after the first 5 years of the Term of this Lease. If Tenant desires to establish any other utilities, such as trash disposal and data/communications services, Tenant shall be responsible, at its sole cost and expense, for installation, account setup, and all related costs. Section 12 of this Lease provides for the maintenance responsibilities of each Party for the utility lines. It is the current intent of the Parties to provide recycled water to the Premises at a later date in order to minimize the use of potable water. The Parties agree to work cooperatively with one another to provide recycled water to the Premises in the future, to the extent feasible and subject to the discretion of each Party.
- Oil Lease Sites. Each Oil Lease Site is leased, operated and maintained by either Torrance Pipeline Company ("Torrance Pipeline") or O'Donnell Oil Company ("O'Donnell"), as indicated on Exhibit A, (collectively, the "Oil Lessees") under existing lease agreements with the District (collectively, the "Oil Leases"). Each Oil Lease Site is within an area enclosed by a chain-link fence. Tenant shall at no time block the ingress or egress to any Oil Lease Site. Tenant is informed by the District that the Oil Lessees access their respective Oil Lease Site(s), using the routes marked on Exhibit A, on a routine basis for maintenance and repairs to their respective Oil Facilities, as further described in the questionnaire completed and signed by each Oil Lessee that has been provided to Tenant. Tenant shall coordinate in advance with Torrance Pipeline or O'Donnell prior to any construction, maintenance, or other activity that may interfere with access to an Oil Lease Site. The Oil Lease with Torrance Pipeline (successor in interest to Mobil Oil Corporation) was executed after the District's purchase of the Premises and is not recorded against title to the Premises. The Oil Leases with O'Donnell predate the District's purchase of the Premises and are recorded against title to the Premises and are, therefore, listed in the Preliminary Report. The District represents and warrants to Tenant that (a) the Oil Lease with Torrance Pipeline, dated April 14, 1976, as amended on August 9, 2000, (b) the Oil and Gas Lease, dated July 18, 1938, recorded on July 29, 1938 in Book 15892, Page 344 of Official Records, as amended pursuant to the Surrender and Quitclaim, recorded on March 8, 1939 in Book 16470, Page 84 of Official Records, and (c) the Oil and Gas Lease, dated April 28, 1939, recorded on June 21, 1939 in Book 16646, Page 250 of Official Records, as amended pursuant to an agreement recorded on November 30, 1942 in Book 19676, Page 280 of Official Records are true, correct, and complete copies of the Oil Leases and have not been amended except as set forth in such copies. Copies of the Oil Leases referred to in the immediately preceding sentence were delivered by the District to Tenant on February 3, 2022. The District may negotiate with O'Donnell to purchase and remove the Oil Facilities owned by O'Donnell at the Property. In such event, Tenant agrees to reasonably cooperate, at no cost or expense to Tenant, with the District in connection with such removal (e.g., provide access to the Premises).
- 8.2.1 The District acknowledges and agrees that Tenant shall have no responsibility whatsoever regarding the Oil Leases (to which Tenant is not a party), the Oil Facilities and the Oil Lease Sites, including, without limitation, any responsibility for any damage or loss of property at the Oil Lease Sites, whether due to trespassing or otherwise. The District agrees that it shall remain responsible for oversight of the Oil Leases, including but not limited to the enforcement thereof. The District further agrees to indemnify, defend, and hold harmless Tenant and the Tenant Indemnified Parties (as defined below) from and against any and all Claims (as defined below) which arise from the negligence or any act or omission of the Oil Lessees. The District shall instruct the Oil Lessees to (a) adequately protect and secure the Oil Lease Sites in a reasonable manner sufficient to prevent unauthorized access and damage to the Oil Lease Sites from errant balls and other recreational equipment from the Premises, (b) name Tenant as an additional insured on all insurance policies required to be procured and maintained by the Oil Lessees with respect to the Oil Lease Sites and the Oil Facilities and provide written evidence of same immediately upon request by Tenant, (c) notify Tenant as to the results of any air monitoring or other environmental testing conducted by or on behalf of the Oil Lessees within or near the Oil Lease Sites, and

(d) provide Tenant with such other information regarding the activities and operations of the Oil Lessees related to the Oil Lease Sites as may be reasonably requested by Tenant. The District shall use reasonable efforts to facilitate communication between Tenant and the Oil Lessees as may be reasonably requested by Tenant. The District shall promptly notify Tenant of any information received by the District concerning the Oil Lease Sites that may materially and adversely affect the Premises or Tenant's operations at the Premises.

#### 9. Access; Offsite Parking; Perimeter Fence and Landscaping.

- 9.1 Access. Tenant understands and agrees that access to the Premises must be from the two existing gated driveways off Figueroa Street and Q Street (the "Access Gates"). Construction of any new driveway access point(s) shall first be approved by the City of Los Angeles and the District. Tenant shall install a padlock on the Access Gates, or any gates so constructed by Tenant, and shall be responsible for closing and locking the Access Gates after all Recreational Activities and Fundraising Events on the Premises. Tenant shall furnish two keys with identifying tags of the gate locks to the District, Torrance Pipeline, and O'Donnell. Alternatively, Tenant may daisy-chain its own padlock on each Access Gate together with those of Torrance Pipeline, O'Donnell, and B&G Club. Tenant shall install signage on the Premises (in form and content consistent with signage installed by Tenant at similar parks operated or owned by Tenant and in compliance with applicable Laws) disclaiming liability for any activities on the Premises.
- 9.2 Offsite Parking. Tenant acknowledges that the Existing Conditions include that certain (a) Covenant and Agreement Regarding Maintenance of Off-Site Parking Space, dated July 23, 2008, and recorded in the Official Records of the County Recorder of Los Angeles on March 17, 2009, as Instrument No. 20090382808 (the "2008 Offsite Parking Covenant") and (b) Covenant and Agreement Regarding Maintenance of Off-Site Parking Space, dated May 29, 2015, and recorded in the Official Records of the County Recorder of Los Angeles on August 4, 2015, as Instrument No. 20150946845 (the "2015 Offsite Parking Covenant"), each of which the District has entered into as covenantor and covenantee (collectively, the "Offsite Parking Covenants"). The Offsite Parking Covenants collectively require the provision of a total of 58 parking spaces (the "Offsite Parking Spaces") on the Premises for the benefit of and use by the District's building located directly to the south of the Premises at 1444 W. Q. Street, Wilmington (City of Los Angeles), California 90744 (the "Q Street Property"). The Offsite Parking Covenants are for the benefit of the District, as owner of the Q Street Property, and the District's successor owners of the O Street Property. The District, in its capacity as owner of the O Street Property and covenantee of the Offsite Parking Covenants, hereby agrees to the terms and conditions set forth in this Section 9.2 regarding the Offsite Parking Spaces.
- Location and Use of Offsite Parking Spaces. Subject to the terms and conditions set forth in this Section 9.2, during the term of the Offsite Parking Covenants, each lessee, licensee, occupant or invitee of the Q Street Property (which is the B&G Club as of the Commencement Date) that executes and delivers to the District and Tenant a Parking License (as defined below) pursuant to Section 9.2.4 below (each, an "Offsite Parking User") shall have the non-exclusive right to enter upon the Premises, using the existing driveway off Q Street and the access routes depicted on the parking site plan attached hereto as Exhibit C (the "Parking Site Plan"), and park personal passenger vehicles of the Offsite Parking User in the Offsite Parking Spaces, as depicted in the Parking Site Plan, Monday through Friday from 2:00 p.m. to 8:00 p.m. and, solely for special events at the Q Street Property ("QSP Special Events"), Saturday and Sunday from 8:00 a.m. to 10:00 p.m. The 31 parking spaces under the 2008 Offsite Parking Covenant are assigned to the Premises' south parking lot (the "South Parking Lot"), at the location depicted on the Parking Site Plan, and the 27 spaces under the 2015 Offsite Parking Covenant are assigned to the Premises' unimproved parking lot at the southwest corner of the Premises (the "Unimproved Parking Lot"), at the location depicted on the Parking Site Plan. The District shall require that the applicable Offsite Parking User (a) opens and closes the driveway gate on each day of use and maintains its own daisy-chained padlock on the driveway gate, (b) shall not use or permit the use of the Offsite Parking

Spaces in a manner that is unlawful or that creates damage, waste or a nuisance, (c) complies with all applicable Laws in connection with its use of the Offsite Parking Spaces, (d) shall not permit the parking of vehicles in the Offsite Parking Spaces other than personal passenger vehicles of the applicable Offsite Parking User, and shall in no event use the Offsite Parking Spaces for storage or any other purpose whatsoever, (e) provides no less than five (5) days' prior written notice to Tenant of a QSP Special Event that requires the weekend use of the Offsite Parking Spaces, and (f) no later than 8:00 p.m. each day Monday through Friday, or 10:00 p.m. Saturday and Sunday during QSP Special Events, removes from the Premises, the South Parking Lot and the Unimproved Parking Lot all vehicles of the Offsite Parking User and of its employees, agents, representatives, guests and invitees (collectively, the "Offsite Parking User Parties") and all Offsite Parking User Parties. No other access or use of the Offsite Parking Spaces or the Premises pursuant to the Offsite Parking Covenants shall be permitted except as set forth in this Section 9.2.

- 9.2.2 <u>Improvements; Maintenance</u>. The District shall be responsible, at its sole cost and expense, to make any improvements to the South Parking Lot and the Unimproved Parking Lot as may be required by applicable Law. In addition, the District shall, at its sole cost and expense, maintain and repair the South Parking Lot and the Unimproved Parking Lot in accordance with Section 12.1 below. The District shall be solely responsible for the management of all stormwater and runoff at or originating from the South Parking Lot and the Unimproved Parking Lot or the activities of the Offsite Parking User Parties thereon and for any related permitting and compliance with applicable Laws.
- 9.2.3 <u>Indemnification</u>. The District shall defend, indemnify and hold harmless Tenant and the Tenant Indemnified Parties from and against any and all Claims which arise from the negligence or any act or omission of an Offsite Parking User and the Offsite Parking User Parties, the use of the Offsite Parking Spaces, or the breach of any of the terms and conditions of this Section 9.2.
- Offsite Parking User; Parking License. The District shall not permit a lessee, licensee, occupant or invitee of the Q Street Property to access and use the South Parking Lot or the Unimproved Parking Lot unless and until such lessee, licensee, occupant or invitee executes and delivers to the District and Tenant a binding license (a "Parking License") that contains the following provisions: (a) terms and conditions regarding the access and use of the Offsite Parking Spaces that are consistent with the terms and conditions set forth in Section 9.2.1 above, (b) an acknowledgment and agreement that Tenant shall not be liable for injury or damage to the vehicles or other property of the Offsite Parking User or any of the Offsite Parking User Parties or any other person in or about the Offsite Parking Spaces whatsoever, from any cause, whether the said injury or damage results from conditions arising upon the Offsite Parking Spaces, the South Parking Lot, the Unimproved Parking Lot, or upon other portions of the Premises or from other sources or places, (c) an irrevocable release of Tenant and the Tenant Indemnified Parties from all claims that the Offsite Parking User may then have or thereafter acquire against Tenant or any of the Tenant Indemnified Parties for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to any matters affecting the Offsite Parking Spaces or the Premises, (d) an obligation on the part of the Offsite Parking User to (i) indemnify, defend, and hold harmless Tenant and the Tenant Indemnified Parties from and against any and all Claims which arise from the negligence or any act or omission of the Offsite Parking User and the Offsite Parking User Parties, the use of the Offsite Parking Spaces, or the breach of any of the terms and conditions of the Parking License, and (ii) name Tenant as an additional insured on all insurance policies required to be procured and maintained under the Parking License and provide written evidence of same upon commencement of the Parking License or immediately upon request by Tenant, and (e) Tenant is a third party beneficiary of the Parking License and shall have the right to enforce the provisions of the Parking License and to exercise any and all rights and remedies thereunder. Concurrently upon execution and delivery of the Parking License by all parties and immediately subsequent to any amendments thereto, the District shall deliver to Tenant true, correct, and complete copies of such Parking License and any amendments.

9.2.5 <u>B&G Club</u>. Upon receipt by Tenant of the fully executed Parking License between the District and the B&G Club, Tenant shall acknowledge that the B&G Club, which currently

operates its Wilmington facility at the Q Street Property, is the permitted Offsite Parking User and has the right to access and use the Offsite Parking Spaces, subject to the terms and conditions set forth in this Section 9.2 and the Parking License.

- 9.2.6 <u>Binding Effect</u>. The terms and conditions of this Section 9.2 apply to and bind the heirs, successors, executors, administrators, and assigns of the District in its capacity as owner of the Q Street Property.
- 9.3 Perimeter Fence and Landscaping. The Premises is enclosed by a perimeter wrought-iron fence ("Perimeter Fence"), and two Access Gates, with landscaping on most of the exterior side of the Perimeter Fence. Section 12 of this Lease sets forth the maintenance responsibilities for the Perimeter Fence, the Access Gates, exterior landscaping, and irrigation pipelines for the exterior landscaping. Tenant shall be responsible for operating the existing irrigation control system for the exterior landscaping. Tenant shall operate the irrigation system for the exterior landscaping at a frequency and duration (as reasonably determined by Tenant and consistent with similar facilities operated by Tenant) to ensure the continuous health and viability of the exterior landscaping, subject to any applicable drought or other conservation requirements or restrictions.

#### 10. **Intentionally Omitted**.

11. <u>Signage</u>. Tenant may install signage on the Perimeter Fence or within the Premises identifying the Premises, the hours of operation, the name and contact information of the operator, and the like. Tenant shall not construct, maintain, or allow any other signs (except required regulatory signs and signage related to safety measures or existing signage on the Premises installed by Licensee), banners, flags or similar signage upon the Premises without the District's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Unapproved signs, banners, flags, or similar signage may be removed by the District at its sole and absolute discretion without prior notice to Tenant. Sign rights granted to Tenant pursuant to this Lease will be personal to Tenant and may not be assigned with the exception of any signage terms outlined in the Throws Area Sublease (as defined below). Tenant shall ensure that any signage and the installation and maintenance thereof comply with all applicable Laws and Existing Conditions.

#### 12. **Maintenance**.

12.1 District's Obligations. The District shall, at its sole cost and expense, maintain in good order, condition, and repair the South Parking Lot and the Unimproved Parking Lot and all aspects thereof (including, without limitation, the lights, striping and pavement located thereon, as applicable), the Access Gates, the Perimeter Fence, the exterior landscaping outside of the Perimeter Fence, and the irrigation piping for the exterior landscaping. Additionally, for the first 5 years after the Commencement Date, the District shall, at its sole cost and expense, maintain in good order, condition, and repair the sewer lateral for the Building, the roof of the Building, and the non-utility owned portions of the potable water and natural gas pipelines on the Premises. The District shall repair, at its sole cost and expense, any damage to the Premises (or any part thereof) caused in whole or in part by the negligence, act or omission of the District or the District's agents, representatives, contractors, subcontractors, employees, guests, lessees (other than Tenant), licensees or invitees. It is the intention of the Parties that the terms of this Lease govern the respective obligations of the Parties as to maintenance and repair of the Premises, and they expressly waive the benefit of any statute or Law now or hereafter in effect to the extent it is inconsistent with the terms of this Lease. If the District does not perform any of its obligations under this Section 12.1 within a reasonable time, then, Tenant shall provide written notice to the District specifying, in detail, the items that the District did not maintain, repair or replace. If the District does not complete such maintenance, repair, or replacement within 30 days after receipt of such notice, then Tenant shall have the right to undertake such repair, maintenance, or replacement and may invoice the District for the actual costs incurred by Tenant, and the District shall promptly reimburse Tenant.

- Tenant's Obligations. With the exception of the items and matters set forth in 12.2 Section 12.1 above, which shall be maintained and repaired by District in accordance with Section 12.1, Tenant shall maintain in good order, condition, and repair, in a manner substantially consistent with similar recreational facilities operated by Tenant, all other aspects of the Premises, including, without limitation, the following: (a) all improvements located at the Premises (including, without limitation, the Building (except as set forth in Section 12.1 above) and any Alterations constructed by Tenant), (b) the Premises' north parking lot (the "North Parking Lot"), as depicted on Exhibit A, and all aspects thereof (including, without limitation, the lights, striping and pavement located thereon), (c) the irrigation piping, valves, and controls for the athletic fields, (d) the sewer lateral for the Building and the non-utility owned portions of the potable water and natural gas pipelines on the Premises starting 5 years after the Commencement Date, and (e) all trade fixtures, furnishings, and personal property owned by Tenant located in or on the Premises. In a manner substantially consistent with similar recreational facilities operated by Tenant, Tenant shall (i) irrigate, fertilize, and mow the grass of the athletic fields to ensure that the fields are not primarily barren of any grass or turf, (ii) irrigate and maintain all landscaping within the Premises, including regular trimming of the trees around the inside of the Perimeter Fence, (iii) repair, at its sole cost, any damage to the Premises (or any part thereof) caused in whole or in part by the negligence, act or omission of Tenant or Tenant's agents, representatives, contractors, subcontractors, employees, guests, Permittees, or invitees, (iv) keep the Premises clean, neat, sanitary, and attractive at Tenant's sole cost, and (v) keep the Premises free and clear of rubbish, litter, and graffiti at Tenant's sole cost. Further, except with respect to the South Parking Lot, the Unimproved Parking Lot and the Oil Lease Sites, Tenant shall be solely responsible for the management of all stormwater and runoff at or originating from the Premises or Tenant's activities and business conducted thereon and for any related permitting and compliance with applicable Laws. Tenant shall not conduct any activities on the Premises that have the potential to contribute, or that actually contribute, pollutants to the storm drain system.
- 13. Entry and Inspection. The District and its authorized agents may, after notice that is reasonable under the circumstances, at all reasonable times during normal business hours and at any time without notice in an urgent situation, enter upon the Premises for the purposes of: (a) inspecting the same, confirming that Tenant is complying with its obligations under this Lease, and protecting the interest therein of the District, (b) posting notices of non-responsibility, and (c) performing sampling and other activities with respect to stormwater and wastewater monitoring, all without abatement to Tenant for any loss of occupancy or quiet enjoyment of the Premises, or inconvenience resulting from such actions. The District may also enter on or pass through the Premises at such times as are required by circumstances of emergency. The District's actions under this section will not constitute an actual or constructive eviction or relieve Tenant of any obligation with respect to making any repair, replacement, or improvement or complying with any Laws, order, or requirement of any government or other authority. No provision of this section shall be construed as obligating the District to perform any repairs, testing, alterations, or other improvements, except as otherwise provided in this Lease.

#### 14. <u>Intentionally Omitted</u>.

15. <u>Insurance</u>. From the Commencement Date until the termination or expiration of this Lease, Tenant shall be self-insured for all liability exposures. As of the Commencement Date and throughout the Term of this Lease, Tenant represents and warrants for the benefit and reliance of the District as follows: (a) Tenant self-administers, defends, settles and pays third-party claims for bodily injury, personal injury, death and/or property damage, warranted to meet or exceed \$5 million, combined single limit, per occurrence and (b) Tenant's self-insurance for Workers' Compensation satisfies and complies with California law. Tenant shall provide 30 days' prior written notice of any modification or cancellation of the foregoing self-insurance (or any portion thereof) in which case at the District's sole option, the District may procure insurance and charge the expense to Tenant as additional Rent or the District may terminate this Lease by providing written notice thereof to Tenant. Within 5 days after request by the District, Tenant shall provide the District with written evidence of Tenant's self-insurance.

#### 16. **Indemnification**.

- Tenant shall defend, indemnify and hold harmless the District and all other County 16.1 Sanitation Districts of Los Angeles County, and their respective successors, assigns, partners, directors, officers, trustees, beneficiaries, members, employees, agents, lenders, attorneys and affiliates (collectively, the "District Indemnified Parties" or individually a "District Indemnified Party") from and against all claims, liabilities, losses, injuries, causes of action, suits, damages, fees, costs and expenses (including reasonable attorneys' fees) (collectively, "Claims") which arise from: (a) a default, breach, or an Event of Default on the part of Tenant under this Lease, (b) any negligence or any act or omission of Tenant or any Tenant Indemnified Party (as defined below), or (c) Tenant's use or occupancy of the Premises (or any part thereof), but only to the extent such Claims are not attributable to events or conditions that occurred or existed, in whole or in part, prior to the Commencement Date. In the event any action or proceeding is brought against a District Indemnified Party, by reason of any of the foregoing matters, Tenant shall, upon written notice from the District Indemnified Party, defend that District Indemnified Party, at Tenant's sole expense, by counsel reasonably satisfactory to such District Indemnified Party. The District Indemnified Party need not have first paid any such claim in order to be defended or indemnified. All indemnities in favor of District under this Lease survive the expiration or termination of this Lease.
- District shall defend, indemnify and hold harmless Tenant and its successors, assigns, boards, agencies, departments, officers, employees, contractors and agents (collectively, the "Tenant Indemnified Parties" or individually a "Tenant Indemnified Party") from and against all Claims which arise from: (a) the negligence or any act or omission of the District or any District Indemnified Party, (b) a default, breach, or an Event of Default on the part of the District under this Lease, (c) the negligence or any act or omission of the District's lessees, licensees and invitees, including, without limitation, the Oil Lessees, the B&G Club and any Offsite Parking User, (d) events, conditions, or actions, including, without limitation, actions taken by the District's prior lessees and licensees and their respective directors, officers, trustees, beneficiaries, members, employees, contractors, agents and invitees, that occurred or existed, in whole or in part, prior to the Commencement Date, and (e) any occurrence at the Oil Lease Sites and the Oil Facilities. In the event any action or proceeding is brought against a Tenant Indemnified Party, by reason of any of the foregoing matters, the District shall, upon written notice from the Tenant Indemnified Party, defend that Tenant Indemnified Party, at the District's sole expense, by counsel reasonably satisfactory to such Tenant Indemnified Party. The Tenant Indemnified Party need not have first paid any such claim in order to be defended or indemnified. All indemnities in favor of Tenant under this Lease survive the expiration or termination of this Lease.

#### 17. **Environmental**.

- 17.1 Definitions. The following defined terms are made a part of this Lease.
- 17.1.1 "Contamination" means all contamination of improvements, adjacent waters, soil, sediment, groundwater or air of the Premises or of adjacent property (including soil, sediment, groundwater or air of those adjacent properties) resulting from all Releases and Contamination that is considered a nuisance or unlawful under applicable laws, including Environmental Laws.
- 17.1.2 "Environmental Laws" means any federal, state or local statute, regulation or ordinance or any judicial or administrative decree or decision, whether now existing or hereafter enacted, promulgated or issued, with respect to any Hazardous Materials (defined below), drinking water, groundwater, wetlands, landfills, open dumps, petroleum products, storage tanks, underground storage tanks, solid waste, waste water, storm water runoff, waste emissions or wells. Without limiting the generality of the foregoing, the term encompasses each of the following statutes, and regulations, orders, decrees, permits, licenses and deed restrictions now or hereafter promulgated thereunder, and amendments and successors to such statutes and regulations as may be enacted and promulgated from time to time: (A) the Comprehensive Environmental Response, Compensation and

Liability Act (codified in scattered sections of 26 U.S.C., 33 U.S.C., 42 U.S.C. and 42 U.S.C. Section 9601 et seq.) ("CERCLA"); (B) the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.); (C) the Hazardous Materials Transportation Act (49 U.S.C. Section 5101 et seq.); (D) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (E) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (F) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (G) the Safe Drinking Water Act (21 U.S.C. Section 349, 42 U.S.C. Section 201 and Section 300 et seq.); (H) the National Environmental Policy Act (42 U.S.C. Section 4321 et seq.); (I) the Superfund Amendments and Reauthorization Act of 1986 (codified in scattered sections of 10 U.S.C., 29 U.S.C., 33 U.S.C. and 42 U.S.C.); (J) Title III of the Superfund Amendment and Reauthorization Act (40 U.S.C. Section 11001 et seq.); (K) the Uranium Mill Tailings Radiation Control Act (42 U.S.C. Section 7901 et seq.); (L) the Occupational Safety and Health Act (29 U.S.C. Section 655 et seq.); (M) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (N) the Noise Control Act (42 U.S.C. Section 4901 et seq.); and (O) the Emergency Planning and Community Right to Know Act (42 U.S.C. Section 11001 et seq.).

- 17.1.3 "Environmental Site Assessment" ("ESA") means the process of conducting "all appropriate inquiry" into the past or present uses of a property to determine whether the property is impacted by a "recognized environmental condition."
- 17.1.4 "Governmental Authority" means the United States, the State of California and any political subdivision thereof, and any and all agencies, departments, commissions, boards, bureaus, bodies, councils, offices, authorities, or instrumentality of any of them, of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.
- 17.1.5 "Hazardous Materials" means each and every element, compound, chemical mixture, contaminant, pollutant, material, waste or other substance which is defined, determined or identified as hazardous or toxic under any Environmental Laws. Without limiting the generality of the foregoing, the term shall mean and include:
- (a) Hazardous Substances or Hazardous Substance as defined in CERCLA, the Superfund Amendments and Reauthorization Act of 1986, or Title III of the Superfund Amendment and Reauthorization Act, each as amended, and regulations promulgated thereunder including, but not limited to, asbestos or any substance containing asbestos, polychlorinated biphenyls, any explosives, radioactive materials, chemicals known or suspected to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions, infectious wastes, any petroleum or petroleum-derived waste or product or related materials and any items defined as hazardous, special or toxic materials, substances or waste.
- (b) Hazardous Waste as defined in the Resource Conservation and Recovery Act of 1976, as amended, and regulations promulgated thereunder.
- (c) Materials as defined as Hazardous Materials in the Hazardous Materials Transportation Act, as amended, and regulations promulgated thereunder.
- (d) Chemical Substance or Mixture as defined in the Toxic Substances Control Act, as amended, and regulations promulgated thereunder.
- 17.1.6 "**Release**" or "**Released**" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, storing, escaping, leaching, dumping, discarding, burying, abandoning, disposing, or any other type of release of Hazardous Materials into the environment during the term of this Lease or any holdover that contaminates or threatens to contaminate the improvements, adjacent waters, soil, sediment, groundwater or air of the Premises or of adjacent property (including soil, sediment, groundwater or air of those adjacent properties).

- 17.1.7 "Remediation" or "Remediate" means the cleanup or removal of Hazardous Materials Released from the environment, such actions as may be necessary to take in the event of the threat of Release of Hazardous Materials into the environment, such actions as may be necessary or required by any applicable Governmental Authority to monitor, assess, and evaluate the Release or threat of Release of Hazardous Materials, the disposal of removed material, or the taking of such other actions as may be necessary to prevent, minimize, or mitigate damage to the public health or welfare or to the environment, which may otherwise result from a Release or threat of Release of Hazardous Materials.
- 17.2 <u>Compliance with Environmental Laws</u>. Tenant shall comply with all Environmental Laws and shall defend, indemnify and hold harmless the District and the District Indemnified Parties from and against all Claims, including, but not limited to, costs of compliance, costs of Remediation, clean-up costs and attorneys' fees, arising from or related to the use, storage, disposal, transport or handling, or the emission, discharge or Release into the environment of any Hazardous Material from, on or at the Premises as a result of any negligence, act or omission on the part of Tenant, or any of the employees, agents, representatives, contractors, guests, Permittees, or invitees of Tenant. District shall comply with all Environmental Laws and shall defend, indemnify and hold harmless Tenant and the Tenant Indemnified Parties from and against all Claims, including, but not limited to, costs of compliance, costs of Remediation, clean-up costs and attorneys' fees, arising from or related to the use, storage, disposal, transport or handling, or the emission, discharge or Release into the environment of any Hazardous Material from, on or at the Premises as a result of any negligence, act or omission on the part of the District, or any of the employees, agents, representatives, contractors, guests, lessees, licensees, or invitees of the District, including, without limitation, any of the Oil Lessees and the Offsite Parking User Parties.
- 17.2.1 Generally; Notice. In its use and occupancy of the Premises, Tenant shall comply (and shall immediately halt and remedy any incident of non-compliance) with: (a) Environmental Laws, and (b) all applicable environmental policies, rules and directives. Tenant shall require that Tenant's employees, agents, representatives, Permittees, and other individuals or entities entering upon the Premises at the request or invitation of Tenant do not bring into, maintain upon, or release or discharge in or about the Premises any Hazardous Materials. Tenant shall immediately upon receipt provide District with copies of any notices or orders or similar notifications received from any Governmental Authority regarding compliance with any Environmental Laws.
- 17.2.2 <u>Authorized Hazardous Products</u>. Tenant's employees, contractors, agents, representatives, Permittees, and other individuals or entities entering upon the Premises at the request or invitation of Tenant may bring into and use and maintain upon or about the Premises fertilizers, insecticides, and fungicides that are customarily and regularly used for maintenance of athletic fields and other substances customarily used in connection with the uses contemplated under this Lease ("Authorized Hazardous Products") only if:
- (a) The Authorized Hazardous Products are maintained only in quantities reasonably necessary for Tenant's operations at the Premises, <u>and</u>
- (b) The Authorized Hazardous Products and any equipment that generates the Authorized Hazardous Products are used and stored strictly in accordance with all applicable Laws (including Environmental Laws) and the customary standards of Tenant for similar recreational facilities, and
- (c) The Authorized Hazardous Products are not disposed of in or about the Premises in a manner that would constitute a Release or discharge of those substances in violation of applicable Laws (including Environmental Laws), and

(d) All the unused Authorized Hazardous Products and any equipment that generates or holds Authorized Hazardous Products are removed from the Premises by Tenant prior to the expiration or earlier termination of this Lease.

17.2.3 Notice of Compliance. District shall provide Tenant with 60 days' notice to comply with any claims, damages, fines and penalties received in regard to the Premises, and if Tenant has not complied with such claims, damages, fines and penalties, or if Tenant has not requested a meet and confer to discuss compliance within such 60 days, then District, at its sole option, may pay such claims, damages, fines and penalties resulting from Tenant's noncompliance with any of the Environmental Laws, and Tenant shall indemnify and reimburse District for any such payments. Tenant shall provide the District with 60 days' notice to comply with any claims, damages, fines and penalties received in regard to the District's obligations under this Lease, and if the District has not complied with such claims, damages, fines and penalties, or if the District has not requested a meet and confer to discuss compliance within such 60 days, then Tenant, at its sole option, may pay such claims, damages, fines and penalties resulting from the District's noncompliance with any of the Environmental Laws or other obligations of the District under this Lease, and the District shall indemnify and reimburse Tenant for any such payments.

#### 17.3 Responsibility for Contamination.

17.3.1 <u>Baseline Conditions, Baseline Reports.</u> Tenant acknowledges and agrees that it has received the District's April 2022 Phase I Environmental Site Assessment (District's DOC 6065888) prepared by Partner Engineering and Science, Inc., which constitutes the Phase I written depiction of the environmental condition of the Premises and which hereinafter shall be referred to as the "**District's Phase I**". District acknowledges that Tenant has also separately conducted a Phase II environmental assessment of the Premises. Tenant has provided to the District a copy of the Phase II Environmental Site Assessment, dated March 7, 2022, prepared by Orion Environmental Inc. (such Phase II Environmental Site Assessment, together with the District's Phase I, shall hereinafter be referred to as the "**Baseline Reports**").

17.3.2 <u>Responsibility</u>. District shall be responsible for Contamination covered in the Baseline Reports and any contaminates not analyzed in the Baseline Reports, which may be on, below, or emanating from the Premises whether or not such contamination occurred before or after Tenant took possession of the Premises. Tenant shall only be responsible for Contamination resulting from any and all Releases caused by Tenant, or its employees, agents, representatives, Permittees, licensees, or invitees.

17.3.3 Remediation. If investigation or Remediation is required by a Governmental Authority or by Environmental Laws due to any and all Releases caused by Tenant or its Permittee, Tenant shall immediately comply with any investigation request from a Governmental Authority, or Remediate or cause the Remediation of Releases such that the affected Premises (and/or areas adjacent to the Premises) are left in an environmental condition that fully complies with the guidelines of, orders of, or directives of the Governmental Authority or Authorities that have assumed jurisdiction, if any, whichever of the two is stricter, and in conformance with any and all applicable and then-existing remediation procedures, and free of encumbrances, such as deed or land use restrictions, except those that may be imposed as a result of the presence of Hazardous Materials despite Tenant's compliance with the foregoing requirement. If investigation or Remediation is required by a Governmental Authority or by Environmental Laws due to any and all Releases caused by the District or its lessees, licensees or invitees, or due to the environmental condition of the Premises before Tenant took possession of the Premises, including any contamination covered in the Baseline Reports, the District shall immediately comply with any investigation request from a Governmental Authority, or Remediate or cause the Remediation of Releases such that the affected Premises (and/or areas adjacent to the Premises) are left in an environmental condition that fully complies with the guidelines of, orders of, or directives of the Governmental Authority or Authorities that have assumed jurisdiction, if any, whichever of the two is stricter, and in conformance with any and all applicable and then-existing remediation procedures.

#### 17.4 Obligations in the Event of a Release.

17.4.1 Each Party shall furnish to the other Party, immediately after a Party's receipt, copies of all notices and other communications received by such Party with respect to any actual or alleged Release or discharge of any Hazardous Material in or about the Premises. Each Party shall, whether or not such Party receives any notice or communication, notify the other Party immediately in writing of any discharge or Release of Hazardous Material on the Premises that comes to such Party's attention. In the event that a Party is required to maintain any Hazardous Materials license or permit in connection with any use conducted by such Party or any equipment operated by such Party at the Premises, such Party shall provide copies of each license or permit, each renewal of any license or permit, and any communication relating to suspension, renewal, or revocation of any license or permit to the other Party. Copies of those documents must be furnished to the other Party within 10 days after receipt of or submission by such Party. Each Party's compliance with the two immediately preceding sentences will not relieve such Party of any obligation of such Party under this Lease. With respect to the Premises, each Party shall diligently and promptly commence, prosecute, and complete the clean-up and removal of all Hazardous Materials introduced into or on the Premises by such Party (the "Responsible Party"), or its employees, agents, representatives, guests, lessees, licensees, permittees, invitees, or contractors. The Responsible Party at its sole expense shall immediately perform clean-up, Remediation, and removal and shall Remediate the impacted areas to all applicable regulatory standards. The Responsible Party shall undertake all testing and investigation required by any Governmental Authorities, promptly prepare and implement any remedial action plan required by any Governmental Authorities, and obtain all regulatory approvals for verification and closure. The Responsible Party shall conduct all clean-up, Remediation and removal activities under this section in accordance with the requirements of all applicable Governmental Authorities. The Responsible Party shall inform the other Party (in writing on a weekly basis) of its progress, and the other Party may participate in all communications and meetings related to any clean-up and Remediation actions undertaken by the Responsible Party. The Responsible Party shall promptly provide to the other Party copies of all studies, consultant reports, and correspondence related to any testing or clean-up actions undertaken by or on behalf of the Responsible Party. The other Party may enter, inspect, and test the Premises for violations of the Responsible Party's obligations under this section. If the Responsible Party removes any soils from the Premises for any reason, then the Responsible Party shall promptly fill the Premises to an at-grade level with clean fill compacted at the level of prior compaction, all to the satisfaction of the other Party.

17.4.2 <u>Right to Remediate</u>. If the Responsible Party fails to wholly or partially fulfill any obligation set forth in Section 17.3.3, the other Party may (but shall not be required to) take all steps it deems necessary to fulfill such obligation. Any action taken by the other Party shall be at the Responsible Party's sole cost and expense and the Responsible Party shall indemnify and pay for and/or immediately reimburse the other Party on demand for any and all costs (including any administrative costs) such other Party incurs as a result of any such action it takes.

- 17.5 <u>Waste Disposal</u>. In discharging its obligations under this Section 17, if the Responsible Party disposes of any soil, material or groundwater contaminated with Hazardous Materials, immediately upon receipt, the Responsible Party shall provide the other Party copies of all records, 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. The Responsible Party covenants that the other Party shall not appear on any manifest document as a generator of such material.
- 17.6 <u>Laboratory Testing</u>. In discharging its obligations under this Section 17, the Responsible Party shall perform any tests using a State of California Department of Health Services certified testing laboratory or other similar laboratory of which the other Party shall approve, in advance, in writing. By signing this Lease, the Responsible Party hereby irrevocably directs any such laboratory to provide the other Party, upon written request from such other Party, copies of all of its reports, test results,

and data gathered. As used in this Section 17.6, "Responsible Party" includes directors, officers, members, managers, partners, agents, employees, contractors, subcontractors, lessees, licensees, permittees, guests, and invitees of the Responsible Party.

- 17.7 <u>Survival of Obligations</u>. Except as otherwise provided in this Section 17, this Section 17 and the obligations herein shall survive the expiration or earlier termination of this Lease.
- 18. Surrender, Restoration and Holding Over. Tenant shall deliver and surrender to the District possession of the Premises upon the expiration of this Lease, or its termination in accordance with the terms of this Lease, in good working order and repair, ordinary wear and tear excepted. Upon surrender of the Premises, all Alterations and any leasehold improvements constructed by Tenant shall remain on the Premises, except to the extent (a) the District requires removal at Tenant's expense of any such items and the District informed Tenant prior to the time that Tenant commenced construction of any such Alterations that such items had to be removed upon surrender of the Premises, or (b) the District and Tenant have otherwise agreed in writing in connection with the District's consent to any Alterations. Prior to the expiration or termination of this Lease, Tenant, at its sole expense, shall repair any and all damage caused by such removal and restore the Premises to its condition existing upon the Commencement Date, normal wear and tear excepted. Tenant shall indemnify, defend, protect and hold harmless all District Indemnified Parties from and against any and all damages, losses, liabilities, causes of action, claims, injuries, lawsuits, costs and expenses whatsoever (including attorneys' fees and costs), whether direct or indirect, known or unknown, or foreseen or unforeseen, which may arise from or be related to Tenant's or any Permittee's continued possession of the Premises following the expiration or termination of this Lease.

#### 19. **Assignment and Subletting**.

- 19.1 <u>General</u>. Except as otherwise expressly provided in this Lease, Tenant shall not, without the prior written consent of District (which consent may be withheld in the District's sole and absolute discretion) sublease the Premises or any part thereof or sell, transfer, convey, exchange, assign, license, pledge, hypothecate, dispose of, or encumber, voluntarily, involuntarily, by operation of law or otherwise this Lease (or any portion thereof) or its rights hereunder; provided, however, the Parties agree that in no event shall Tenant be obligated to obtain the District's consent to the use of the Premises by a Permittee provided that such Permittee has signed and delivered a Facility Use Permit. Prior to any assignment or sublease of the Premises, the District shall have the right to ensure that such assignment or sublease is consistent with the requirements of the Surplus Land Act. Any assignment or subletting without consent shall, at the District's option, be a non-curable Event of Default without the necessity of any notice and grace period.
- 19.2 Pre-Approved Sublease. Tenant shall have the right, without the District's consent but upon 30 days' prior written notice to the District, to sublease or license a portion of the Premises to Licensee for the use, operation, and maintenance of the Throws Area and ancillary athletic facilities, including the shot-put field, the hammer-discus field, the indoor strength training and storage room and the outdoor weightlifting and dining areas, as depicted on Exhibit D (the "Throws Area Sublease"), provided that the Throws Area Sublease contains the following provisions: (a) an acknowledgement and agreement by Licensee, as sublessee, that the Throws Area Sublease is subject and subordinate to this Lease, (b) a covenant that Licensee, as sublessee, shall not voluntarily or involuntarily assign, transfer, hypothecate or encumber the Throws Area Sublease, or any right or interest therein or sub-sublet the property that is the subject of the Throws Area Sublease without the consent of Tenant and the District, (c) an agreement on the part of Licensee, as sublessee, that Licensee has assumed and agreed to conform and comply with each and every term, covenant, condition and obligation under this Lease to be observed or performed by Tenant with respect to the Throws Area, (d) an obligation on the part of Licensee, as sublessee, to (i) indemnify, defend, and hold harmless the District and all District Indemnified Parties from and against any and all Claims arising from or related to any act, omission or negligence on the part of Licensee or its employees, agents, invitees, or representatives with respect to its occupancy or use of the Throws Area (or any portion thereof),

but only to the extent such Claims are not attributable to events or conditions that occurred or existed, in whole or in part, prior to the commencement of the License Agreement, and (ii) name the District as an additional insured on all insurance policies required to be procured and maintained under the Throws Area Sublease and provide written evidence of same upon commencement of the Throws Area Sublease or immediately upon request by the District, (e) the District is a third party beneficiary of the Throws Area Sublease and shall have the right to enforce the provisions of the Throws Area Sublease and to exercise any and all rights and remedies thereunder, and (f) the term of the Throws Area Sublease shall expire upon the earlier to occur of the express expiration date set forth in the Throws Area Sublease (subject to any earlier termination pursuant to the terms of the Throws Area Sublease) or the termination or expiration of this Lease. Concurrently upon execution and delivery of the Throws Area Sublease by all parties and immediately subsequent to any amendments thereto, Tenant shall deliver to the District true, correct, and complete copies of such Throws Area Sublease and any amendments.

Terms and Conditions Applicable to Assignment and Subletting. Regardless of 19.3 the District's consent, any assignment or subletting (including subletting pursuant to the Throws Area Sublease) shall not: (a) be effective without the express written assumption by such assignee of the obligations of Tenant under this Lease, (b) release Tenant of any obligations under this Lease, or (c) alter the primary liability of Tenant for the payment of Rent or for the performance of any other obligations to be performed by Tenant. Neither a delay in the approval or disapproval of such assignment shall constitute a waiver or estoppel of the District's right to exercise its remedies for Tenant's default or Event of Default. The District's consent to any assignment or subletting (including, without limitation, the Throws Area Sublease) shall not constitute a consent to any subsequent assignment or subletting. Tenant agrees to provide the District with such information and/or documentation regarding the proposed assignee or sublessee as may be reasonably requested by the District. Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Tenant during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which the District has specifically consented to in writing or expressly authorized pursuant to this Lease.

#### 20. Casualty/Condemnation.

20.1 Casualty. If Tenant causes damage to or the destruction of facilities or improvements located within the Premises, or if facilities or improvements located within the Premises are declared unsafe or unfit for use or occupancy by a public entity with jurisdiction over the Premises due to damage caused by Tenant, then Tenant shall commence repair or replacement of the improvements as required or permitted under this section as soon as practical, but no later than 120 days after the event that caused the damage or destruction or such longer period of time that is reasonable under the circumstances. Tenant shall diligently perform such repairs to completion. Tenant shall repair all aspects of the Premises in accordance with the provisions of this Lease and to at least the condition that the Premises were in immediately prior to the damage or destruction. Notwithstanding anything to the contrary herein, if the Premises are damaged or destroyed, or if facilities or improvements located within the Premises are declared unsafe or unfit for use or occupancy by a public entity with jurisdiction over the Premises, through no negligence, act or omission of Tenant and, as a result of such damage, destruction or declaration, Tenant, in its reasonable judgment, determines that the same are not suitable for the Permitted Use, then Tenant shall have the option to terminate this Lease by delivering written notice to the District within 60 days following the occurrence of such damage, destruction or declaration, in which event this Lease will terminate as of the date specified in Tenant's notice. If Tenant does not terminate this Lease as provided above in strict accordance with the time period set forth in the immediately preceding sentence, this Lease will continue in full force and effect and Tenant and the District shall be obligated, under a shared cost and expense basis (as reasonably and in good faith determined between the Parties), to repair and replace all improvements at the Premises and shall diligently perform such repairs to completion. Rent will not abate during restoration and repair of the Premises.

20.2 <u>Eminent Domain</u>. If greater than 25% of the area of the Premises is taken under power of eminent domain, then this Lease will terminate as of the date of that condemnation, or as of the date possession is taken by the condemning authority, whichever first occurs. No award for any taking will be apportioned, and Tenant hereby assigns to the District any award made in such taking or condemnation together with all rights of Tenant in or to the same or any part of the Premises. The District shall not retain any interest in or require Tenant to assign to the District any award made to Tenant for the taking of the personal property and fixtures of Tenant, the value of Tenant's leasehold estate, or the goodwill of Tenant's business, or for the interruption of or damage to Tenant's business, provided that the award does not diminish any award to the District.

#### 21. Alterations.

- Approval. Notwithstanding any other provisions of this Lease, any alterations, 21.1 additions, or improvements made by or on behalf of Tenant to the Premises ("Alterations") or by any permitted assignee or sublessee of Tenant are subject to the District's prior written consent which consent may be withheld in the District's sole and absolute discretion. Construction of storage sheds, restrooms, bleachers, fencing, parking lots, and lighting, installation of temporary trailers or structures, and other minor improvements typical for an athletic complex are not subject to approval under this section. However, construction of certain other permanent buildings, such as gymnasiums, stadiums, and warehouse/storage structures, as well as modifications to the South Parking Lot or the Unimproved Parking Lot initiated by Tenant and not the responsibility of the District pursuant to this Lease, are examples of Alterations that are subject to approval under this section. If Tenant is making an Alteration that requires the District's consent as provided in this section, Tenant, at its sole cost and expense, shall cause plans and specifications ("Plans and Specifications") to be prepared for such Alterations. Tenant shall submit the Plans and Specifications and a detailed schedule with major milestones for completion of construction of each Alteration (the "Timeline") to the District for review and approval and shall not undertake any Alterations unless and until such Plans and Specifications have been approved, in writing, by the District. Tenant shall construct the Alterations in accordance with the approved Plans and Specifications. Tenant shall phase construction of any Alterations to minimize disruption to Permittees.
- 21.2 <u>Standard of Construction</u>. Tenant shall construct all Alterations at Tenant's sole cost and expense, in a good and workmanlike manner, in strict accordance with the approved Plans and Specifications (to the extent applicable), the Timeline (to the extent applicable), and all applicable Laws and Existing Conditions. The District may monitor construction of the Alterations and shall have the right to enter the Premises at any time to inspect the construction of the Alterations provided that such monitoring and entry do not interfere with such construction. The District's right to review Plans and Specifications and to monitor construction shall be solely for its own benefit, and the District shall have no duty to verify that such Plans and Specifications or construction comply with applicable Laws. Tenant shall obtain any and all applicable permits and governmental approvals with respect to all Alterations performed by Tenant and shall immediately provide to the District complete and correct copies thereof upon receipt.
- 21.3 Payment by Tenant. Tenant shall provide the District with the identities and mailing addresses of all persons, contractors, subcontractors or material suppliers performing Alterations prior to beginning such work, and the District may post on and about the Premises notices of non-responsibility pursuant to applicable Law. Tenant shall furnish security or make other arrangements to ensure that payment for the completion of all work is free and clear of liens and shall provide certificates of insurance for worker's compensation and other coverage in amounts and from an insurance company reasonably satisfactory to the District protecting the District against liability for personal injury or damage to the Premises during construction. Upon completion of any Alterations, Tenant shall deliver to the District sworn statements setting forth the names of all contractors and subcontractors who did work on the Alterations, final lien waivers from all such contractors and subcontractors, and a recorded Notice of Completion.

22. Trade Fixtures. Tenant, at its own cost and expense and without the District's prior approval, may install equipment, machinery and trade fixtures (collectively "Trade Fixtures") typically and customarily installed at athletic recreational facilities provided that such items do not alter the basic character of the Premises, do not overload or damage the Premises, and may be removed without damage to the Premises, and the construction, erection, and installation thereof complies with all applicable Laws and with any applicable requirements set forth in this Lease. The District agrees that all trade fixtures, machinery, equipment, or other property of any kind and nature kept or installed upon the Premises by Tenant (including all inventory transported to the Premises for handling or storage) shall not become the property of the District or a part of the realty no matter how affixed to the Premises and may be removed by Tenant at any time. Prior to the expiration or termination of this Lease, Tenant, at its sole expense, shall remove its Trade Fixtures and shall repair any and all damage caused by such removal.

#### 23. **Default**.

- 23.1 <u>Tenant Default</u>. The following events constitute events of default (an "**Event of Default**") on the part of Tenant under this Lease:
- 23.1.1 Tenant's failure to pay any rent within 30 days after notice of non-payment received from the District.
- 23.1.2 Tenant's failure to comply with or to perform any other term, covenant, condition or rule under this Lease (including, without limitation, Tenant's failure to complete any of the Alterations in accordance with the terms and conditions set forth in this Lease) within 45 days following receipt of written notice from the District; provided, however, that if due to the nature of such breach, cure is not reasonably possible within such 45-day period, Tenant shall not be deemed in breach if cure is commenced within the initial 45-day period and diligently pursued to completion.
  - 23.1.3 A misrepresentation by Tenant under this Lease.

#### 24. **District's Remedies**.

- 24.1 <u>Rights and Remedies</u>. Upon the occurrence of any breach or Event of Default on the part of Tenant (subject to any applicable cure period), District shall have the following rights and remedies, in addition to those allowed by law or in equity, any one or more of which may be exercised or not exercised without precluding the District from exercising any other remedy provided in this Lease or otherwise allowed by law or in equity:
- 24.1.1 <u>Termination</u>. The District may terminate this Lease and all rights of Tenant under this Lease by giving written notice of termination to Tenant. In the event that the District elects to terminate this Lease, the District may recover from Tenant:
- (a) Damages permitted by California Civil Code Sec. 1951.2(a), including the worth at the time of award of the unpaid rent which had been earned at the time of termination; the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and any other amount necessary to compensate the District for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, without limitation, the cost of recovering possession of the Premises, expenses of reletting (including necessary repair, renovation, and alteration of the Premises), brokers' fees incurred, reasonable attorneys' fees, and any other reasonable fees and costs; and

- (b) At the District's election, such other sums in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law. The "worth at the time of award" of the amounts due prior to and after the date of award will be computed by allowing interest at the rate of the highest rate permitted by Law from the date such amounts accrued to the District. The worth at the time of award of amounts due after the date of award will be computed by discounting those amounts at 1% above the discount rate of the Federal Reserve Bank of San Francisco at the time of award.
- (c) Even though Tenant has breached this Lease, this Lease shall continue in effect for so long as the District does not terminate Tenant's right to possession, and, if permitted under applicable Law, the District shall have all of its rights and remedies, including the right, pursuant to California Civil Code Section 1951.4, to recover all rent as it becomes due under this Lease, but only if Tenant has the right to sublet or assign, subject only to reasonable limitations. Acts of maintenance or preservation or efforts to relet the Premises or the appointment of a receiver upon initiative of the District to protect the District's interest under this Lease shall not constitute a termination of Tenant's right to possession unless written notice of termination is given by the District to Tenant.
- 24.1.2 Reletting. Without terminating or effecting a forfeiture of this Lease or otherwise relieving Tenant of any obligation under this Lease in the absence of express written notice of the District's election to do so, the District may enter and relet the Premises or any portion thereof at any time or from time to time and for such term(s) and upon such condition(s) and at such rental as the District deems proper. Whether or not the Premises are relet, Tenant shall pay to the District all amounts required under this Lease up to the date that the District terminates Tenant's right to possession, and thereafter Tenant shall pay to the District, until the end of the Term of the Lease, all rent required under the terms of this Lease. Payments by Tenant will be due at the times provided in this Lease, and the District need not wait until the termination of this Lease to recover them. Unless otherwise provided in this Lease, re-letting of the Premises or any portion of the Premises will not relieve Tenant of any obligation under this Lease. Proceeds received by the District from such reletting will be applied: first, to any indebtedness other than rent due from Tenant; second, to costs of reletting; third, to the cost of any alterations and repairs to the Premises; fourth, to rent due and unpaid hereunder. Any residual shall be held by the District and applied in payment of future rent as the same becomes due under this Lease. Should that portion of the proceeds received by the District from re-letting applied to payment of rent be less than the rent payable by Tenant during any month, Tenant shall pay such deficiency to the District immediately upon demand. The District may execute any lease under this section in its own name, and Tenant shall not have any right to collect any proceeds received by the District. The District will not by any re-entry or other act be deemed to accept any surrender by Tenant of the Premises or be deemed to terminate this Lease or to relieve Tenant of any obligation under this Lease, unless the District gives Tenant express written notice of the District's election to do so.
- Lease, District may, at its option, even though Tenant has breached this Lease and abandoned the Premises, continue this Lease in full force and effect and not terminate Tenant's right to possession, and enforce all of District's rights and remedies under this Lease, but only if Tenant has right to sublet or assign, subject only to reasonable limitations. Further, in such event, the District shall be entitled to recover from Tenant all costs of maintenance and preservation of the Premises, and all costs, including attorneys' fees and receivers' fees, incurred in connection with appointment of and performance by a receiver to protect the Premises and District's interest under this Lease. No re-entry or taking possession of the Premises by District shall be construed as an election to terminate this Lease unless a notice (signed by a duly authorized representative of District) of intention to terminate this Lease is given to Tenant.
- 24.3 <u>All Sums Collectible as Rent</u>. All sums due and owing to District by Tenant under this Lease shall be collectible by District as rent.

- 24.4 <u>No Surrender</u>. No act or omission by District or its agents during the Term shall be an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid unless made in writing and signed by a duly authorized representative of District.
- 24.5 <u>Effect of Termination</u>. Neither the termination of this Lease nor the exercise of any remedy under this Lease or otherwise available at law or in equity will affect District's rights of indemnification set forth in this Lease or otherwise available at law or in equity for any negligence, act or omission of Tenant, and all rights to indemnification and other obligations of Tenant expressly provided herein to be performed after termination or expiration of this Lease shall survive termination or expiration of this Lease. Neither the termination of this Lease nor the exercise of any remedy under this Lease or otherwise available at law or in equity will affect Tenant's rights of indemnification set forth in this Lease or otherwise available at law or in equity for any negligence, act or omission of the District, and all rights to indemnification and other obligations of the District expressly provided herein to be performed after termination or expiration of this Lease shall survive termination or expiration of this Lease.
- 25. <u>Tenant Remedies</u>. If the District fails to perform any of its obligations under this Lease, and the District does not perform such obligation within 45 days after receipt of written notice from Tenant, Tenant shall be entitled to exercise the following rights and remedies, in addition to those allowed by law or in equity, any one or more of which may be exercised or not exercised without precluding Tenant from exercising any other remedy provided in this Lease or otherwise allowed by law or in equity: (a) to cure any such default at the District's expense, upon delivery of an additional written notice to the District specifying that Tenant is taking such required action pursuant to the provisions of Section 25.2 below, or (b) to terminate this Lease. Notwithstanding the foregoing, if due to the nature of such default, cure is not reasonably possible within such 45-day period, the District shall not be deemed in breach if cure is commenced within the initial 45-day period and diligently pursued to completion.
- 25.1 Tenant's Cumulative Rights; No Waiver of Default. All rights, options, and remedies of Tenant contained in this Lease shall be construed and held to be cumulative, and not one of them shall be exclusive of the other, and Tenant shall have the right to pursue any one or all of such remedies or any other remedy or relief that may be provided by law or in equity, whether or not stated in this Lease. No waiver of any default by the District hereunder shall be implied from any payment by Tenant of any rent or other payments due hereunder or any omission by Tenant to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than as specified in said waiver. The consent or approval of Tenant to any act by the District requiring Tenant's consent or approval shall not be deemed to waive or render unnecessary Tenant's consent or approval to any subsequent similar act by the District.
- 25.2 <u>Self-Help by Tenant</u>. If Tenant provides written notice to the District of an event or circumstance that requires the action of the District, and the District fails to provide such action within the time specified in this Lease, or if no time is specified, a reasonable period of time given the circumstances after the receipt of such written notice, then Tenant may proceed to take the required action upon delivery of an additional written notice to the District of Tenant's intention to take such action. Tenant shall submit an invoice to the District setting forth a reasonably particularized breakdown of its costs and expenses with respect to such action. The District shall promptly reimburse Tenant for Tenant's out-of-pocket costs and expenses in taking such action.

#### 26. **Premises Condition**.

#### 26.1 ADA Accessibility.

26.1.1 <u>CASp Statement</u>. The District makes the following statement based on the District's actual knowledge in order to comply with California Civil Code Section 1938: The Premises has not undergone an inspection by a Certified Access Specialist ("CASp").

26.1.2 <u>No Representations.</u> Since compliance with the Americans with Disabilities Act ("ADA") is dependent upon Tenant's specific use of the Premises, District makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Tenant's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Tenant agrees to make any such necessary modifications and/or additions at Tenant's expense.

26.1.3 <u>Right to CASp.</u> A Certified Access Specialist ("CASp") can inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, the District may not prohibit Tenant from obtaining a CASp inspection of the Premises for the occupancy or potential occupancy of Tenant, if requested by Tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

26.1.4 <u>Fee for CASp.</u> District and Tenant hereby mutually agree that in the event a CASp inspection is requested by Tenant, the fee for the CASp inspection and the cost of making any repairs necessary to correct violations of construction-related accessibility standards noted in the CASp inspection shall be paid solely by Tenant.

27. <u>Notice</u>. Any notices or invoices relating to this Lease, and any request, demand, statement or other communication required or permitted hereunder (collectively, a "Notice") must be in writing and may be delivered by overnight service (such as FedEx, UPS, etc.), hand delivery, U.S. Mail, or email to the address set forth below. If a Notice is sent via email, a hard copy must be sent subsequently via overnight service (such as FedEx, UPS, etc.), hand delivery, or U.S. Mail. Each of the Parties shall promptly notify each other of any change of contact information. A Notice will be deemed to have been received on: (a) the date of delivery, if delivered by hand during regular business hours or if delivered via overnight service or email; or (b) on the third business day following mailing by U.S. mail to the address set forth below.

If to District: Los Angeles County Sanitation Districts

Attn: Stan Pegadiotes, Property Management Section Head

1955 Workman Mill Road

Whittier, CA 90601

(562) 908-4288, extension 2705

spegadiotes@lacsd.org

If to Tenant: City of Los Angeles

Department of Recreation and Parks Attn: Darryl Ford, Superintendent 221 North Figueroa Street, Suite 400

Los Angeles, CA 90012

(213) 202-2607

darryl.ford@lacity.org

28. <u>Security</u>. The District shall have no obligation to provide security with respect to the Premises; however, Tenant shall have the right hereunder to perform or contract for security service with respect to the Premises on a 24 hours per day, 7 days per week basis. Additionally, the District makes no warranties, express or implied, relating to the security of the Premises, and the District shall not be responsible or liable for any damage to any Trade Fixtures or improvements at the Premises resulting from Tenant's activities.

#### 29. **Intentionally Omitted**.

30. <u>Labor Relations</u>. Tenant shall exercise complete and exclusive control over and responsibility for all aspects of hiring, employment, supervision, direction, hours, working conditions, compensation, discipline and discharge for all individuals engaged to carry on work arising from or relating to operations to be performed under this Lease.

#### 31. Miscellaneous.

- 31.1 Mechanic's Liens. Tenant has no express or implied authority to create or place any lien or encumbrance of any kind upon, or in any manner to bind the interest of the District or Tenant in, the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs. The District may record, at its election, notices of non-responsibility pursuant to California Civil Code Section 8444 in connection with any work performed by Tenant. Tenant covenants and agrees that it will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises by Tenant or at the direction of Tenant and that it will save and hold the District harmless from all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the interest of the District in the Premises or under this Lease arising from work performed by, or at the direction of, Tenant. Tenant shall give the District immediate written notice of the placing of any lien or encumbrance against the Premises and cause such lien or encumbrance to be discharged within 30 days of the filing or recording thereof; provided, however, Tenant may contest such liens or encumbrances as long as such contest prevents foreclosure of the lien or encumbrance and Tenant causes such lien or encumbrance to be bonded or insured over in a manner satisfactory to the District within such 30 day period. Without limiting any other rights or remedies of the District, if Tenant fails for any reason to cause a lien or encumbrance to be discharged within 30 days of the filing or recording thereof, then the District may take such action(s) as it deems necessary to cause the discharge of the same (including, without limitation, by paying any amount demanded by the person or entity who has filed or recorded such lien or encumbrance, regardless of whether the same is in dispute), and the District shall be reimbursed by Tenant for all reasonable costs and expenses incurred by the District in connection therewith within 5 business days following written demand therefor.
- 31.2 <u>Invalidity</u>. If any term or provision of this Lease or portion thereof shall be found invalid, void, illegal, or unenforceable generally or with respect to any particular Party, by a court of competent jurisdiction, it shall not affect, impair or invalidate any other terms or provisions or the remaining portion thereof, or its enforceability with respect to any other Party.
- 31.3 <u>Construction</u>. The headings used in this Lease are for convenience of reference only and shall not be considered or referred to in resolving questions of interpretation. This Lease shall be construed neither for nor against the drafting Party, but shall be given a fair and reasonable interpretation in accordance with the meaning of its terms.
- of any term, covenant or condition hereof by Tenant, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent default, Event of Default, or breach by Tenant of the same or of any other term, covenant or condition hereof. The District's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of the District's consent to, or approval of, any subsequent or similar act by Tenant, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. No waiver by the Tenant of the breach, Event of Default, or default of any term, covenant or condition hereof by the District, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent default, Event of Default, or breach by the District of the same or of any other term, covenant or condition hereof. The acceptance of rent by the District shall not be a waiver of any default, Event of Default, or breach by Tenant. No provision of this Lease will be deemed waived by either Party unless expressly waived in writing by the waiving Party.

- 31.5 <u>Third Party Documents and Reports.</u> Except only as provided in Section 8.2 above, Tenant acknowledges and agrees that neither District, nor any of District's directors, officers, members, employees, agents, or attorneys have made or do make any representations or warranties regarding the accuracy or completeness of any reports, analyses, documents, agreements, or other instruments prepared by third parties, including, without limitation, the District's Phase I or the Preliminary Report.
- 31.6 <u>Integration; Modification</u>. This Lease sets forth all of the agreements and understandings of the Parties with regard to its subject matter and any amendment or modification must be written and duly executed by both Parties.
- 31.7 <u>Authorization</u>. The individual(s) executing this Lease on behalf of Tenant represent and warrant they have authority and power to execute this Lease on behalf of Tenant. The individual executing this Lease on behalf of the District and District No. 2 represents and warrants that he has authority and power to execute this Lease on behalf of the District and District No. 2 pursuant to authority delegated by the Boards of Directors of the District and District No. 2 on June 8, 2022.
- 31.8 <u>Governing Law.</u> This Lease shall be interpreted and governed by the laws of the State of California.
- 31.9 <u>Covenants and Conditions</u>. All of Tenant's obligations under this Lease are covenants and conditions. All of the District's obligations under this Lease are covenants and conditions.
- 31.10 Entire Agreement; Counterparts. This Lease contains all of the agreements of the Parties hereto with respect to any matter covered or mentioned in this Lease, and all prior agreements and/or understandings, whether written or oral, are superseded hereby. This Lease may be executed in one or more counterparts, which when taken together, shall constitute one and the same original. A facsimile or electronic signature shall be deemed to be the equivalent of an original signature and shall be effective to bind a party hereto.
- 31.11 <u>Delegation</u>. The Chief Engineer, or his/her designee, is authorized to take all actions on behalf of the District in connection with (a) any approvals, consents, or actions required of or by the District under this Lease or (b) any minor amendments to this Lease. The General Manager of the City of Los Angeles Department of Recreation and Parks, or his/her designee, is authorized to take all actions on behalf of Tenant in connection with any approvals, consents, or actions required of or by Tenant under this Lease.
- 31.12 Exculpation. None of the individual directors, officers, agents or employees of the District Indemnified Parties will have any personal liability for any act, negligence or omission of the District, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. None of the individual directors, officers, agents or employees of the Tenant Indemnified Parties will have any personal liability for any act, negligence or omission of Tenant, and the District hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under the District. Notwithstanding anything to the contrary in this Lease, (a) neither the District nor any of the District Indemnified Parties shall be liable under any circumstances for Tenant's loss of profit, loss of rents or other revenues, loss of business opportunity, loss of good will or loss of use, or other similar forms of consequential damages, in each case however occurring, and (b) neither Tenant nor any of the Tenant Indemnified Parties shall be liable under any circumstances for the District's loss of profit, loss of rents or other revenues, loss of business opportunity, loss of good will or loss of use, or other similar forms of consequential damages, in each case however occurring.

#### 31.13 Intentionally Omitted.

- 31.14 <u>Public Records</u>. Tenant acknowledges that any and all written information submitted to or obtained by the District from Tenant or any other person or entity having to do with or related to this Lease or the Premises, either pursuant to this Lease or otherwise may be treated as a public record open to inspection by the public pursuant to the California Public Records Act (California Government Code Section §§ 6250 through 6276.48) as now in force or as may be amended (the "Act"). The District acknowledges that any and all written information submitted to or obtained by Tenant from the District or any other person or entity having to do with or related to this Lease or the Premises, either pursuant to this Lease or otherwise may be treated as a public record open to inspection by the public pursuant to the Act.
- 31.15 <u>Partnership</u>. Nothing contained in this Lease shall be construed to make the District and Tenant partners or joint venturers, or to render either Party liable for the debts or the obligations of the other.
- 31.16 Estoppel Certificate; Non-Disturbance Agreement. Within 15 business days after request by either Party (but not more than once per calendar year for each Party), the other Party shall execute, acknowledge, and deliver to the requesting Party an estoppel certificate confirming and certifying: (a) the Commencement Date; (b) the fact that this Lease is unmodified and in full force and effect (or, if there have been modifications hereto, that this Lease is in full force and effect, as modified, and stating the date and nature of such modifications); (c) the date to which rent and other sums payable under this Lease have been paid; and (d) the fact that there are no current defaults under this Lease by either Party except as specified in the estoppel certificate. The District agrees to provide Tenant with commercially reasonable non-disturbance agreements in favor of Tenant from any mortgage holders or lien holders who later come into existence at any time prior to expiration of this Lease.
- 31.17 <u>Time</u>. Time is of the essence with respect to each Party's performance of its obligations under this Lease.
- 31.18 <u>Tenant Representations</u>. Tenant represents and warrants for the benefit and reliance of District that: (a) Tenant has the legal power, right and authority to enter into this Lease, and (b) all requisite action has been taken by Tenant in connection with entering into this Lease.
- 31.19 <u>District Representations</u>. The District represents and warrants for the benefit and reliance of Tenant that: (a) the District has the legal power, right and authority to enter into this Lease, (b) all requisite action has been taken by the District in connection with entering into this Lease, (c) all prior leases and licenses for the Premises have been terminated in accordance with their terms as of the Commencement Date, and (d) the Premises is not being leased or licensed to any other party, except for any subleases or licenses expressly set forth in this Lease. District No. 2 represents and warrants for the benefit and reliance of Tenant that: (a) District No. 2 has the legal power, right and authority to enter into this Lease, and (b) all requisite action has been taken by District No. 2 in connection with entering into this Lease.
- 31.20 <u>Commission</u>. Tenant and District represent and warrant to the other that it has had no dealing with any person, firm, broker or finder in connection with the negotiation of this Lease, and that no broker or other person, firm or entity is entitled to any commission or finder's fee in connection with this transaction. Tenant and District agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any broker, finder or other person by reason of any dealing or actions of the indemnifying Party, including any costs, expenses, including attorneys' fees, reasonably incurred with respect thereto.
- 31.21 <u>Force Majeure</u>. Notwithstanding anything to the contrary contained in this Lease, any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, civil commotions,

casualty, actual public health emergency (including, without limitation, epidemic, pandemic, famine, disease, plague, quarantine, and other significant public health risk), governmental edicts, actions, orders, declarations or restrictions (including (i) any states of emergency and quarantines imposed by a governmental entity or agency, and (ii) any government imposed shelter-in-place orders, stay at home orders and/or restrictions on travel related thereto that preclude Tenant, its agents, contractors or its employees from accessing the Premises), breaches in cybersecurity, and other causes beyond the reasonable control of the Party obligated to perform regardless of whether such other causes are foreseeable or unforeseeable (collectively, "Force Majeure") shall excuse the performance of such Party for a period equal to any such prevention, delay or stoppage. If this Lease specifies a time period for performance of an obligation of either Party, then that time period shall be extended by the period of any delay in such Party's performance caused by a Force Majeure, and the other Party to this Lease shall not be entitled to compensation for any inconvenience or nuisance caused thereby. Notwithstanding anything to the contrary in this Lease, no event of Force Majeure shall (a) excuse or delay Tenant's obligations to pay rent or other charges as and when due pursuant to this Lease, (b) be grounds for Tenant to abate any portion of rent due pursuant to this Lease, or entitle either Party to terminate this Lease, (c) extend the time period for Tenant to vacate and surrender the Premises to District following the expiration or termination of this Lease, or (d) excuse Tenant's obligations to obtain and maintain insurance as required under this Lease. In addition, any delays or failures to perform resulting from lack of funds shall not be deemed a Force Majeure. Each Party hereby waives any and all rights it might otherwise have pursuant to Section 1511 of the California Civil Code, and hereby agrees that this Section 31.21 is an express provision to the contrary.

- 31.22 <u>Consultation</u>. The Parties hereto hereby represent and warrant to one another that each of them has had the full opportunity of consulting counsel of their own choosing in connection with the preparation of this Lease, that each of them has read and understood the provisions of this Lease and is fully aware of the contents and legal effect thereof.
- 31.23 <u>Days</u>. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease means and refers to calendar days.
- 31.24 <u>Capacity of City of Los Angeles as Tenant</u>. The capacity of Tenant in this Lease shall be as a tenant only, and any obligation or restriction imposed by this Lease on Tenant 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, without limitation, enacting laws, inspecting structures, reviewing and issuing permits, or all other legislative, administrative, or enforcement functions of the City of Los Angeles pursuant to federal, state, or local law. Nothing in this Lease shall be construed as abrogating or limiting any immunity or exemption to which the City of Los Angeles is entitled under law.
- 31.25 <u>Binding Effect</u>. The terms and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, and permitted assigns of the Parties.
- 31.26 <u>Attachments to Lease</u>. This Lease includes the following exhibits, which are attached to this Lease and made a part of this Lease:

Exhibit A – Depiction of Premises

<u>Exhibit B</u> – Facility Use Permit (including Covid-19 Permittee Agreement)

Exhibit C – Parking Site Plan

Exhibit D – Depiction of Throws Area Sublease Premises

- Signature page immediately follows -

The Parties are signing this Lease as of the date of attestation by the Office of the City Clerk of Los Angeles below.

#### **DISTRICT**

COUNTY SANITATION DISTRICT NO. 8
OF LOS ANGELES COUNTY

By: ˌ

Robert C. Ferrante

Chief Engineer & General Manager

#### **DISTRICT NO. 2**

**APPROVED BY:** 

COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY

Bv

Robert C. Ferrante

Chief Engineer & General Manager

#### APPROVED AS TO FORM:

Lewis Brisbois Bisgaard & Smith, LLP

Bv:

District Coupsel

[signatures continue on following page]

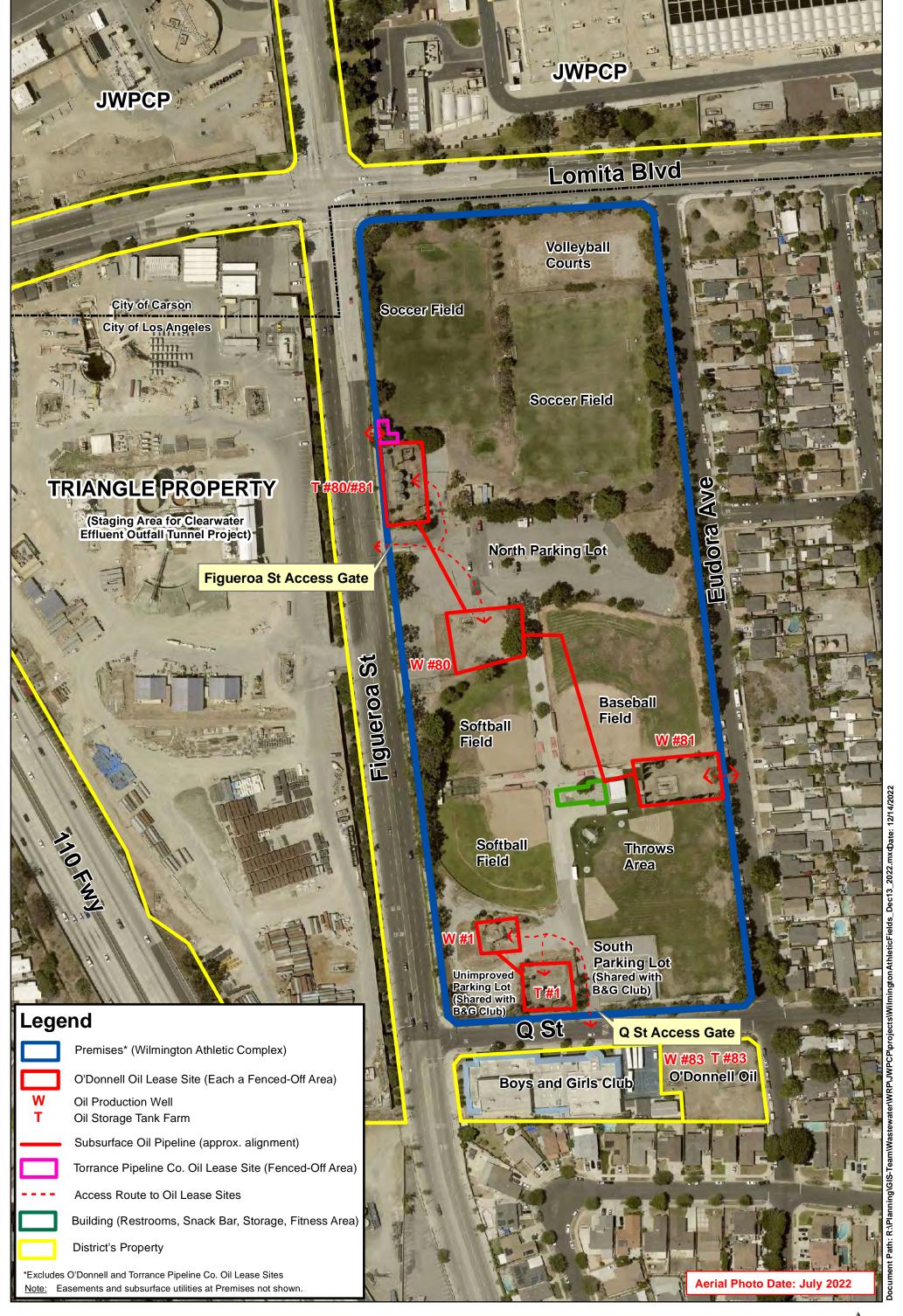
#### **TENANT**

### CITY OF LOS ANGELES,

a municipal corporation, acting by and through its Board of Recreation and Parks Commissioners

By:\_\_\_\_\_

	Name:	
	Title:	
ATTEST:		
Holly L. Wolcott, City Clerk		
Deputy City Clerk		
Date:		
APPROVED AS TO FORM:		
Hydee Feldstein Soto, City Attorney		
By:		
Name:		
Title: Deputy City Attorney		





Doc No: 6780869

250

## Exhibit B

(Next three pages)

CA#	(Insurance verification
Expiration Date	

Google Doc#	
Permit #	



# City of Los Angeles • Department of Recreation and Parks APPLICATION FOR USE OF FACILITIES (THIS IS NOT A PERMIT) PERMITTEE MAY NOT PUBLICIZE THE EVENT UNTIL A PERMIT HAS BEEN ISSUED



AND COMPLETE ITEMS 1 THRU 19 AND SIGN THE DOCUMENT (SIGNATURE OF APPLICANT)

1. Recreation Center				
2. Name of Organization	3. Representative's Name			
4. Mailing Address		_,,		Zip
5. Contact Evening	_( )	Cell ( )	e-mail	
6. Type of Event				
7. Date and Time of Event				
<u>Day(s)</u>	Month/Date	<u>s)</u>	<u>Time(s)</u>	
Sunday				to
Monday				to
Tuesday				to
Wednesday				to
Thursday				to
Friday				to
Saturday				to
8. Charging Fee(s)?	Yes No \$ 9. Wi	I food sales be conducted?   Yes	■ No 10. No. Participan	ts: Adult Youth
Auditorium Kito	uested (check all that apply): then	<u></u>	☐ Other ☐ Field #	
I2. Is this a Fundraiser?	☐ Yes ☐ No 13. R	efreshments Served? 🗌 Yes 🔲 No	14. 10 x10 Ca	nopies/Tents? Yes No #
15. Rental:	No Chairs #	Tables # Other	#	Company Name
16. Moon Bounce Yes	S No Company Name			
Contact Name		<u></u>	Phone No.	
•	-	18. Will you be erecting/assembli		an a canopy? 🗌 Yes 🔲 No
8 of Los Angeles County and a agents, representatives and volume	rees on its behalf and that of its depail other County Sanitation Districts unteers shall not be responsible or I		"Districts"), and their respect leath, damage, loss or expen	
Arising out of said activities. Per representatives, and volunteers	rmittee further agrees to indemnify an from all damage, loss, injury,or liability vever, neither the waiver nor the inde	ty, actual or alleged, that may arise from P	, as well as their respective offi ermittee's conduct, either inter	cers, directors, agencies, employees, agents, tional or negligent, while participating in the rs, agencies, employees or volunteers from acts
regulations, codes, and ordinance obtain insurance in such form a voluntarily, without being subject	ition of the public premises and acce ces. Permittee agrees that the District and in such amounts as may be requ t to coercion. Nothing contained here		nit and have the right to enform s carefully reviewed this docum Districts partners or joint ventur	ers.
SignifatthreabftApphicant/	Perapitteeion are complete and o	orrect.	Date	
				Revised September 2018

#### TO BE COMPLETED BY DIRECTOR IN CHARGE

APPLICATION MUST BE FILLED OUT COMPLETELY, GIVEN IMMEDIATELY TO THE DISTRICT SUPERVISOR FOR APPROVAL WITH ALL FEES PAID IN FULL OR RESERVATIONS REQUIRE AN ADVANCE DEPOSIT OF 50% OF THE TOTAL FEES (PER RATES AND FEES MANUAL). ALL APPLICATIONS ARE TO BE SUBMITTED TO THE REGION OFFICE TWO WEEKS PRIOR TO EVENT. SPECIAL EVENTS WITH 200+ REQUIRES PRIOR APPROVAL BEFORE FEES ARE COLLECTED AND 12 WEEKS PRIOR TO THE EVENT

Facility is normally :   Open   Closed Staff Coverage Required:   Yes   No			
*Leagues, competitive sports, activity involves risk, or large event/number CAO # / Insura Is Insurance Required : Yes No of people.	nce verification Top of		
Fees: Regular Permit Fee Generating Permit Group Exempt from fees? Yes No If yes - Exemption number Proof of Non Profit status attached Yes No			
Basic Room Fee (1st 3 hours) = \$			
No. Staff # of hours  Needed x requested = Total Staff Hrs x Hourly rate \$ = \$			
X Hourly Additional Hours Needed (Rates & Fees) Rate \$ = \$			
Additional Rooms (Rates & Fees) x \$ x \$ =	\$		
☐ Use of Kitchen (Rates & Fees) =	\$		
Refreshment Fee (Rates & Fees) =	\$		
☐ Field / Gymnasium Rental Fee Hours x =	\$		
☐ Picnic Reservation Fee: ☐ 1-50 ☐ 51-100 ☐ 101-200 ☐ 201-400**see note ☐ 201-400**see note =	\$		
Non-Refundable Permit Fee (All picnic reservation and specific facilities) – (deposited into Regional Account)	\$		
☐ Picnic Maintenance Fee ( <i>MRP</i> # ) =	\$		
	\$		
☐ Center Rental: ☐ Chairs # x \$ ☐ Tables # x \$ =	\$		
Utility Hookup Fee =	\$		
Clean-up Breakage Refundable Deposit Receipt No =	\$		
	\$		
	\$		
• — — — — — — — — — — — — — — — — — — —	\$		
·	\$		
Approval of Director In Charge	Date		
Approval of District Supervisor	Date		
Approval of Principal Recreation Supervisor	Date		
**PLEASE NOTE: For EVENTS (200 persons or more) Principal Maintenance Supervisor and Recreation Superintendent Requ	ired 		
Approval of Principal Maintenance Supervisor	Date		
Approval of Superintendent	Date		
Comments:			

## CITY OF LOS ANGELES DEPARTMENT OF RECREATION AND PARKS



#### **COVID-19 PERMITTEE AGREEMENT**

This COVID-19 Permittee Agreement shall supersede any previous COVID-19 Permittee Agreement signed by the Permittee and/or the Organization.

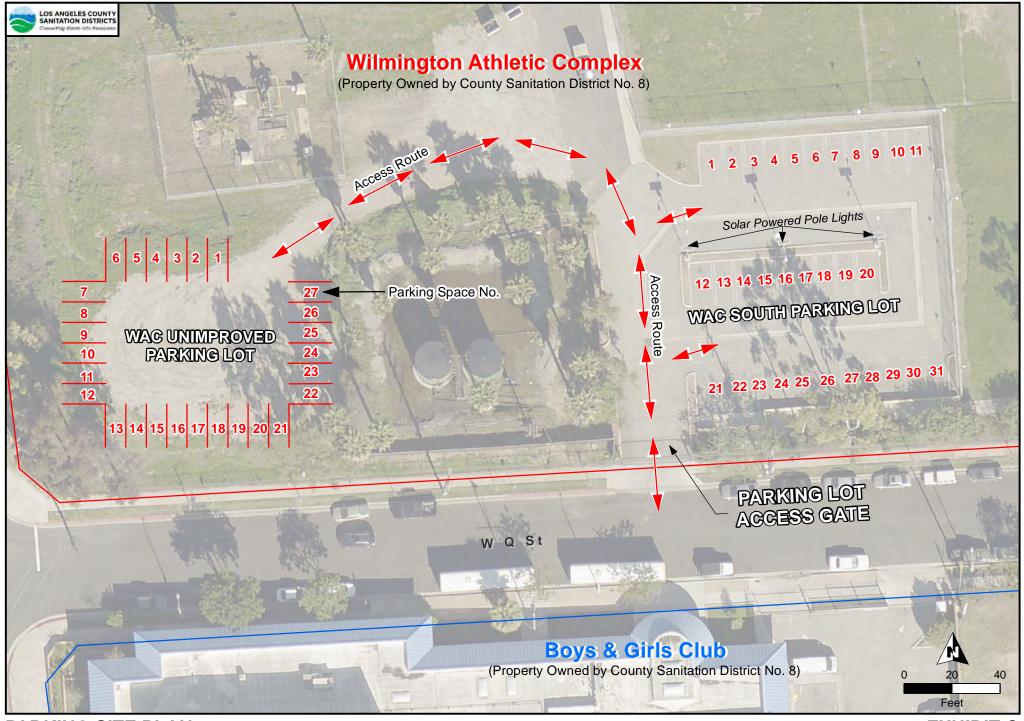
The undersigned Permittee and the Organization named below understands and agrees that the approval and validity of any permits (Permits) issued to Permittee or Organization by the City of Los Angeles Department of Recreation and Parks (LA Parks) for use of any of its facilities or areas is contingent upon the Permittee's and Organization's continuing compliance with all federal, state and local laws, regulations, and orders, as well as the latest public health orders in effect as set forth by the Los Angeles Department of Public Health (LADPH) (collectively, Orders). By accepting any such Permits, Permittee and Organization understand that it is their sole responsibility to comply with all the requirements and protocols set forth in the Orders and at no time will the City of Los Angeles Department of Recreation and Parks (RAP) or County Sanitation District No. 8 of Los Angeles County and all other County Sanitation Districts of Los Angeles County (collectively, the "Districts"), and their respective officers, directors, agencies, employees, agents, representatives and volunteers be responsible for any part of their compliance. Further, in accepting any such Permits, Permittee and Organization agree to indemnify and hold harmless RAP, along with its officers, agents, employees, or other representatives, and the Districts, as well as their respective successors and assigns, from any and all claims, demands, injuries, liabilities, rights, damages, expenses, and causes of action of whatever kind or nature, and other losses of any kind, whether known or unknown, foreseen or unforeseen, as a result of Permittee's or Organization's failure to comply with any Orders. Nothing contained herein shall be construed to make RAP and the Districts partners or joint venturers. Detailed information can be found at http://publichealth.lacounty.gov/media/Coronavirus/reopening-la.htm

Permittee and the Organization understands and agrees that, pursuant to City of Los Angeles Ordinance No. 187219, beginning Monday, November 29, 2021, PROOF OF COVID-19 VACCINATION will be required for individuals eligible for COVID-19 vaccination to enter all indoor LA Parks facilities. In furtherance thereof, all individuals who are eligible for COVID-19 vaccination and who are participating in indoor programming at an LA Parks facility must show PROOF OF COVID-19 VACCINATION.

For those unable to provide PROOF OF COVID-19 VACCINATION, alternative programming is available. Information on alternative programming can be found here <a href="https://bit.ly/rapalt">https://bit.ly/rapalt</a>

Failure to abide by any or all of the above provisions or any other provisions in any Permits may upon cause forfeiture of bond, the termination of Permits, and the withholding of future permitting privileges. Permits will only be issued while the County has an adjusted COVID- 19 case rate equal to or less than 14 per 100,000. The City of Los Angeles Department of Recreation and Parks reserves the right to alter/update restrictions and protocols, and/or cancel permits, as the County of Los Angeles Department of Public Health reopening protocols are updated and/or changed.

I, the undersigned, have read and understand the provisions listed above and agree to abide by them:			
Signature Permittee	Organization	Date	



PARKING SITE PLAN EXHIBIT C

## **EXHIBIT D**



A SHOT-PUT FIELD B HAMMER-DISCUS FIELD

C INDOOR STRENGTH TRAINING AND STORAGE ROOM

OUTDOOR WEIGHTLIFTING AND DINING AREAS

Wilmington Athletic Complex

**☐** Throws Area Sublease Premises