



THE CITY OF SAN DIEGO

June 15, 2006

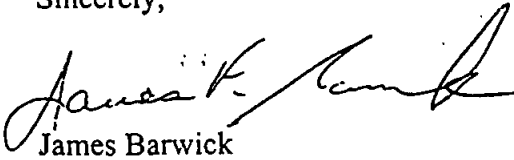
Dear Lessees:

Effective immediately please make a correction to the General Provisions section of your lease outline with the City of San Diego.

Under the NOTICES section there is a paragraph informing lessees where to mail any written notices. This needs to be changed to the following address:

City of San Diego
Real Estate Assets Department
Attention: Real Estate Assets Director
1200 Third Avenue, Suite 1700 (M. S. 51A)
San Diego, CA 92101-9586

Sincerely,



James Barwick
Real Estate Assets Director

KC/cj

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Real Estate Assets

1200 Third Avenue, Suite 1700, MS 51A • San Diego, CA 92101-4199
Tel (619) 236-6020 Fax (619) 236-6706

COPY

THE CITY OF SAN DIEGO

SHERMAN HEIGHTS COMMUNITY CENTER CORPORATION

Nonprofit Lease

2230-60 Island Avenue

COPY

DOCUMENT NO. 280330
FILED JUL 13 1992
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

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**CITY OF SAN DIEGO
NONPROFIT RATE LEASE**

THIS LEASE AGREEMENT is executed between THE CITY OF SAN DIEGO, a municipal corporation, hereinafter called "CITY," and SHERMAN HEIGHTS COMMUNITY CENTER CORPORATION, a California nonprofit corporation, hereinafter called "LESSEE."

SECTION 1: USES

1.1 Premises. CITY hereby leases to LESSEE and LESSEE leases from CITY all of that certain real property situated in the City of San Diego, County of San Diego, State of California, described in Section 9.1 of this agreement. Said real property is hereinafter called the "premises" or "leased premises."

1.2 Uses. It is expressly agreed that the premises are leased to LESSEE solely and exclusively for the purposes of construction, renovation, operation, and maintenance of new and existing improvements, in accordance with the General Development plan hereof and at LESSEE'S sole cost and expense, as a community center for recreational, educational, and cultural uses by senior citizens and other members of the general public, and for such other related or incidental purposes as may be first approved in writing by the City Manager and for no other purpose whatsoever. Office use of the premises shall be in accordance with applicable zoning regulations and shall be limited solely to the director and staff of the community center.

LESSEE covenants and agrees to use the premises for the above-specified purposes and to diligently pursue said purposes throughout the term hereof. Failure to continuously use the premises for said purposes, or the use thereof for purposes not expressly authorized herein, shall be grounds for termination by CITY.

The use of the premises for any unauthorized purpose shall constitute a substantial default and subject this lease to termination at the sole option of the CITY.

1.3 Related Council Actions. By the granting of this lease, neither CITY nor the Council of CITY is obligating itself to any other governmental agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the premises. Discretionary action includes, but is not limited to rezonings, variances, environmental clearances or any other governmental agency approvals which may be required for the development and operation of the leased premises.

1.4 Quiet Possession. LESSEE, paying the rent and performing the covenants and agreements herein, shall at all times during the term

peaceably and quietly have, hold and enjoy the premises. If CITY for any reason cannot deliver possession of the premises to LESSEE at the commencement of the term, or if during the lease term LESSEE is temporarily dispossessed through action or claim of a title superior to CITY'S, then and in either of such events, this lease shall not be voidable nor shall CITY be liable to LESSEE for any loss or damage resulting therefrom, but there shall be determined and stated in writing by the City Manager of CITY a proportionate reduction of the minimum or flat rate rent for the period or periods during which LESSEE is prevented from having the quiet possession of all or a portion of the premises.

1.5 Easements and Reservations.

- a. CITY hereby reserves all rights, title and interest in any and all subsurface natural gas, oil, minerals and water on or within the premises.
- b. CITY reserves the right to grant and use easements or to establish and use rights-of-way over, under, along and across the leased premises for utilities, thoroughfares, or access as it deems advisable for the public good.
- c. CITY has the right to enter the premises for the purpose of making repairs to or developing municipal resources and services.

However, CITY shall not unreasonably or substantially interfere with LESSEE'S use of the premises and will reimburse LESSEE for physical damages, if any, to the permanent improvements located on the leased premises resulting from CITY exercising the rights reserved in this section. Such reimbursement may include a reduction in the rent proportionate to the amount of physical damage as determined by CITY. CITY will pay the costs of maintenance and repair of all CITY installations made pursuant to these reserved rights.

1.6 Competent Management. Throughout the term of this Lease Agreement, LESSEE shall provide competent management of the leased premises to the satisfaction of the City Manager. For the purposes of this paragraph, "competent management" shall mean demonstrated ability in the management and operation of a community recreation center and related activities in a fiscally responsible manner.

1.7 Operation of Facilities. A regular schedule of days and hours of operation shall be established by LESSEE to best serve the public as set forth in Section 9.5, Schedule of Days & Hours of Operation, hereof. Any changes in this schedule shall be subject to the prior written approval of the City Manager or his authorized representative. LESSEE shall diligently and in a creditable manner furnish services to the public in conformity with all applicable rules and regulations of the City of San Diego. The type and quality of any food service furnished on the premises by LESSEE shall qualify

for the conditions and requirements of the "A" card issued by the Department of Health to operators of food handling establishments.

- 1.8 Rates and Charges. All charges for merchandise and services or facilities on said premises shall be in accordance with the schedule set forth in Section 9.6, Schedule of Rates & Charges, hereof. Any changes in said schedule are subject to prior written approval by the City Manager or his authorized representative.
- 1.9 CITY Use. The premises shall be available to CITY for civic events and special programs, free of charge, except where LESSEE has scheduled events or programs. After every CITY use, the premises shall be left in the same condition found, and LESSEE shall not be required to incur any additional costs by reason of CITY use.
- 1.10 Political Activities. The leased premises shall be used exclusively for the purposes specified in Section 1, Uses, hereof. The premises shall not be used for working or campaigning for the nomination or election of any individual to any public office, be it partisan or nonpartisan. Provided, however, that LESSEE shall not be precluded from providing a forum for open public debate by candidates such as occurs at a "candidate forum" and similar events.
- 1.11 Religious Activities. LESSEE shall neither conduct nor permit others to conduct activities or services of a religious nature on the leased premises, nor shall the premises be used to proselytize individuals to a particular religious creed or faith. Membership in any religious organization shall not be a requirement for persons to participate in the programs and activities at the premises. For those persons wishing to use the premises, no religious test or inquiry as to religious affiliation shall be made, nor shall persons be requested to attend religious services at any location whatsoever.
- 1.12 Public Use. The general public shall not be wholly or permanently excluded from any portion of the premises. LESSEE may develop reasonable restrictions for the facility use provided they are consistent with the rights of the general public, and are designed to allow LESSEE to use the premises for the purposes specified herein. LESSEE agrees that all activities conducted on the premises will be as stated in Section 1.2, Uses, hereof.

LESSEE shall, at all times during the lease term, maintain a CITY-approved sign identifying the property as City-owned and available for public use consistent with the terms of this lease. The sign shall be installed by LESSEE at a location agreeable to CITY.

- 1.13 Parking. During the term of this lease, LESSEE shall have exclusive use of any parking spaces located on the leased premises. If these spaces are inadequate to satisfy the off-street parking requirements associated with the uses specified in Section 1.2 herein, then LESSEE shall enter into suitable off-site parking agreements at its sole

cost and expense so that there is always compliance with off-street parking requirements. The CITY assumes no responsibility in this matter and is under no obligation to waive or reduce any off-street parking requirements now in effect or which hereafter may be in effect.

SECTION 2: TERM

- 2.1 Commencement. The term of this agreement shall be thirty (30) years commencing on the first day of the calendar month following execution by the City Manager. "Lease year" as used in this lease shall mean the 12-month period commencing on the first day of the calendar month following the execution of this lease by the City Manager.
- 2.2 Holdover. Any holding over by LESSEE after expiration or termination shall not be considered as a renewal or extension of this lease. The occupancy of the premises after the expiration or termination of this agreement constitutes a month-to-month tenancy, and all other terms and conditions of this agreement shall continue in full force and effect; provided, however, CITY shall have the right to apply a reasonable increase in rent to bring the rent to fair market value and to terminate the holdover tenancy at will.
- 2.3 Surrender of Premises. At termination of this lease for any reason, LESSEE shall execute, acknowledge and deliver to CITY, within five (5) days after written CITY demand, a valid and recordable quitclaim deed covering all of the premises. The premises shall be delivered free and clear of all liens and encumbrances, and in a decent, safe and sanitary condition.

If LESSEE fails or refuses to deliver the required deed, the CITY may prepare and record a notice reciting LESSEE'S failure to execute this lease provision and the notice will be conclusive evidence of the termination of this lease and all LESSEE'S rights to the premises.

SECTION 3: CONSIDERATION

- 3.1 Consideration. CITY acknowledges that the consideration to be received will be One Dollar (\$1) per year, which together with the use requirements set forth herein, constitutes the total consideration.
- 3.2 Program Income. For purposes of this lease, "program income" shall be defined as any and all gross income received by LESSEE which is directly generated from the use of Community Development Block Grant (CDBG) funds. This includes, but is not limited to, all funds received from any sublease, any and all fees from the temporary rental of the facility or the rental of space in the facility and

any other income received by LESSEE which is generated from the use of the facility.

LESSEE shall only use the program income received for the continued maintenance and operation of the Sherman Heights Community Center facility.

LESSEE shall maintain records that shall detail the source of all income received and shall report to CITY on a quarterly basis all program income received and its disposition.

- 3.3 Inspection of Records. LESSEE agrees to make any and all records and accounts available to CITY for inspection at all reasonable times, so that CITY can determine LESSEE'S compliance with this lease. These records and accounts will be made available by LESSEE at the leased premises and will be complete and accurate showing all income and receipts from use of the premises. LESSEE'S failure to keep and maintain such records and make them available for inspection by CITY is a breach of this lease and cause for termination. LESSEE shall maintain all such records and accounts for a minimum period of five (5) years.
- 3.4 Unauthorized Use Charge. LESSEE shall pay CITY twenty percent (20%) of the gross receipts for any service or use that is not permitted by this lease. This payment is subject to the due date provided in this lease for rental payments, and the provision for delinquent rent. The existence of the twenty percent (20%) charge in this clause and the payment of this charge or any part of it, does not constitute an authorization for a particular service or use, and does not waive any CITY rights to terminate a service or use or to default LESSEE for participating in or allowing any unauthorized use of the leased premises.

SECTION 4: ASSIGNMENT

- 4.1 Time is of Essence; Provisions Binding on Successors. Time is of the essence of all of the terms, covenants and conditions of this lease and, except as otherwise provided herein, all of the terms, covenants and conditions of this lease shall apply to, benefit and bind the successors and assigns of the respective parties, jointly and individually.
- 4.2 Assignment and Subletting. LESSEE shall not assign this lease, or any interest therein, and shall not sublet the premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person, except employees, agents and guests of LESSEE, to use or occupy the premises or any part thereof, without the prior written consent of the City Manager in each instance. A consent to assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Any such assignment

or subletting without such consent shall be void, and shall, at the option of CITY, terminate this lease. This lease shall not, nor shall any interest therein, be assignable, as to the interest of LESSEE, by operation of law, without the written consent of the City Manager.

- 4.3 Encumbrance. Subject to prior consent by CITY, which shall not be unreasonably withheld, LESSEE may encumber this lease, its leasehold estate and its improvements thereon by deed of trust, mortgage, chattel mortgage or other security instrument to assure the payment of a promissory note or notes of LESSEE, upon the express condition that the net proceeds of such loan or loans be devoted exclusively to the purpose of developing the leased premises in accordance with Section 6.12, hereof entitled Development Plan. However, a reasonable portion of the loan proceeds may be disbursed for payment of incidental costs of construction, including but not limited to the following: off-site improvements for service of the premises; on-site improvements; escrow charges; premiums for hazard insurance, or other insurance or bonds required by CITY; title insurance premiums; reasonable loan costs such as discounts, interest and commissions; and architectural, engineering and attorney's fees and such other normal expenses incidental to such construction.

Any subsequent encumbrances on the premises or on any permanent improvements thereon, must first have the approval in writing of City Manager. Such subsequent encumbrances shall also be for the exclusive purpose of development of the premises. Provided, however, after the premises are fully developed in accordance with said Development Plan to the satisfaction of the City Manager, proceeds from refinancing or from such subsequent encumbrances may be used to reduce LESSEE'S equity so long as there is also substantial benefit to the CITY therefrom. LESSEE understands and specifically agrees that the City Manager shall have the sole and absolute discretion to approve or disapprove any such proposed subsequent encumbrance including, but not limited to, amending the lease to provide then current rents and provisions.

In the event any such approved deed of trust or mortgage or other security-type instrument should at any time be in default and be foreclosed, or transferred in lieu of foreclosure, the CITY will accept the approved mortgagee or beneficiary thereof as its new tenant under this lease with all the rights, privileges and duties granted and imposed in this lease.

Upon prior written approval by CITY, said mortgagee or beneficiary may assign this lease to its nominee, if nominee is a reputable, qualified and financially responsible person in the opinion of CITY. Any deed of trust, mortgage or other security instrument shall be subject to all of the terms, covenants and conditions of this lease and shall not be deemed to amend or alter any of the terms, covenants or condition hereof.

4.4 Defaults and Remedies.

a. Default. In the event that:

- (1) LESSEE shall default in the performance of any covenant or condition required by this lease to be performed by LESSEE and shall fail to cure said default within thirty (30) days following written notice thereof from CITY; or if any such default is not curable within thirty (30) days, shall fail to commence to cure the default(s) within said thirty-day period and diligently pursue such cure to completion; or
- (2) LESSEE shall voluntarily file or have involuntarily filed against it any petition under any bankruptcy or insolvency act or law; or
- (3) LESSEE shall be adjudicated a bankrupt; or
- (4) LESSEE shall make a general assignment for the benefit of creditors;

then CITY may, at its option, without further notice or demand upon LESSEE or upon any person claiming rights through LESSEE, immediately terminate this lease and all rights of LESSEE and of all persons claiming rights through LESSEE to the premises or to possession thereof; and CITY may enter and take possession of the premises. Provided, however, in the event that any default described in Section 4.4a.(1), Defaults and Remedies, hereof, is not curable within thirty (30) days after notice to LESSEE, CITY shall not terminate this lease pursuant to the default if LESSEE immediately commences to cure the default and diligently pursues such cure to completion.

In the event that there is a deed of trust or mortgage on the leasehold interest, CITY shall give the mortgagee or beneficiary written notice of the default(s) complained of, and the same mortgagee or beneficiary shall have thirty (30) days from such notice to cure the default(s) or, if any such default is not curable within thirty (30) days, to commence to cure the default(s) and diligently pursue such cure to completion. The thirty-day period may be extended during such time as mortgagee or beneficiary pursues said cure with reasonable diligence.

b. Remedies. If the mortgagee or beneficiary shall be required to exercise its right to cure said default(s) through litigation or through foreclosure, then CITY shall have the option of the following courses of action in order that the default(s) may be expeditiously corrected:

- (1) CITY may correct said default(s) and charge the costs thereof to the account of LESSEE, which charge shall be due and payable on the date that the rent is next due after

presentation by CITY to LESSEE and mortgagee or beneficiary of a statement of said costs.

- (2) CITY may correct said default(s) and may pay the costs thereof from the proceeds of any insurance fund held by CITY, CITY and LESSEE or by CITY and mortgagee or beneficiary, or CITY may use the funds of any faithful performance or cash bond on deposit with CITY, or CITY may call on the bonding agent to correct the default(s) or to pay the costs of correction performed by or at the direction of CITY.
- (3) CITY may terminate this lease as to the rights of LESSEE by assuming or causing the assumption of liability for any trust deed or mortgage. LESSEE agrees to assume and pay any and all penalties or bonuses required by the beneficiaries, trustees or mortgagees as a condition for early payoff of the related obligations by CITY. CITY may, as an alternative, substitute for the terminated LESSEE a new LESSEE reasonably satisfactory to the mortgagee or beneficiary. Any reasonable costs incurred by CITY in releasing to a new tenant shall be the responsibility of the terminated LESSEE, and LESSEE hereby agrees to reimburse CITY for any such costs.

Should the default(s) be noncurable by LESSEE, then any lender holding a beneficial interest in the leasehold, whose qualifications as an assignee have been approved by CITY, shall have the absolute right to substitute itself to the estate of LESSEE hereunder and to commence performance of this lease. If such mortgagee or beneficiary shall give notice in writing of its election to so substitute itself within the thirty-day period after receiving written notice by CITY of the default, and the default, if curable, is cured by such mortgagee or beneficiary, then this lease shall not terminate pursuant to the default. In that event, CITY expressly consents to the substitution and authorizes the mortgagee or beneficiary to perform under this lease with all the rights, privileges, and obligations of LESSEE, subject to cure of the default, if possible, by mortgagee or beneficiary. LESSEE expressly agrees to assign all its interest in and to its leasehold estate to mortgagee or beneficiary in that event.

- c. Abandonment by LESSEE. Even though LESSEE has breached the lease and abandoned the property, this lease shall continue in effect for so long as CITY does not terminate this lease, and CITY may enforce all its rights and remedies hereunder, including but not limited to the right to recover the rent as it becomes due, plus damages.
- d. Waiver. Any CITY waiver of a default is not a waiver of any other default. Any waiver of a default must be in writing and

be executed by the City Manager in order to constitute a valid and binding waiver. CITY delay or failure to exercise a remedy or right is not a waiver of that or any other remedy or right under this lease. The use of one remedy or right for any default does not waive the use of another remedy or right for the same default or for another or later default. CITY'S acceptance of any rents is not a waiver of any default preceding the rent payment. CITY and LESSEE specifically agree that the property constituting the premises is CITY-owned and held in trust for the benefit of the citizens of the City of San Diego and that any failure by the City Manager or CITY staff to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but CITY shall at all times, subject to applicable statute of limitations, have the legal right to require the cure of any default when and as such defaults are discovered or when and as the City Council directs the City Manager to take action or require the cure of any default after such default is brought to the attention of the City Council by the City Manager or by any concerned citizen.

- 4.5 Eminent Domain. If all or part of the premises are taken through condemnation proceedings or under threat of condemnation by any public authority with the power of eminent domain, the interests of CITY and LESSEE (or beneficiary or mortgagee) will be as follows:
- a. In the event the entire premises are taken, this lease shall terminate on the date of the transfer of title or possession to the condemning authority, whichever first occurs.
 - b. In the event of a partial taking, if, in the opinion of CITY, the remaining part of the premises is unsuitable for the lease operation, this lease shall terminate on the date of the transfer of title or possession to the condemning authority, whichever first occurs.
 - c. In the event of a partial taking, if, in the opinion of CITY, the remainder of the premises is suitable for continued lease operation, this lease shall terminate in regard to the portion taken on the date of the transfer of title or possession to the condemning authority, whichever first occurs, but shall continue for the portion not taken. The minimum rent shall be equitably reduced to reflect the portion of the premises taken.
 - d. Award. All monies awarded in any such taking shall belong to CITY, whether such taking results in diminution in value of the leasehold or the fee or both; provided, however, LESSEE shall be entitled to any award attributable to the taking of or damages to LESSEE'S then remaining leasehold interest in installations or improvements of LESSEE. CITY shall have no liability to LESSEE for any award not provided by the condemning authority.

- e. Transfer. CITY has the right to transfer CITY'S interests in the premises in lieu of condemnation to any authority entitled to exercise the power of eminent domain. If a transfer occurs, LESSEE shall retain whatever interest it may have in the fair market value of any improvements placed by it on the premises in accordance with this lease.
- f. No Inverse Condemnation. The exercise of any CITY right under this lease shall not be interpreted as an exercise of the power of eminent domain and shall not impose any liability upon CITY for inverse condemnation.

SECTION 5: INSURANCE RISKS/SECURITY

5.1 Indemnity. LESSEE shall at all times assume the defense of, relieve, indemnify, protect, and save CITY and any and all of its boards, officers, agents, and employees harmless from any and all claims and demands, actions, proceedings, losses, liens, costs, judgments, civil fines, and penalties of any nature whatsoever in regard to or resulting from the use of the premises, including but not limited to expenses incurred in legal actions, death, injury, or damage that may be caused directly or indirectly by:

- a. any unsafe or defective condition in or on the premises of any nature whatsoever which may exist by reason of any act, omission, neglect, or any use or occupation of the premises;
- b. any operation, use, or occupation conducted on the premises;
- c. any act, omission, or negligence on the part of LESSEE, its employees, agents, sublessees, invitees, licensees; or
- d. any failure by LESSEE to comply or secure compliance with any of the lease terms or conditions.

5.2 Insurance.

- a. LESSEE shall take out and maintain at all times during the term of this lease the following insurance at its sole expense:
 - (1) Public liability and property damage insurance in the amount of not less than ONE MILLION DOLLARS (\$1,000,000) Combined Single Limit Liability with an occurrence claims form. This policy shall cover all injury or damage, including death, suffered by any party or parties from acts or failures to act by CITY or LESSEE or by authorized representatives of CITY or LESSEE on or in connection with the use or operation of the premises.
 - (2) Fire, extended coverage, and vandalism insurance policy on all insurable property on the premises in an amount to cover

100 percent of the replacement cost. Any proceeds from a loss shall be payable jointly to CITY and LESSEE. The proceeds shall be placed in a trust fund to be reinvested in rebuilding or repairing the damaged property. If there is a mortgage or trust deed on the leasehold in accordance with Section 4.3, Encumbrance, hereof, the proceeds may be paid to the approved mortgagee or beneficiary so long as adequate provision reasonably satisfactory to CITY has been made in each case for the use of all proceeds for repair and restoration of damaged or destroyed improvements on the premises.

b. LESSEE'S responsibility to maintain said insurance also includes the following:

- (1) Additional Insured. All insurance policies will name CITY as an additional insured, protect CITY against any legal costs in defending claims, and will not terminate without sixty (60) days' prior written notice to CITY. All insurance companies must be satisfactory to CITY and licensed to do business in California. All policies will be in effect on or before the first day of the lease, except "course of construction fire insurance" shall be in force on commencement of all authorized construction on the premises, and full applicable fire insurance coverage shall be effective upon completion of each insurable improvement. A copy of the insurance policy will remain on file with CITY during the entire term of the lease. At least thirty (30) days prior to the expiration of each policy, LESSEE shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the terms of this lease.
- (2) Modification. CITY, at its discretion, may require the revision of amounts and coverages at any time during the term by giving LESSEE sixty (60) days' prior written notice. CITY'S requirements shall be designed to assure protection from and against the kind and extent of risk existing on the premises. LESSEE also agrees to obtain any additional insurance required by CITY for new improvements, in order to meet the requirements of this lease.
- (3) Accident Reports. LESSEE shall report to CITY any accident causing more than TEN THOUSAND DOLLARS (\$10,000) worth of property damage or any serious injury to persons on the premises. This report shall contain the names and addresses of the parties involved, a statement of the circumstances, the date and hour, the names and addresses of any witnesses and other pertinent information.
- (4) Failure to Comply. If LESSEE fails or refuses to take out and maintain the required insurance, or fails to provide the proof of coverage, CITY has the right to obtain the

insurance. LESSEE shall reimburse CITY for the premiums paid with interest at the maximum allowable legal rate then in effect in California. CITY shall give notice of the payment of premiums within thirty (30) days of payment stating the amount paid, names of the insurer(s) and rate of interest. Said reimbursement and interest shall be paid by LESSEE on the first (1st) day of the month following the notice of payment by CITY.

Notwithstanding the preceding provisions of this Subsection (4), if LESSEE fails or refuses to take out or maintain insurance as required in this lease, or fails to provide the proof of insurance, CITY has the right to declare this lease in default without further notice to LESSEE and CITY shall be entitled to exercise all legal remedies in the event of such default.

- 5.3 Waste, Damage, or Destruction. LESSEE agrees to give notice to CITY of any fire or other damage that may occur on the leased premises within ten (10) days of such fire or damage. LESSEE agrees not to commit or suffer to be committed any waste or injury or any public or private nuisance, to keep the premises clean and clear of refuse and obstructions, and to dispose of all garbage, trash, and rubbish in a manner satisfactory to CITY. If the leased premises shall be damaged by any cause which puts the premises into a condition which is not decent, safe, healthy and sanitary, LESSEE agrees to make or cause to be made full repair of said damage and to restore the premises to the condition which existed prior to said damage; or, at CITY'S option, LESSEE agrees to clear and remove from the leased premises all debris resulting from said damage and rebuild the premises in accordance with plans and specifications previously submitted to CITY and approved in writing in order to replace in kind and scope the operation which existed prior to such damage, using for either purpose the insurance proceeds as set forth in Section __, Insurance, hereof.

LESSEE agrees that preliminary steps toward performing repairs, restoration, or replacement of the premises shall be commenced by LESSEE within thirty (30) days, and the required repairs, restoration, or replacement shall be completed within a reasonable time thereafter. CITY may determine an equitable deduction in the minimum annual rent requirement for such period or periods that said premises are untenable by reason of such damage.

SECTION 6: IMPROVEMENTS/ALTERATIONS/REPAIRS

- 6.1 Acceptance of Premises. By signing this lease, LESSEE represents and warrants that it has independently inspected the premises and made all tests, investigations, and observations necessary to satisfy itself of the condition of the premises. LESSEE agrees it is relying solely on such independent inspection, tests, investigations, and observations in making this lease. LESSEE further acknowledges that

the premises are in the condition called for by this lease, that CITY will not perform any work with respect to the premises, and that LESSEE does not hold CITY responsible for any defects, whether apparent or latent in the premises, including the possible presence of asbestos-containing materials.

The condition of the premises is completely "as is," which LESSEE acknowledges and accepts by signing this lease. LESSEE understands that no CITY funds will be expended in the improvement of the premises.

- 6.2 Entry and Inspection. CITY reserves and shall always have the right to enter said premises for the purpose of viewing and ascertaining the condition of the same, or to protect its interests in the premises, or to inspect the operations conducted thereon. In the event that such entry or inspection by CITY discloses that said premises are not in a decent, safe, healthy, and sanitary condition, CITY shall have the right, after ten (10) days written notice to LESSEE, to have any necessary maintenance work done at the expense of LESSEE, and LESSEE hereby agrees to pay promptly any and all costs incurred by CITY in having such necessary maintenance work done, in order to keep said premises in a decent, safe, healthy, and sanitary condition. Further, if at any time CITY determines that said premises are not in a decent, safe, healthy, and sanitary condition, CITY may at its sole option, without additional notice, require LESSEE to file with CITY a faithful performance bond to assure prompt correction of any condition which is not decent, safe, healthy, and sanitary. Said bond shall be in an amount adequate in the opinion of CITY to correct the said unsatisfactory condition. LESSEE shall pay the cost of said bond. The rights reserved in this section shall not create any obligations on CITY or increase obligations elsewhere in this lease imposed on CITY.
- 6.3 Maintenance. LESSEE agrees to assume full responsibility and cost for the operation and maintenance of the premises throughout the term. LESSEE will make all repairs and replacements necessary to maintain and preserve the premises in a decent, safe, healthy, and sanitary condition satisfactory to CITY and in compliance with the Development Plan described in Section 6.12 Development Plan, hereof, and with all applicable laws. Appropriate codes and standards of CITY, State and Federal agencies shall be observed by LESSEE in all maintenance, repairs and replacements on the premises. CITY assumes no responsibility, financial or otherwise, for operating or maintaining the premises.
- 6.4 Improvements/Alterations. No improvements, structures, or installations shall be constructed on the premises, and the premises may not be altered by LESSEE without prior written approval by the City Manager. Further, LESSEE agrees that major structural or architectural design alterations to approved improvements, structures, or installations may not be made on the premises without prior written approval by the City Manager and that such approval

shall not be unreasonably withheld. This provision shall not relieve LESSEE of any obligation under this lease to maintain the premises in a decent, safe, healthy, and sanitary condition, including structural repair and restoration of damaged or worn improvements. CITY shall not be obligated by this lease to make or assume any expense for any improvements or alterations.

6.5 Utilities. LESSEE agrees to order, obtain, and pay for all utilities and service and installation charges in connection with the development and operation of the leased premises. All utilities will be installed underground.

6.6 Construction Bond. Whenever there is any construction to be performed on the premises, LESSEE shall deposit with CITY, prior to commencement of said construction, a faithful performance bond in the amount of 100 percent of the estimated construction cost of the work to be performed. The bond may be in cash or may be a corporate surety bond or other security satisfactory to CITY. The bond shall insure that the construction commenced by LESSEE shall be completed in accordance with the plans approved by CITY or, at the option of CITY, that the uncompleted construction shall be removed and the premises restored to a condition satisfactory to CITY. The bond or cash will be held in trust by CITY for the purpose specified above or at CITY'S option it may be placed in an escrow or other trust approved by CITY.

6.7 Liens. LESSEE shall at all times save CITY free and harmless and indemnify CITY against all claims for labor or materials in connection with operations, improvements, alterations, or repairs on or to the premises and the costs of defending against such claims, including reasonable attorney's fees.

If improvements, alterations, or repairs are made to the premises by LESSEE or by any party other than CITY, and a lien or notice of lien is filed, LESSEE shall within five (5) days of such filing either:

- a. take all actions necessary to record a valid release of lien, or
- b. file with CITY a bond, cash, or other security acceptable to CITY sufficient to pay in full all claims of all persons seeking relief under the lien.

6.8 Taxes. LESSEE agrees to pay, before delinquency, all taxes, assessments, and fees assessed or levied upon LESSEE or the premises, including the land, any buildings, structures, machines, equipment, appliances, or other improvements or property of any nature whatsoever erected, installed, or maintained by LESSEE or levied by reason of the business or other LESSEE activities related to the leased premises, including any licenses or permits. LESSEE recognizes and agrees that this lease may create a possessory

interest subject to property taxation, and that LESSEE may be subject to the payment of taxes levied on such interest, and that LESSEE shall pay all such possessory interest taxes. LESSEE further agrees that payment for such taxes, fees and assessments will not reduce any rent due CITY.

- 6.9 Signs. LESSEE agrees not to erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising without the prior written consent of CITY. If any such unauthorized item is found on the premises, LESSEE agrees to remove the item at its expense within 24 hours notice thereof by CITY, or CITY may thereupon remove the item at LESSEE'S cost.

6.10 Ownership of Improvements and Personal Property.

- a. Any and all improvements, trade fixtures, structures, and installations or additions to the premises now existing or constructed on the premises by LESSEE shall at lease expiration or termination be deemed to be part of the premises and shall become, at CITY'S option, CITY'S property, free of all liens and claims except as otherwise provided in this lease.
- b. If CITY elects not to assume ownership of all or any improvements, trade fixtures, structures and installations, CITY shall so notify LESSEE thirty (30) days prior to termination or One-Hundred-Eighty (180) days prior to expiration, and LESSEE shall remove all such improvements, structures and installations as directed by CITY at LESSEE'S sole cost on or before lease expiration or termination. If LESSEE fails to remove any improvements, structures, and installations as directed, LESSEE agrees to pay CITY the full cost of any removal.
- c. LESSEE-owned machines, appliances, equipment (other than trade fixtures), and other items of personal property shall be removed by LESSEE by the date of the expiration or termination of this lease. Any said items which LESSEE fails to remove will be considered abandoned and become CITY'S property free of all claims and liens, or CITY may, at its option, remove said items at LESSEE'S expense.
- d. If any removal of such personal property by LESSEE results in damage to the remaining improvements on the premises, LESSEE agrees to repair all such damage.
- e. Any necessary removal by either CITY or LESSEE which takes place beyond said expiration or termination hereof shall require LESSEE to pay rent to CITY at the rate in effect immediately prior to said expiration or termination.
- f. Notwithstanding any of the foregoing, in the event LESSEE desires to dispose of any of its personal property used in the operation of said premises upon expiration or termination of this lease,

then CITY shall have the first right to acquire or purchase said personal property.

- 6.11 Unavoidable Delay. If the performance of any act required of CITY or LESSEE is directly prevented or delayed by reason of strikes, lockouts, labor disputes, unusual governmental delays, acts of God, fire, floods, epidemics, freight embargoes, or other causes beyond the reasonable control of the party required to perform an act, said party shall be excused from performing that act for the period equal to the period of the prevention or delay. Provided, however, this provision shall not apply to obligations to pay rental as required pursuant to this lease. In the event LESSEE or CITY claims the existence of such a delay, the party claiming the delay shall notify the other party in writing of such fact within ten (10) days after the beginning of any such claimed delay.
- 6.12 Development Plan. LESSEE agrees to develop the leased premises in accordance with the General Development Plan approved by the City Manager and filed in the Office of the City Clerk which plan is hereby incorporated by this reference. LESSEE shall furnish City manager a complete set of plans for the development of the new building being constructed on Lot 13 of the leased premises, in accordance with the schedule in Section 9.2. Upon approval by City of said development plan, LESSEE shall construct the new building in accordance with the approved construction schedule. The general contents and provisions of the Development Plan are described in Section 9.2 hereof. The City Manager or his designee shall have the authority to authorize changes to the plan provided that the basic concept may not be modified without City Council approval and a document evidencing any approved changes shall be filed in the Office of the City Clerk. Failure by LESSEE to comply with the General Development Plan shall constitute a major default and subject this lease to termination by CITY.
- 6.13 Hazardous/Toxic Waste. LESSEE will not allow the installation of additional underground storage tanks or release of hazardous substances in, on, or under or from the premises. For the purposes of this provision, a release shall include, but not be limited to, any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, or otherwise disposing of hazardous substances. "Hazardous substances" shall mean those hazardous substances listed by the Environmental Protection Agency in regularly released reports and any other substances incorporated into the State's list of hazardous substances. A copy of the presently effective EPA and the State lists is on file in the City Clerk's Office as City Clerk Document 769704.

In the event of any release of a hazardous substance, LESSEE shall be responsible for all costs of remediation and removal of such substances in accordance with all applicable rules and regulations of governmental authorities.

LESSEE agrees to assume the defense of, indemnify and hold the CITY harmless from any and all claims, costs and expenses related to environmental liabilities resulting from LESSEE'S operations on the premises, including, but not limited to, costs of environmental assessments, costs of remediation and removal, any necessary response costs, damage for injury to natural resources or the public, and costs of any health assessment or health effect studies.

If LESSEE knows or has reasonable cause to believe, that any hazardous substance has been released on or beneath the premises, LESSEE shall give written notice to the City Manager within ten (10) days of receipt of such knowledge or cause for belief. Provided however, if LESSEE knows, or has reasonable cause to believe that such substance is an imminent and substantial danger to public health and safety, LESSEE shall notify the City Manager immediately upon receipt of this knowledge or belief and shall take all actions necessary to alleviate such danger. LESSEE will notify the City Manager immediately of any notice of violation received or initiation of environmental actions or private suits relative to the premises. In addition, LESSEE and LESSEE'S sublessees shall not utilize or sell any hazardous substance on the property without the prior written consent of the CITY.

At any time within the twelve (12) months before the expiration or earlier termination of this lease, LESSEE at the CITY'S sole option shall cause an environmental assessment of the premises to be completed by a professional environmental consultant registered with the State of California as a Professional Engineer, Certified Engineering Geologist, or Registered Civil Engineer. Said environmental assessment shall be obtained at the sole cost and expense of LESSEE and shall establish what, if any, hazardous substances exist on, in or under the premises, and in what quantities. If any hazardous substances exist in quantities greater than that allowed by CITY, County, State, or Federal laws, statutes, ordinances, or regulations, then said environmental assessment shall include a discussion of these substances with recommendations for remediation and removal necessary to effect compliance with those laws or statutes and estimates of the cost of such remediation or removal. LESSEE shall cause the remediation and/or removal recommended in the environmental assessment such that compliance with environmental law is achieved and shall be solely responsible for all cost and expense incurred.

- 6.14 Failure to Meet Development Schedule. In the event that construction is not completed within 12 months following the date specified for completion in the Development Plan, CITY may, at its option, terminate this lease.

SECTION 7: GENERAL PROVISIONS

7.1 Notices

- a. Any notice required or permitted to be given hereunder shall be in writing and may be served personally or by United States mail, postage prepaid, addressed to LESSEE at the leased premises or at such other address designated in writing by LESSEE; and to CITY as follows:

City Manager
Attention Property Director
City Administration Building
202 "C" Street, M.S. 9B
San Diego, CA 92101-4155

or to any mortgagee, trustee, or beneficiary as applicable, at such appropriate address designated in writing by the respective party.

- b. Any party entitled or required to receive notice under this lease may by like notice designate a different address to which notices shall be sent.

- 7.2 Compliance with Law. LESSEE shall at all times in the construction, maintenance, occupancy, and operation of the premises comply with all applicable laws, statutes, ordinances, and regulations of CITY, County, State, and Federal Governments, at LESSEE'S sole cost and expense. In addition, LESSEE shall comply with any and all notices issued by the City Manager or his authorized representative under the authority of any such law, statute, ordinance, or regulation.

- 7.3 CITY Approval. The approval or consent of CITY, wherever required in this lease, shall mean the written approval or consent of the City Manager unless otherwise specified, without need for further resolution by the City Council.

- 7.4 Nondiscrimination. LESSEE agrees not to discriminate in any manner against any person or persons on account of race, marital status, sex, religious creed, color, ancestry, national origin, age, or physical handicap in LESSEE'S use of the premises, including, but not limited to the providing of goods, services, facilities, privileges, advantages, and accommodations, and the obtaining and holding of employment.

- 7.5 Equal Opportunity. LESSEE shall comply with the CITY'S Equal Opportunity and Minority and Women Business Enterprise Contracting Programs, approved by the City Council, and filed with the City Clerk as Document RR-262633. LESSEE shall submit a Workforce Analysis Report and a Certificate of Compliance with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, and any other applicable federal and state

laws and regulations hereinafter enacted. LESSEE understands that failure to comply with the above requirements and/or submitting false information in response to these requirements may result in termination of this agreement.

- 7.6 Partial Invalidity. If any term, covenant, condition, or provision of this lease is found invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions will remain in full force and effect.
- 7.7 Legal Fees. In the event of any litigation regarding this lease, the prevailing party shall be entitled to an award of reasonable legal costs, including court and attorney's fees.
- 7.8 Number and Gender. Words of any gender used in this lease shall include any other gender, and words in the singular number shall include the plural, when the tense requires.
- 7.9 Captions. The Lease Outline, section headings, and captions for various articles and paragraphs shall not be held to define, limit, augment, or describe the scope, content, or intent of any or all parts of this lease. The numbers of the paragraphs and pages of this lease may not be consecutive. Such lack of consecutive numbers is intentional and shall have no effect on the enforceability of this lease.
- 7.10 Entire Understanding. This lease contains the entire understanding of the parties. LESSEE, by signing this agreement, agrees that there is no other written or oral understanding between the parties with respect to the leased premises. Each party has relied on its own examination of the premises, advice from its own attorneys, and the warranties, representations, and covenants of the lease itself. Each of the parties in this lease agrees that no other party, agent, or attorney of any other party has made any promise, representation, or warranty whatsoever which is not contained in this lease.

The failure or refusal of any party to read the lease or other documents, inspect the premises, and obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on these actions. No modification, amendment, or alteration of this lease will be valid unless it is in writing and signed by all parties.

- 7.11 CITY Employee Participation Policy. It is the policy of CITY that all CITY contracts, agreements or leases with consultants, vendors or LESSEES shall include a condition that the contract, agreement or lease shall be unilaterally and immediately terminated by CITY if the contractor or LESSEE employs an individual who within the twelve months immediately preceding such employment did in his/her capacity as a CITY officer or employee participate in negotiations with or otherwise have an influence on the recommendation made to the City Council in connection with the selection of the contractor

or LESSEE. It is not the intent of this policy that these provisions apply to members of the City Council.

7.12 Drug-free Workplace. LESSEE shall be required to abide by the omnibus drug legislation passed by Congress on November 18, 1988 by adopting and enforcing a policy to maintain a drug-free workplace by doing all of the following:

- a. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of controlled substances is prohibited on the leasehold and specifying the actions that will be taken against employees for violations of the prohibition.
- b. Establishing a drug-free awareness program to inform employees about all of the following:
 - (1) The dangers of drug abuse in the workplace.
 - (2) The LESSEE'S policy of maintaining a drug-free workplace.
 - (3) Any available drug counseling, rehabilitation, and employees assistance programs.
 - (4) The penalties that may be imposed upon employees for drug abuse violations.
- c. LESSEE shall include in each sublease agreement language which indicates the sublessee's agreement to abide by the provisions of a drug-free workplace. LESSEE and sublessees shall be individually responsible for their own drug-free workplace programs.

7.13 Corporate Authority. Each individual executing this lease on behalf of LESSEE represents and warrants that he/she is duly authorized to execute and deliver this lease on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of the corporation or in accordance with the bylaws of the corporation, and that this lease is binding upon the corporation in accordance with its terms and that LESSEE is a duly qualified corporation and all steps have been taken prior to the date hereof to qualify LESSEE to do business in the state where the premises are situated.

7.14 CITY Option to Purchase. In the event LESSEE desires to dispose of its interest in this lease, together with any of its interest in improvements, trade fixtures and furnishings owned by LESSEE on the leased premises, CITY shall be given the first right to purchase said interest and improvements at a mutually agreeable price. If CITY does not exercise such right to purchase, LESSEE shall not then sell or offer to sell its interest at a lower price without first reoffering to CITY the right to purchase at such lower price.

- 7.15 Standard of Employees. LESSEE and its employees shall at all times conduct themselves and the operations on the leased premises in a creditable manner.
- 7.16 Faithful Performance Bond. LESSEE shall maintain with CITY a Faithful Performance Bond in the amount of One Thousand Dollars (\$1,000) in cash, or other method satisfactory to CITY, payable to CITY for loss resulting from failure of LESSEE to comply with the covenants and conditions of this lease agreement, or for reimbursement to CITY for expenses incurred in performing itself such covenants or conditions after breach of LESSEE, including the costs and reasonable attorney's fees for defending CITY against any claims resulting from such failure of LESSEE. Said bond shall also assure payment of rent.
- 7.17 Relocation Payments. LESSEE understands and agrees that it shall not be entitled to any relocation payment whatsoever upon termination of this lease.
- 7.18 No Warranty. CITY does not warrant that said premises are suitable for the purposes for which they are leased as stated herein.

SECTION 8: SIGNATURES

8.1 Signature Page.

IN WITNESS WHEREOF, this Lease Agreement is executed by CITY, acting by and through its City Manager, and by LESSEE, acting by and through its lawfully authorized officers.

THE CITY OF SAN DIEGO

Date 7-16-92

By Robert A. McKinn
Deputy Director for
the City Manager

LESSEE: SHERMAN HEIGHTS COMMUNITY
CENTER CORPORATION, a
California nonprofit
corporation

Date 1-23-92

By Vicki Mende Gray

By Mildred Malone

APPROVED as to form and legality this 17 day of July, 1992

JOHN W. WITT, City Attorney

By [Signature]
Deputy City Attorney

NRS:st(2)
12-18-91

SECTION 8: SIGNATURES

8.1 Signature Page.

IN WITNESS WHEREOF, this Lease Agreement is executed by CITY, acting by and through its City Manager, and by LESSEE, acting by and through its lawfully authorized officers.

THE CITY OF SAN DIEGO

Date _____

By _____

LESSEE: SHERMAN HEIGHTS COMMUNITY
CENTER CORPORATION, a
California nonprofit
corporation

Date _____

By Vybi Mendez Gray

x By Mildred Malone

APPROVED as to form and legality this _____ day of _____, 19____.

JOHN W. WITT, City Attorney

By _____
Deputy City Attorney

NRS:st(2)
12-18-91

SECTION 9: EXHIBITS

9.1 Legal Description.

The West Half of Lot 11 and all of Lots 12 and 13 in Block 10 of Sherman's Addition, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 856, filed in the Office of the San Diego County Recorder, February 18, 1899.

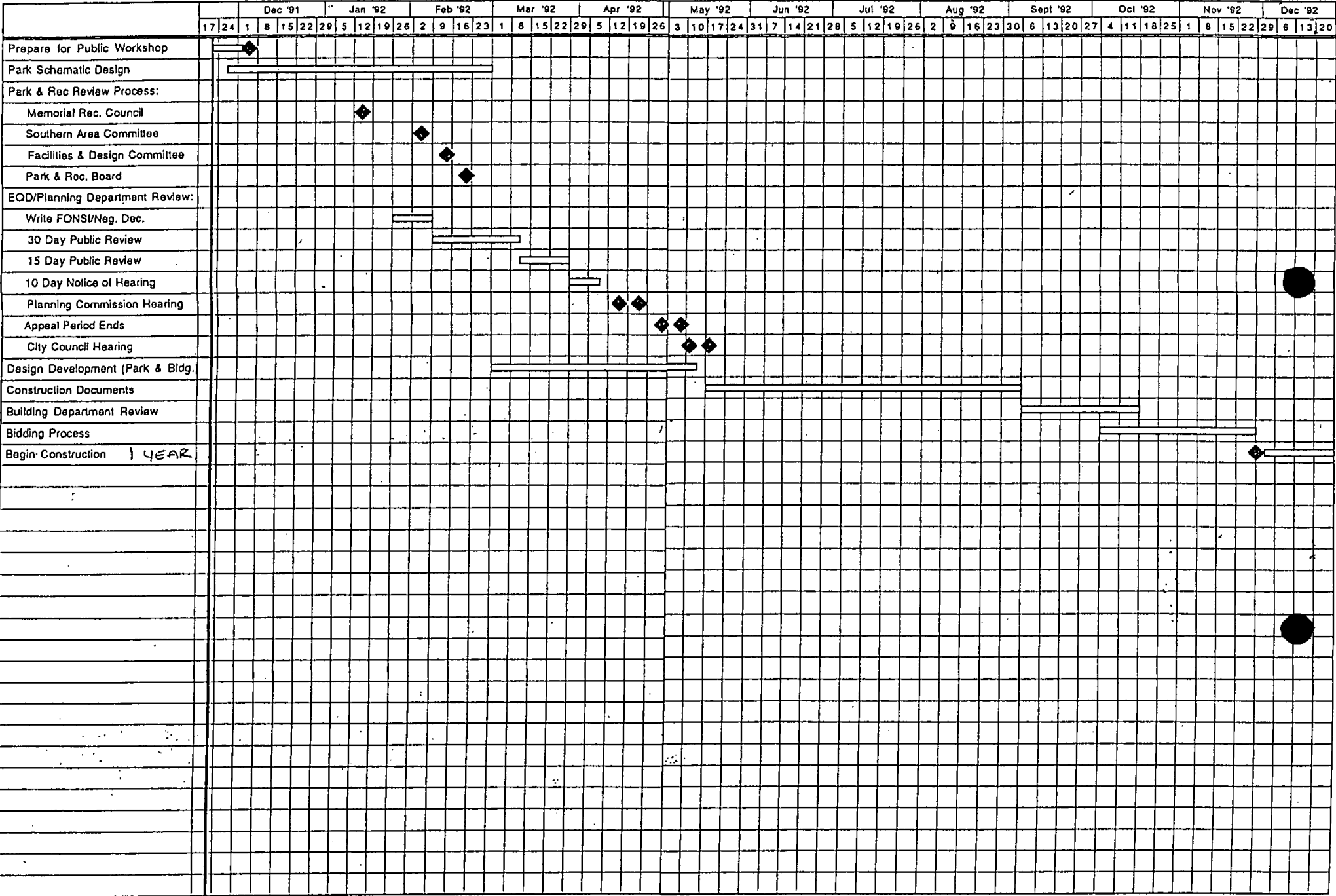
9.2 General Development Plan.

The General Development Plan consists of:

- a. Plot Plan
- b. Development Schedule
- c. Financial Plan
- d. Schematic Elevations
- e. Landscape Plan
- f. Others as applicable

and is filed in the Office of the City Clerk referenced to this lease.

Sherman Heights Community Center Revised Schedule 11/21/91



9.3 Description and Listing of CITY-owned Equipment.

9.4 Description and Listing of LESSEE-owned Trade Fixtures.

9.5 Schedule of Days & Hours of Operation.

The exact time and days are flexible. The Sherman Heights Community Center has many evening and weekend events. Many of these activities are planned in advance and can not be accounted for on a precise schedule. Normally, however, the Center will be open as follows:

Mondays thru Fridays - 8:00 a.m. to 5:00 p.m.

When evening events take place, the closing time will be set no later than 10:00 p.m.

When weekend events take place, those events will start no earlier than 6:00 a.m. and close no later than 10:00 p.m.

9.6 Schedule of Rates & Charges.

The Sherman Heights Community Center Corporation, Inc., has "guest" agencies currently working out of our facility. These "guest" agencies provide services to the surrounding neighborhoods. These services have been recognized to be important, both intuitively as well as from the results of a Needs Assessment completed back in 1987.

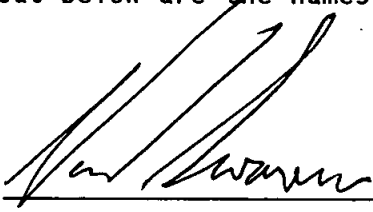
For the past four years the agencies have been using the Community Center's facility without charge. The Board of Directors has stipulated that some charge should be requested of these "guest" agencies once the corporation has moved over to the restored Haines House. The purpose in this decision is to assist the Sherman Center defray operating costs which are mounting at an alarming rate. Consequently, the following rate schedule, although tentative, is a starting point for decision.

1. \$100.00 per month for agencies asking to use the facility, housing only one staff person parttime (less than 20 hours per week).
2. \$200.00 per month for agencies asking to use the facility, housing more than one staff person fulltime (multiple staff persons more than 40 hours per week).
3. Free to those agencies wishing to use the facility intermittently for meetings, counseling sessions, and so on.

9.7 Corporate Name.

SHERMAN HEIGHTS COMMUNITY CENTER CORPORATION
CORPORATE NAME

I, DAVID SWARENS, certify that I am the
SECRETARY of the corporation named in the attached
agreement; that VYKKI MENDE GRAY, who signed this agreement on behalf
of the corporation, was then PRESIDENT of said corporation;
that said agreement was duly signed for and on behalf of said corporation by
authority of its governing body, pursuant to a resolution duly adopted by its
Board of Directors on JAN 23, 19 92 and is within the scope
of its corporate powers; and that set out below are the names of the officers
and directors of said corporation.

By 

CORPORATE SEAL

Name

Richard A. Hoff Board member
Title

Name

Cecilia Estrada Board member
Title

Name

Mildred Malone
Title

Name

Ollie Frost
Title

Norman Swain
51-A
(R-92-2082)

RESOLUTION NUMBER R- **280330**

ADOPTED ON JUL 13 1992

BE IT RESOLVED, by the Council of The City of San Diego,
that the City Manager is hereby authorized to execute, for and on
behalf of The City of San Diego, a thirty-year lease agreement
with SHERMAN HEIGHTS COMMUNITY CENTER CORPORATION for the
operation and development of a new Community Center and
renovation of the Haines historic house, at a rental of \$1.00 per
year, under the terms and conditions set forth in that lease
agreement on file in the office of the City Clerk as Document No.
RR- **280330**.

APPROVED: JOHN W. WITT, City Attorney

By


Harold O. Valderhaug
Deputy City Attorney

HOV:ps
06/22/92
Or.Dept:Prop.
Job 220629
R-92-2082
Form=r-t

RECEIVED
JUL 20 1992
PROPERTY DEPT.



THE CITY OF

SAN DIEGO

EQUAL OPPORTUNITY PROGRAM FOR BUSINESSES CONTRACTING WITH THE CITY OF SAN DIEGO

The City Council is committed to an Equal Opportunity Program pursuant to applicable State and Federal laws and guidelines, to provide Equal Opportunity in all activities of the City and its agencies, including employment of individuals and firms which contract with the City.

— CITY COUNCIL POLICY 300-10
MAY 9, 1983

— CERTIFICATE OF COMPLIANCE — (PRINT OR TYPE)

Sherman Heights Community Center Corp.

NAME OF BUSINESS

667 21st Street

STREET ADDRESS

APT./STE. NO.

San Diego, CA 92102

CITY

STATE

ZIP

PHONE

Type of Business (please check one):

☐ Consultant/Professional Services

☐ Vendor

☐ Grantee

☒ Lessee

The objectives of the Equal Opportunity Program for businesses contracting with the City of San Diego, recorded with the City Clerk as approved on March 4, 1985, by City Council Resolution 262633, are to promote equality of opportunity and to prohibit discrimination in employment practices. The requirements of the Equal Opportunity Program apply to individuals, vendors, consultants, grantees, lessees, and banks contracting with the City of San Diego.

As an authorized official for the above named business, I hereby certify by the signature affixed below that said business will comply with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, and any other applicable federal and state laws and regulations hereinafter enacted as well as those requirements addressed by the City of San Diego's Equal Opportunity Program, recorded with the City Clerk as Document RR-262633.

Further, upon request by the City of San Diego, I will submit a current Workforce Analysis Form and, if required, an Equal Opportunity Plan which addresses the affirmative actions that will be taken by business to achieve the City's goals for the employment of minorities, women, and the handicapped.

Vycki E. Mende-Gray

Printed Name of Authorized Official

Vycki Mende Gray
Signature of Authorized Official

President

Title

1-29-92

Date

Mail to:

City of San Diego
Equal Opportunity Program
1010 Second Avenue, Suite 1515
Mail Station 615A
San Diego, CA 92101



THE CITY OF

SAN DIEGO

OFFICE OF THE CITY MANAGER • EQUAL OPPORTUNITY ADMINISTRATION
1010 SECOND AVENUE • SUITE 1515 • SAN DIEGO, CALIFORNIA 92101

(619) 236-6945

EQUAL OPPORTUNITY PROGRAM FOR NON-CONSTRUCTION CONTRACTORS DOING BUSINESS WITH THE CITY OF SAN DIEGO

WORKFORCE ANALYSIS REPORT

THE EQUAL OPPORTUNITY PROGRAM FOR NON-CONSTRUCTION CONTRACTORS DOING BUSINESS WITH THE CITY OF SAN DIEGO, ESTABLISHED BY RESOLUTION R-262633, PROHIBITS DISCRIMINATION IN EMPLOYMENT AND REQUIRES COMPLIANCE BY CONTRACTORS DOING BUSINESS WITH THE CITY.

PLEASE COMPLETE ALL SECTIONS OF THIS FORM; NO OTHER FORMS WILL BE ACCEPTED IN LIEU OF THOSE CONTAINED HEREIN.

PART I

DESCRIPTION OF CONTRACTOR

TYPE OF CONTRACTOR: ☐ CONSULTANT ☐ GRANTEE ☒ LESSEE ☐ VENDOR

A. NAME OF COMPANY: Sherman Heights Community Center Corporation
AKA/DBA: Sherman Center

B. ADDRESS (CORPORATE HEADQUARTERS, WHERE APPLICABLE)

667 21st St., San Diego, CA 92102

C. TELEPHONE NUMBER: (619) 232-5181

D. NAME OF COMPANY PRESIDENT: Vykki Mende Gray

E. ADDRESS(ES) OF COMPANY FACILITIES LOCATED IN SAN DIEGO COUNTY
(IF DIFFERENT FROM ABOVE):

F. TYPE OF BUSINESS: Non-profit, community center.

G. THE COMPANY HAS APPOINTED: Alfredo Velasco

AS ITS EQUAL EMPLOYMENT OPPORTUNITY OFFICER (EEOO). THE EEOO HAS BEEN GIVEN THE AUTHORITY TO ESTABLISH, DISSEMINATE, AND ENFORCE THE EQUAL EMPLOYMENT AND AFFIRMATIVE ACTION POLICIES OF THIS COMPANY. THE EEOO MAY BE CONTACTED AT:

ADDRESS: 667 21st St.

TELEPHONE NUMBER: (619) 232-5181

CONCERNING MATTERS RELATED TO ANY AFFIRMATIVE ACTION TAKEN BY THIS COMPANY TO INCREASE THE UTILIZATION OF MINORITIES AND WOMEN.

PART II

VERIFICATION OF WORK FORCE SIZE

The overall objective of the Equal Opportunity Program is to assure that contractors doing business with the City or receiving funds from the City will not discriminate against any employee or applicant for employment because of race, color, religion, sex, handicap, age, or national origin and that equal employment opportunity is provided to all applicants and employees without regard to race, religion, sex, handicap, age, or national origin.

The goal of this Equal Opportunity Program is to ensure that all contractors achieve parity in the representation of women, minorities, and the handicapped in each contractor's work force with the availability of women, minorities, and the handicapped in the San Diego County labor market.

I, THE UNDERSIGNED REPRESENTATIVE OF

Sherman Heights Community Center Corporation
(CONTRACTOR'S NAME AS INDICATED ON PAGE ONE)

HEREBY CERTIFY THAT THE FOREGOING DATA CONTAINED HERewith IS TRUE AND CORRECT AND THAT THIS DOCUMENT WAS EXECUTED ON THIS 29th DAY OF January, 198 92, AT San Diego,
CITY

San Diego, California
COUNTY STATE

Vy Kki Mende Gray
AUTHORIZED SIGNATURE

Vy Kki Mende Gray
PRINTED OR TYPED NAME OF SIGNEE

PART III

WORK FORCE ANALYSIS FORM

INSTRUCTIONS: FOR EACH OCCUPATIONAL CATEGORY INDICATE THE NUMBER OF MALES AND FEMALES IN EACH ETHNIC GROUP THAT ARE EMPLOYED BY YOUR COMPANY. THEN, TOTAL EACH COLUMN IN THE SPACE PROVIDED. THE SUM OF ALL TOTALS SHOULD BE EQUAL TO YOUR TOTAL WORK FORCE.

THE FOLLOWING ETHNIC GROUPS WILL ALSO BE INCLUDED IN THE ETHNIC CATEGORIES LISTED BELOW:

1. BLACK, NEGRO, AFRO-AMERICAN, COLORED
2. HISPANIC, MEXICAN-AMERICAN, CHICANO, LATINO, PUERTO RICAN
3. ASIAN, PACIFIC ISLANDER, ORIENTAL
4. AMERICAN INDIAN, ESKIMO, NATIVE AMERICAN
5. FILIPINO
6. OTHER: CAUCASIAN AND OTHERS NOT FALLING INTO ONE OF THE DESIGNATED CATEGORIES.

OCCUPATIONAL CATEGORY*	(1) BLACK		(2) HISPANIC		(3) ASIAN		(4) AMERICAN INDIAN		(5) FILIPINO		(6) OTHER	
	M	F	M	F	M	F	M	F	M	F	M	F
EXECUTIVE, ADMINISTRATIVE AND MANAGERIAL			1									
PROFESSIONAL SPECIALTY												
TECHNICIANS AND RELATED SUPPORT												
SALES												
ADMINISTRATIVE SUPPORT			2									
SERVICES												
PRECISION PRODUCTION, CRAFT AND REPAIR												
MACHINE OPERATORS, ASSEMBLERS AND INSPECTORS												
TRANSPORTATION AND MATERIAL MOVING												
HANDLERS, EQUIPMENT CLEANERS, HELPERS AND LABORERS												
TOTALS FOR EACH COLUMN			1	2								

IN THE ROW BELOW PLEASE INDICATE BY GENDER AND ETHNIC CODE THE NUMBER OF THE ABOVE WORKFORCE WHICH ARE "HANDICAPPED."

HANDICAPPED												
-------------	--	--	--	--	--	--	--	--	--	--	--	--

*SEE INSERT SHEET FOR OCCUPATIONAL CATEGORY LIST, DEFINITION OF HANDICAPPED, AND THE CURRENT GOALS FOR THIS PROGRAM.

Norman Swain
51-A
(R-92-2083)

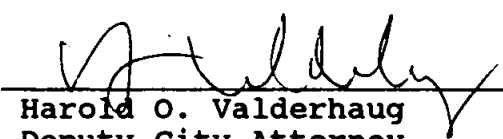
RESOLUTION NUMBER R- 280331

ADOPTED ON JUL 13 1992

BE IT RESOLVED, by the Council of The City of San Diego, that it be, and it is hereby certified, that the information contained in the Finding of No Significant Impact and ENVIRONMENTAL NEGATIVE DECLARATION EQD NO. 91-0038BG in connection with Sherman Heights Community Center Corporation's lease, on file in the office of the City Clerk, has been completed in compliance with the California Environmental Quality Act of 1970, as amended, and the State guidelines thereto, and that said Finding and Declaration have been reviewed and considered by this Council.

APPROVED: JOHN W. WITT, City Attorney

By


Harold O. Valderhaug
Deputy City Attorney

HOV:ps
06/22/92
Or.Dept:Prop.
Job:220629
R-92-2083
Form=r.negam

RECEIVED
JUL 20 1992
PROPERTY DEPT.

NOTICE OF DETERMINATION

TO: X Recorder/County Clerk
P.O. Box 1750, MS A33
1600 Pacific Hwy, Room 260
San Diego, CA 92101-2422

FROM: City of San Diego
Planning Department
202 "C" Street, MS 4C
San Diego, CA 92101

X Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

DEP Number: 91-0038BG

State Clearinghouse Number: 92021028

Permit Number: 89-1205

Project Title: Sherman Heights Community Center.

Project Location: 2230-60 Island Avenue, City/County of San Diego, in the Southeast San Diego Community Planning Area. Applicant: Dr. Alfredo Velasco, Sherman Heights Community Center Corporation, Inc., 667 21st Street, San Diego, CA 92102, Telephone No. (619) 232-5181.

Project Description: To construct a 12,805-square-foot, two-story Community Center and convert the adjacent 1,600-square-foot Haines Historical House to serve as administrative offices for the Center.

City Council

July 13, 1992

This is to advise that the City of San Diego ~~Planning Commission~~ on ~~April 11/11/1992~~ approved the above described project and made the following determinations:

1. The project in its approved form ___ will, X will not, have a significant effect on the environment.
2. ___ An Environmental Impact Report was prepared for this project and certified pursuant to the provisions of CEQA.

X A Negative Declaration was prepared for this project pursuant to the provisions of CEQA. R-280331

Record of project approval may be examined at the address above.

3. Mitigation measures ___ were, X were not, made a condition of the approval of the project.
4. (EIR only) Findings ___ were, ___ were not, made pursuant to CEQA Guidelines Section 15091.
5. (EIR only) A Statement of Overriding Considerations ___ was, ___ was not, adopted for this project.

It is hereby certified that the final environmental report, including comments and responses, is available to the general public at the office of the Development and Environmental Planning Division, Fourth Floor, City Administration Building, 202 "C" Street, San Diego, CA 92101.

Analyst:

Lowry

Telephone: (619) 236-5571

Filed by:


Signature

MARY CEPEDA, DEPUTY CITY CLERK
Title

Reference: California Public Resources Code, Sections 21108 and 21152.

ARTICLES OF INCORPORATION
OF
SHERMAN HEIGHTS COMMUNITY CENTER CORPORATION

ARTICLE I

The name of this corporation is Sherman Heights Community Center Corporation.

ARTICLE II

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes. The specific purposes of this corporation are:

1) To manage and maintain the Sherman Heights Community Center as a service facility for the residents of Sherman Heights.

2) To oversee the development and implementation of educational, social, employment, and otherwise developmental services to residents of Sherman Heights.

3) To encourage citizen involvement in the improvement of the physical and economic conditions of the neighborhood.

The general purposes of the corporation are:

1) To facilitate the establishment and management of a Sherman Heights Community Center for the purpose of providing developmental services to residents of the Sherman Heights neighborhood.

2) To implement activities that encourage economic development of the Sherman neighborhood.

3) To effect reinvestment of private and public capital in the community of Sherman Heights.

4) To effect decent, safe and sanitary housing and related facilities that are conducive to the general well being of the community of Sherman Heights.

5) To encourage citizen participation in the development and improvement of housing, public facilities and services as well as the revitalization and stimulation of commercial enterprise in the community of Sherman Heights.

6) To purchase, own, develop, hold, improve, rehabilitate, use, manage, lease (either lessor or lessee),

... exchange, convey, mortgage, hypothecate, or encumber real and personal property, or any interest therein.

7) To borrow money and to issue bonds, notes or other evidence of indebtedness to further the stated purposes of the corporation, and to secure the same by mortgage, pledge, or other lien on the property of the corporation.

8) To make loans or grants and to guarantee the undertakings, indebtedness, contracts, or performance of other persons, associations, or corporations.

9) To enter into, perform and carry out contracts, partnerships, and joint ventures for any lawful purpose with any person, association, corporation, or government agency.

10) To carry on any of the aforementioned activities, either directly, as an agent for, or with other persons, associated corporations, or governmental agencies.

11) To do all such other acts permissible under the laws of California and the United States Constitution as are necessary, expedient, or appropriate to accomplish the purposes of this corporation, provided, however, that this corporation shall not, except to an insubstantial degree, engage in any activities or exercise its powers that are not in furtherance of the primary purposes of this corporation.

ARTICLE III

The name and address in the State of California of this corporation's initial agent for service of process is:

Dustano Gomez
2878 Imperial Ave.
San Diego, CA 92102

ARTICLE IV

A) This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code.

B) Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code or (b) by the corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code.

C) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political

campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

ARTICLE V

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever enure to the benefit of any director, officer, or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision of payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501 (c) (3) of the Internal Revenue Code.

Dated December 18, 1985 at San Diego, California.

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

Signature of Incorporator

RECORDING REQUESTED BY

WHEN RECORDED MAIL TO

NAME Sherman Heights Community Center
attn: Al Velasco
2758 ISLAND AVE.
STREET SAN DIEGO, CA 92102
CITY, STATE & ZIP

DOC # 1994-0606402
17-OCT-1994 09:37 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
GREGORY SMITH, COUNTY RECORDER

RF: 5.00 FEES: 12.00
AF: 1.00
MF: 1.00
CF: 2.00
MISC: 3.00

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

NOTICE OF COMPLETION

Pursuant to California Civil Code Section 3093, notice must be filed within 10 days after completion. (See reverse side for information on completion.)

Notice is hereby given that:

1. The undersigned is owner or a corporate officer of the owner of the interest or estate in the property hereinafter described.

2. The legal name of the owner is Sherman Heights Community Center Development Corporation

3. The full address of the owner is 2260 Island Avenue, San Diego, CA 92102

4. The nature of the interest or estate of the owner in the property is: lease, Lessee

(If other than "in fee", strike out "in fee" and insert, for example, "lessee".)

5. The full names and complete addresses of all other persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

NAMES	ADDRESSES
<u>City of San Diego</u>	<u>1200 Second Avenue, Suite 1700, San Diego, CA 92101</u>
<u>Real Estate Assets Department</u>	

6. A work of improvement on the property hereinafter described was completed on September 17, 1994
Describe the work done:
construction of a new community center

7. The name of the contractor, if any, for such work of improvement was D. M. Erickson Construction Company

8. The date of the contract, if any, for such work of improvement was: March 12, 1993

9. The property on which said work of improvement was completed is in the City of San Diego, County of San Diego, State of California, and is described as follows:
West 1/2 of Lot 11 and all of Lots 12 and 13, Block 10 of Sherman's Addition, Map 856

10. The street address of said property is: (If no street address has been officially assigned, insert "none".)
2258 Island Avenue, San Diego, CA 92102

VERIFICATION FOR INDIVIDUAL OWNER

Dated: Oct 14, 1994

(Signature of owner or corporate officer of owner named in No. 2 above or his agent)
Alfredo Velasco
agent: Katherine M. Hersey

VERIFICATION

I, the undersigned, say: I am the project architect, the declarant of the foregoing notice of completion: I have read said notice of completion and know the contents thereof; the same is true to the best of my knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 17 Oct 93

at San Diego County, California

(Personal signature of the individual who is swearing that the foregoing is true)
[Signature]