# CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK, COUNCIL/PUBLIC SERVICES DIVISION ROOM 395, CITY HALL

DATE: 12/2/2021

## (PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

## FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT):GSD - Real Estate Serv	vices	
CONTACT PERSON:	213-922-8527	
CONTRACT NO.:C-139545	COUNCIL FILE NO.: 13-0476	
ADOPTED BY COUNCIL: 08/18/21 DATE APPROVED BY BPW: DATE	NEW CONTRACT X AMENDED AND RESTATED ADDENDUM NO SUPPLEMENTAL NO CHANGE ORDER NO AMENDMENT	
CONTRACTOR NAME:		
TERM OF CONTRACT: Date Attested		
TOTAL AMOUNT: \$1.00 annually		

## PURPOSE OF CONTRACT:

The Armenian Cultural Foundation will lease the property at 5001 N. Balboa Blvd for use as a cultural education center. The term will be for 30 years with \$1 annual rent. The ACF will be responsible for the rehabilitation of the building as well as ongoing repair and maintenance throughout the term. The Armenian Cultural Foundation will provide a full spectrum of community centered services and activities, including education, after school programs, tutoring, senior and social services, recreational services, community meetings, and cultural affairs.

#### LEASE SUMMARY

#### For information purposes only - not part of lease

LAND NO.: CF NO.:	13-0476	Council Approval Date: August 26, 2014
EBO STATUS: LWO STATUS: SDO STATUS: CRO STATUS: EEO STATUS:	SDO Affidavit Receipt Date: CRO questionnaire Receipt Date: EEO/AA Certification Receipt Date:	OCC Date: OCC Date:
PREMISES:	Old Fire Station No. 83 5001 N. Balboa Boulevard Encino, Ca	lifornia 91316
LANDLORD:	CITY OF LOS ANGELES City Attorney/ANNETTE R. BOGNA Department Of General Services/Real Client:	Estate Services
TENANT:	ARMENIAN CULTURAL FOUNDATIC 104 N. Belmont Street, Suite 301 Glen Telephone: (818) 243-9219 Fa	dale, California 91206
USE:	Not for profit; Public Services	
TERM:	THIRTY (30) YEARS	
RENT:	One Dollar per Year ((\$1.00/year)	
PARKING:	Parking lot located on site.	
UTILITIES:	All utilities shall be solely paid by Tena	nt
LEASEHOLD IMPROVEMENTS:	Tenant's Representative: Garo Kamar City's Representative: Real Estate Ser	
FORM:	GENERIC.111	

## LEASE

BETWEEN CITY OF LOS ANGELES AND ARMENIAN CULTURAL FOUNDATIONOLD FIRE STATION NO. 83 5001 N. BALBOA BOULEVARD ENCINO, CALIFORNIA 91316

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## LEASE BETWEEN CITY OF LOS ANGELES AND ARMENIAN CULTURAL FOUNDATION OLD FIRE STATION NO. 83 5001 N. BALBOA BOULEVARD ENCINO, CALIFORNIA 91316

### **ARTICLE 1. BASIC LEASE PROVISIONS**

1.1. <u>Parties</u>. This LEASE ("Lease") is dated, for reference purposes only, <u>December</u> 2, 2021, between CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department Of General Services, as Landlord ("City"), and ARMENIAN CULTURAL FOUNDATION, with a principal mailing address at 104 N. Belmont Street, Suite 301 Glendale, California 91206, as Tenant ("Tenant").

1.2. **Premises.** The land and building situated in the County of Los Angeles, State of California, located at 5001 N. Balboa Boulevard, Encino, California 91316 ("Premises"). Premises includes a building ("**Building**"), commonly known as the OLD FIRE STATION NO. 83, as well as the right to parking areas as described in this Lease for further provisions).

1.3. <u>Term.</u> THIRTY (30) YEARS ("Term") commencing upon the Lease Execution Date, which shall be the date that the City Clerk attests this Lease ("Execution Date" and "Lease Commencement Date") and ending THIRTY (30) YEARS thereafter. ("Lease Termination Date") If the Los Angeles Planning Commission denies said application for a zone change, or if said file is closed for lack of action, this Lease will be of no legal effect.

1.4. <u>Consideration</u>. Other than the nominal payment of \$1.00 per year, payable each year in advance, no monetary consideration is to be paid by Tenant for this Lease. The consideration, to be furnished by Tenant, is use of the Property for the provisions of public services and purposes incidental thereto, as set forth in this Lease. Tenant, at Tenant's discretion, may prepay all of the \$1.00 per year payments, but such prepayment shall not entitle Tenant to a continued tenancy in the event City terminates this Lease before the end of the Term and Tenant waives any right to the refund of any prepaid amounts in such an event.

1.5. <u>Security Deposit</u>. NONE.

1.6. <u>Permitted Use/Public Services</u>. Subject to the conditions and provisions of below, the Premises shall be used as a cultural, youth, elderly, educational and social services center ("Center").

1.6.1. <u>Performance Milestones</u>. If within six (6) months after the Commencement Date, as described in Section 1.3 of this Lease, the design and plan check for construction have not been completed; or if such approvals are completed, actual construction has not commenced within nine (9) months after Commencement Date; or if construction is ongoing but actual operation of the Center has not commenced within twenty-four (24) months after the Commencement Date, City may terminate this Lease.

1.6.2. <u>Additional Terms of Use</u>. Tenant shall make available up to nine (9) rent-free parking spaces available for use by the adjacent Los Angeles Unified School District Encino Elementary School. ("LAUSD") Tenant is authorized to enter into a reciprocal parking use agreement with LAUSD for said purpose.

1.6.3. <u>First Right of Refusal to Purchase Premises</u>. If the City decides to declare the fire Station No. 83 Property (Premises) surplus at any time during the Term of this Lease, Tenant shall have the first right of refusal to purchase the premises at fair market value after City complies with California Government Code Section 54220, et seq., if applicable.

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

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

1.7.2. <u>Execution Date</u>. The defined term "Execution Date" shall mean the date the Office of the City Clerk of Los Angeles attests this Lease.

1.7.3. <u>General Manager</u>. The defined term "General Manager" shall mean the General Manager of the Department Of General Services of the City of Los Angeles, or such successor position as the City Council of the City of Los Angeles may designate. The defined term "General Manager" shall also include any person designated by the General Manager to act on behalf of the General Manager.

#### **ARTICLE 2. NOTICES**

2.1. **Notices.** All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands shall be personally delivered (including by means of professional messenger service), sent by United States registered or certified mail, postage prepaid, return receipt requested, or transmitted by telecopier (e.g., Fax), in which case the receiving party shall immediately confirm receipt of such notice. All notices are effective upon receipt. For the purposes of such notices, the addresses for the parties are set forth below. Either party may from time to time designate another person or place in a notice.

2.2. <u>Notices - Where Sent</u>. All notices given under this Lease which are mailed or telecopied shall be addressed to the respective parties as follows:

## To City:

City of Los Angeles c/o Real Estate Services Division Suite 201, City Hall South 111 East First Street Los Angeles, California 90012 Telephone: (213) 922-8500 Telecopier: (213) 922-8511 with a copy of any notice to: Office of the City Attorney Real Property/Environment Division 700 City Hall East 200 North Main Street Los Angeles, California 90012 Telecopier: (213) 978-8090

<u>To Tenant</u> :	with a copy of any notice to:
Armenian Cultural Foundation 104	Kamarian Law, Inc.
N. Belmont Street, Suite 301	210 N. Glenoaks Blvd, Suite D
Glendale, California 91206	Burbank, CA 91502
Telephone: (818) 243-9219	Telephone: (818) 859-7090
Telecopier: (818) 243-1467	Telecopier: (747) 282-1132

## ARTICLE 3. TERM

3.1. <u>Premises and Letting</u>. City hereby leases to Tenant, and Tenant hereby leases from City, the Premises as described in this Article and as shown in the site plan attached to this Lease as Exhibit A for the Term, for the consideration, and upon of the provisions, covenants, and conditions set forth in this Lease. The Premises includes without limitation all heating, ventilation, air conditioning, mechanical, electrical, and plumbing systems, and roof, wall and foundations, and fixtures within the Building. Premises also includes all appurtenances, easements, and rights of way related to it.

3.2. <u>Parking</u>. Tenant shall have the right to park vehicles in the parking lot areas of the Premises in conjunction with Tenant's use of the Building. Tenant may not charge any fee for parking at the Premises without the prior written consent of the General Manager, however Tenant is authorized to charge a fee for parking during special events, so long as Tenant maintains a schedule of fees that Tenant proposes to charge, and provides the General Manager a copy thereof prior to scheduling said special events. Said fees shall not be unreasonable.

3.3. <u>Reservation of Mineral Rights And Air Rights</u>. City hereby reserves all right, title, and interest in any and all gas, oil, minerals, and water beneath the Premises, below a plane five hundred (500) feet below the surface of the Premises, but without the right to use the surface of the Premises, or any area above a plane five hundred (500) feet below the surface of the Premises, for the extraction of such gas, oil, minerals, and water. City also reserves all right, title, and interest in any and all air rights above the Premises; provided, however, that any use of air rights by City shall not interfere with the public's and Tenant's ingress and egress to the Premises.

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3.4. Communication Sites. City shall retain the exclusive right without compensation to Tenant to place, or to grant a license for others to place, one or more cellular or other communications equipment systems anywhere upon the Premises. City shall consult with Tenant with respect to the location and appearance of such equipment, but the final determination shall be made by City in its sole and absolute discretion; provided that any equipment shall not interfere with the public's and Tenant's ingress and egress to the Premises, or Tenant's operation at the Premises. Nothing in this Section shall be construed to limit or prohibit Tenant's use of the Premises for Tenant's communications equipment for Tenant's personal use, and City shall require that any subsequently installed cellular or other communications equipment systems be installed and operated in a manner which does not interfere with Tenant's equipment. All such equipment shall be installed and operated in compliance with all applicable laws and regulations. City shall have the sole and exclusive right to collect and use any revenue or fees generated from the placement of such equipment. All costs related to the installation, maintenance, or operation of such equipment shall be the responsibility of City or City's licensee, including without limitation electrical power and other necessary utilities. City or City's licensee shall be financially responsible for and shall immediately commence and diligently pursue to completion any repair of damage to the Premises or the areas adjoining the Premises, or any contents thereof, caused by the installation, maintenance, or operation of such equipment. City or City's licensee shall have access to the Premises upon twenty- four (24) hours' notice to Tenant for installation or maintenance purposes. In the event of an emergency requiring immediate access to the Premises, Tenant shall make every effort to accommodate the needs of City or City's licensee.

3.5. <u>Acceptance of Premises</u>. Tenant represents that Tenant has inspected the Premises, and accepts the Premises in the condition that existed as of the Execution Date of this Lease.

#### **ARTICLE 4. USE**

4.1. **Use.** The Property shall be used by Tenant for the operation of a cultural center open to the general public, and for no other purposes whatsoever without the written consent of the City of Los Angeles approved, in its sole discretion, by the City Council of the City of Los Angeles. City does not require good cause to refuse such consent and/or impose a competitive bidding process for continued operation or other purpose. Tenant shall provide those services and conduct those activities as set forth in the Statement of Programming and Services attached to this Lease as Schedule I and incorporated herein by this reference. City and Tenant understand and agree that the types and frequency of services are subject to reasonable change over time. For the Term of this Lease, such services shall be operated on a non-profit charitable basis, and, with respect to such services, Tenant shall maintain its tax exempt status under California Corporations Code sections 5110 et seg, and Article 13, Section 4(b) of the Constitution of the State of California, and the statutes adopted to implement that section, or such successor law of similar import as may be adopted. Any income or assets derived from the Property or operations thereon, shall never be distributed to private persons, but shall forever be devoted to providing direct operation costs of the Center, or repair, maintenance or replacement needs of the building structure. Tenant shall not use or permit the use of the Premises in a manner that creates waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to, neighboring premises or properties Nothing in this Section shall be construed as limiting or mandating action LEASE 4 SSCHE03-5001 N. BALBOA BOULEVARD BALB5001.DA

by the City of Los Angeles in its governmental capacity (e.g., zoning, conditional use permits).

4.2. <u>Conditions of Approval (As modified by the City Planning Commission on</u> <u>September 26, 2019</u>). Pursuant to Section 11.5.6, 12.32, and 14.00 of the LAMC, the following conditions are hereby imposed upon the subject property (Premises):

## A. <u>Entitlement Conditions</u>.

1. <u>Site Plan</u>. The use and rehabilitation of the property shall be in substantial conformance with the site plan, and elevations labeled Exhibit "A" attached to the subject case file. Minor deviations may be allowed to comply with the provisions of the LAMC and the conditions of approval.

2. **Facade.** The facade of the structure shall be in substantial conformance with the elevations and renderings labeled Exhibit "A," and in conformance with the Secretary of the Interior's Standards for rehabilitation of the existing building.

3. **Parking.** Parking shall be provided in conformance with the LAMC section 12.21.

4. The applicant shall provide a copy of the reciprocal parking use agreement between LAUSD and Armenian Cultural Foundation to provide six to nine parking spaces to each other during certain hours of the day.

5. **Lighting.** Final Plans shall show the location and type of all lighting. Outdoor lighting shall be designed and installed with shielding, such that the light source cannot be seen from adjacent residential properties or the public right-of-way nor from above.

6. **Noise.** The use of any outdoor public address or other sound system shall utilize a sound system designed by a qualified sound engineer so as to reduce the impulse noise level to inaudibility beyond the premises of the establishment.

7. **Facility Use.** The applicant shall be limit the rental of its facility to the public or organizations for banquets, weddings, or other ceremonies to one event per month, subject to the terms of the lease agreement with the City.

8. **Landscape Plan.** All open areas not used for buildings, driveways, parking areas or walkways shall be attractively landscaped and maintained in accordance with a landscape plan and an automatic irrigation plan, prepared by a licensed landscape architect to the satisfaction of the Department of City Planning. The Project shall demonstrate compliance with LAMC Section 12.42 B.2, all applicable provisions of Ordinance No. 170,978, and associated Guidelines.

9. <u>Signage</u>. The project shall comply with LAMC Section 14.00A.5. (9). Only one identification sign shall be displayed on the site, and the sign shall be on the building LEASE 5
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face. The sign shall not exceed 20 square feet, shall not extend more than two feet beyond the wall of the building, and shall not project above the roof ridge or parapet wall (whichever is higher) of the building.

10. Any operation on the site shall be restricted to 7 a.m. and 10 p.m. of every day.

11. No outdoor activity shall be conducted from dusk to dawn.

12. Trash/recycling

a. Trash receptacles shall be stored in a fully enclosed building or structure, constructed with a solid roof at all times.

b. Trash and recycling containers shall be locked when not in use.

c. Trash and recycling containers shall not be placed in or block access to required parking or the adjoining alley.

d. Trash collection shall be coordinated and signed off satisfactory to the Bureau of Sanitation.

13. All graffiti on the site shall be removed or painted over in the same color as the surface to which it is applied within 24 hours of its occurrence.

## 14. Increased Noise Levels (Demolition and Construction Activities).

a. The project shall comply with the City of Los Angeles Noise Ordinance Nos. 144,331 and 161,574, and any subsequent ordinances, which prohibit the emission of creation of noise beyond certain levels at adjacent uses unless technically infeasible.

b. The project shall comply with the Noise Insulation Standards of Title 24 of the California Code Regulations, which ensure an acceptable interior noise environment.

c. Construction and demolition shall be restricted to the house of 7:00 am to 6:00 pm, Monday through Friday, and 8:00 am to 6:00 pm on Saturday

d. Demolition and construction activities shall be scheduled so as to avoid operating several pieces of equipment simultaneously, which causes high noise levels.

15. <u>Asbestos</u>. Prior to the issuance of any permit for the demolition or alteration of the existing structure(s), the applicant shall provide a letter to the Department of Building and Safety from a qualified asbestos abatement consultant

indicating that no Asbestos-Containing Materials (ACM) are present in the building. If ACMs are found to be present, it will need to be abated in compliance with the South Coast Air Quality Management District's Rule 1403 as well as all other applicable State and Federal rules and regulations.

16. **Lead Paint.** Prior to issuance of any permit for the demolition or alteration of the existing structure(s), a lead-based paint survey shall be performed to the written satisfaction of the Department of Building and Safety. Should lead-based paint materials be identified, standard handling and disposal practices shall be implemented pursuant to OSHA regulations.

17. **<u>Removal of Underground Storage Tanks</u>**. Underground Storage Tanks shall be decommissioned or removed as determined by the Los Angeles City Fire Department Underground Storage Tank Division. If any contamination is found, further remediation measures shall be developed with the assistance of the Los Angeles City Fire Department and other appropriate State agencies. Prior to issuance of a use of land or building permit, a letter certifying that remediation is complete from the appropriate agency (Department of Toxic Substance Control or the Regional Water Quality Control Board) shall be submitted to the decision maker.

4.3. <u>Alcoholic Beverages</u>. The dispensing of beer, wine, or other intoxicating liquors shall not be permitted, except for the dispensing of beer and/or wine at functions of the type generally held by nonprofit organizations where alcohol is served (for example, without limitation, fund-raising events). Tenant shall provide adequate security for such events. Tenant shall ensure that any dispensing of beer and/or wine at said functions is in conformity with the State of California alcohol dispensing laws. Tenant shall provide written notice to the General Manager, prior to conducting an event where alcoholic beverages shall be dispensed. In the alternative, Tenant may provide the General Manager an annual schedule of planned special events where alcoholic beverages will be dispensed, at the commencement of each Lease Year.

4.4. <u>Admission Fees</u>. All admission fees charged by Tenant shall be subject to approval of the General Manager. The first day of that Lease Year following the day that Tenant commences its cultural center programming, and thereafter on an annual basis, Tenant shall provide the General Manager a schedule of planned special events, together with any proposed admission fees to be charged during the upcoming Lease Year. To avoid duplication. said schedule of events may include notation as to those events where alcohol may be served, in compliance with Section 4.2 of this Lease. The standard used to approve (or disapprove) admission fees shall be comparable operations and similar institutions in the United States. In the event of disapproval of any such admission fees, General Manager shall specify the reasons therefore, along with the level of admissions fees which would be approved. City through the General Manager reserves the right to disapprove proposed admission fees when it appears that proposed admission fees are above the prevailing standard set forth above.

4.5. <u>Signs</u>. No commercial advertising signs of any kind or type may be displayed at the Premises without the prior written approval of the General Manager, which shall not be unreasonably withheld or delayed (signs which are displayed primarily to give attribution or credit

to entities sponsoring exhibits or other events and not as commercial advertising shall not be considered "commercial advertising signs" for the purposes of this Section and do not require the prior approval of the General Manager). Tenant shall have the right to place, construct, and maintain in, on, or about the Premises one or more signs or graphics installations, advertising Tenant's name or any other matter germane to Tenant's use of the Premises. No signs or other graphics shall be installed in such a manner as to be reasonably visible from outside of the Premises without the advance approval of the General Manager, which approval shall not be unreasonably withheld or delayed.

4.6. <u>Artistic Content</u>. The artistic content, subject matter, authors, performers, or crew members of any performance, exhibit, program, or display at the Premises shall not be used by the City as the basis, in whole or in part, of any termination or other action under this Lease; provided, however, that to the extent that a court of competent jurisdiction adjudges, after trial, plea or otherwise, that the content of any performance, exhibit, program, or display offered at the Premises under the control or with the consent of Tenant violated the criminal statutes of the United States, the State of California, or the City of Los Angeles, this Section shall not preclude the termination of this Lease (illegal activities of third parties done without the knowledge or consent of Tenant shall not be considered as grounds for termination unless such activities occur on a regular basis and Tenant fails to take reasonable steps to prevent such activities).

4.7. <u>Hours</u>. Tenant's hours of operation at the Premises shall be as follows: 7:00 a.m. to 8:00 p.m. on Monday through Friday; and 8:00 a.m. to 3:00 p.m. on Saturday. In the event that Tenant occasionally wishes to use the Premises outside of the aforementioned operating hours, Tenant shall submit to City, for City's approval, a written request, specifying the proposed date(s) and hour(s) of usage, and City's approval of such request shall not be unreasonably withheld, delayed, or conditioned, however said hours cannot deviate from the Planning Entitlements described in Section 4.2(A)(10) and (11) contained herein, restricting hours of operation to 7:00 a.m. -10:00 p.m. daily, and prohibiting all outside activities from dusk to dawn daily.

4.8. <u>Special Events</u>. Tenant may conduct certain special events with the prior written approval of the General Manager, which shall not be unreasonably withheld or delayed, and in compliance with all policies and procedures heretofore and hereafter adopted by the General Manager. Tenant shall provide for and assume all costs and expenses for additional personnel and/or facilities that the General Manager deems necessary to accommodate said special event. Tenant shall limit the rental of its facility to the public or organizations for banquets, weddings, or other ceremonies to one event per month.

4.9. <u>Ancillary Income</u>. During the Term, in the event Tenant obtains income from uses of the Premises which are ancillary to the uses contemplated under this Lease (e.g., use of Premises in the filming of a motion picture), Tenant shall use such income only such purposes as are consistent with the non-profit activities permitted with respect to the use of the Premises. Any receipt of such income shall be reported to City in the annual report required pursuant to this Lease, and Tenant, if requested by General Manager, shall provide General Manager with such accountings as General Manager shall reasonably require to demonstrate compliance with this Section. Nothing in this Section shall be construed to permit uses of the Premises not otherwise

allowed under the provisions of this Lease, nor shall anything in this Section be construed to negate or modify any requirement for prior approval of activities.

## **ARTICLE 5. TERM**

5.1. Term. This Lease shall commence on the Lease Commencement Date and shall terminate on the Lease Termination Date set forth in the Basic Lease Provisions, unless terminated earlier in accordance with the provisions of this Lease.

5.2. Termination – Non-conforming Use. Should the Premises, at the reasonable discretion of the City Council, not be used for purposes of this Lease, or should Tenant cease to operate or exist or maintain its nonprofit corporate status (temporary suspension of status for a period not exceeding six (6) months shall not be considered a failure to maintain), or should the operations conducted not be in accordance with the statutes of the United States, State of California, the County of Los Angeles, or the City of Los Angeles in a manner which constitutes a major and material breach of this Lease, then City may terminate this Lease pursuant to this Lease. Tenant's right to cure shall be applicable to this Lease. Should such termination be ordered, Tenant will peaceably surrender the Premises and will comply with all of the requirements of this Lease with regard to termination.

5.3. Holdover. If Tenant or any sublessee of Tenant, with City's written consent, remains in possession of the Premises after the expiration or termination of this Lease, such possession by Tenant or such sublessee shall be deemed to be a month-to- month tenancy terminable on thirty (30) days' prior written notice given at any time by either party. All provisions of this Lease except those pertaining to Term shall apply to the month-to-month tenancy. If Tenant or any sublessee of Tenant holds over without City's written consent, or after the date in any notice given by City to Tenant or such sublessee terminating this Lease, Tenant and any such sublessee shall be deemed to be a tenant at sufferance.

5.4. Surrender Premises. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of City, operate as an assignment to it of any or all subleases or subtenancies. No act or thing done by City or any agent or employee of City during the Term shall be deemed to constitute an acceptance by City of a surrender of the Premises unless such intent is specifically acknowledged in a writing signed by City. The delivery of keys to the Premises to City or any agent or employee of City shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by City, and notwithstanding such delivery, Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated.

5.5. Condition of Surrendered Premises. Upon the expiration or termination of this Lease, Tenant shall peaceably surrender the Premises and all alterations and additions thereto, broomclean, in good order, repair and condition, reasonable wear and tear excepted, and shall comply with the provisions of this Lease. Upon such expiration or termination, Tenant shall, without expense to the City, remove or cause to be removed from the Premises all debris and rubbish, and 9 LEASE SSCHE03-

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such items of furniture, equipment, freestanding cabinet work, and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as City may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal.

## **ARTICLE 6. CONSIDERATION**

6.1. <u>Consideration</u>. City leases the Premises to Tenant in exchange for the use by Tenant of the Premises for the purposes set forth in this Lease and for no other purposes; and the compliance by Tenant with the covenants, provisions, and conditions of this Lease shall serve as adequate consideration for the Lease.

## **ARTICLE 7. REPORTS AND AUDITS**

7.1. **Report to City.** Not later than twelve (12) months following the Lease Commencement Date, and thereafter annually, Tenant shall provide a copy of its annual report, which includes the financial, organizational, and programmatic activities of Tenant to the General Manager. Tenant shall provide such additional information as the General Manager may reasonably request.

7.2. **Business Records.** City maintains an interest in assuring that facilities that it provides at no rent are being operated in a manner consistent with City's intent. Accordingly, Tenant shall maintain a method of accounting of all the receipts and disbursements in connection with the Premises which shall correctly and accurately reflect the gross receipts and disbursements received or made by Tenant (and, where feasible, which indicate the gross receipts and disbursements received or made by Tenant from the operation of activities on the Premises). Nothing in this Section shall require Tenant to maintain separate accounts or business records from its operations at the Premises and any other location which Tenant may operate during the Term of this Lease.

7.3. Inspection and Audit Of Records By City. All documents, books and accounting records required to be maintained or retained under this Article shall be open for inspection and reinspection by City with reasonable prior notice during regular operating hours during the Term of this Lease and for a period of ten (10) years thereafter. In addition, City may from time to time conduct, at City's sole cost and expense, an audit or reaudit of the books and business conducted by Tenant with respect to Tenant's operations from the Premises and observe the operation of business so that accuracy of the above records can be confirmed. In addition, whether or not in connection with any audit, City shall have the right to inspect Tenant's federal and state income tax returns as filed along with any amendments or supplemental filings related thereto for the past two fiscal years.

## ARTICLE 8. COMPLIANCE WITH ALL LAWS AND REGULATIONS

8.1. <u>Federal, State and Local Laws</u>. Tenant agrees that in achieving its goals as set forth in this Lease, it will comply with all applicable laws, ordinances, rules and regulations enacted or promulgated or which are enacted or promulgated in the future by the City of Los Angeles, the County of Los Angeles, the State of California and the Federal Government.

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

8.3. **<u>Right of Entry</u>**. City and the General Manager, their authorized representatives, agents and employees shall have the right at their sole cost and expense to enter upon the Premises at any and all reasonable times within operating hours for the purposes of inspection and observation of Tenant's operations. City shall endeavor to conduct such inspections and observations in a manner calculated to minimize disruption to the use and enjoyment of the Premises by Tenant, its employees, and patrons. Said inspections may be made by persons identified to Tenant as City employees or by independent contractors engaged by City. Inspections of areas not open to the general public shall be made with reasonable prior notice (except in the case of emergency, where no notice is required).

8.4. **Operating Permits and Licenses.** Tenant shall be required to obtain, at its sole expense, any and all permits or licenses that may be required in connection with its operations including, but not limited to, tax permits, business licenses, and health permits.

### **ARTICLE 9. MAINTENANCE, REPAIR, AND UTILITIES**

9.1. Maintenance, Repair, Security, and Utilities. Tenant shall keep and maintain, at Tenant's sole cost and expense, the Premises in good condition and repair during the entire Term of this Lease, including all building systems and the landscaping and parking areas and driveways adjacent to the Building. Tenant shall keep and maintain the exterior walls, roof, and structural members of the Premises in good condition and repair at Tenant's sole cost and expense. Any glass, both exterior or interior of the Premises, which is damaged during the Term of this Lease shall be promptly repaired or replaced at the sole cost and expense of Tenant with glass of the same size, kind, and quality. Tenant shall be responsible for providing all security, maintenance and utility services, including custodial service as needed, gas, water and electricity as are required in the Premises. Tenant shall pay the cost of all such services. City shall grant such utility easements and connections as may be necessary to provide any utility service, provided that the granting of said easements and connections shall be at no cost to City. Security, maintenance, and utility services shall be maintained at a customary and usual level for similar facilities in the Los Angeles area, except where specific levels of service are provided in this Lease or are reasonably imposed by the General Manager, in which case those levels of service shall apply. City shall have the right to inspect the Premises for compliance pursuant to this Lease.

9.2. Exterior Walls, Roof, and Structural Members. By way of specification, without limitation, Tenant shall keep and maintain the exterior walls, roof and the structural members of any buildings on the Premises in good condition and repair at Tenant's sole cost and expense. Prior to making any major repairs (the cost of which is reasonably expected to exceed \$10,000.00) to exterior walls, roofs, and the structural members of any buildings on the Premises (except in the LEASE 11 SSCHE03-

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event of an emergency where repairs or work needs to be done and prior consent from City is not feasible), Tenant shall, at Tenant's sole cost and expense, obtain the written consent and approval of the plans by the General Manager, which approval shall not be unreasonably withheld or delayed. Furthermore, Tenant shall, at its sole cost and expense, obtain all licenses, permits and inspections necessary for said repairs of Premises. Copies of all plans, permits and licenses shall be provided to City.

9.3. <u>City Not Obligated to Repair</u>. Except as provided expressly in this Lease, in no event shall City be required or obligated to perform any maintenance or to make any repairs, changes, alterations, additions, improvements or replacements of any nature whatsoever, on the Premises or the improvements thereon, or any part thereof, at any time during the Term. Moreover, nothing contained in this Lease shall be construed as requiring City to make any repairs or to do any maintenance necessitated by reason of the negligence of Tenant or anyone claiming under Tenant, or by reason of the failure of Tenant to observe or perform any conditions, covenants or agreements contained in this Lease, or by reason of any damage to or destruction of other property caused by any improvements, alterations or additions made by Tenant or anyone claiming through Tenant.

9.4. **Refuse and Trash; Recycling.** Tenant shall keep the Premises clean and sanitary at all times. No refuse matter, nor any substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or allowed to remain thereon, and Tenant shall take all reasonable precautions to prevent any such matter or material from being or accumulating upon the Premises. Tenant shall provide for the collection and removal of all garbage and/or refuse from the Premises as often as is necessary and in no case less than twice weekly. Tenant shall furnish all equipment and materials therefor, including trash receptacles of a size, type and number approved by City for use by the public. Such approval shall not be unreasonably withheld.

9.5. <u>Security</u>. City is not obligated under this Lease to provide any special security for the Premises or the contents contained therein.

9.6. <u>Safety Deficiencies</u>. Tenant shall promptly correct all safety deficiencies and violations of safety practices of which it has knowledge and shall cooperate fully with City in the investigation of accidents occurring on the Premises. In the event of injury to a patron or customer, Tenant shall use its best efforts to provide prompt and qualified medical attention to the injured person; provided, however, than nothing in this Section is intended to confer any third-party beneficiary status on any person not a party to this Lease.

9.7. **Repairs by City**. If Tenant requests City to provide any repairs, services or maintenance and City provides such repairs, service or maintenance, Tenant shall pay for such repairs, services or maintenance at actual cost, including indirect costs incurred by City as determined by the Department of General Services. Tenant shall pay all such costs within thirty (30) days after presentation of a bill by City's Department of General Services. City may require a cash deposit in advance if the Department of General Services so determines. It is not contemplated under this Lease that City will perform any such repairs, services or maintenance, but rather that such will be provided by Tenant's employees or by contract between Tenant and one or more non-City agencies,

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all at Tenant's expense. The provisions of this Section are in addition to the "self-help" rights of City contained in this Lease.

Failure to Perform Maintenance. In the event Tenant does not perform 9.8 maintenance or repairs such that the Premises, or any portion thereof, are no longer suitable for use by the public or other occupancy, as determined by either City or Tenant, or that the Premises, or any portion thereof, are not in compliance with applicable federal, state, or local laws on or after the date provided for such compliance, City, at its sole discretion, may:

9.8.1. Perform or have performed the necessary remedial work at Tenant's expense, with costs and payments in accordance with this Lease;

9.8.2. Terminate this Lease in accordance with this Lease. Tenant shall repair any damages it has caused the Premises; or

9.8.3. Require the immediate vacation of the entire Premises or, at the sole discretion of City, a portion of the Premises until such time as such maintenance or repairs are complete or such time as the Premises are in compliance with such laws, as the case may be. The remedy provided in this Lease may be used independently or in conjunction with the remedies provided in this Lease.

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

## **ARTICLE 10. ALTERATIONS AND IMPROVEMENTS**

Tenant may make any improvements, alterations, and additions 10.1. Alterations. (collectively "Alterations") which do not affect the structure or the exterior appearance of the Building or which do not significantly change the Building Systems or the configuration of the interior of the Building which are necessary to carry out the functions of the project on the Premises. City and Tenant intend that Tenant shall make major Alterations which affect the structure and/or the exterior appearance of the Building or which significantly change the Building Systems or the configuration of the interior of the Building ("Major Alterations") in accordance with plans and specifications prepared by Tenant and approved prior to such renovation or alteration by the General Manager, at General Manager's sole discretion. The entire cost of any Alterations shall be paid by Tenant, including design costs and fees related thereto. In granting approval, City may require any Major Alterations to be so designed and constructed to allow either the structure to be restored to its previous condition at the termination of this Lease or to allow the changed structure to be usable by City or a subsequent tenant. Any other approval, permit, or inspection requirements, including, without limitation, approvals from the Cultural Heritage SSCHE03-LEASE 13

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Commission of the City of Los Angeles or the Department of Building and Safety of the City of Los Angeles, are in addition to the approval of the General Manager and shall be obtained where required by law. Before starting any work, Tenant or Tenant's contractor shall obtain a bond or other security satisfactory to the City Attorney in compliance with this Lease.

10.2. <u>"Building Systems" - Defined</u>. As used in this Lease, the defined term "Building Systems" shall mean any machinery, transformers, duct work, conduit, pipe, bus duct, cable, wires, and other equipment, facilities, and systems, to the extent within the Building, designed to supply heat, ventilation, air conditioning and humidity or any other services or utilities, or comprising or serving as any component or portion of the electrical, gas, steam, plumbing, sprinkler, communications, alarm, security, or fire/life safety systems or equipment, or any other mechanical, electrical, electronic, computer, or other systems or equipment which service the Building in whole or in part; provided, however, that such equipment, facilities, and systems which serve solely the Premises or Tenant with respect to communications, alarm, security, and computer systems shall not be considered part of the Building Systems to the extent that such equipment, facilities, and systems.

10.3. <u>"As Built" Drawings</u>. For any Major Alterations, after completion thereof, Tenant shall submit to City reproducible "as built" drawings of all such Major Alterations constructed on the Premises with the sole exception of any security systems.

10.4. **Removal of Fixtures.** All Alterations and fixtures installed by Tenant which are not to be removed from the Premises shall become the property of City upon the surrendering of the Premises upon the termination of this Lease (other than improvements which reasonably were expected to be removed during this Term or at the termination of this Lease, display cases and cabinets for Tenant's artifacts and memorabilia, Tenant's computers and other office equipment, and the artifacts and memorabilia and other personal property, all of which shall remain the property of Tenant and may be removed from the Premises from time to time and upon the termination of this Lease, provided Tenant repairs any ad all damage to Premises caused by such removal). Any fixtures installed by Tenant without the consent of City shall be removed within thirty (30) days of notice by City, no later than the termination of this Lease. Should Tenant fail to remove such Alterations or fixtures after the termination of this Lease, City may, at City's option: (.1) retain all or any of such property, and title thereto shall thereupon vest in City; or (.2) remove the same, in which event Tenant shall pay to City upon demand the reasonable costs of such removal, plus the cost to restore the Premises to an acceptable condition as approved by the Department of General Services.

10.5. No Creation of Liability. Nothing contained herein shall be construed or deemed to create any obligation or liability, including without limitation liability as a guarantor or surety, on the part of City with respect to any Alterations constructed from time to time on the Premises, or any plans or specifications, construction contracts, financing or other matter, instrument or document of any nature whatsoever relating to such Alterations. City is not and shall at no time be liable to any creditor of Tenant or any other persons occupying any part of the Premises or the improvements thereon as a sublessee, licensee or otherwise or to any claimant against the estate or property of Tenant or such other occupants for any of their debts, losses, contracts or other

obligations. The relationship between City and Tenant is solely that of landlord and tenant and is not and shall not be deemed a partnership or joint venture.

10.6. <u>Waiver of Landlord Lien</u>. City, within ten (10) business days after receipt of a written demand from Tenant, shall execute and deliver any reasonable document required by any supplier, lessor, or lender in connection with the installation of Tenant's personal property or trade fixtures in the Premises in which City waives any rights it might have or acquire with respect to such personal property or trade fixtures, if such supplier, lessor, or lender agrees in writing that:

10.6.1. Supplier, lessor, or lender will remove such property or trade fixtures from the Premises before the expiration of the Term or within thirty (30) days after termination of the Term. Where supplier, lessor, or lender does not remove the property or trade fixture within such period, such supplier, lessor, or lender shall have waived any rights it may have had to the property or trade fixture.

10.6.2. Supplier, lessor, or lender will make whatever restoration to the Premises that is required by the removal, provided that such restoration is approved by City.

### **ARTICLE 11. INSURANCE**

11.1. **Insurance.** Prior to the occupancy of the Premises, under the provisions and conditions of this Lease, Tenant shall furnish City with evidence of insurance from insurers (i) reasonably acceptable to City, and (ii) approved to write surplus lines in the State of California or licensed to do business in the State of California, on a form reasonably acceptable to the Los Angeles City Attorney for the following coverages and minimum limits of insurance which shall be maintained by Tenant at its sole cost and expense throughout the Term of this Lease:

11.1.1. <u>General Liability Insurance</u>. Tenant shall obtain insurance coverage for Comprehensive General Liability with Premises and Operations, Products and Completed Operations, Blanket Contractual Liability, Broad Form Property Damage, and Personal Injury coverages included and shall provide for total limits of not less than THREE MILLION DOLLARS (\$3,000,000) Combined Single Limit. Umbrella or Excess Liability coverages may be used to supplement primary coverages to meet required limits. Evidence of such coverage shall be on the City's Additional Insured endorsement form provided to Tenant by City or on an endorsement to the policy reasonably acceptable to the Los Angeles City Attorney and provide for the following:

11.1.1.1. Include City, its boards, officers, agents and employees as additional insureds with Tenant for the development and operation of the project on the Premises and all activities and insured risks related thereto.

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

11.1.1.3. That the policy include a Severability of Interest or Cross-Liability<br/>clause such as "The policy to which this endorsement is attached shall apply separately<br/>LEASELEASE155001 N. BALBOA BOULEVARDBALB5001.DA

to each insured against whom a claim is brought, except with respect to the limits of the company's liability."

11.1.1.4. That the policy shall not be subject to cancellation, change in coverage, reduction in limits, or non-renewal of a continuous policy except after written notice to the Los Angeles City Attorney by certified mail, return receipt requested, not less than thirty (30) days prior to the effective date thereof. Such notice shall be given to the City Administrative Officer, Risk Management, 200 North Main Street, City Hall East, Room 1240, Los Angeles, California 90012, or such other address as City may designate in writing from time to time.

11.1.2. <u>"All Risk" Coverage</u>. At all times during the Term of the Lease or any extension of the Lease, with respect to any improvements on the Premises, Tenant shall, at its sole cost and expense, provide and keep in force insurance policies, protecting City and Tenant as their interests may appear, against loss or damage to the improvements on the Premises, in an amount equal to not less than ninety percent (90%) of the full replacement value thereof providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risk). The full replacement value of the improvements shall be determined in accordance with the standard practices of the insurance industry and evidenced by the certificate of the insurance company or companies issuing such insurance at the time the policy or policies are obtained. The General Manager shall have the ability, from time to time, to redetermine the valuation of the building on the Premises. Tenant further covenants and agrees, at its sole cost and expense, to provide and keep in full force and effect boiler and machinery insurance on all air conditioning equipment, boilers, and other pressure vessels and systems, whether fired or unfired, serving the improvements on the Premises.

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

11.1.4. <u>Workers' Compensation</u>. By executing this Lease, Tenant hereby certifies that it is aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for workers' compensation and employers' risk or to undertake self-insurance in accordance with the provisions of said Code, and that it will comply with such provisions before commencing the performance of any work on or about the Premises.

11.1.5. <u>Adjustment Of Insurance Levels</u>. City reserves the right at any time during the Term of this Lease, at its sole discretion applying generally accepted Risk Management principles, to change the amounts and types of insurance required hereunder effective at the renewal date of insurance then in effect (in no case more than one year from the written notice)

by giving Tenant ninety (90) days written notice provided that such amounts and/or types shall be reasonably available to Tenant at commercially reasonable premiums.

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

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

11.3. Failure to Maintain Insurance. Tenant's failure to procure or maintain required insurance or self-insurance program shall constitute a material breach of this Lease under which City may immediately terminate this Lease, or, at its discretion, procure or renew such insurance to protect City's interest and pay any and all premiums in connection therewith, and recover all monies so paid from Tenant. If City elects to terminate this Lease, Tenant agrees to immediately cease all operations and activities under this Lease and to peacefully surrender the Premises.

#### **ARTICLE 12. BONDS**

12.1. **Bonds.** With respect to any construction or development project for which the General Manager reasonably has concerns about Tenant's ability to complete such a project, the General Manager may require, prior to the initiation of construction for any phase of development, expansion, internal or external improvements, or any other work associated with the development of the Premises, Tenant shall file with City a surety bond reasonably satisfactory to City in the amounts and for the purposes noted herein. The surety bond shall be duly executed by a responsible corporate Surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California. Tenant or any contractor of Tenant shall pay all surety bond premiums, costs and incidentals. The bond shall be signed by both Tenant or Tenant's contractor and the Surety and the signature of the authorized agent of the Surety shall be notarized. Tenant shall provide sufficient surety, in an amount equal to one hundred percent (100%) of the construction contract price, to satisfy claims of material suppliers and of mechanics and laborers employed by the construction firm on the work. The surety bond shall be maintained in full force and effect until the work as shown on the approved plans is substantially completed and accepted by Tenant and City, and until all claims for materials and labor are paid, and shall otherwise comply with the California Civil Code.

12.2. **Insufficient Surety.** Where a surety bond is required by the General Manager, should any such surety bond become insufficient, Tenant or Tenant's contractor shall make such surety bond sufficient within ten (10) days after receiving notice from City. Should any Surety at any time be unsatisfactory to City, notice will be given Tenant to that effect. Changes in the 17 LEASE SSCHE03-

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work, or extensions of time, made pursuant to any construction contract, shall in no way release Tenant or Tenant's contractor from their obligations. Notice of such changes or extensions shall be waived by any Surety.

## **ARTICLE 13. INDEMNIFICATION**

13.1. **Indemnification.** During the Term of this Lease, Tenant agrees to indemnify and hold City, its officers, agents and employees harmless from and against any and all loss, liability, claim or damage, including damage to Tenant's property, that may arise out of or result from the activities or negligent acts or omissions of Tenant, and its officers, agents, employees, and invitees, or the use of the Premises for the development and operation of the project on the Premises or related activities. Tenant shall, at its own cost, expense and risk, pay all legal costs and reasonable attorney fees connected with defending any and all legal proceedings that may be brought against City, its officers, agents and employees, on any liability, claim or demand and satisfy any and all settlements and judgments that may be made by or rendered against any of them arising from activities or negligent acts or omissions of Tenant, and its officers, agents, employees, and invitees, or from the use of property; provided that City shall promptly notify Tenant in writing of any such liability, claims, or demands and provide Tenant the opportunity to participate in any litigation and/or settlements. Tenant's indemnification under this Lease shall not be applicable to any and all loss, liability, claim or damage, including damage to Tenant's property, which may arise out of the active negligence or willfull misconduct of City's officers, agents, or employees.

## ARTICLE 14. DEFAULT AND CANCELLATION

14.1. Events of Default. The following occurrences are "Events of Default":

14.1.1. **Breach of Lease.** Tenant materially breaches or fails in the performance of any of the provisions or conditions of this Lease.

14.1.2. **Failure to Conform to Laws.** Tenant fails to conform to applicable laws, rules or regulations.

14.1.3. <u>Failure to Follow Instructions</u>. Tenant fails to substantially follow or substantially conform to any of the directions or instructions that may be properly made by City.

14.1.4. **Incapacity to Perform.** Tenant becomes unable through corporate or personal incapacity to fulfill its obligations under this Lease.

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

14.2.1. <u>Termination of Lease</u>. City may give Tenant written notice of such default. If Tenant does not cure said default within thirty (30) days after notice (forthwith for a default involving sanitary or safety conditions) or make reasonable progress to cure said default, City may, by delivering written notice to Tenant, terminate this Lease and Tenant shall vacate the Premises and remove its collection.

14.2.2. **<u>Recovery at Law.</u>** City may recover at law any and all claims which may be due City.

14.2.3. <u>Self-help</u>. City may perform such work as it deems necessary to cure said default and charge Tenant for the full cost of labor and materials expended, plus thirty percent (30%) of said cost for administrative overhead. The General Manager may exercise this option immediately in the event of a default involving sanitary or safety considerations. Otherwise, the General Manager may exercise this option with thirty (30) days after giving Tenant written notice of a default involving Premises' maintenance. City's rights under this Section are in addition to the Tenant-requested maintenance and repairs provided in this Lease.

14.3. **No Waiver.** The conduct of either party for any period after a default shall not be deemed a waiver of any rights and remedies, nor a waiver of the default of the same or any other provision, covenant or condition. Any waiver by one party of a default on the part of the other party shall not be construed as, or constitute, a waiver of any subsequent default of the same or any other provision, covenant or condition.

14.4. **Default by City**. In the event City defaults in the performance of any of the provisions or conditions of this Lease, and if a written notice of such default is issued to City by Tenant, and if City does not commence to cure said default within sixty (60) days of receipt of said notice, Tenant may immediately terminate this Lease and/or recover at law any and all claims which may be due and obtain specific performance or any other remedy available in equity.

## **ARTICLE 15. SURRENDER OF PREMISES**

15.1. <u>Surrender of Premises</u>. Upon termination of this Lease, Tenant shall quit and surrender possession of the Premises to City in good and usable condition, subject to normal wear and tear. Except as provided in this Lease, any improvements which have been constructed or erected on the Premises shall, upon termination of this Lease, become the property of City. Tenant's collections and all personal property and fixtures related thereto shall remain the property of Tenant or its assigns and may be removed by Tenant from the Premises upon termination of this Lease, along with such property as may be removed by Tenant pursuant to this Lease.

15.2. <u>No Implied Surrender</u>. No act or thing done by City during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid unless in writing and signed by City.

15.3. <u>Failure To Surrender Premises</u>. If Tenant fails to surrender the Premises, together with the improvements thereon, upon the termination of this Lease, Tenant agrees to indemnify LEASE 19 SSCHE03-5001 N. BALBOA BOULEVARD 19 BALB5001.DA and hold harmless City from and against any loss or liability, including costs and reasonable attorney's fees, resulting from such failure to surrender, including, but not limited to, any claims made by any succeeding tenant based on or resulting from such failure to surrender. Nothing herein contained shall be construed as a consent to any occupancy or possession of any portion of the premises and the improvements thereon by Tenant beyond the expiration of the Term or the earlier termination of this Lease.

### **ARTICLE 16. ASSIGNMENT AND BANKRUPTCY**

16.1. Assignment and Subletting. Tenant shall not sublet the Premises or any part thereof or allow the same to be used or occupied by any other person, group or organization for any other use than that herein specified or as provided in Schedule I, nor assign this Lease, nor transfer, assign or in any manner convey any of the rights or privileges herein granted without the consent of the City Council, which may give or deny consent at its sole discretion (provided that Tenant shall have the right to sublease or contract for the operation of a food service enterprise, gift shop, or other related undertaking with the prior consent of City, and such consent or approval shall not be unreasonably withhold or delayed). Short term and occasional use of the Premises for activities such as location filming, special events, and projects with artists or other non-profit or governmental agencies shall not be considered as assignments or subletting and Tenant may allow such use without the need for the prior consent of City (however, net income, if any, from such activities is subject to the provisions above. Tenant shall not rent, lease, or offer any space for storing any article or articles unrelated to Tenant within or on the Premises, without the prior written consent of the General Manager (which consent shall not be unreasonably withheld or delayed). Any attempt to sublease, assignment, or transfer without the consent required by this Section shall be void and shall transfer no rights to the Premises. If Tenant believes that City has abused its discretion in denying consent, Tenant's sole remedy will be to seek a declaratory judgment that City has abused its discretion or an order of specific performance. Tenant will not have any right to damages.

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

## **ARTICLE 17. HAZARDOUS MATERIALS**

17.1. <u>Hazardous Materials</u>. City and Tenant agree as follows with respect to the existence or use of Hazardous Material on the Premises or in the Building:

17.1.1. **Prohibition.** City and Tenant shall each comply with all federal, state, or local laws, ordinances, or regulations relating to industrial hygiene and environmental conditions on, under, or about the Building including, but not limited to, soil and ground water conditions. Without limiting the generality of the foregoing, Tenant shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release, or discharge any Hazardous Material upon or about the Building or the land upon which the Building sits, nor shall Tenant permit its officers, agents, contractors, or employees to engage in such activities upon or about the Building or the land upon which the Building sits. However, the foregoing provisions shall not prohibit Tenant from transportation to and from, and the use, storage, maintenance, and handling within, the Premises or the Building of substances customarily used in connection with normal office use provided: (1) such substances shall be used and maintained only in such quantities as are reasonably necessary for the permitted use of the Premises set forth in this Lease, strictly in accordance with applicable laws and the manufacturers' instructions therefor; (2) such substances shall not be disposed of, released, or discharged at the Building, and shall be transported to and from the Premises in compliance with all applicable laws, and as City shall reasonably require; (3) if any applicable law or City's trash removal contractor requires that any such substances be disposed of separately from ordinary trash, Tenant shall make arrangements at Tenant's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site (subject to scheduling and approval by City), and shall ensure that disposal occurs frequently enough to prevent unnecessary storage of such substances in the Premises; and (4) any remaining such substances shall be completely, properly, and lawfully removed from the Building upon expiration or earlier termination of this Lease.

#### 17.1.2. Clean Up Of Hazardous Materials.

17.1.2.1 Clean Up By City. If any Hazardous Material is released, discharged, or disposed of by City, or City's officers, agents, contractors, or employees on or about the Premises in violation of this Lease, City shall immediately, properly, and in compliance with applicable laws, clean up and, where required, remove the Hazardous Material from the Premises and any other affected property and clean or replace any affected personal property (whether or not owned by Tenant), at City's expense. Such clean up and removal work shall be subject to Tenant's prior written approval (except in emergencies), and shall include, without limitation, any testing, investigation, and the preparation and implementation of any remedial action plan required by any governmental body having jurisdiction or reasonably required by Tenant. If City shall fail to comply with the provisions of this Subsection within ten (10) business days after written notice by Tenant, or such shorter time as may be required by applicable law or in order to minimize any hazard to persons or property, Tenant may (but shall not be obligated to) arrange for such compliance directly or on City's behalf through contractors or other parties selected by Tenant, at City's expense (without limiting Tenant's other remedies under this Lease or applicable law).

17.1.2.2. <u>Clean Up By Tenant</u>. If any Hazardous Material is released, discharged, or disposed of by Tenant, or Tenant's officers, agents, contractors, employees, or invitees LEASE 21 SSCHE03-5001 N. BALBOA BOULEVARD BALB5001.DA on or about the Building in violation of this Lease, Tenant shall immediately, properly, and in compliance with applicable laws, clean up and, where required, remove the Hazardous Material from the Building and any other affected property and clean or replace any affected personal property (whether or not owned by City), at Tenant's expense. Such clean up and removal work shall be subject to City's prior written approval (except in emergencies), and shall include, without limitation, any testing, investigation, and the preparation and implementation of any remedial action plan required by any governmental body having jurisdiction or reasonably required by City. If Tenant shall fail to comply with the provisions of this Subsection within ten (10) business days after written notice by Tenant, or such shorter time as may be required by applicable law or in order to minimize any hazard to persons or property, City may (but shall not be obligated to) arrange for such compliance directly or on Tenant's behalf through contractors or other parties selected by City, at Tenant's expense (without limiting City's other remedies under this Lease or applicable law).

17.1.2.3. <u>Casualty Damage</u>. If any Hazardous Material is released, discharged, or disposed of on or about the Building, the land upon which the Building sits, or the Premises and such release, discharge, or disposal is not caused by City or City's officers, agents, contractors, or employees or other occupants of the Building, such release shall be deemed casualty damage under this Lease to the extent that the Premises or common areas serving the Premises are affected thereby; in such case, City and Tenant shall have the obligations and rights respecting such casualty damage provided under this Lease.

17.1.2.4. **Joint Liability.** As between City and Tenant, nothing in this Section 17.1.2 shall be construed to prohibit or prevent, where appropriate, joint liability for the costs of clean up and removal of Hazardous Material, in proportions according to proof.

17.1.3. **Compliance Costs.** City and Tenant acknowledge that City may become legally liable for the costs of complying with laws relating to Hazardous Material which are not the responsibility of Tenant pursuant to Section 17.1.1, including the following: (1) Hazardous Material present in the soil or ground water; (2) a change in Laws which relate to Hazardous Material which make such Hazardous Material which is present on the Premises as of the Lease Commencement Date, whether known or unknown to City, a violation of such new laws; (3) Hazardous Material that migrates, flows, percolates, diffuses or in any way moves on to or under the land; (4) Hazardous Material present on or under the land as a result of any discharge, dumping or spilling (whether accidental or otherwise) on the land by other owners of the Premises or their agents, employees, contractors or invitees, or by others. Accordingly, City and Tenant agree that the cost of complying with laws relating to Hazardous Material on the Premises for which City may be legally liable shall be borne by City unless the cost of such compliance, as between City and Tenant, is made the responsibility of Tenant pursuant to this Article.

17.1.4. <u>"Hazardous Material" - Definition</u>. As used herein, the defined term "Hazardous Material" means any chemical, substance, material, or waste or component LEASE 22 SSCHE03-5001 N. BALBOA BOULEVARD BALB5001.DA thereof the presence of which requires investigation or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy, or common law, or which is now or hereafter listed, defined, or regulated as a flammable explosive, radioactive material, hazardous or toxic chemical, substance, material or waste or component thereof (whether injurious by themselves or in conjunction with other materials) by any federal, state, or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by such body, or for which any such body has adopted any requirements for the preparation or distribution of a material safety data sheet. "Hazardous Material" includes, without limitation, any material or substance which is: (1) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (2) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code Section 25300, et seq.); (3) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory, California Health and Safety Code Section 25500, et seq.); (4) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances, California Health and Safety Code Section 25280, et seq.); (5) petroleum; (6) asbestos; (7) defined as a "hazardous constituent," "hazardous material," "hazardous waste," or "toxic waste" under Article 2 of Chapter 10 (Section 66260.10) or defined as a "hazardous waste" under Article 1 of Chapter 11 (Section 66261.3) of Title 22 of the California Code of Regulations, Division 4.5 (Environmental Health Standards for the Management of Hazardous Waste, 22 C.C.R. Section 66001, et seq.); (8) designated as a "hazardous substance" pursuant to Section 311 (33 U.S.C. § 1321) of the Clean Water Act of 1977, as amended (Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq.); (9) defined as a "hazardous waste" pursuant to Section 1004 (42 U.S.C. § 6903) of the Federal Resource Conservation and Recovery Act of 1976, as amended (RCRA, 42 U.S.C. § 6901, et seq.); (10) defined as a "hazardous substance" pursuant to Section 101 (42 U.S.C. § 9601) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA, 42 U.S.C. § 9601, et seq.); or (11) defined as "hazardous material" under Section 103 (49 U.S.C. § 1802) of the Hazardous Materials Transportation Act (49 U.S.C. § 1801, et seq.), as such laws may be amended from time to time, and the regulations adopted and publications promulgated pursuant to such laws.

17.1.5. **Disposal of Hazardous Material.** If Tenant disposes of any soil, material or groundwater contaminated with hazardous material, Tenant shall provide City 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. City shall not appear on any manifest document as a generator of such material disposed of by Tenant.

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

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

#### **ARTICLE 18. DAMAGE**

18.1 **Damage.** Except as otherwise provided in this Lease, if the buildings and other improvements located on the Premises are damaged and such damage was caused by fire or other peril covered by Tenant's insurance. Tenant agrees to repair such damage to the extent set forth hereafter, and this Lease shall continue in full force and effect. If such buildings and other improvements are damaged as the result of any cause other than perils covered by Tenant's insurance, or during the last five (5) years of the Term of this Lease such buildings and other improvements are damaged as the result of fire or other perils covered by Tenant's insurance, and the cost to repair such damages (as determined by Tenant in good faith) shall exceed thirty-five percent (35%) of the full replacement cost of the buildings and other improvements, then Tenant may, at Tenant's option, either (A) repair such damage as soon as reasonably practicable at Tenant's sole cost and expense, in which event this Lease shall continue in full force and effect, or (B) give written notice to City within ninety (90) days after the date of occurrence of such damage of Tenant's intention to cancel and terminate this Lease as of the date of the occurrence of such damage. Upon such termination, Tenant shall, if requested by City, and if covered by Tenant's insurance, complete demolition of the damaged building or improvement at Tenant's sole cost and expense and shall transfer any remaining proceeds received from Tenant's insurance that are attributable to damage to the real property underlying the Premises, if any, to City.

18.2 **Repair of Damage.** If this Lease is not terminated pursuant to any of the provisions of this Lease, Tenant shall, as soon as reasonably practicable and to the extent of available insurance proceeds, restore and repair the buildings and other improvements to the same condition, to the extent possible, they were in immediately prior to the occurrence of the damage. LEASE SSCHE03-

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#### **ARTICLE 19. CONDEMNATION**

19.1 <u>Condemnation</u>. Should any or all of the Premises be acquired for public use under the power of eminent domain or by purchase in lieu thereof, City shall be entitled to all compensation attributable to the buildings, land, and severance damages. Tenant shall receive any compensation which may be paid for damage or loss of personal property.

#### **ARTICLE 20. ORDINANCE AND MANDATED PROVISION**

20.1 Child Support Assignment Orders. This Lease is subject to Section 10.10, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders. Pursuant to this Section, Tenant (and any subcontractor of Tenant providing services to City under this Lease) shall (.1) fully comply with all State and Federal employment reporting requirements for Tenant's or Tenant's subcontractor's employees applicable to Child Support Assignment Orders; (.2) certify that the principal owner(s) of Tenant and applicable subcontractors are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (.3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230, et seq.; and (.4) maintain such compliance throughout the Term of this Lease. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of Tenant or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Tenant or applicable subcontractors to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Lease subjecting this Lease to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Tenant by City (in lieu of any time for cure provided in this Lease).

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

#### 20.3 Living Wage Ordinance.

20.3.1 General Provisions: Living Wage Policy. This Lease is subject to the Living Wage Ordinance ("LWO") (Section 10.37, et seq, of the Los Angeles Administrative Code). The LWO requires that, unless specific exemptions apply, any employees of tenants or licensees of City property who render services on the leased or licensed premises are covered by the LWO if any of the following applies: (1) the services are rendered on premises at least of portion of which are visited by substantial numbers of the public on a frequent basis, (2) any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City of Los Angeles has determined in writing that coverage would further the proprietary interests of the City of Los Angeles. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year (July 1, 2006, levels: \$9.39 per hour with health benefits of at least \$1.25 per hour or otherwise \$10.64 per hour). The LWO also requires that employees be provided with at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request, and at least ten (10) additional days per year of uncompensated time pursuant to Section 10.37.2(b). The LWO requires employers to inform employees making less than twelve dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit ("EITC") and to make available the forms required to secure advance EITC payments from the employer pursuant to Section 10.37.4. Tenant shall permit access to work sites for authorized City representatives to review the operation, payroll, and related documents, and to provide certified copies of the relevant records upon request by the City. Whether or not subject to the LWO, Tenant shall not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, pursuant to section 10.37.6(c), Tenant agrees to comply with federal law prohibiting retaliation for union organizing.

20.3.2 Living Wage Coverage Determination. The Department of General Services has made the initial determination that this Lease, as a proprietary lease or a proprietary license, is subject to the LWO. Tenant, although subject to the LWO, may be exempt from most of the requirements of the LWO if Tenant qualifies for such exemption under the provisions of the LWO. Determinations as to whether an employer or employee is exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and/or other interpretations of the law are considered. In some circumstances, applications for exemption must be renewed periodically (e.g., every two (2) years for proprietary lessees or licenses claiming exemption due to annual gross revenues of less than \$381,712 and with less than seven (7) employees (section 10.37.1(i)). To the extent Tenant claims non-coverage or exemption from the provisions of the LWO, the burden shall be on Tenant to prove such non-coverage or exemption, and, where applicable, renew such exemption.

20.3.3 Compliance; Termination Provisions And Other Remedies: Living WagePolicy.If Tenant is not initially exempt from the LWO, Tenant shall comply with all of the<br/>provisions of the LWO, including payment to employees at the minimum wage rates,<br/>effective on the Execution Date of this Lease, and shall execute a Declaration of<br/>Compliance Form contemporaneously with the execution of this Lease. If Tenant is initially<br/>LEASE 26 SSCHE03-<br/>5001 N. BALBOA BOULEVARD BALB5001.DA

exempt from the LWO, but later no longer qualifies for any exemption, Tenant shall, at such time as Tenant is no longer exempt, comply with the provisions of the LWO and execute the then-currently used Declaration of Compliance Form, or such form as the LWO requires. Under the provisions of Section 10.37.6(c) of the Los Angeles Administrative Code, violation of the LWO shall constitute a material breach of this Lease and City shall be entitled to terminate this Lease and otherwise pursue legal remedies that may be available, including those set forth in the LWO, if City determines that Tenant violated the provisions of the LWO. The procedures and time periods provided in the LWO are in lieu of the procedures and time periods provided in Section 14 (page 12) of this Lease. Nothing in this Lease shall be construed to extend the time periods or limit the remedies provided in the LWO.

#### 20.4 Non-Discrimination.

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

20.4.2 **Non-Discrimination In Employment.** Tenant agrees and obligates itself in the performance of this Lease not to discriminate against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition.

20.4.3 <u>Equal Employment Practices</u>. This Lease is a contract with or on behalf of the City of Los Angeles for which the consideration is \$1000.00 or more. Accordingly, during the performance of this Lease, Tenant further agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("Equal Employment Practices"). By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Tenant to comply with the Equal Employment Practices provisions of this Lease may be deemed to be a material breach of this Lease. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Tenant. Upon a finding duly made that Tenant has failed to comply with the Equal Employment Practices provisions of this Lease may be forthwith terminated.

20.4.4 <u>Affirmative Action Program</u>. This Lease is a non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000.00 or more. Accordingly, during the performance of this Lease, Tenant further agrees to comply with Section 10.8.4 of the Los Angeles Administrative Code ("Affirmative Action Program". By way of specification but not limitation, pursuant to Sections 10.8.4.E and 10.8.4.F of the Los Angeles Administrative Code, the failure of Tenant to comply with the Affirmative Action Program provisions of this Lease may be deemed to be a material breach of this Lease. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Tenant. Upon a finding duly made that Tenant has breached the Affirmative Action Program provisions of this Lease, this Lease may be forthwith terminated.

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

#### 20.5 Contractor Responsibility Ordinance.

20.5.1General Provisions: Contractor Responsibility Policy. This Lease is subject to the Contractor Responsibility Ordinance ("CRO") (Section 10.40, et seq, of the Los Angeles Administrative Code "LAAC") and the rules and regulations promulgated pursuant thereto as they may be updated. The CRO requires that, unless specific exemptions apply as specified in LAAC 10.40.4(a), lessees or licensees of City property who render services on the leased or licensed premises are covered by the CRO if any of the following applies: (1) the services are rendered on premises at least a portion of which are visited by substantial numbers of the public on a frequent basis, (2) any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or (3) designated administrative agency of the City has determined in writing that coverage would further the proprietary interests of the City. Lessees or licensees of City property who are not exempt pursuant to LAAC 10.40.4 (a) or (b), unless subject to the CRO solely due to an amendment to an existing lease or license, are required to have completed a questionnaire ("Questionnaire") signed under penalty of perjury designed to assist the City in determination that the lessee or licensee is one that has the necessary quality, fitness and capacity to perform the work set forth in the contract. All lessees or licensees of City property who are covered by the CRO, including those subject to the CRO due to an amendment, are required to complete the following Pledge of Compliance ("**POC**"):

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

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

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

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

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

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

#### 20.5.2 **Update of Information.** Tenant Shall:

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

(2) notify the awarding authority within thirty (30) calendar days of receiving notice of any findings by a government agency or court of competent jurisdiction that Tenant violated any applicable federal, state, or local law in the performance of this

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

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

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

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

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

The requirement that Tenant provide Questionnaires and updates to Questionnaire r esponses does not apply to subcontractors.

20.5.3 <u>Compliance; Termination Provisions and Other Remedies</u>. If Tenant is not exempt from the CRO, Tenant shall comply with all of the provisions of the CRO and this Lease. Failure to comply with the provisions of the CRO, including without limitation the requirements that all responses to the Questionnaire are complete and accurate, to provide updates as provided therein and to correct any deficiencies within ten (10) days of notice by City, or failure to comply with the provisions of this Lease shall constitute a material breach of this Lease and City shall be entitled to terminate this Lease and otherwise pursue any legal remedies that may be available, including those set forth in the CRO. Nothing in this Lease shall be construed to extend the time periods or limit the remedies provided in the CRO.

20.6 Tax Registration Certificates And Tax Payments. This Section is applicable where Tenant is engaged in business within the City of Los Angeles and Tenant is required to obtain a Tax Registration Certificate ("TRC") pursuant to one or more of the following articles (collectively "Tax Ordinances") of Chapter II of the Los Angeles Municipal Code: Article 1 (Business Tax Ordinance) [section 21.00, et seq.], Article 1.3 (Commercial Tenant's Occupancy Tax) [section 21.3.1, et seq.], Article 1.7 (Transient Occupancy Tax) [section 21.7.1, et seq.], Article 1.11 (Payroll Expense Tax) [section 21.11.1, et seq.], or Article 1.15 (Parking Occupancy Tax) [section 21.15.1, et seq.]. Prior to the execution of this Lease, or the effective date of any extension of the Term or renewal of this Lease, Tenant shall provide to the Department of General Services proof satisfactory to the General Manager of the Department of General Services that Tenant has the required TRCs and that Tenant is not then currently delinquent in any tax payment required under the Tax Ordinances. City may terminate this Lease upon thirty (30) days' prior written notice to Tenant if City determines that Tenant failed to have the required TRCs or was delinquent in any tax payments required under the Tax Ordinances at the time of entering into, extending the Term of, or renewing this Lease. City may also terminate this Lease upon ninety (90) days prior written notice to Tenant at any time during the Term of this Lease if Tenant fails to maintain required TRCs or becomes delinquent in tax payments required under the Tax Ordinances and Tenant fails to cure such deficiencies within the ninety (90) day period (in lieu of any time for cure provided in Article 14 (page 12)).

20.7 <u>Slavery Disclosure Ordinance</u>. This Lease is subject to the applicable provisions of the Slavery Disclosure Ordinance. ("SDO") (Section 10.41, et seq, of the Los Angeles Administrative Code. Unless otherwise exempt in accordance with the provision of this Ordinance, Tenant certifies that it has complied with the applicable provisions of the Ordinance. Under the provisions of Section 10.41.2(b) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Lease and otherwise pursue legal remedies that may be available to City if City determines that the Tenant failed to fully and accurately complete the SDO affidavit or otherwise violated any provision of the SDO.

20.8 Employees of the Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, "Contractor Personnel") must be fully vaccinated against the novel coronavirus 2019 ("COVID-19") prior to (1) interacting in person with City employees, contractors, or volunteers, (2) working on City property while performing services under this Agreement, and/or (3) coming into contact with the public while performing services under this Agreement (collectively, "In-Person Services"). "Fully vaccinated" means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel have been fully vaccinated. The Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. The Contractor shall grant medical and religious exemptions to Contractor Personnel as required by law.

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## **ARTICLE 21. MISCELLANEOUS PROVISIONS**

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

21.2 <u>Captions, Table of Contents, And Index</u>. The captions, table of contents, and index of this Lease are for convenience and reference only, are not intended to define or limit the scope of any provisions of this Lease, and shall not be used with respect to the interpretation of any provision of this Lease.

21.3 <u>Corporate Resolution</u>. If Tenant is a corporation and the signators for Tenant are not two officers of the corporation as specified in California Civil Code Section 313, then prior to or contemporaneous with the execution of this Lease, Tenant shall provide to City a certified copy of its corporate resolution depicting the names, titles and legal signatures of the officer or officers of the corporation authorized to execute legal documents, including this Lease, on behalf of Tenant. Within thirty (30) days after Tenant's receipt of City's written request, Tenant shall provide to City an updated corporate resolution depicting such names and legal signatures.

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

21.5 **Exhibits - Incorporation in Lease.** All exhibits referred to are attached to this Lease and incorporated by reference.

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

21.7 <u>Gender</u>. As used herein, the neuter gender includes the feminine and masculine, the masculine includes the feminine and the neuter and feminine includes the masculine and the neuter, and each includes corporations, partnerships or other legal entities when the context so requires.

21.8 <u>Memorandum Of Lease</u>. A Memorandum of Lease, substantially in the form as that attached to this Lease as Exhibit B, shall be completed and executed by both parties concurrently with the execution of this Lease. City may record such Memorandum of Lease.

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

21.10 **Possessory Interest Tax.** By the execution of this Lease and accepting the benefits thereof, a property interest known as "possessory interest" may be created and such property interest will be subject to property taxation. Tenant, as the party to whom the possessory interest is vested, shall be responsible for the payment of all property taxes levied upon such interest. Tenant shall include such possessory interest in its existing property tax exemption. Tenant acknowledges that the notice required under California Revenue and Taxation Code section 107.6 has been provided.

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

21.12 <u>Severability</u>. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law. This Lease shall be governed by and construed under the laws of the State of California.

21.13 <u>Sole Discretion</u>. In those instances in this Lease where it is provided that City may approve a request in City's "sole discretion" or words of like import, the parties expressly agree that City has the absolute unfettered discretion to grant or withhold approval, either arbitrarily or otherwise, and without or without reason, and neither Tenant nor any other party or tribunal shall have any right or power to inquire into or review the granting or withholding of such approval or the reasons or lack of reasons therefor.

21.14 <u>Successors In Interest</u>. Subject to the provisions hereof relative to assignment, this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, transferees, successors and assigns of the respective parties hereto.

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

IN WITNESS WHEREOF, CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department Of General Services, Landlord herein, and TENLNAME, , Tenant herein, have caused this Lease to be executed as of the date of the attestation by the City Clerk. If the space provided in Section 1.1 of this Lease is blank, such date shall be entered in such space, although such date shall be deemed to be the date of this Lease in any case. Tenant also acknowledges the receipt of a copy of this Lease.

CITY:

DATE:

APPROVED AS TO FORM: MIKE FEUER, City Attorney

Bv

<u>11/3</u>0/2021

ANNETTE R. BOGNA Deputy City Attorney CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department Of General Services

By:

TONY M. ROYSTER General Manager Department of General Services

ATTEST: HOLLY WOLCOTT, City Clerk

By:\_ Michael Villing

Deputy

**DATE:** 12/02/2021

C-139545



**TENANT:** ARMENIAN CULTURAL FOUNDATION. By: AVEDIK IZMIRLIAN

12-2-2021

Chairperson

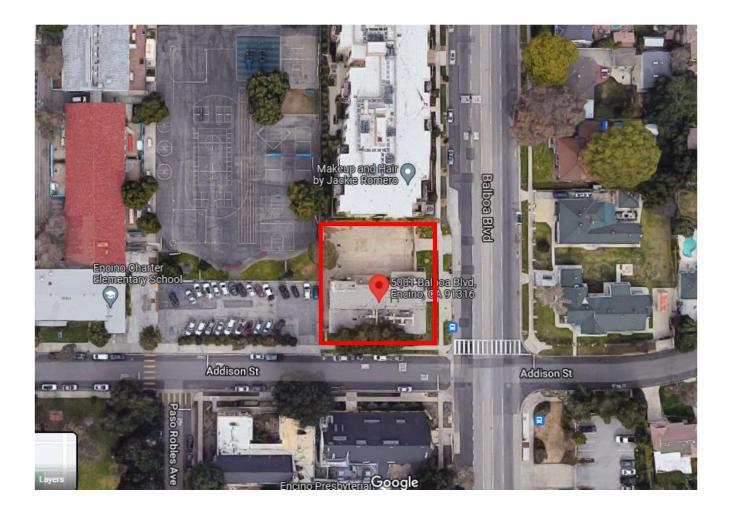
California Executed at U/M 76,702 DATE:

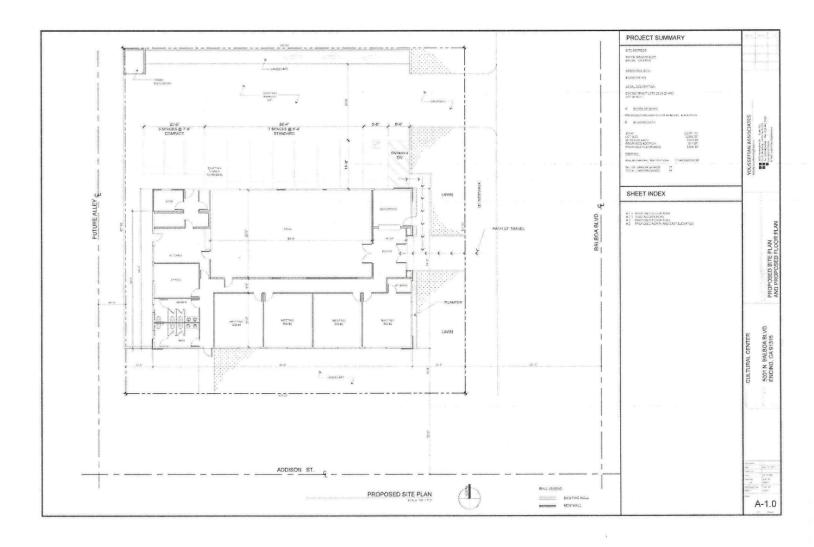
Manc, California Executed at 29, 202, DATE:

LEASE 5001 N. BALBOA BOULEVARD SSCHE03-BALB5001.DA

34

# **EXHIBITA: SITE PLAN**





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# SCHEDULE I STATEMENT OF PROGRAMMING AND SERVICES

## AFFILIATED NONPROFITS

1. Armenian Cultural Foundation. The Encino chapter was founded in 1976 and is a non-profit charitable organization. The ACF operates exclusively to promote charitable objectives by establishing cultural and educational centers throughout the United States through establishing and operating community centers. It has more than 15 local chapters throughout the Western United States. The ACF works closely with other organizations (below) and schools to provide charitable, cultural, education and social services to the community. The Encino chapter services more than 5,000 children, youth, adults and elderly annually in Encino and surrounding community.

2. Armenian National Committee of America. The Encino chapter is a local organization that fosters civic activity and engagement by promoting voter registration, organizing town halls, speaker series, young professionals mixers, and working with other non-profit organizations both within and outside the Armenian community to encourage civic awareness and participation. They are a non-profit organization.

3. Armenian Youth Federation. With over 60 active members, the AYF is an organization geared to providing educational and cultural programming for children and young adults. On a weekly basis, the AYF provides educational and cultural programming to its members. They also provide a tutoring to students and mentorship opportunities to young adults. Recently, they have began and expanded a youth basketball league for disabled children. They are also a non-profit organization.

4. Armenian General Athletic Union and Scouts. This organization is the equivalent of an Armenian Boys and Girls Scouts of America with the added component of sports. Their main objectives are to foster character development, citizenship, knowledge of the Armenian culture personal fitness and scouting knowledge. The sports division organizes chapter teams at different age

LEASE 5001 N. BALBOA BOULEVARD Page 1 of 4

SSCHE03-BALB5001.DA levels and plans exhibitions with other chapters fostering physical activity and fitness, comradery and sports. This organization maintains its own gyms and fields **for sporting events. It's a non-**profit organization.

5. Armenian Relief Society. A 100 year old relief society that services the needy in the community by providing charitable support. They have a number of ongoing initiatives including food drives, seminars on domestic violence and drug abuse. They also organize and run Armenian language classes. They are a non-profit organization.

6. Hamazkayn Armenian Education and Cultural Society - This organization sponsors cultural activities, particularly dance performances at all age levels. They also sponsor concerts, scientific seminars, film festivals, literary lectures and book clubs. They are a non-profit organization.

7. Armenian American Council on Aging. The Encino chapter has over 50 active members and maintains programing for the elderly. On a weekly basis the AACA services 40-80 senior citizens. They are a non-profit organization.

## PROGRAMMING

As all the organizations that will use the space are registered as non-profits, no activities will be for profit and will all activities will be within the parameters of the 501(c)3 status that these organizations all maintain. With that said, some events will be used to generate revenue to pay for the remodeling, the utilities, and running the organizations that will be based from the location. Furthermore, as the **ACF's other cultural centers receive public and private grants and funds to provide** their programming, we will be seeking to apply for these funds for this center. These activities include but are not limited to:

1. Social events to bring the community together.

2. Guest speakers on various topics ranging from educational lectures to emergency preparedness seminars.

3. Dinners.

4. Tutoring.

LEASE 5001 N. BALBOA BOULEVARD

Page 2 of 4

SSCHE03-BALB5001.DA

- 5. Self improvement / self defense classes.
- 6. Election poll center.
- 7. Senior programming (bingo, light physical therapy, adult day health center.)
- 8. Movie nights.
- 9. Dance practice.
- 10. Blood drives.
- 11. Toy drives.
- 12. Non-partisan election candidate forums.
- 13. Armenian language class.
- 14. Children and Youth programming.
- 15. Art showcases.
- 16. Organizational planning meetings for organizations listed above.

# ANTICIPATED USES

The anticipated uses contemplate meeting space to provide the various programming listed above. We plan to have a small kitchen to store and prepare food for various activities.

The leased spaces will provide much needed meeting rooms for the board of directors for each organization listed above to meet on a weekly or bi-weekly basis to plan and organize their respective activities. To that end, our anticipated remodeling plan will have a number of smaller meeting rooms to provide for this space.

Page 3 of 4

At the same token, our anticipated remodeling plan will have one larger room to be used for various events, chapter-wide meetings, social functions and movie nights.

ANTICIPATED CATEGORIES OF PEOPLE THAT WILL BENEFITTED 1. Children- on a weekly basis the activities at the center will benefit approximately 75 children from weekly Saturday school, after school tutoring, and other programming tailored to children.

2. Young adults-the Armenian Youth Federation and Scouts provides actives and programming for approximately 75 young adults on a weekly basis ages 16-26.

3. Adults. Between the various organizations that meet at different times of the month, some being monthly, some being weekly and various special events throughout the year, it is anticipated that the center will service approximately 200 adults on a monthly basis.

4. Elderly-between the various organizations and elderly programming, it is anticipated that the center will service 40 to 60 adults a month.

Page 4 of 4

## **EXHIBIT B: MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY** AND WHEN RECORDED MAIL TO:

CITY OF LOS ANGELES DEPARTMENT OF GENERAL **SERVICES** c/o Office of the City Attorney Mike Feuer, City Attorney Annette R. Bogna, Deputy City Attorney Real Property/Environment Division 700 City Hall 200 North Main Street Los Angeles, California 90012

Free recording in accordance with California Government Code section 6103

## MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made as of the date of attestation by the City Clerk of the City of Los Angeles of page 2 of this Memorandum, by and between the CITY OF LOS ANGELES, a municipal corporation, as Landlord ("City") and ARMENIAN CULTURAL FOUNDATION, tenstatus ("Tenant"), who agree as follows:

1. **Term And Premises.** City leases to Tenant, and Tenant leases from City, the real property located in the City of Los Angeles, County of Los Angeles, State of California, described as: Lot\_\_\_\_\_, Tract No.\_\_\_\_, as per map recorded in Book\_\_\_\_\_,

State of California, described as: Lot\_\_\_, Tract No.\_\_\_, as per map recorded in Book\_\_\_\_\_\_\_, pages\_\_\_\_\_\_, of Maps, in the office of the County' Recorder of Los Angeles County, excepting therefrom those portions within public streets and subject to all easements of record, commonly known as Old Fire Station No. 83 5001 N. Balboa Boulevard, Encino, California 91316, for a term of TWENTY YEARS, commencing on or about the date of this Memorandum, on the provisions of the lease between the parties, which lease ("Lease") is dated on the same date as this Memorandum. These provisions are incorporated into this Memorandum by reference.

2. <u>Provisions Binding On Tenant</u>. The provisions of the Lease to be performed by Tenant, whether affirmative or negative in nature, are intended to and shall bind Tenant and its successors and assigns at any time, and shall inure to the benefit of City and its successors and assigns.

3. <u>Provisions Binding on City</u>. The provisions of the Lease to be performed by City, whether affirmative or negative in nature, are intended to and shall bind City and its successors and assigns at any time, and shall inure to the benefit of Tenant and its successors and assigns.

4. <u>**Purpose of Memorandum.**</u> This Memorandum is prepared for the purpose of recordation, and it in no way modifies the provisions of the Lease.

5. <u>Reference to Lease for All Purposes</u>. Reference is hereby made to the entire Lease for any and all purposes. A true copy of the Lease is on file with the City Clerk of the City of Los Angeles, whose office is Room 360, City Hall, 200 North Spring Street, Los Angeles, California 90012.

LEASE 5001 N. BALBOA BOULEVARD Page B-1 of B-2

SSCHE03-BALB5001.DA

## APPROVED AS TO FORM:

MIKE FEUER, City Attorney

By:\_

CITY:

CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department Of General Services

	Ву:
ANNETTE R. BOGNA Deputy City Attorney	TONY M. ROYSTER General Manager Department of General Services
	DATE:
ATTEST: HOLLY WOLCOTT, City Clerk	TENANT: ARMENIAN CULTURAL FOUNDATION,
Ву:	By:AVEDIK IZMIRLIAN Chairperson
 Deputy	Executed at, California
DATE:	DATE:
	By: KRIKOR TOPALIAN
	Executed at, California
	DATE:

**RECORDING REQUESTED BY** AND WHEN RECORDED MAIL TO:

CITY OF LOS ANGELES DEPARTMENT OF GENERAL SERVICES c/o Office of the City Attorney Mike Feuer, City Attorney Annette R. Bogna, Deputy City Attorney Real Property/Environment Division 700 City Hall 200 North Main Street Los Angeles, California 90012

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LEASE 5001 N. BALBOA BOULEVARD

APPROVED AS TO FORM: MIKE FEUER, City Attorney	CITY: CITY OF LOS ANGELES, a municipal corporation, acting by and through its
Ву:_	Department Of General Services
	Ву:
ANNETTE R. BOGNA Deputy City Attorney	TONY M. ROYSTER General Manager Department of General Services
	DATE:
ATTEST: HOLLY WOLCOTT, City Clerk	TENANT: ARMENIAN CULTURAL FOUNDATION,
Ву:	By: AVEDIK IZMIRLIAN Chairperson
 Deputy	Executed at, California
DATE:	DATE:
	By: KRIKOR TOPALIAN
	Executed at, California
	DATE:

State of California	)	
County of Los Angeles	) SS. )	
On	before me,	, personally appeared

TONY M. ROYSTER, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

W ITNESS my hand and official seal.

Signature		(Seal)		
State of California	) ) SS.			
County of Los Angeles	) 55.			
On	before me,		, personally appeared	

ANNETTE R. BOGNA, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature (Seal)

State of California	)	S.	
County of Los Angeles	) 5	·ɔ.	
On		before me,	, personally appeared

AVEDIK IZMIRLIAN, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

W ITNESS my hand and official seal.

Signature				(Seal)				
State of California	)	SS.						
County of Los Angeles	)	55.						
On			before me,			, pe	rsonally a	ppeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

W ITNESS my hand and official seal.

Signature (Seal)

# **Required Insurance and Minimum Limits**

Name: Armenian Cultural Foundation		;10/ <sup>.</sup>	13/2021
Agreement/Reference: Lease: 5001 N. Balboa Blvd, Encin Evidence of coverages checked below, with the specified n occupancy/start of operations. Amounts shown are Combi- limits may be substituted for a CSL if the total per occurren	mobile Lia		
Workers' Compensation - Workers' Compensation (WC)	and Employer's Liability (EL)	WC	Statutory
✓ Waiver of Subrogation in favor of City	<ul> <li>Longshore &amp; Harbor Workers</li> <li>Jones Act</li> </ul>	EL	\$1,000,000
✓ General Liability City of Los Angeles must be nam	ned as an additional insured party.		\$3,000,000
<ul> <li>✓ Products/Completed Operations</li> <li>☐ Fire Legal Liability</li> </ul>	Sexual Misconduct 1,000,000		
✓ Automobile Liability (for any and all vehicles used for this c	ontract, other than commuting to/from work)		\$1,000,000
Professional Liability (Errors and Omissions)     Discovery Period			
✓ Property Insurance (to cover replacement cost of building -	as determined by insurance company)		
<ul> <li>✓ All Risk Coverage</li> <li>☐ Flood</li> <li>☐ Earthquake</li> </ul>	<ul> <li>Boiler and Machinery</li> <li>Builder's Risk</li> <li></li> </ul>		
Pollution Liability			
Surety Bonds - Performance and Payment (Labor and Ma Crime Insurance	aterials) Bonds	100% of the	e contract price
Other: Submitted to Jonathan Quan @ GSD, (213-922-85)	27) October 13, 2021.		

HOLLY L. WOLCOTT CITY CLERK

PETTY F. SANTOS EXECUTIVE OFFICER City of Los Angeles CALIFORNIA OFFICE OF THE CITY CLERK

Council and Public Services Division 200 N. SPRING STREET, ROOM 395 LOS ANGELES, CA 90012 GENERAL INFORMATION - (213) 978-1133 FAX: (213)978-1040

> PATRICE Y. LATTIMORE DIVISION MANAGER

#### CLERK.LACITY.ORG

## OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

Council File No.:	13-0476
Council Meeting Date:	August 18, 2021
Agenda Item No.:	31
Agenda Description:	MOTION (KORETZ - KREKORIAN) relative to amending Council action of October 23, 2015 regarding a lease of 5001 Balboa Boulevard to the Armenian Cultural Foundation (ACF).
Council Action:	MOTION (KORETZ - KREKORIAN) - ADOPTED FORTHWITH
Council Vote:	

ou	nch vote.					
	YES	Blumenfield	YES	Bonin	YES	Buscaino
	YES	Cedillo	YES	de León	ABSENT	Harris-Dawson
	YES	Koretz	YES	Krekorian	ABSENT	Lee
	YES	Martinez	YES	O'Farrell	YES	Price
	YES	Raman	YES	Ridley-Thomas	YES	Rodriguez

Weller

HOLLY L. WOLCOTT CITY CLERK

Adopted Report(s)Title Motion (Koretz - Krekorian) dated 8-11-21



August 19, 2021

# TO CITY CLERK FOR PLACEMENT ON NEXT REGULAR COUNCIL AGENDA TO BE POSTED

## ΜΟΤΙ $\mathbf{O}$ N

**I MOVE** that the Council Action of 10-23-2015 relative to a lease of 5001 Balboa Blvd. to the Armenian Cultural Foundation (CF 13-0476) BE AMENDED, as requested by the City Attorney, to "re-authorize GSD to execute the previously Council-approved and negotiated lease of 5001 Balboa Blvd. to the Armenian Cultural Foundation ("ACF") (as contained in exhibit X), amended only to incorporate those Planning-imposed Q Conditions and Conditions of Approval imposed on the property to effect the zone change."

PRESENTED BY:

PAUL KORETZ

Councilman, 5th District

SECONDED BY:

ak

AUG 1 1 2021

HOLLY L. WOLCOTT CITY CLERK

GREGORY R. ALLISON EXECUTIVE OFFICER

When making inquiries relative to

this matter, please refer to the

Council File No.: 13-0476

City of Los Angeles



OFFICE OF THE CITY CLERK

Council and Public Services Division 200 N. SPRING STREET, ROOM 395 LOS ANGELES, CA 90012 GENERAL INFORMATION - (213) 978-1133 FAX: (213) 978-1040

> SHANNON HOPPES DIVISION MANAGER

CLERK.LACITY.ORG

# OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

October 23, 2015

Council File No.: 13-0476

**Council Meeting Date:** 

October 21, 2015

14

Agenda Item No.:

Agenda Description:

ENTERTAINMENT AND FACILITIES COMMITTEE REPORT relative to an amendment to the previously approved Term Sheet and Performance Milestones related to the execution of the lease of Old Fire Station 83 to the Armenian Cultural Foundation (ACF).

**Council Action:** 

ENTERTAINMENT AND FACILITIES COMMITTEE REPORT - ADOPTED

**Council Vote:** 

YES	BOB BLUMENFIELD	
ABSENT	MIKE BONIN	
YES	JOE BUSCAINO	
YES	GILBERT A. CEDILLO	
YES	MITCHELL ENGLANDER	
YES	FELIPE FUENTES	
YES	MARQUEECE HARRIS-DAWSON	
ABSENT	JOSE HUIZAR	
YES	PAUL KORETZ	
ABSENT	PAUL KREKORIAN	
YES	NURY MARTINEZ	
YES	MITCH O'FARRELL	
ABSENT	CURREN D. PRICE	
YES	DAVID RYU	
YES	HERB WESSON	

day Zurth

HOLLY L. WOLCOTT CITY CLERK ENTERTAINMENT AND FACILITIES COMMITTEE REPORT relative to an amendment to the previously approved Term Sheet and Performance Milestones related to the execution of the lease of Old Fire Station 83 to the Armenian Cultural Foundation (ACF).

Recommendation for Council action, as initiated by Motion (Koretz - Ryu):

APPROVE the amended Term Sheet and Performance Milestones, revised on September 24, 2015 and attached to the Council file, related to the execution of the lease of old Fire Station 83 to the ACF indicating that the milestones must be met upon approval of the General Plan Amendment and Zone Change.

<u>Fiscal Impact Statement</u>: None submitted by the Municipal Facilities Committee. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

At a meeting held on October 13, 2015, the Entertainment and Facilities Committee considered an October 1, 2015 Municipal Facilities Committee transmittal in response to Motion (Koretz -Ryu) relative to an amendment to the previously approved Term Sheet and Performance Milestones related to the execution of the lease of Old Fire Station 83 to the Armenian Cultural Foundation.

After providing an opportunity for public comment, the Committee recommended that Council approve the amended Term Sheet and Performance Milestones, as detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENTERTAINMENT AND FACILITIES COMMITTEE

mmulti VOTE

MEMBERVOTEMARTINEZ:YESKREKORIAN:ABSENTBUSCAINO:YESO'FARRELL:YESRYU:YES

MLE 13-0476\_rpt\_efc\_10-13-15

TRANSMITTAL		0150-10143-0001
TO Entertainment and Facilities Committee	DATE	COUNCIL FILE NO. 13-0476
FROM Municipal Facilities Committee		COUNCIL DISTRICT

On August 26, 2014, Council authorized the Department of General Services (GSD) to negotiate and execute a non-profit lease agreement with the Armenian Cultural Foundation (ACF) for the use of old Fire Station No. 83 located at 5001 North Balboa Boulevard in Encino (C.F. 13-0476). On September 11, 2015, Council District 5 introduced a motion instructing the City Administrative Officer, with assistance from GSD and City Attorney to amend the previously approved Term Sheet and Performance Milestones related to the execution of the non-profit lease agreement with the ACF. At its meeting of September 24, 2015, the Municipal Facilities Committee (MFC) forwarded the attached Term Sheet and Performance Milestones to the Entertainment and Facilities Committee in response to the motion.

Miguel A. Santana City Administrative Officer Chair, Municipal Facilities Committee

MAS:REM:05160046

# <u>TERM SHEET</u> <u>Armenian Cultural Foundation</u> 5001 N. Balboa Blvd., Encino, CA

Use:	Youth and community activity center
Improvements size:	5,211 square feet
Duration:	20 years plus two five (5) year extension options
Rent:	\$1.00 per year
City Obligations:	None
Lessee Obligations:	<ul> <li>Provide all maintenance</li> <li>Make all repairs</li> <li>Pay for all utilities and custodial services</li> <li>Provide any necessary security</li> <li>Provide proof of insurance and construction bonds.</li> </ul>
Performance Milestones:	If within six (6) months after the <i>approval</i> <i>of the General Plan Amendment and Zone</i> <i>Change</i> , the design and plan check for construction have not been completed, or if such approvals are completed, actual construction has not commenced within nine (9) months after the <i>approval of the</i> <i>General Plan Amendment and Zone</i> <i>Change</i> , or if construction is on-going, actual operation of the program has not commenced within twenty four (24) months after the <i>approval of the General</i> <i>Plan Amendment and Zone Change</i> , City may terminate this lease.
Additional Terms:	Lessee shall make available six to nine parking spaces to the LAUSD – Encino Elementary School for parking

# ENTERTAINMENT AND FACILITIES

#### MOTION

On August 26, 2014, Council authorized the Department of General Services to negotiate and execute a lease agreement with the Armenian Cultural Foundation (ACF), a registered 501 (c)(3), for use of Old Fire Station No. 83 located at 5001 North Balboa Boulevard in Encino (C.F. 13-0476). The City Administrative Officer report that was approved as part of this Council action included a Term Sheet that provided an overview of the lease terms. The Term Sheet also had "Performance Milestones" that ACF would need to meet upon execution of the lease.

Subsequent to this approval, it was determined that a General Plan Amendment and Zone Change are required in order for ACF to operate a community center at Old Fire Station 83. The parcel is currently zoned Public Facilities (PF), which disallows community center uses. Due to the need for a General Plan Amendment and Zone Change, the Performance Milestones need to be amended to indicate that the Milestones must be met upon approval of the General Plan Amendment and Zone Change, not upon execution of the lease as previously contemplated.

ACF will provide a full spectrum of programming, including tutoring, senior and social services, community meetings, and recreational services to residents in the San Fernando Valley. Old Fire Station 83 has been vacant for many years, and has become a public safety hazard. ACF's repurpose of this building will not only provide services to the surrounding community, but will also alleviate some of the public safety concerns related to this vacant building.

I THEREFORE MOVE that the City Council instruct the City Administrative Officer, with assistance from the Department of General Services and in consultation with the City Attorney, to amend the previously approved Term Sheet and Performance Milestones related to the execution of the lease of Old Fire Station 83 located at 5001 N. Balboa Boulevard Encino, CA 91316 to the Armenian Cultural Foundation to indicate that the milestones must be met upon approval of the General Plan Amendment and Zone Change.

I FURTHER MOVE that the City Administrative Officer, in consultation with the City Attorney, be authorized to make any technical corrections or clarifications to the above instructions as necessary in order to effectuate the intent of this Motion.

PRESENTED BY:

PAUL KORETZ Councilmember, 5<sup>th</sup> District

SECONDED BY:

cab



INNOVATION, TECHNOLOGY AND GENERAL SERVICES COMMITTEE REPORT relative to the lease agreement with the Armenian Cultural Foundation (ACF) for Old Fire Station 83 at 5001 Balboa Boulevard, Encino.

Recommendations for Council action:

- 1. AUTHORIZE the Department of General Services to negotiate and execute a lease agreement with the ACF for the Old Fire Station No. 83 at 5001 North Balboa Boulevard, Encino, for \$1 a year and as detailed in the Term Sheet attached to the Council File, subject to review and approval of the City Attorney as to form.
- 2. INSTRUCT the Department of General Services to add the following language in the agreement, "If the City decided to declare Fire Station No. 83 surplus within the time frame of the 30 year lease, ACF would have the first right of refusal to purchase the building at fair market value after it had been offered to governmental organizations."

<u>Fiscal Impact Statement</u>: The City Administrative Officer reports that approval of the lease will not have an impact on the General Fund. The subject property has a rental value opportunity of between \$5.3 million to \$6.6 million over the 30-year term. However, the economic community benefits provided by the ACF total \$16.9 million in direct expenses over the same time period. These figures do not take into consideration the \$1.2 million to \$1.5 million that ACF will invest in tenant improvement work at the facility. Additionally, the ACF will be financially responsible for all maintenance, repairs, utilities, janitorial, and security costs associated with the property.

Community Impact Statement: None submitted.

## Summary:

On August 12, 2014 your Committee considered an August 7, 2014 City Administrative Officer report relative to the lease agreement with the Armenian Cultural Foundation for Old Fire Station 83 at 5001 Balboa Boulevard, Encino.

After providing an opportunity for public comment, the Committee recommended that Council approve the recommendations contained in the City Administrative Officer report and added an additional instruction to add into the agreement the additional condition reflected on the recommendation portion of this report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

INNOVATION TECHNOLOGY AND GENERAL SERVICES COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
BONIN:	YES
O'FARRELL:	YES

EV 14-0476\_rpt\_tgs\_8-12-14

-NOT OFFICIAL UNTIL COUNCIL ACTS-

# OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date:	August	07,	2014
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CAO File No. 0150-10143-0000 Council File No. 13-0476 Council District: 5

To: The Council The Mayor

Miguel A. Santana, Chair, Municipal Facilities Committee

- Reference: Council Motion (C.F. 13-0476) for a Non-Profit Lease Agreement with the Armenian Cultural Foundation
- Subject: REQUEST FOR AUTHORIZATION TO NEGOTIATE AND EXECUTE A NEW NON-PROFIT LEASE AGREEMENT WITH THE ARMENIAN CULTURAL FOUNDATION FOR OLD FIRE STATION NO. 83 AT 5001 N. BALBOA BLVD., ENCINO IN CD 5

## SUMMARY

From:

At its regular meeting of June 26, 2014, the Municipal Facilities Committee (MFC) approved a report from my Office's Asset Management Strategic Planning unit recommending approval of a new non-profit lease agreement with the Armenian Cultural Foundation (ACF) for the Old Fire Station No. 83, located at 5001 N. Balboa Blvd., Encino, in CD5. After providing an opportunity for public comment from CD5, the MFC voted to amend the report from a "20-year lease term with two five (5) year options to extend" to a "30-year lease term." The MFC also instructed CD5 and City Attorney staff to discuss options related to a CD5 request for the ACF to be granted an option to purchase the property at the conclusion of the lease. Any resulting options would be presented to the Council by CD5 separate from this report. This action is now transmitted for Mayor and Council consideration.

On May 7, 2013, the Council adopted a Koretz – Garcetti – Krekorian motion which directed the General Services Department (GSD), in consultation with the City Administrative Officer (CAO) and the City Attorney, to negotiate and present a long term lease agreement with ACF for use of the City-owned surplus property, Fire Station No. 83, located at 5001 N. Balboa Blvd in Encino (C.F. 13-0476). Old Fire Station 83 has remained vacant and unused since completion of the replacement facility in 2006. CAO staff worked directly with CD 5, the ACF, City Attorney and GSD to gather information necessary to prepare a community benefit and financial analysis consistent with Council directions and the City's Proposed Non-Profit Leasing Policy. Based on the information considered, this Office has determined that there is sufficient community benefit which exceeds the rental value of the property, and that approval of the 30-year lease agreement with the ACF is consistent with the City's non-profit leasing policy practice.

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## Background

The ACF is a 501(c)(3) non-profit organization which was established in December 1976 to promote youth development, as well as preserve Armenian heritage and raise awareness among Armenian American communities. The ACF establishes and operates cultural and educational centers as a means of providing charitable services to the community. There are more than 15 local chapters located throughout the Western United States, including the Encino Chapter of the ACF which serves more than 5,000 youth annually in Encino and the surrounding communities.

The Encino Chapter of the ACF works closely with local organizations and schools such as the Armenian American Council on Aging, Encino Armenian Youth Federation, Armenian Relief Society, Hamazkayin Armenian Education and Cultural Society, Armenian General Athletic Union and Scouts. However, most of the services are provided through events and the ACF would like to establish a permanent location by renovating the old building. Through the new Encino Youth and Community Center, the ACF will operate a facility that houses organizations who share a common goal of enhancing the quality of life for youth and their families through education, cultural activities, social services, and physical activities.

The proposed location for the lease is the Old Fire Station No. 83 located at 5001 North Balboa Blvd., in Encino. The site has been vacant for some time and as a result, it has experienced copper wire theft, vagrancy, graffiti, and illegal dumping.

## Community Benefit and Budget

The ACF Encino Youth and Community Center has an operating budget of approximately \$562,000 for 2014. This includes administrative expenses, fundraising expenses, building maintenance, utilities, and program services for the various services provided by the groups mentioned above. For the proposed 30 year term of the lease, the amount projected to be spent on services total approximately \$16.9 million, not including escalations. Currently, the Encino Youth and Community Center operates solely through in-kind services. However, with the expansion of the program and the operation of the new facility, it is projected that there will be three full-time employees whose combined annual salary is estimated to be \$165,000 plus payroll taxes of \$15,000.

As consideration for the lease, ACF will provide community services to the public. In order to ensure the services are provided, the lease terms will include performance metrics that are specific to the services provided by the ACF. The ACF brings a unique opportunity to provide education and awareness, as well as create a rich cultural institution for the Armenian American community in the San Fernando Valley.

The ACF is also making a significant investment in tenant improvement work at the Old Fire Station No. 83 in order for the Youth and Community Center to enhance its program delivery at the facility. The tenant improvement work is estimated to cost between \$1.2 million and \$1.5 million, and will consist of upgrades to the facility, while preserving the façade. The scope of work will include the construction of a large event hall that can hold up to 100-150 people, as well as four new meeting rooms for teaching sessions, and other types of services. The facility will be ADA compliant, and will include possible roof replacement, new HVAC, new plumbing, new

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lighting, and fire sprinkler systems.

The lease terms will include performance milestones that must be met by the ACF with regards to construction, such as anticipated dates for design, permits, construction and certificate of occupancy. In addition, the lease will require that ACF or their contractor obtain performance or construction bonds so that the City may complete construction if the ACF does not. In addition to the services being provided and the upgrades being performed by ACF, their occupancy will secure the property and help alleviate public safety concerns that have resulted from the extended vacancy.

The ACF has also been willing to partner with its neighbor, Encino Elementary School. CD5, ACF, and LAUSD have developed a separate reciprocal parking agreement to provide six to nine parking spaces to each other during certain hours of the day.

## Rental Value for Twenty-Year Term

Based on information provided by GSD Real Estate Services, the market rate rent for the property in the Encino area is between \$2.80 and \$3.50 per square foot. Considering that information, the value of the rent for the space proposed for the ACF would be \$14,591 to \$18,239 each month, or \$175,090 to \$218,862 annually. The total rental value over the 20 year period would be from \$5,252,700 to \$6,565,860, which is addressed by economic community benefits of \$16.9 million in direct expenses over the same time period. These figures do not take into consideration the \$1.2 million to \$1.5 million that ACF will invest in tenant improvement work at the facility. Additionally, the ACF will be financially responsible for all maintenance, repairs, utilities, janitorial, and security costs associated with the property. It should be noted that the proposed lease is consistent with the City's Non-Profit Leasing policy in that the rental value of the office space is exceeded by the annual contribution in services from the non-profit.

## RECOMMENDATION

That the Council, subject to approval by the Mayor, authorize the Department of General Services to negotiate and execute a new 30-year non-profit lease agreement with the Armenian Cultural Foundation (ACF) for the Old Fire Station No. 83 located at 5001 N. Balboa Blvd, Encino in CD 5 for \$1 a year, and as detailed in the attached term sheet, subject to review and approval by the City Attorney's Office as to form.

## **FISCAL IMPACT**

Approval of the lease would not have an impact on the General Fund. The subject property has a rental value opportunity of between \$5.3 million to \$6.6 million over the 30-year term. However, the economic community benefits provided by the ACF total \$16.9 million in direct expenses over the same time period. These figures do not take into consideration the \$1.2 million to \$1.5 million that ACF will invest in tenant improvement work at the facility. Additionally, the ACF will be financially responsible for all maintenance, repairs, utilities, janitorial, and security costs associated with the property.

# TERMSHEETArmenian Cultural Foundation5001 N. Balboa Blvd., Encino, CA

Use:

Youth and community activity center

Improvements size:

Duration:

5,211 square feet

20 years plus two five (5) year extension options

Rent:

City Obligations:

Lessee Obligations:

- Provide all maintenance

- Make all repairs

\$1.00 per year

None

- Pay for all utilities and custodial services

- Provide any necessary security

- Provide proof of insurance and construction bonds.

If within six (6) months after the

Performance Milestones:

Execution Date of this lease, the design and plan check for construction have not been completed, or if such approvals are completed, actual construction has not commenced within nine (9) months after the Execution Date of this Lease, or if construction is on-going, actual operation of the program has not commenced within twenty four (24) months after the Execution Date of this lease, City may terminate this lease.

Additional Terms:

Lessee shall make available six to nine parking spaces to the LAUSD – Encino Elementary School for parking **CITY OF LOS ANGELES** 

JUNE LAGMAY City Clerk

HOLLY L. WOLCOTT Executive Officer

When making inquiries relative to this matter, please refer to the Council File No.

May 10, 2013

CALIFORNIA



ANTONIO R. VILLARAIGOSA MAYOR Office of the CITY CLERK

Council and Public Services Room 395, City Hall Los Angeles, CA 90012 General Information - (213) 978-1133 Fax: (213) 978-1040

SHANNON HOPPES Council and Public Services Division

www.cityclerk.lacity.org

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. <u>13-0476</u>, at its meeting held <u>May 7, 2013</u>.

June Symay

City Clerk srb

3-0474 DE

APR. 1 9 2013 INFORM. , ION TECH. & GEN. SERVICES

## MOTION

**BUDGET & FINANCE** 

The City of Los Angeles is fortunate to be home to a multitude of great and diverse cultures. Last week the City was honored to participate in a ceremonial lease signing celebrating the soon-to-be-built Korean American Museum at 6th and Vermont. It was a fantastic event that was attended by many prominent community leaders and elected officials including Council President Herb Wesson, Councilmembers LaBonge, Garcetti and Zine, our City Attorney Carmen Trutanich and many more.

It is important the City support efforts like these to ensure our many communities have museums and community centers to acknowledge their great contributions to the City. In addition, these community anchors actually help the City do its work by providing programming for the community which the City unfortunately cannot fund. To help ensure the success of the new Korean American Museum, the City entered into an agreement with the non profit building the museum for a long-term lease of city land with an annual lease rent of \$1 dollar (Council File<u>11-0081-S4</u>).

Following the example of the new Korean American Museum, the city has a tremendous opportunity to create another such rich cultural institution in the San Fernando Valley. The old abandoned Fire Station 83 sits empty at 5001 N. Balboa Blvd. in Encino. Instead of enhancing the community, this building has sat vacant for many years and is now becoming a public safety hazard. The site has fallen victim to copper wire theft, vagrancy, graffiti, and illegal dumping.

In the spirit of celebrating the diverse communities of Los Angeles, there is now an opportunity to partner with the Armenian American Community in the San Fernando Valley. The Armenian Cultural Foundation, a registered 501 3(c), engages in a full spectrum of community centered services and activities. This includes education, after school programs, tutoring, senior and social services, recreational services, community meetings, and cultural affairs. The Armenian Cultural Foundation has presented the City with an amazing opportunity to bring Fire Station 83 back to life as a real asset to Encino and the entire San Fernando Valley. If the City partners with the Armenian Cultural Foundation to re-purpose Fire Station 83 as the new home of the Armenian Cultural Foundation, the community of Encino and City as a whole can tremendously benefit. In addition, given the public safety concerns with this vacant property, it is important that we act quickly to secure this opportunity and the property before more damage is done.

I THEREFORE MOVE that the General Services Department, in consultation with the City Administrative Officer and the City Attorney, be directed to negotiate and present to Council, within sixty days, a long term lease agreement (of at least 50 years) with the Armenian Cultural Foundation, for use of the City-owned surplus Fire Station 83, located at 5001 N. Balboa Blvd, Encino, at an annual lease rate of \$1 per year.

**C0-PRESENTED BY:** 

PAUL KORETZ, 5<sup>TH</sup> DISTRICT

SECONDED BY:



LOS ANCELES CITY COUNCHL FORTHWITH

ERIC GARCETTI, 13<sup>TH</sup> DISTRICT