

AGREEMENT OF PRIVATE WHARFAGE

THIS AGREEMENT OF PRIVATE WHARFAGE (the "Agreement") is executed this 27 day of June, 2001 between WESCO SALES CORPORATION, a California corporation, doing business as Dana Landing, herein after referred to as "Marina" and MISSION BAY POLICE the legal registered owner(s) of the vessel described in Paragraph 5 of this Agreement or its duly authorized agent herein throughout referred to as "Owner".

IT IS AGREED AS FOLLOWS:

1. Term. This Agreement creates a month to month tenancy commencing June 27, 2001, and continuing until terminated in accordance with this Agreement.

2. Space Assignment. The Marina hereby assigns to Owner Slip No. ST-6 ST-7 P-25 for Owner's use for mooring only the vessel hereby registered with the Marina. Owner agrees and acknowledges that the Marina shall have the right, in it's sole discretion, at all times during the term of this Agreement, upon thirty (30) days written notice to Owner, to reassign to Owner a different mooring space.

3. Fees. The Owner agrees to pay to the Marina, at it's offices at 2590 Ingraham Rd., San Diego, California 92109, the sum of \$ 400⁰⁰ per month for wharfage fees and \$ 44 per month for utilities in advance, payable on the first day of each month, hereinafter referred to as "Fees".

3a. Wharfage fee structure is based upon the size of slip or overall length of vessel including, but not limited to, swim step, anchor support, bow sprit, etc. All vessels are subject to measurement by marina, and fee will be determined by computing the then current fee schedule in effect. The fee determined will be due from the commencement date of this Agreement's term. The tenancy created herein is not automatically renewable, but can only be renewed by the timely payment of Fees as provided herein. If the term of this Agreement commences on other than the first day of the month, Owner shall pay, upon execution of this Agreement, \$ N/A, which represents prorated Fees for the remaining portion of the calendar month and the fees for the next succeeding full month. Proration's pursuant to this Agreement are based on a 30 day month. This payment is nonrefundable. The Owner further agrees, in consideration of the use of the space, to abide by all covenants and conditions hereof. Owner agrees that the Marina may increase the Fees, or terminate this Agreement, at any time upon the service of a thirty (30) day written notice to the Owner.

4. Deposits. Owner agrees to pay the Marina the sum of \$ N/A upon execution of Agreement, as a security deposit (the "Deposit"). Upon termination of this Agreement, but only after and upon the condition that Owner has vacated the space and performed Owner's promises thereunder (including payment of all Fees, utilities, and other charges) and returned all access keys and / or cards, Marina shall refund to Owner the deposit. Should Owner transfer to a larger slip, there will be a proportional increase in the deposit to match the new monthly fee. Owner acknowledges and agrees that no interest shall be payable by the Marina on any deposit held by the Marina.

4a. Owner agrees to pay an additional N/A dollar (\$ N/A) deposit per key and / or card to Marina upon execution of the Agreement for the key and / or card to dock entrance

and rest rooms. this deposit shall be refundable upon return of the key(s) and / or card(s) at the termination of the Agreement. A damaged gate key or card may be replaced for a charge of \$10.00.

5. Vessel Information. Owner hereby provides the following information regarding Owner and the vessel registered hereby and agrees to promptly notify the Marina of any changes that may occur in the future.

OWNER NAME: _____ VESSEL NAME: _____
ADDRESS: _____ VESSEL LENGTH: _____
CITY, ST., ZIP: _____ BEAM: _____ DRAFT: _____
HOME PHONE: () _____ MAKE: _____ TYPE: _____
BUS. NAME: _____ YEAR: _____
BUS. PHONE: _____ Check One [] Power, single screw
BUS. ADDRESS: _____ [] Power, twin screw
CITY, ST., ZIP: _____ [] Sail
~~DRIVERS LIC. #:~~ OK/A RADIO CALL LETTERS: _____
~~SOC. SEC. #:~~ OK/A CF #: _____
~~BANK:~~ OK/A DOC. #: _____
~~BRANCH:~~ OK/A PHONE: _____
PREVIOUS MOORING LOCATION: _____
PHONE: _____
VESSEL INSURED BY: _____
INSURANCE AGENT: _____
ADDRESS: _____ PHONE: () _____
CITY: _____ ST., ZIP: _____

6. Registrations. A copy of the registration (Department of Motor Vehicles) or documentation (United States Coast Guard) must be on file in the Marina office, along with a current picture of the vessel.

7. Owner Notifications. The name and address of the individual or agency that Owner designates to be contacted in the event of, or informed of, emergency situations, Marina policy changes, impending liens and / or other information is as follows:

NAME: FACILITIES MANAGEMENT & DEVELOPMENT UNIT
ADDRESS: 1401 BROADWAY - MS-770
CITY, STATE, ZIP: SAN DIEGO, CA 92101
PHONE: (619) 531-2771 FAX: (619) 531-2195

8. Initial Payment Calculation and Receipt. The initial payment of Fees and Security Deposit due is calculated as follows:

Prorate Rent: Monthly Rate: _____ x # of days remaining in month _____ = \$ N/A
Prorate Utilities: Rate: _____ x # of days remaining in month _____ = \$ N/A
First Month Rent: \$ 400⁰⁰
First Month Utilities: \$ N/A
Security Deposit: \$ N/A
Gate Key and / or Card: \$ N/A
TOTAL: \$ 400⁰⁰

Initial payment received by: _____ Check/Cash Receipt #: _____

The undersigned owner signifies by his or her signature below that he/she has read and understands this Maritime Wharfage Contract, and that he/she consents to and agrees to abide by each and every provision contained herein.

WESCO SALES CORP., a California corporation
dba DANA LANDING

City of San Diego
(Printed name of Vessel Owner or Agent)

By: Steven Jarvis
(Dockmaster)

619-224-2513

By: Barbara Hamman
(Owner or Agent)
Glenn Gosh. Chay

By: _____
(Owner or Agent)

DUPLICATE

DUPLICATE ORIGINAL

WESCO SALES CORP. & CITY OF SAN DIEGO

SUBLEASE OF STORE/OFFICES AT 2610-C INGRAHAM STREET,

SAN DIEGO, CALIFORNIA

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DOCUMENT NO. CO-19127

FILED DEC 03 2002

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

SUBLEASE

By this Sublease dated August 23, 2002, for reference purposes only, Wesco Sales Corp. (Sublessor) hereby Subleases to The City of San Diego (Sublessee) the Premises, together with the non-exclusive right to use the Common Areas, upon and subject to the following terms, covenants and conditions:

ARTICLE 1 — BASIC SUBLEASE PROVISIONS

1.1 For purposes of this Sublease, certain provisions are defined as follows:

- (a) Sublessor: WESCO SALES CORP. a California corporation dba DANA LANDING
- (b) Sublessee: CITY OF SAN DIEGO, a California municipal corporation
- (c) Marina: DANA LANDING, 2610-C Ingraham Street, San Diego, CA 92109
- (d) Premises: Building 6 approximately 1,175 square feet as indicated on the plan attached hereto as Exhibit "A."
- (e) Anticipated Commencement Date: October 1, 2002, or upon completion of Sublessor-paid Tenant improvements.
- (f) Term: Five (5) years, with the option of 2 three (3) year extensions.
- (g) Permitted Use: Office space for law enforcement, related community activities and programs.
- (h) Basic Monthly Rent: \$1,292.50. plus \$393.45 T.I. cost. Total \$1,685.95
- (i) Initial Security Deposit: None.
- (j) Proportional Share: Approximately 4.2%.
- (k) Base Year: The calendar year 2002.
- (l) Procuring Broker: None
- (m) Parking Allotment: Rights to use of parking facilities in common with other tenants.
- (n) Business Hours: 24 hours, 365 days a year.

1.2 For purposes of this Sublease, the "Land" shall be defined as the site upon which the Marina, Common Areas and other related improvements, facilities, service areas and equipment are located (as legally described in Exhibit "B" attached hereto).

1.3 For purposes of this Sublease, the "Common Areas" shall be defined as those interior and exterior portions of the Marina and such other areas, facilities and equipment serving the Marina, which are designated by Sublessor for the common use and benefit of Sublessees, Sublessees' employees, customers and invitees, and all members of the general public. Such areas, facilities and equipment shall include, without limitation, entrances; exits; lobbies; all water based facilities; stairways; corridors; passageways; public washrooms; parking facilities; loading areas; plazas; private sidewalks; landscaped areas; walkways; mechanical, electrical and telephone rooms; utilities and related facilities; electrical, mechanical, sprinkler, fire detection or prevention equipment, security equipment, and related facilities; duct shafts; operating, maintenance and storage areas; and service areas, equipment and facilities.

Initial Here:

Sublessee: 

Sublessor: 

1.4 For purposes of this Sublease, the "Subleasehold Improvements" shall be defined as including, without limitation, partitions within the interior of the Premises and the interior one-half of any partition demising the Premises from adjacent premises (whether stab-to-slab, ceiling-height or a lesser height), and the fixtures, doors, windows, openings and finishes installed therein or thereon; the interior drywall on exterior walls and partitions demising the Premises from Common Areas; cabinetry, railings, paneling, and woodwork; integrated ceiling systems (including grid, panels and lighting); carpeting and other floor finishes; kitchen facilities (including sinks, appliances and other fixtures) or other similar facilities; rest rooms intended to exclusively serve the Premises (including showers, toilets, basins and other fixtures); the components of the mechanical, heating, ventilation, air-conditioning, electrical, fire/life safety and mechanical systems (collectively "Mechanical Systems") from the common point of distribution on the floor for each such system to and throughout the Premises; any Mechanical Systems or intra-Marina telephone network cabling which are independent of the base-Marina Mechanical Systems and exclusively serve the Premises (whether or not such system is contained entirely within the Premises); and, Alterations which Sublessor has not required Sublessee to remove as a condition of making such Alterations. The Subleasehold Improvements shall include all of the foregoing improvements in or to the Premises regardless of whether such improvements either: existed in the Premises prior to Sublessee's having entered into this Sublease; were paid for by either Sublessor or Sublessee (or a prior Sublessee); were installed by either Sublessee or Sublessor as a condition of this Sublease; were installed by Sublessor during the Term of this Sublease to comply with the requirements or directives of a government, quasi-government or regulatory agency or authority; were installed by Sublessor during the Term of this Sublease with the intent of reducing Operating Expenses; were installed by Sublessor during the Term of this Sublease to maintain the quality, integrity and/or character of the Land, Marina, Common Areas and/or the machinery, equipment and facilities related thereto; or, were installed by Sublessee as an Alteration.

1.5 Notwithstanding the foregoing, those terms defined in Articles 1.1 through 1.4, above are subject to modification, revision or alteration by other terms and conditions of this Sublease, addenda, exhibits and other attachments hereto.

ARTICLE 2 — TERM

2.1 The Term of this Sublease shall commence on the Commencement Date, which shall be the earlier of:

- (a) the date upon which Sublessee occupies the Premises for the conduct of business; or
- (b) the later of:
 - (i) The Anticipated Commencement Date: or
 - (ii) The date, as reasonably determined by Sublessor, upon which the Sublessee Improvements are substantially complete and the Premises are available for the use and occupancy of Sublessee (or would have been so available, but for delay caused by Sublessee), and Sublessee has been provided the opportunity to move into the Premises, regardless of Sublessee's completion of installation of Sublessee's trade fixtures, work stations, furnishings and telephone, communication or computer systems.

2.2 The "Initial Term" of this Sublease shall commence on the Commencement Date and continue for the Anticipated Term, plus so many additional days as are necessary such that the Sublease terminates on the last day of a calendar month (the "Termination Date"), unless sooner terminated as otherwise provided herein. The "Term" of this Sublease shall include the Initial Term and any other period of Sublessee's occupancy resulting either from Sublessee's holding over with Sublessor's consent (pursuant to Article 23), or from Sublessee's exercise of an express option to renew, re-Sublease or extend the Term, or other express agreement to extend the Term, all made in accordance with this Sublease (or a modification or addendum thereto made in accordance with this Sublease). Unless expressly stated to the contrary herein, any and all references herein to "months" during the Term shall be deemed to refer to full calendar months of the Term, beginning the Commencement Date (if the Commencement Date is the first day of a calendar month) or the first day of the first full calendar month after the Commencement Date (if the Commencement Date is not the first day of a calendar month).

2.3 Sublessor shall tender possession of the Premises to Sublessee and notify Sublessee of the Commencement Date by means of a Notice of Sublease Term Commencement Date ("NST") indicating the basis for the Commencement Date. Within seven (7) days after receipt of the NST, Sublessee shall either confirm the Commencement Date by executing and returning the NST to Sublessor, or notify Sublessor in writing of any objection to the Commencement Date, or the Commencement Date specified in the NST shall be deemed conclusive as between Sublessor and Sublessee.

Initial Here:
Sublessee: 
Sublessor: _____

ARTICLE 3 — BASIC MONTHLY RENT

3.1 The first installment of Basic Monthly Rent is due upon the Commencement Date. All other installments of Basic Monthly Rent are payable in advance on the first day of each calendar month, together with any monthly installments of estimated Operating Expense (collectively 'Total Monthly Rent'). If the Commencement Date is not the first day of the calendar month, Total Monthly Rent shall be prorated. All amounts due Sublessor relating to this tenancy other than Total Monthly Rent ("Additional Rent"), are due and payable within thirty (30) days after receipt of Sublessor's invoice. All amounts due Sublessor relating to this tenancy are rent, and subject to all remedies of Sublessor for nonpayment of rent. Sublessee's obligation to pay all amounts owing under this Sublease shall survive Sublessee's relinquishment of possession to Sublessor, or the expiration or early termination of this Sublease.

3.2 All amounts due Sublessor shall be paid by Sublessee, without deduction or offset, in lawful money of the United States of America at the office of Sublessor or to such other person or at such other place as Sublessor notifies Sublessee. Sublessor reserves the right to require that payments be made by certified check when Sublessee is in default hereunder or if any payment by Sublessor has been returned unpaid.

ARTICLE 4 — TAX RENT

4.1 Intentionally Omitted

ARTICLE 5 — OPERATING EXPENSE

5.1 "Operating Expenses" is all costs and expenses which Sublessor incurs for operating, maintaining, repairing, managing and administering the Land, Marina and Common Areas, including, without limitation costs of utilities and services provided pursuant to Article 9; costs of maintenance performed pursuant to Article 11; parking facility operation, maintenance and management (excluding Sublessor's on-site manager(s)/dock master); business licenses or similar licenses; and insurance Sublessor provides pursuant to Article 15.

5.2 Any item of operation, maintenance, repair, improvement, management or administration of the Marina provided to or supplied from another marina owned or operated by Sublessor shall be reasonably allocated between such other marina and the Marina. Operating Expenses shall not be offset for any revenue derived from operation of the Marina or Common Areas, however, Operating Expenses shall exclude costs and expenses of: obtaining new sublessees (including leasing commissions, attorneys' fees, and improvements to premises); items for which Sublessor is directly reimbursed pursuant to Sublessee Subleases or insurance policies of Sublessees or Sublessor; depreciation and amortization; special services or benefits provided to other sublessees and not Sublessee; violations of this Sublease by Sublessor; violations by other sublessees of their Subleases; overhead and profit paid to subsidiaries or affiliates of Sublessor, to the extent same exceeds same if such services were not rendered by a subsidiary or affiliate, principle or interest on debt, or any mortgage; and, ground Sublease rent (if any).

5.3 For each Year, Sublessee shall pay to Sublessor the Proportional Share of the amount, if any, of Operating Expenses for such Year ("Operating Expense"), as follows. As soon as practical after the beginning of a Comparison Year, Sublessor shall estimate Operating Expense for the Year, which Sublessee shall pay in equal monthly installments (underpayment of estimates from the beginning of the Comparison Year to be retroactively due). As soon as practical after the end of a Year and within 45 days of the year-end, Sublessor shall determine the actual Operating Expense for the Year and either invoice Sublessee for any underpayment, or credit any overpayment to Total Monthly Rent next due (or refund the overpayment to Sublessee, if this Sublease has terminated). If this Sublease does not terminate on the last day of the Comparison Year, Operating Expense shall be prorated. In no event shall Operating Expense increase more than 7% per year.

ARTICLE 6 — CAPITAL EXPENSE

6.1 Intentionally Omitted

ARTICLE 7 — SECURITY DEPOSIT

7.1 No Security Deposit shall be required of Sublessee.

Initial Here:

Sublessee: 

Sublessor: 

ARTICLE 8 — USE

8.1 Sublessee shall use the Premises solely for the Permitted Use and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Sublessor. Sublessee shall not use or occupy the Marina, Common Areas or Premises in a manner which: is a violation of any law or certificate of occupancy; is a nuisance; obstructs, injures or interferes with the rights of other Sublessees or occupants of the Marina; invalidates or increases the cost of any insurance policy described in Article 15; or violates rules, orders, regulations and requirements of any insurance fire rating bureau. The Premises shall not be used for any lodging, or unlawful purpose. Sublessee shall, at Sublessee's sole cost and expense, comply with all directives, orders and regulations of any government authority which concern Sublessee's particular use, design, specification or construction of the Premises (as compared to compliance generally required throughout the Marina, in which case recovery of costs may be subject to Article 6).

ARTICLE 9 — UTILITIES AND SERVICES

9.1 Sublessee shall pay for utilities servicing the Sublease space.

9.2 Sublessee shall pay Sublessor's actual charge for any services required to be provided to the Premises. Modifications to services or Subleasehold Improvements (including metering) required due to concentration of personnel or office equipment, or the use of office equipment that generates unusual heat or consumes unusual amounts of electricity shall be made at Sublessee's sole cost and expense.

ARTICLE 10 — PARKING LICENSE

10.1 Sublessor grants Sublessee a revocable license to park, in common with other Sublessees, up to Sublessee's Parking Allotment of automobiles in the parking facilities of the Marina. Sublessee shall observe all rules and regulations for use of the parking facilities and otherwise use the parking facility in a safe and lawful manner. No estate is conveyed to Sublessee and no bailment is created hereunder. Sublessor is not responsible for theft, loss or damage to automobiles or other personal property in connection with Sublessee's use of the parking facility. Sublessor may revoke this license in its entirety if Sublessee is in default of this Sublease. Sublessor may revoke this license with respect to any individual using the parking facility through Sublessee that violates the terms of this Article. Sublessee's license shall otherwise expire upon the termination of this Sublease.

ARTICLE 11 — REPAIRS

11.1 Sublessee shall, at Sublessee's sole cost and expense, keep in good condition and repair the Premises (including, without limitation, all equipment used in or by the Premises, interior partitions and glass panels, carpeting, wall coverings and kitchen facilities) and any Mechanical Systems which are above-Marina standard and installed or exist to exclusively serve the Premises. All work related to (including connections with) Mechanical Systems shall be performed by Sublessor's approved subcontractors. Upon termination of this Sublease, Sublessee shall relinquish possession of the Premises to Sublessor in the same condition as received, ordinary wear and tear excepted, free of all trash and rubbish, and in broom clean condition.

11.2 Sublessor shall repair and maintain the Common Areas, structural portions of the Marina, and Mechanical Systems generally serving the Marina. Provided Sublessor uses commercially reasonable efforts to minimize interference with Sublessee's use of the Premises, Sublessor may install, repair and maintain Mechanical Systems above the ceiling, below the floor, within the walls and central core, and temporarily restrict access to the Marina, Common Areas and Premises to do so. Sublessor shall complete the repairs within a reasonable period of time based upon the type of repair needed. Sublessee waives any right to make repairs at Sublessor's expense pursuant to California Civil Code section 1942 or any similar law, statute or ordinance.

ARTICLE 12 — ENTRY BY SUBLESSOR

12.1 With reasonable prior notice, Sublessor shall have the right to inspect the Premises, and enter the Premises to perform Sublessor's duties pursuant to Article 11.2; No prior notice shall be required in an Emergency (which is any circumstance which threatens or endangers the Marina, or health or property of Sublessor or any occupant, or may result in a material liability or loss to Sublessor) for Sublessor to supply regular Services or to post legal notices.

Initial Here:

Sublessee: 

Sublessor: _____

ARTICLE 13 — ALTERATIONS

13.1 "Alterations" is defined as any alteration, addition, decoration or improvement to the Premises made by Sublessee (excepting Sublessee Improvements and hanging of artwork). Sublessor's prior written consent is required for all Alterations. Sublessee shall give Sublessor ten (10) days prior written notice of all proposed Alterations and provide Sublessor with any working drawings or specifications, estimated costs, the identity of the qualified, licensed contractor proposed to perform the work, and said contractor's certificates of insurance (including reasonable amounts of liability/property damage, product liability and Workers Compensation insurance). Sublessor shall, within said ten (10) day period, notify Sublessee if Sublessee will be required to either: remove the proposed Alterations at the end of the Term and restore the Premises; obtain the consent of any lender or ground lessor; provide Sublessor evidence of all required permits; obtain a lien and completion bond; name Sublessor as an additional insured; use another contractor reasonably acceptable to Sublessor (Sublessee to use Sublessor designated contractors for work relating to Mechanical Systems); perform the Alterations at particular times, in a particular manner or under Sublessor supervision; or provide additional information regarding same. All Alterations shall comply with all laws, rules and/or directives of any government or regulatory agency or authority; and, if any such government or regulatory agency or authority requires any improvements, modifications, additions or alterations to any part of the base Marina or Mechanical Systems as a result of the Alterations, then the same shall be made by Sublessee at Sublessee's sole cost and expense. Sublessee shall keep the Land, Marina and Premises free from any liens resulting from work performed, materials furnished or obligations incurred by, or on behalf of Sublessee.

13.2 Sublessor may require Sublessee to immediately remove any Alterations not made in accordance with this Article, and restore the Premises. Unless Sublessor requires Sublessee to do so in accordance with Article 13.1, Sublessee shall not be required to remove Alterations at the end of the Term. All permanent improvements to the Premises, excepting Alterations Sublessor requires Sublessee to remove at the end of the Term and trade fixtures, shall become the property of Sublessor upon the termination of this Sublease and shall be relinquished with the Premises. Sublessee shall reimburse Sublessor for all reasonable costs and expenses of reviewing and/or supervising Alterations (including, without limitation, review of plans or work by Sublessor architect, engineer or other consultant) or removing Alterations on behalf of Sublessee (if Sublessee is required to so remove the Alterations, and fails to do so), plus pay a supervision fee to Sublessor in the amount of ten percent (10%) of the cost of such work.

ARTICLE 14 — HAZARDOUS MATERIALS

14.1 "Hazardous Materials" is defined as any substance, material, emission, discharge or waste defined as "hazardous, toxic," or a "pollutant" or "contaminant" under any local, state or federal government law, statute, code, order or regulation for the protection of health, safety or the environment. Sublessor and Sublessee shall comply with all laws concerning Hazardous Materials and handling, storage and disposal thereof. Sublessee shall neither create, bring into nor store in the Marina, Common Areas or Premises any Hazardous Materials, other than copy solution, toner, or developer for standard copy machines. Sublessee will dispose of such material at its sole expense and in accordance with all applicable laws.

ARTICLE 15 — INSURANCE

15.1 Sublessor shall, throughout the Term, provide, maintain and keep in force: (a) commercial general liability insurance; (b) all risk insurance or fire insurance (with standard extended coverage endorsement perils, leakage from fire protection devices and water damage) covering the Marina and all fixed improvements therein, the Subleasehold Improvements and Marina standard Alterations (excepting those items Sublessee is required to insure pursuant to Article 15.2, subparagraphs [b] through [d]); (c) insurance for loss of rental income or insurable gross profits in such amounts as Sublessor prudently elects to maintain; and (d) such other insurance (including boiler and machinery insurance) as Sublessor prudently elects to maintain. Insurance under subparagraphs (a), (c) and (d) shall be in such amounts, with such deductibles and exclusions and/or such other terms and conditions as Sublessor prudently determines to be commercially reasonable and sufficient.

15.2 Sublessor is aware that the City of San Diego, Sublessee, is self-insured. The City's Risk Management Department is to provide Sublessor with proof of insurance coverage which shall be kept in force at all times during the term of the Sublease and any extensions thereof.

ARTICLE 16 — INDEMNIFICATION

16.1 Subject to the waivers of subrogation and liability set forth in Article 15.3, Sublessee shall indemnify and hold Sublessor harmless from and against any and all liability, loss, claims, demands, damages or expenses, including attorneys' fees, whether for personal injury, theft, property damage or otherwise, due to or arising from: the negligence or willful misconduct of Sublessee, its servants, employees, agents, contractors, invites, concessionaires or licensees, or those over whom Sublessee would normally be expected to exercise control, whether in or about the Land, Marina, Common Areas, Premises, or parking

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Sublessee: 
Sublessor: _____

facility; any claim that may be asserted against Sublessor by any person or entity other than Procuring Broker who claims a right to compensation for brokerage services in regards to Sublessee; and Sublessee's breach or non-performance of any provision of this Sublease. If any action or proceeding is brought against Sublessor by reason of any such claim, Sublessee, upon notice from the Sublessor, shall defend the same at Sublessee's expense by the City Attorney who will defend in any such actions.

16.2 Subject to the waivers of subrogation and liability set forth in Article 15.3, Sublessor shall indemnify and hold Sublessee harmless from and against any and all liability, loss, claims, demands, damages or expenses, including attorneys' fees, whether for personal injury, theft, property damage or otherwise, due to or arising from the negligence or willful misconduct of Sublessor, its servants, employees, agents, contractors, invitees, concessionaires or licensees, or those over whom Sublessor would normally be expected to exercise control, whether in or about the Land, Marina, Common Areas, Premises, or parking facility; or Sublessor's breach or non-performance of any provision of this Sublease. If any action or proceeding is brought against Sublessee by reason of any such claim, then Sublessor, upon notice from Sublessee, shall defend the same at Sublessor's expense by counsel reasonably satisfactory to Sublessee.

ARTICLE 17 — DAMAGE OR DESTRUCTION

17.1 If any portion of the Land, Marina, Common Areas or Premises reasonably necessary for Sublessee's access, use or occupancy of the Premises is damaged or destroyed by any cause (the "Damage Event"), then within thirty (30) days after the Damage Event, Sublessor shall reasonably estimate how long repairs will take and notify Sublessee of same. If in Sublessor's reasonable opinion repairs can be completed within one hundred twenty (120) days after the Damage Event and the Damage Event occurred prior to the last year of the Term, Sublessor shall repair same during which time this Sublease shall remain in full force and effect (subject to Article 19). If in Sublessor's reasonable opinion repairs cannot be completed within one hundred twenty (120) days after the Damage Event, the Damage Event occurred during the last year of the Term, or the Damage Event is not insured, Sublessor may either repair same during which time this Sublease shall remain in full force and effect (subject to Article 19) or terminate this Sublease upon at least thirty (45) days' prior written notice to Sublessee (subject to Article 19). Sublessor's obligation to repair the Premises shall only extend those items required to be insured by Sublessor pursuant to Article 15.1(b), unless Sublessee assigns to Sublessor the proceeds of any insurance required pursuant to Article 15.2 with respect to above-Marina standard Alterations and pays to Sublessor any deductible under such policy.

ARTICLE 18 — EMINENT DOMAIN

18.1 If all or any portion of the Land, Marina, Common Areas or Premises is taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold in lieu of such taking ("Taking"), then if the Taking substantially interferes with Sublessee's use and occupancy of the Premises, this Sublease shall terminate on the date of Taking. If the Taking does not substantially interfere with Sublessee's use and occupancy of the Premises, Sublessor may either terminate this Sublease or, after the Taking, restore the Premises to substantially the same condition prior thereto. Sublessee shall be entitled to join in Eminent Domain action to seek relocation expenses, and damages to Sublessee's personal property, trade fixtures, goodwill, and bonus value.

ARTICLE 19 — INTERRUPTION OF USE

19.1 If a Damage Event (under Article 17), Taking (under Article 18), failure of Sublessor to provide Services (under Article 9), or failure of Sublessor to repair or maintain the Marina or Common Areas (under Article 11), or failure of Sublessor to comply with Article 14 (collectively "Interruption") adversely affects Sublessee's use or prevents reasonable access to the Premises for a period greater than five (5) consecutive business days, then Sublessee's Total Monthly Rent shall be abated to the extent that the Premises is rendered unusable for the conduct of Sublessee's business therein, for the period of time so rendered unusable, unless the Premises has been rendered unusable due to Sublessee's failure to comply with this Sublease. If the Interruption is reasonably estimated within the 5th (fifth) consecutive business day by Sublessor to exceed one hundred eighty (180) days, then Sublessee may, within thirty (30) days after the Interruption, elect to terminate the Sublease upon thirty (30) days' prior written notice. Notwithstanding the foregoing, this Sublease shall not be terminated if Sublessor takes action within said thirty (30) days' notice period which will result in the restoration of Sublessee's reasonable access to, and use of the Premises within said one hundred eighty (180) days' period.

ARTICLE 20 — SUBORDINATION

20.1 Subject to the provisions of Article 23.2, this Sublease shall be subject and subordinate to all present and future ground or underlying leases of the Marina or Project and to the lien of any mortgage, trust deed or other encumbrances now or hereafter

Initial Here:
Sublessee: 
Sublessor: _____

in force against the Marina or Project or any part thereof, and to any and all renewals, modifications, consolidations, replacements, substitutions and extensions thereof, as if the mortgage, trust deed or other encumbrance and all of its renewals, modifications, consolidations, replacements, substitutions and extensions had been executed, delivered and recorded prior to execution of this Sublease.

20.2 In the event of the termination of the Master Lease or the foreclosure of any mortgage, trust deed or other encumbrance, or upon a transferor conveyance in lieu of such foreclosure, then so long as the Sublease is then in full force and effect and Sublessee is not in default under any of the terms, covenants or conditions of the Sublease, Sublessee agrees to attorn to and accept any such successor owner as lessor under the Sublease and to be bound by and perform all of the obligations imposed by the Sublease, and successor owner will not disturb the possession of Sublessee and will be bound by and perform all of the obligations of Sublessor.

20.3 Sublessee shall, within five (5) business days after receipt of Sublessor's written request, execute such further instruments or assurances as Sublessor may reasonably deem necessary to evidence or confirm the subordination, nondisturbance and attornment pursuant to this Article, Sublessee waives the provisions of any current or future statute, rule or law contrary to the provisions of this Article which may give Sublessee any right or election to terminate or otherwise adversely affect this Sublease and the obligations of the Sublessee hereunder in the event of any the foreclosure of any mortgage, trust deed or other encumbrance, or upon a transfer or conveyance in lieu of such foreclosure.

ARTICLE 21 — MARINA PLANNING

21.1 Intentionally omitted.

ARTICLE 22 — ASSIGNMENT AND SUBLETTING

22.1 Sublessee shall not Assign this Sublease without the prior written consent of Sublessor, which shall not be unreasonably withheld, conditioned or delayed. "Assign" or "Assignment" is defined to include: an assignment of the Sublease; a subSublease of all or any part of the Premises; any permitted occupancy or conduct of business in any or all of the Premises by anyone other than Sublessee; Sublessee's pledging, sale, transfer, hypothecation or encumbrance of the Sublease; Sublessee's change in business status or organization; Sublessee's dissolution, merger, consolidation or other reorganization; Sublessee's sale or other transfer of a controlling share of the voting capital stock of Sublessee; and, the sale of fifty-one percent (51%) or more of the interests of Sublessee. "Assignee" is defined to include: an assignee; subSublessee; or any other person or entity which may claim a right to possession of the Premises by or through Sublessee. Sublessee can sublease a portion of the commercial space for law enforcement related events or to law enforcement agencies who shall be bound by the same terms of this Sublease. Sublessor understands that the City of San Diego Police Harbor Unit, and other similar governmental agencies or events related to law enforcement may occupy portions of the premises on behalf of the City of San Diego.

22.2 Sublessee shall give Sublessor thirty (30) days' prior written notice of any proposed Assignment, including the proposed Assignee's name and address, the proposed terms, the proposed use, the proposed Assignee's financial statements, bank and credit references, and such additional information as Sublessor may reasonably require. Within said thirty (30) days, Sublessor shall notify Sublessee of Sublessor's approval or disapproval of the proposed Assignment. Sublessor shall also have the right to terminate this Sublease either in its entirety or with respect to only that portion of the Premises which Sublessee has proposed to Assign (the "Proposed Portion"). If Sublessor elects to terminate the Proposed Portion, then Sublessee's Total Monthly Rent and Proportional Share shall be reduced accordingly as of the proposed date of the Assignment. Sublessor shall make such permanent improvements as may be reasonably necessary to demise the Proposed Portion from the remaining Premises Sublessee shall not be entitled to any portion of the profit which Sublessor may realize as a result of any such termination and reletting of the Proposed Portion or the Premises.

22.3 Sublessee may retain all rents and other consideration from any permitted Assignment; however, Sublessee or any subsequent assignor or Sublessor shall not be released from any liability under this Sublease as the result of any Assignment. Sublessee shall cause Assignee to execute an agreement with Sublessor upon a form furnished by Sublessor binding Assignee to all the non-monetary terms of this Sublease (excepting rights to extend this Sublease or expand the Premises, unless so granted by Sublessee), and as security for Sublessee's obligations under this Sublease, Sublessee assigns to Sublessor the right to collect all rent resulting from any Assignment in the event of Sublessee's default and apply such rent to the satisfaction of Sublessee's obligations under this Sublease. Sublessee shall pay a reasonable processing fee to Sublessor for each Assignment, not to exceed Five Hundred Dollars (\$500.00).

Initial Here:

Sublessee: 

Sublessor: _____

ARTICLE 23 — HOLDING OVER

23.1 Sublessee's failure to restore possession of the Premises to Sublessor at the end of the Term will cause damage to Sublessor which is impracticable or extremely difficult to ascertain. If Sublessee holds over after the Term without the prior written consent of Sublessor (which Sublessor may withhold in its sole discretion, without regard to Article 27.1), then Sublessee shall be a month-to-month Sublease. Sublessee shall perform each term, condition and covenant of this Sublease during any such holding over except that: in lieu of Total Monthly Rent due under the Sublease, for each month or portion thereof which Sublessee holds over, Sublessee shall pay Sublessor liquidated damages of the Total Monthly Rent payable by Sublessee to Sublessor in the last full month of the Term plus any adjustments based on the Consumer Price Index (CPI) which may have accumulated over the prior occupancy by Sublessee. Nothing herein shall prevent Sublessor from exercising any other rights under this Sublease or the law to regain possession of the Premises. Acceptance of any payment from Sublessee after expiration of this Sublease shall not constitute a renewal or extension thereof.

ARTICLE 24 — DEFAULTS

24.1 Sublessee shall be in default of this Sublease if Sublessee fails to pay, within three (3) business days after receipt of written notice from Sublessor, any Basic Monthly Rent or Additional Rent, or fails to cure, within thirty (30) days after receipt of notice from Sublessor. Sublessee's failure to observe any other term of this Sublease (however, Sublessee shall cure in such shorter time as reasonably necessary due to an Emergency, and if more than thirty [30] days are reasonably required to cure, then no default will have occurred if Sublessee commences to cure within the thirty [30] day period and diligently prosecutes same to completion). Sublessor may give Sublessee a single notice of default inclusive of the requirements of California Code of Civil Procedure section 1161, et. seq.

24.2 Sublessor shall not be in default or liable to Sublessee under this Sublease for any failure to observe any term of this Sublease, unless Sublessee notifies Sublessor of such default and Sublessor fails to cure same within thirty (30) days after receipt Sublessee's notice (however, Sublessor shall cure in such shorter time as reasonably necessary due to an Emergency, and if more than thirty [30] days are reasonably required to cure, then no default will have occurred if Sublessor commences to cure within the thirty [30] day period and diligently prosecutes same to completion).

ARTICLE 25 — REMEDIES, ATTORNEYS' FEES & WAIVER OF JURY TRIAL

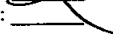
25.1 If Sublessee defaults under this Sublease, Sublessor may avail itself of any remedy available under law in Sublessor's sole discretion (without obligation under Article 27.1). No remedy or election hereunder shall be deemed exclusive and, wherever possible, each remedy shall be cumulative with all other remedies. If Sublessee abandons the Premises, or Sublessee's right to possession is terminated by the Sublessor because of a default, and Sublessor proceeds under California Civil Code section 1951.2, this Sublease shall terminate, and Sublessor shall be entitled to recover from Sublessee: the worth at the time of award of the unpaid rent which had been earned at time of termination; the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Sublessee proves could have been reasonably avoided; the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Sublessee proves could be reasonably avoided; and any other amount necessary to compensate Sublessor for damage caused by Sublessee's failure to observe this Sublease (or which, in the ordinary course of things would be likely to result therefrom, including, without limitation, any costs of obtaining mitigating rental income, such as excused rent, brokerage commissions, Sublessee improvements, parking concessions, Sublease takeovers, cash payments, advertising, moving costs or any other cost or Sublessee concession related to the releasing of the Premises upon the default of Sublessee). The "worth at the time of award" shall be computed by allowing interest at ten percent (10%) per annum on amounts due prior to award, and discounting amounts due after award at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

25.2 In any action brought by either Sublessor or Sublessee against the other to enforce or interpret any provision of this Sublease (including any claim in a bankruptcy or an assignment for the benefit of creditors), the prevailing party shall recover from the other party all reasonable costs and attorneys' fees of such action whether such costs were incurred or services were performed by in-house or outside counsel.

25.3 Sublessor and Sublessee each hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Sublessor against Sublessee, or Sublessee against Sublessor, arising out of or in any way connected with this Sublease, the relationship of Sublessor and Sublessee, Sublessee's use or occupancy of the Premises, any claim of injury or damage, or the enforcement of any remedy

Initial Here:

Sublessee: 

Sublessor: 

under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect, Notwithstanding the foregoing, Sublessor and Sublessee agree that this waiver shall not be effective where the legal effect of such waiver would be to invalidate in whole or in part, or to limit or impair in any manner any policy of insurance in force for the benefit of Sublessor or Sublessee or to limit or impair any rights, remedies or coverage afforded thereunder.

ARTICLE 26 — NOTICE

26.1 Notice shall be given to Sublessee at the Premises. Notice shall be given to Sublessor at 21500 Nordoff Street, Chatsworth, CA 91311 Attention: Frank Butler with copy to The Law Offices of Shai Oved at 20700 Ventura Blvd., Suite 220, Woodland Hills, CA 91364. Either party may, by written notice to the other, specify a different address for notice purposes. Any requirement under this Sublease to give "notice" or "notify" shall require a writing, delivery thereof evidenced by signed receipt (whether personally delivered, or sent by certified mail or a nationally recognized overnight courier service). Notice given by facsimile transmission shall not be valid unless the party to whom the transmission is addressed acknowledges timely receipt of the transmission in writing. If either party refuses to sign a receipt acknowledging delivery, notice may be given by first-class mail and shall be deemed effective two (2) business days after mailing. Notice from or to any single person or entity executing this Sublease as Sublessee shall be deemed effective as to all persons or entities executing this Sublease as Sublessee.

ARTICLE 27 — GENERAL PROVISIONS

27.1 Reasonableness. Except as provided to the contrary herein, if Sublessor's or Sublessee's discretion or consent is required, such discretion will be reasonably exercised and such consent will not be unreasonably withheld, conditioned or delayed.

27.2 Rules and Regulations. Intentionally omitted.

27.3 Conflict of Laws; Venue. This Sublease shall be governed by and construed under the laws of the State of California, Any lawsuit brought by Sublessee against Sublessor shall be filed in a court of competent jurisdiction in the County of San Diego.

27.4 Joint and Several Liability. If more than one person or entity executes this Sublease as Sublessee: each shall be jointly and severally liable for all obligations of Sublessee hereunder; any act or signature by one shall be binding upon all persons or entities constituting Sublessee; and, any refund or payment to one shall be effective as to all persons or entities constituting Sublessee. Sublessee warrants and represents that it has authority to bind each governmental agency to this agreement.

27.5 Successors and Assigns. Except as provided to the contrary herein, each covenant, condition and provision of this Sublease shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, personal representatives, successors and permissible assigns.

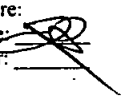
27.6 Definition of Sublessor. "Sublessor" is defined as and is limited to only the Sublessee at the time in question under the Master Lease of the Marina (whether pursuant to a fee interest or Subleasehold interest under a ground Sublease of the Land). If Sublessor transfers, assigns or conveys its interest, Sublessor shall be automatically freed and relieved of all liability with respect to the performance of any covenants or obligations in this Sublease to be performed from and after the date of such transfer, assignment or conveyance (including return of Security Deposit, provided Sublessor transfers all Security Deposit which has not been used, applied or retained prior to such conveyance to Sublessor's successor in interest).

27.7 Waiver Time of the Essence. A party's waiver of any breach of this Sublease shall not be deemed a waiver of any other breach. No custom or practice which develops between the parties shall be deemed a waiver of either party's right to require strict performance hereunder. Time is of the essence.

27.8 Interest. Wheresoever interest is required under this Sublease, and in lieu of the legal rate to be used in the computation of any interest owed Sublessor in any judgment or award of the court, interest shall be charged at the rate often percent (10%) per annum.

27.9 Entire Agreement; Severability. Except as expressly set forth herein, neither Sublessor nor its employees, agents or contractors have made any representation or warranty concerning the Land, Marina, Common Areas or Premises, or the suitability of either for the conduct of Sublessee's business. This Sublease contains the entire agreement of the parties hereto with respect to the tenancy created hereunder and no prior agreement or understanding (whether oral or written, expressed or implied) pertaining to same shall be effective, and this agreement shall be deemed integrated This Sublease may only be

Initial Here:

Sublessee: 

Sublessor: _____

modified, amended or added to by an agreement in writing executed by the parties hereto. The use of boldface, italics or underlining are for convenience only, and shall have no effect upon the construction or interpretation of this Sublease. If any part of this Sublease is declared invalid, void or illegal, the remaining portions of this Sublease shall not be impaired or invalidated, and this Sublease shall otherwise remain in full force and effect.

27.10 Marina Name; Advertising. Sublessor shall have the right to change the name or street address of the Marina upon reasonable prior notice to Sublessee. All advertisements or other public solicitations concerning the Premises shall require Sublessor's prior written approval.

27.11 Quiet Possession. Except as provided to the contrary herein, upon paying the rents reserved hereunder and otherwise observing this Sublease, Sublessee shall have quiet possession of the Premises for the Term.

27.12 Examination and Delivery by Sublessee. Submission of this Sublease for examination or signature by Sublessee does not constitute a reservation of or option to Sublease, and shall not be effective as a Sublease or binding legal document until execution and delivery by all parties hereto.

27.13 Confidentiality. Not applicable.

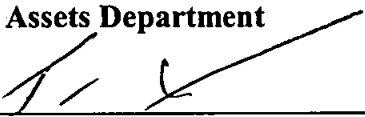
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Sublessor: _____

WHEREUPON, THE PARTIES HERETO HAVE EXECUTED THIS SUBLEASE
ON THE DATES INDICATED

SUBLESSEE

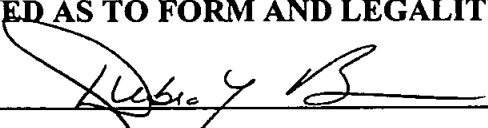
CITY OF SAN DIEGO, a California municipal corporation

Real Estate Assets Department

BY: 

Tim C. Rothans, Deputy Director

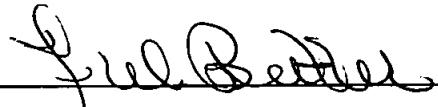
APPROVED AS TO FORM AND LEGALITY, this 11th day of Dec, 2002

BY: 

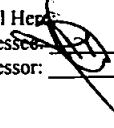
San Diego City Attorney

SUBLESSOR

WESCO SALES CORP., DBA DANA LANDING

BY: 

**Frank Butler, President
Wesco Sales Corp.**

Initial Here:
Sublessee: 
Sublessor: _____

Addendum No. 1 to Marina Sublease dated August 23, 2002, between Wesco Sales Corp. dba Dana Landing, Sublessor, and the City of San Diego, Sublessee, regarding Building 5 at Dana Marina, 2610-C Ingraham Street, San Diego, CA 92109.

Article 28

Except as modified by this Addendum, the parties reaffirm each and every provision of the Sublease. In the event of any conflict between the Sublease and this Addendum, the terms of this Addendum shall control.

Article 29

Sublessor will not have to pay the City of San Diego percentage rent based on this Sublease.

Article 30

Sublessee acknowledge that Sublessor does not provide any security for the Marina and, consequently, Sublessee assumes all responsibility for vandalism, damages to or theft from the subleased improvements and will hold Sublessor free and harmless from any claims in connection therewith unless any claims on liability arise from the establishment of gross negligence or willful misconduct of the Sublessor, its agents and/or employees.

Article 31

Sublessor grants to Sublessee two (2) consecutive options to extend the Term for an additional period of three (3) years each on the same terms and conditions as set forth herein providing the Sublessee is not in default at the time the option is exercised. Said option shall be deemed exercised by Sublessee upon giving notice to Sublessor at least three (3) months before the expiration of the term or renewal period then in effect of Sublessee's desire to extend said Sublease. In the event of a default in any term of the Sublease, these options will be cancelled.

Article 32

Rent shall be subject to a fixed annual increase of 2% during the initial Term of this Sublease. Upon exercising the first option to renew, Rent shall be determined by the fair market rental value of the Premises. The parties agree to select a qualified real estate broker or appraiser to determine such fair market rental value. In the event, the parties are unable to agree on such real estate broker or appraiser, then each shall select their own respective broker or appraiser, who shall then jointly select a third broker or appraiser who shall consider the opinion of each party's respective broker or appraiser, and then determine the fair market rental value of the Premises.

Article 33

Sublessee shall have the continuing right to cancel this Sublease each year upon ninety days prior written notice to Sublessor upon Sublessee's funding source, the Police Harbor Unit, being denied its annual funding to pay the rent. In the event Sublessee exercises its rights to cancel this Sublease pursuant to this paragraph, Sublessee shall assign to Sublessor, if Sublessor so elects, all of its rights and obligations to payments for the portion of the monthly rent. Otherwise, any of Sub Sublessee's Sublease agreements shall be terminated upon Sublessee's Sublease cancellation. Should the Sublessee cancel the Sublease during the initial five (5) year Sublease Term, the unpaid balance of the tenant improvement costs shall immediately be due and payable.

Initial Here:
Sublessee: 
Sublessor: _____

Article 34

Sublessor agrees to install tenant improvements at the Premises which are estimated at \$21,364 and described in Exhibit "C." Sublessee agrees that by taking possession of the Premises upon completion of the Tenant Improvements, that such Premises are then in a leasable and acceptable condition. However, should any portion of the improvements fail or be in need of repair, Sublessor shall replace or repair such item at Sublessor's cost. If Sublessor fails to deliver the premises as provided herein, Sublessee may terminate this Sublease notwithstanding any other termination provisions contained herein. Sublessor will pay for the tenant improvement costs and amortize the \$21,364 cost over Sublessee's initial five (5) year Term of the Sublease. In addition to the monthly Rent payment required under this Sublease, Sublessee agrees to pay \$393.45 to Sublessor for the cost of the Tenant Improvements of \$21,364 plus interest at 4%. This amount is not subject to annual increases and will remain flat over the five (5) year term. Should this Sublease terminate for any reason prior to the initial five (5) year Term, the unpaid balance shall immediately become due and payable.

Article 35

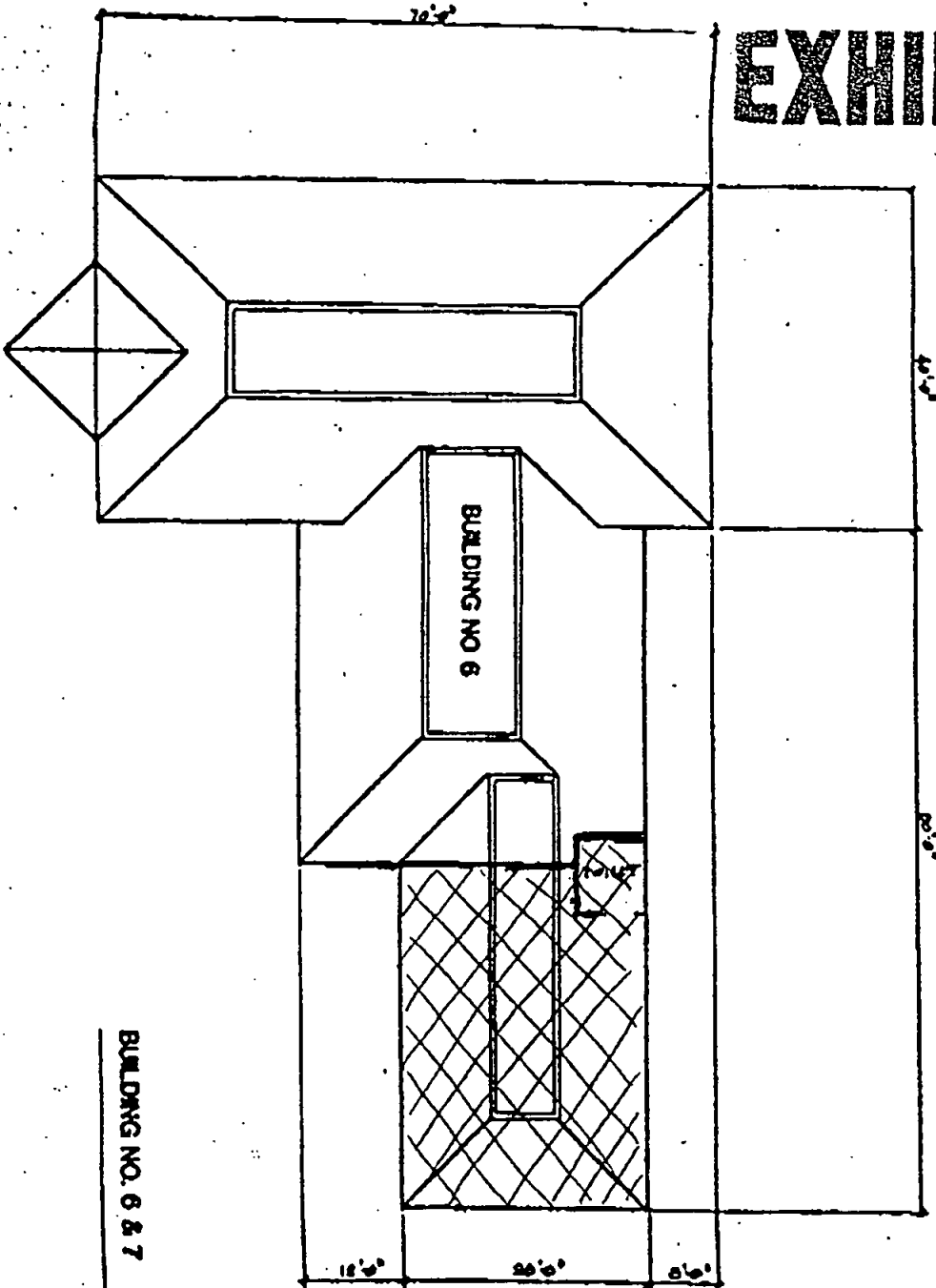
Sublessor agrees to make available to Sublessee during the term of the sublease side ties for police watercrafts at fair market value. Side tie rental rates shall increase annually to adjust to fair market value in August of each year. A wharfage agreement shall be in effect for the term of this sublease agreement.

Article 36

Except as modified by this Addendum, the parties reaffirm each and every provision of the Sublease. In the event of any conflict between the Sublease and this Addendum, the terms of this Addendum shall control. This Sublease is subject and subordinate to the Master Lease with the City of San Diego.

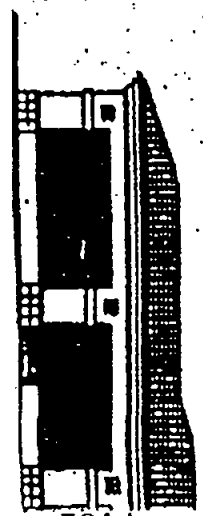
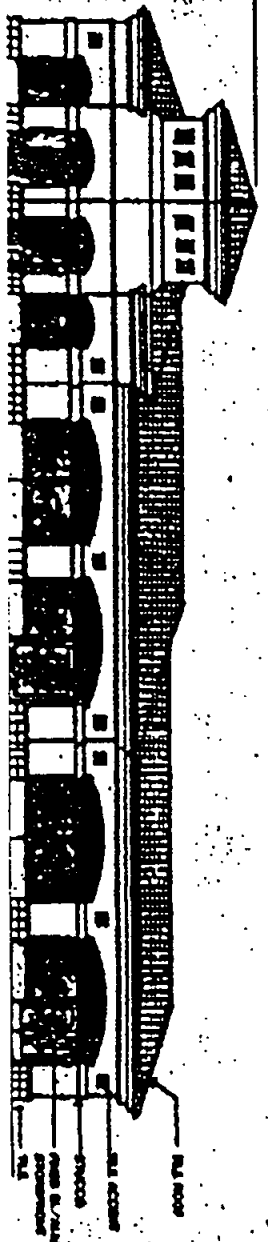
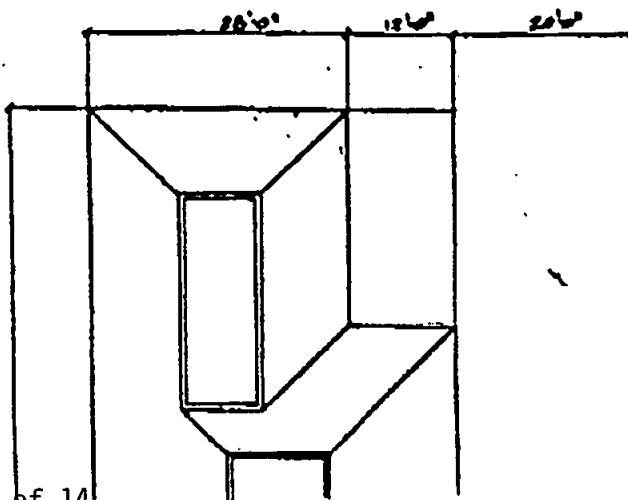
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Sublessee: _____
Sublessor: _____

EXHIBIT A



BUILDING NO. 6 & 7

(REPLACES EXISTING BUILDINGS NC



That parcel of land in the City of San Diego, County of San Diego, State of California, being a portion of the Tidelands and submerged or filled lands of False Bay, also known as Mission Bay and that portion of the Pueblo Lands of San Diego; according to map thereof by James Pascoe, a copy of which is on file in the Office of the County Recorder of said San Diego County and is known as Miscellaneous Map No. 36, described as follows:

Beginning at the Southeast corner of Lot 24 of Block 10 in the Resubdivision of Blocks 7, 8, 10, and a portion of Block 9 and Lot "A" of Inspiration Heights, according to Map thereof No. 1700 filed in the Office of the County Recorder of San Diego County; thence along the Southerly line of said Lot, South $89^{\circ}55'56''$ West (Record North $89^{\circ}59'00''$ West) 25.00 feet to a point of tangent curve in the boundary of said Lot; thence South $00^{\circ}04'04''$ East, 2 feet to a line which is parallel with and 2.00 feet Southerly at right angles from the Southerly line of said Block 10; thence along said parallel line North $89^{\circ}55'56''$ East, 249.70 feet; thence North $05^{\circ}30'02''$ West, 104.06 feet to the United States Coast and Geodetic Survey, triangulation station "Old Town," (the Lambert Grid-Coordinates-California Zone 6 for said station "Old Town" are x equals 1,712,415.17 and y equals 213,819.22 and said triangulation station is located at latitude $32^{\circ}45'02.845''$ longitude $117^{\circ}11'07.200''$), said station "Old Town" being the point of origin for the San Diego City Engineer's Mission Bay Park Coordinate System; thence North 5,826.93 feet and West 14,684.48 feet to the TRUE POINT OF BEGINNING; the Mission Bay Park Coordinates of said TRUE POINT OF BEGINNING being North 5,826.93 feet and West 14,684.48 feet; thence North $63^{\circ}30'00''$ West, a distance of 567.16 feet to the coordinates North 6,079.99 and West 15,192.03; thence North $28^{\circ}30'02''$ West, a distance of 462.48 feet to coordinates North 6,486.42 and West 15,412.71; thence North $61^{\circ}29'58''$ East, a distance of 297.95 feet to the beginning of a non-tangent curve, concave Southeasterly having a radius of 1,355.00 feet; thence Northeasterly along the arc of said curve a distance of 178.55 feet to coordinates North 6,743.91 and West 15,014.72; thence South $36^{\circ}29'04''$ East, a distance of 75.00 feet to a point in a 1,280.00 foot radius curve, concave Southeasterly; thence Northeasterly along the arc of said curve a distance of 125.00 feet to coordinates North 6,752.91 and West 14,866.15; thence South $19^{\circ}51'24''$ East, a distance of 302.87 feet to coordinates North 6,468.04 and West 14,763.28; said point being also the beginning of a 475.00 foot radius curve, concave Westerly; thence Southerly along the arc of said curve through a central angle of $09^{\circ}38'54''$ a distance of 79.99 feet to the beginning of a compound 195.00 foot radius curve, concave Westerly; thence Southerly along the arc of said curve through a central angle of $16^{\circ}45'30''$, a distance of 57.04 feet to coordinates North 6,334.08 and West 14,740.74; thence South $06^{\circ}33'00''$ West, a distance of 132.02 feet to coordinates North 6,202.92 and West 14,755.80, said point being also the beginning of a 185.00 foot radius tangent curve, concave Easterly; thence Southerly and Southeasterly along the arc of said curve through a central angle of $46^{\circ}53'50''$, a distance of 151.42 feet to the beginning of a 215.00 foot radius reverse curve, concave Westerly; thence Southeasterly and Southerly along the arc of said curve through a central angle of $66^{\circ}50'50''$, a distance of 250.84

feet to the TRUE POINT OF BEGINNING and containing 4.09 acres of land area and 4.67 acres of water area.

EXCEPTING that portion described as follows:

Beginning at a Northeasterly angle point in the above described land, the Mission Bay Park coordinates of said point being North 6,752.91 and West 14,866.15; thence South $19^{\circ}51'24''$ East, 140.00 feet; thence South $60^{\circ}17'51''$ West, 347.91 feet to a point on a 131.21 foot radius curve, concave Easterly, the radius of which bears South $68^{\circ}34'25''$ West to said point; thence Northerly along said curve 74.20 feet through an angle of $32^{\circ}24'04''$ to a compound 100.04 foot radius curve; thence Northerly along said curve 61.09 feet through an angle of $34^{\circ}59'14''$; thence along the radius of a 1,355.00 foot radius curve, concave Southeasterly, North $44^{\circ}02'17''$ West, 75.00 feet to a point on the arc of said curve; thence Northeasterly along said curve through an angle of $07^{\circ}33'00''$, a distance of 178.55 feet to coordinates North 6,743.91 and West 15,014.72; thence South $36^{\circ}29'04''$ East, a distance of 75.00 feet to a point in a 1,280.00 foot radius curve, concave Southeasterly; thence Northeasterly along the arc of said curve, a distance of 125.00 feet to the TRUE POINT OF BEGINNING.

EXHIBIT C

JIM AND



CONSTRUCTION
LIC. # 303932

November 18, 2001

(REVISED)

San Diego Police Dept.
2610 Ingraham St.
San Diego, CA. 92109

RE: Tenant Improvement @ Bldg. 7 per D.M.Bergerson for Harbor
Unit of San Diego Police Dept.

,m

Dear Sirs: Cost Breakdown for unit listed below.

Plans and permits	\$1000.00
VCT Flooring inc. 4" rubber base	\$1862.00
T-bar ceiling (2x4 grid)	1591.00
Framing and drywall	4300.00
Electrical	2800.00
Hvac duct work	850.00
Plumbing (top-out) inc. insta-hot	1720.00
Wainscot @ toilet room	350.00
Paint	700.00
Doors (4)	1400.00
Tile and cove base in bath	540.00
Entry Area (Laminated counter w/3-0 x 3-0 door And 36" high wall	1200.00
Supervision	1200.00
Sub-total	18513.00
OH & Profit	1851.00
Total	\$21364.00

Page 14.3 of 14

ORDINANCE NUMBER O- 19127

ADOPTED ON DEC 03 2002

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO
EXECUTE A SUBLEASE AGREEMENT WITH EXECUTIVE
WESCO SALES FOR OFFICE SPACE

WHEREAS, the Police Department Harbor Patrol Unit provides policing enforcement for land and water at Mission Bay Park and has been located at Hospitality Point in Mission Bay Park since March 1986. During this period the Harbor Patrol Unit has occupied a temporary trailer facility for office space with portable restrooms;

WHEREAS, the Police Department has been in search of new suitable office space that also provides convenient access to Mission Bay. As a result of the redevelopment at Dana Landing, adequate office space has been located that also provides the desired water access; and

WHEREAS, the City has negotiated a sublease with WESCO Sales Corp., a California corporation d/b/a Dana Landing, for the rental of Building 6, which contains approximately 1,175 square feet of office space, located at 2610-C Ingraham Street. The monthly rental rate is \$1,292.50, plus \$393.45 per month tenant improvement costs, for a total monthly rent of \$1,685.95. The term of the sublease would be for five (5) years with the option of two (2) additional three (3) year extensions;

WHEREAS, six votes of the City Council are required to adopt this Ordinance pursuant to Section 99 of the City Charter; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

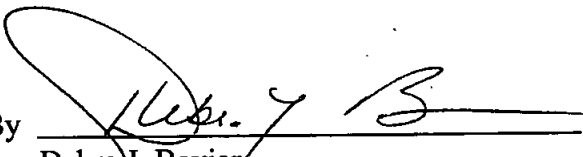
Section 1. That the City Manager is authorized to execute, for and on behalf of the City of San Diego, a Sublease agreement with WESCO Sales Corp., for the sublease of approximately 1,175 square feet, at a total monthly rental rate of \$1,685.95, for an initial term of five (5) years with the option of two (2) additional three (3) year extensions, under the terms and conditions set forth in that Sublease agreement on file in the office of the City Clerk as Document No. OO- 19127.

Section 2. That the City Auditor and Comptroller is authorized to expend an amount not to exceed \$15,173.55, plus applicable CAM charges, from Police Department Fund 100 for FY 2003.

Section 3. That a full reading of this Ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. This Ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By 
Debra J. Bevier
Deputy City Attorney

DJB:mm
11/05/02
Or.Dept:READ
Job:223075
Aud.Cert:2300503
O-2003-77

Passed and adopted by the Council of The City of San Diego on December 3, 2002
by the following vote:

YEAS: PETERS, ZUCCHET, ATKINS, LEWIS, MAIENSCHIN, FYRE, MADAFFER,
INZUNZA, MAYOR MURPHY

NAYS: NONE NOT PRESENT: NONE

AUTHENTICATED BY:

DICK MURPHY
Mayor of The City of San Diego, California

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California

(Seal)

By: Esther Ramos, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of ORDINANCE
NO. O- 19127 (New Series) of The City of San Diego, California.

I FURTHER CERTIFY that said ordinance was not finally passed until twelve calendar days had
elapsed between the day of its introduction and the day of its final passage, to wit, on
November 18, 2002 and on December 3, 2002.

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not
less than a majority of the members elected to the Council, and that there was available for the
consideration of each member of the Council and the public prior to the day of its passage a written
or printed copy of said ordinance.

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California

(Seal)

By: Esther Ramos, Deputy

SIGN POLICY - MISSION BAY PARK

PRINCIPLES WHICH SERVE AS THE BASIS FOR THE SIGN POLICY IN MISSION BAY PARK:

1. Although many commercial like activities are and shall be included, the subject area is a PARK, developed for the enjoyment of the public in a large variety of recreational activities, an escape from the problems and worries of daily living through play, social activities, relaxation and visual effects. The area should retain the restful character of a park, free from the accelerated tempo of commercialism.
2. A unity and consistency of signs is important to obtain the desired appreciation that all areas and uses are a part of an extensive and incomparably choice aquatic park.
3. All signs shall be considered an integral part of the Park and all sign designs shall be appropriate to the surroundings. Only those signs which are absolutely necessary for direction, information, convenience and the safety of the users of the Park shall be allowed.
4. Unless all signs are controlled, they will tend to compete, distract and dominate the Park setting via height, shape, size, number, lighting and movement.
5. Mission Bay Park signs should be simple, direct, unpretentious and unobtrusive.
6. The principal advertising features of all properties and uses should be the attractiveness of their buildings and grounds and the visible activities therein. Certain properties and uses are self-evident and do not require extensive sign areas for identification.
7. Definite sign standards work two ways. Although they restrict the lessee to certain design criteria, he is assured that all lessees are similarly restricted - insuring him against ambitious and overpowering advertising structures from competitors and/or adjacent properties in the Park.

The standards set forth herein shall not supersede the requirement that each lessee and public agency shall submit to the City, for approval, all signs proposed for use in Mission Bay Park.

PUBLIC SIGNS - GENERAL PROGRAM

The City shall implement a program pertaining to location, design, cost studies, maintenance, and placement of public signs so that they are adequately effective in their purpose to direct Park patrons and give them proper information concerning the Park uses and services.

Major directional signs placed near major entrances to the Park should be provided to give the motorists a visual image of the Park and its areas and functions. Such a sign should be a map or a diorama in an attractive setting.

C. Number and Maximum Width and Area of Advertising Signs

The total number of advertising signs and the maximum width and area of each sign, for any leased premise, is shown in the following table. (This does not include entrance directional or small directional-information signs used within the leased premises.)

Leased Areas in Acres	Max. No. of Adv. Signs	Max. Area of Adv. Signs	Maximum Horizontal Width	
			Free-Standing	On Buildings
.5 or less	1	30 Sq. Ft.	10' - 6'	30'
.5+ to 2.5	1	40 Sq. Ft.	12' - 4'	30'
2.5+ to 5	2	50 Sq. Ft.	13' - 6'	30'
5+ to 10	2	60 Sq. Ft.	15'	30'
10+ or more	3	60 Sq. Ft.	15'	30'

See Busse Approval

In Addition:

Lessees with water usage, boat landings and slips shall be permitted one sign, single-faced and facing the water, not to exceed one-half the size permitted the advertising sign, per the table above.

Lessees shall be permitted one 10-square foot identifying sign, attached to a building, for each of the major functions on a leased premise, except on those buildings where an advertising sign is located.

Lessees who offer marine gas and oil products for sale shall be permitted one sign serving the water front. This sign shall not exceed 20 square feet and may include the specific trademark of the product.

Double faced signs shall be counted as one sign when computing the number of signs; one face shall be counted when computing the permitted area of the sign.

D. Design of Advertising Signs

Lighting - Signs may be either lighted or unlighted. All lighting shall be constant and indirect, with either spots or backlighting of letters, embellishments or surface. No spot lighting shall be part of or attached to the sign in any way. No light source shall be directly exposed (such as tubing or bulbs) and no flashing or blinking sign shall be permitted.

Size of Face Type - No letter or number shall exceed 18 inches in height, except that those in a trade or formal name

of a leased premise shall not exceed 24 inches in height.

Color - All signs, including the surface and any architectural member, shall be finished with Black, White, Mission Bay Blue, Coral and one other color selected from an approved list. The backs of all single-faced, free-standing signs shall be colored dark green.

Face Types and Symbols - All face types shall be selected from among the four official face types illustrated on Page of this Exhibit, except that trademarks, symbols or logotypes identifying a lease, product or service may be incorporated into a lessee's sign.

Shape - All free-standing signs shall be generally rectangular or other simple and uncomplicated shape.

Marquee Panel - Lessees shall be permitted the use of outline, changeable letters in a marquee type frame to be part of one of the permitted advertising signs. This frame may be in addition to but shall not exceed 50% of the allowable area of the advertising sign. The brightness level of this frame surface shall not exceed 150 foot lamberts.

Types of Signs Prohibited - No sign shall be permitted which would advertise or announce the sale of goods or services or premises other than those in relation to the primary service or function of the subject property.

No sign shall be permitted which rotates or moves in any animated fashion. No sign shall be permitted which is painted directly to the wall of a building.

All signs within the Park shall be kept in "like new" condition. Signs in poor repair shall be posted and removed if, within 30 days, the sign is not repaired and brought up to standard.

Signs

Signs are of particular importance because of their prominence, but design principles for them are particularly difficult to state because signs do so many things and will be provided by such a variety of private businesses and public agencies. Standards of size, subject matter, lighting and relationship to buildings and also color and topography are contained in the separate booklet on signs.

Specific designs should be prepared for all public signs inside and outside the Park and private signs should be expected to harmonize.

Four type faces have been selected as the most flexible and compatible styles to complement the general character of the Park and still perform the function of graphic identification for the varied tenant and administrative structures.

Each type face is "expanded" in design. "Condensed" type tends to lose legibility when viewed in perspective, as is the case when the viewer is moving faster than normal walking speed. Turn the type face page at an angle to the eye, and see that all lettering characters are easily read even from an acute angle. "Cursive" or flowery lettering has been avoided. These often lose legibility when viewed from a direction other than head-on. Two other type faces are specified, but not shown on the accompanying page.

The official lettering for road and other Park signs is a simple and straightforward design, easy to read. Sign legends in this type are quickly comprehended by vehicle passengers moving at some speed. This lettering should be prohibited from use on all tenant and/or building signs.

The second non-tenant type face (not included on the type face page) is that used in the words "Mission Bay Park" and the "M" in the Mission Bay Park symbol on the cover of this report. Only these trademarks should use this distinctive lettering.

Consideration has been given to the problem of integrating existing trademarks, logotypes or other company identification symbols with the sign regulations set forth in this report. Tenants wishing to incorporate their existing trademarks or symbols in the general sign program could be allowed to do so providing they use the approved type faces in addition to that symbol.

Tenants who do not have a trademark or symbol before beginning operation in the Park but who wish subsequently to adopt such a symbol must submit these designs to the Design Review Committee for approval.

The City has developed a sign policy which is available under separate cover and which sets forth specific requirements and provisions.

HP OfficeJet LX
Personal Printer/Fax/Copier

Fax Log Report for
SHAI OVED DIRECT
818+992+9911
Jan-04-03 01:43 PM

<u>Identification</u>	<u>Result</u>	<u>Pages</u>	<u>Type</u>	<u>Date</u>	<u>Time</u>	<u>Duration</u>	<u>Diagnostic</u>
8848795	OK	07	Sent	Jan-04	01:40P	00:02:25	002582030022
