

rec'd 1-5-94

THE SAN DIEGO HOUSING COMMISSION

Flat Rate Lease

LEASE OUTLINE

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SAN DIEGO HOUSING COMMISSION

FLAT RATE LEASE

THIS LEASE AGREEMENT is executed between SAN DIEGO HOUSING COMMISSION, hereinafter called "LESSOR", and NEIGHBORHOOD HOUSE ASSOCIATION, hereinafter called "LESSEE".

SECTION 1: USES

1.01 Premises. LESSOR hereby leases to LESSEE and LESSEE leases from LESSOR all of that certain real property situated in the City of San Diego, County of San Diego, State of California, described in Exhibit "A" attached hereto and by this reference made part of this agreement. Said real property is hereinafter called the "Premises".

1.02 Uses. It is expressly agreed that the Premises is leased to LESSEE solely and exclusively for the purpose of operating and maintaining a senior citizen center, as more fully described in Exhibit "B" hereto and incorporated herein, and for such other purposes that are related or incidental thereto.

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 LESSOR.

1.03 Related Actions. By the granting of this lease, LESSOR is not 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 Premises.

1.04 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.

LESSOR shall provide LESSEE a leasehold title insurance policy showing LESSEE's leasehold interest in the Premises free and clear of any liens, encumbrances or easements that interfere with LESSEE's right to quiet possession of the Premises for the term of the lease. LESSOR shall provide and properly record a memorandum of lease reflecting LESSEE's leasehold interest and right to quiet possession.

1.05 Easements and Reservations.

- a. LESSOR hereby reserves all rights, title, and interest in any and all subsurface natural gas, oil, minerals and water on or within the Premises.
- b. LESSOR reserves the right to grant and use easements or to establish and use rights-of-way over, under, along and across the Premises for utilities, thoroughfares, or access as it deems advisable for public good.
- c. LESSOR has the right to enter the Premises for the purpose of making repairs to or developing municipal resources and services. Provided, however, LESSOR shall not unreasonably interfere with the quiet possession of LESSEE or LESSEE's use of the Premises. LESSOR shall indemnify and hold harmless LESSEE from any loss or damage either may incur by reason of LESSOR's exercise of any of its reserved rights or unreasonable interference with the quiet possession of LESSEE or LESSEE's use of the Premises.

1.06 Competent Management. Throughout the term of this Lease Agreement, LESSEE shall provide competent management of the leased Premises to the satisfaction of the LESSOR. For the purposes of this paragraph, "competent management" shall mean demonstrated ability in the management and operation of a senior center and related activities in a fiscally responsible manner. LESSEE shall be deemed to be providing competent management so long as LESSEE satisfies the program funding requirements for government programs designed to provide funding for one or more of the principal purposes of this lease. Provided, however, the LESSEE is not required by this section or any other section of this lease to seek or obtain government program funding for any of the principal purposes of the lease.

1.07 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.

- 1.08 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 1.02, Uses, hereof.

LESSEE shall, at all times during the lease term, maintain a LESSOR-approved sign identifying the property as LESSOR-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 LESSOR. The sign shall be in keeping with good taste and the architectural design of any improvements placed on the Premises by LESSEE. The cost of the construction, installation or erection of the sign shall be borne by the LESSEE.

SECTION 2: TERM

- 2.01 Commencement. The term of this agreement shall be twenty (20) years, commencing August 1, 1988. "Lease year" as used in this lease shall mean the 12-month period commencing August 1, 1988.
- 2.02 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, LESSOR shall have the right to terminate the holdover tenancy at will.
- 2.03 Memorandum of Lease. On execution of this lease, LESSEE shall deliver to LESSOR a Memorandum of Lease in recordable form, showing LESSEE's right to possession and quiet enjoyment of the Premises for the term of this lease. LESSEE may record such Memorandum of Lease.

At the expiration or earlier termination of this lease, LESSEE shall surrender the Premises to LESSOR free and

clear of all liens and encumbrances, except those liens and encumbrances which existed on the date of execution hereof, and in a decent, safe and sanitary condition.

SECTION 3: CONSIDERATION

3.01 Primary Consideration. The primary consideration of this lease shall be LESSEE's prompt construction and diligent and continuous operation of a senior center in conformance with the terms and conditions hereof.

3.02 Rent Amount and Authority to Construct. Provided LESSEE constructs on the Premises improvements in the form substantially similar to the improvements described in the General Development Plan, Exhibit "C" hereto and incorporated herein and as provided for in Section 6.12, to conduct the principal purpose(s) of the lease; then the rent for the entire term of this lease shall be One Dollar.

LESSEE is hereby authorized without further review by LESSOR to construct on the Premises, improvements substantially similar to the improvements described in the General Development Plan, Exhibit "C" hereto, pursuant to the time table or milestones contained in Exhibit "C".

3.03 Inspection of Records. LESSEE agrees to make any and all records and accounts available to LESSOR for inspection at all reasonable times, so that LESSOR can determine LESSEE's compliance with this lease. These records and accounts will be made available by LESSEE at the leased Premises or the business office of LESSEE, 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 LESSOR, 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.

SECTION 4: ASSIGNMENT

4.01 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 privileges 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 LESSOR 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 LESSOR, 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 LESSOR. LESSEE agrees that COMMISSION may require payment of fair market rent to COMMISSION as a condition to approval of any assignment, sublease or similar right or privilege.

4.02

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 default within thirty (30) days following written notice thereof from LESSOR; 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 LESSOR 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 LESSOR may enter and take possession of the Premises. Provided, however, in the event that any default described in Section 4.02a. (1) Default and Remedies, hereof, is not curable within thirty (30) days after notice to LESSEE, LESSOR shall not terminate this lease pursuant to the default if LESSEE immediately commences to cure the default and diligently pursues such cure to completion.

- b. Abandonment by LESSEE. Even though LESSEE has breached the lease and abandoned the property, this lease shall continue in effect for so long as LESSOR does not terminate this lease, and LESSOR may enforce all its rights and remedies hereunder, including but not limited to the right to recover the rent as it becomes due.
- c. Waiver. Any LESSOR 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 LESSOR in or order to constitute a valid and binding waiver. LESSOR 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. LESSOR's acceptance of any rents is not a waiver of any default preceding the rent payment. LESSOR and LESSEE specifically agree that the property constituting the Premises, is LESSOR-owned and held in trust for the benefit of the citizens of the City of San Diego, and that any failure by the LESSOR or LESSOR staff to discover a default or take prompt action to require the cure of any default, shall not result in an equitable estoppel, but LESSOR 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 LESSOR to take action, or require the cure of any default after such default is brought to the attention of the City Council by the LESSOR, or by any concerned citizen.

4.03 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 LESSOR 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 reasonable opinion of LESSOR, 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 reasonable opinion of LESSOR, 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 LESSOR, 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. LESSOR shall have no liability to LESSEE for any award not provided by the condemning authority.
- e. Transfer. LESSOR has the right to transfer LESSOR'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 LESSOR right under this lease, shall not be interpreted as an exercise of the power of eminent domain, and shall not impose any liability upon LESSOR for inverse condemnation.

SECTION 5: INSURANCE RISKS/SECURITY

- 5.01 Indemnity. LESSEE shall at all times, relieve, indemnify, protect, and save LESSOR and any and all of its boards, officers, agents, an 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 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.

5.02 Insurance. LESSEE shall take out and maintain at all times during the term of this lease, the following insurance, at its sole expense:

- a. 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 LESSOR or LESSEE, or by authorized representatives of LESSOR or LESSEE, on or in connection with the use or operation of the Premises.
- b. 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 LESSOR and LESSEE. The proceeds shall be placed in a trust fund, to be re-invested in rebuilding or repairing the damaged property.
- c. Conditions. All insurance policies will name LESSOR as an additional insured, protect LESSOR against any legal costs in defending claims, and will not terminate without thirty (30) days prior written notice to LESSOR. All insurance companies must be satisfactory to LESSOR, 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 LESSOR 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.

- d. Modification. LESSOR, 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. COMMISSION'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 LESSOR for new improvements, in order to meet the requirements of this lease.
- e. Accident Report. LESSEE shall report to LESSOR, any accident causing more than TEN THOUSAND DOLLARS (\$10,000) worth of 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.
- f. Failure to Comply. If LESSEE fails or refuses to take out and maintain the required insurance, or fails to provide the proof of coverage, LESSOR has the right to obtain the insurance. LESSEE shall reimburse LESSOR for the premiums paid with interest at the maximum allowable legal rate then in effect in California. LESSOR 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 reimbursements and interest shall be paid by LESSEE on the first (1st) day of the month, following the notice of payment by LESSOR.

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

- 5.03 Waste, Damage, or Destruction. LESSEE agrees to give notice to LESSOR 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 LESSOR. 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 has the option

- a. to make or cause to be made reasonably, repair of said damage to restore the Premises to substantially, the same condition which existed prior to said damage
- b. 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 LESSOR 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 5.02, Insurance, hereof; or
- c. to surrender the Premises and any related insurance proceeds or rights to LESSOR without any further liability or obligation.

In the event LESSEE elects to repair or clear and rebuild, LESSEE agrees that preliminary steps toward performing repairs, or clearing and rebuilding the Premises, shall be commenced by LESSEE within thirty (30) days from when the Premises were damaged, and the repairs or clearing and rebuilding shall be completed within a reasonable time thereafter. LESSOR 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

- 6.01 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 LESSOR has performed all work with respect to the Premises, and that LESSEE does not hold LESSOR responsible for any defects in the Premises.
- 6.02 Entry and Inspection. LESSOR 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 LESSOR discloses that said Premises are not in a decent, safe, healthy, sanitary condition, LESSOR 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 LESSOR 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, LESSOR determines that said Premises are not in a decent, safe, healthy, and sanitary condition, LESSOR may, at its sole option, without additional notice, require LESSEE to file with LESSOR, 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 LESSOR, 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 LESSOR, or increase obligations elsewhere in this lease imposed on LESSOR.

Notwithstanding the foregoing, the Premises shall be deemed to be in a decent, safe, healthy, and sanitary condition if the Premises are in compliance with applicable city and state ordinances, codes, laws, rules, regulations or the like.

- 6.03 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 LESSOR.

Notwithstanding the foregoing, the Premises shall be deemed to be in a decent, safe, healthy, and sanitary condition, if the Premises are in compliance with applicable city, county and state ordinances, codes, laws, rules, regulations or the like.

- 6.04 Improvements/Alterations. Excluding the improvements described in the General Development Plan or as approved pursuant to Section 3.01, or Section 6.12, 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 LESSOR.

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 LESSOR, 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. LESSOR shall not be obligated by this lease to make or assume any expense for any improvements or alterations.

- 6.05 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.
- 6.06 Construction Bond. Whenever there is any construction to be performed on the Premises, LESSEE or LESSEE's general contractor shall deposit with LESSOR, 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 LESSOR. The bond shall insure that the construction commenced by LESSEE or by LESSEE's general contractor, shall be completed in accordance with the plans approved by LESSOR or, at the option of LESSOR, that the uncompleted construction shall be removed and the Premises restored to a condition satisfactory to LESSOR. The bond or cash will be held in trust by LESSOR for the purpose specified above, or at LESSOR's option, it may be placed in an escrow or other trust approved by LESSOR.
- 6.07 Liens. LESSEE shall, at all times, save LESSOR free and harmless and indemnify LESSOR 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 LESSOR, 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 LESSOR, a bond, cash, or other security acceptable to LESSOR sufficient to pay in full, all claims of all persons seeking relief under the lien.

- 6.08 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 LESSOR.
- 6.09 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 LESSOR. 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 LESSOR, or LESSOR may thereupon remove 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 LESSOR's option, LESSOR's property, free of all liens and claims, except as otherwise provided in this lease.
 - b. 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 LESSOR's property, free of all claims and liens, or may, at its option, remove said items at LESSEE's expense.
 - c. 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.
 - d. Any necessary removal by either LESSOR or LESSEE, which takes place beyond said expiration or termination hereof,

shall require LESSEE to pay rent to LESSOR at the rate in effect immediately prior to said expiration or termination.

- e. 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 LESSOR shall have the first right to acquire or purchase said personal property.

6.11 Unavoidable Delay. If the performance of any act required of LESSOR 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 LESSOR 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 General Development Plan. Pursuant to this Section and Section 3.01, LESSEE agrees to develop the Premises in accordance with the General Development Plan approved by LESSOR and attached hereto, as Exhibit "C", and incorporated herein. The Chief Administrative Officer of LESSOR shall have the authority to authorize changes to the General Development Plan, provided the basic concept may not be modified without LESSOR approval. Failure by LESSEE to comply with the General Development Plan, shall constitute a major default and subject this lease to termination by LESSOR.

6.13 Failure to Meet Development Schedule. Should LESSEE fail to commence construction in accordance with the schedule of development of the General Development Plan hereof, it is specifically agreed by LESSEE and LESSOR, that LESSOR may, at its option, terminate this lease. Once construction is commenced, LESSEE agrees to diligently pursue construction to completion.

SECTION 7: GENERAL PROVISIONS

7.01 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 LESSOR as follows:

SAN DIEGO HOUSING COMMISSION

Attention: EXECUTIVE DIRECTOR

1625 NEWTON AVENUE

SAN DIEGO, CALIF. 92113-1012

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.

- 7.02 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 LESSOR, 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 LESSOR or his authorized representative under the authority of any such law, statute, ordinance, or regulation.
- 7.03 Non-Discrimination. 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.
- 7.04 Equal Opportunity. LESSEE agrees to abide by LESSOR's Affirmative Action Program as it exists or is amended to the extent that the program is applicable to this lease. The program's goal is the attainment of employment for minorities and women in all areas of employment, in a total percentage as established by LESSOR for its Affirmative Action Program each year.
- 7.05 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.

7.06 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.

7.07 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.

7.08 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.

7.09 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.

7.10 Standard of Employees. LESSEE and its employees shall at all times, conduct themselves and the operations on the leased Premises, in a creditable manner. In addition, all staff employed on Premises, must be properly qualified for their assignments in accordance with all applicable laws, statutes, ordinances and regulations of the City, County, State and Federal government, at LESSEE's sole cost and

expense. Failure to comply with this provision constitutes a default, and LESSOR then has the right to terminate the lease without liability.

7.11

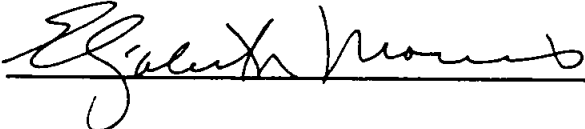
Relocation Payments. LESSEE understands and agrees that it shall not be entitled to any relocation payment whatsoever, upon termination of this lease.

SECTION 8 SIGNATURES

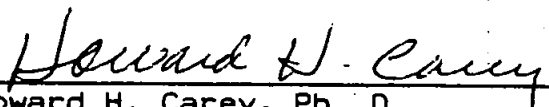
8.01 Signature Page.

IN WITNESS WHEREOF, this lease is executed by LESSOR, acting by and through its Executive Director, and by LESSEE, acting by and through its lawfully authorized officers.

LESSOR (SAN DIEGO HOUSING COMMISSION

Date 5/5/88 By 

LESSEE: THE NEIGHBORHOOD HOUSE ASSOCIATION

Date 4/28/88 By 
Howard H. Carey, Ph. D.
NHA. Executive Director

APPROVED as to form and legality this _____ day of _____, 1988.

By _____

Note: If you have an attorney, he should sign/approve here.

APPROVED:

JENNINGS, ENGSTRAND & HENRIKSON
A Professional Law Corporation

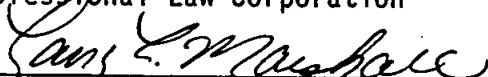
By: 
Larry V. Marshall, General Counsel
San Diego Housing Commission

EXHIBIT "A"

Premises Legal Description and Parcel Map.

1. Premises Legal Description.
2. Parcel Map.

547-520, 530



547-52, 218764

[illegible]

SENIOR CENTER LEASEHOLD

LEGAL DESCRIPTION

PARCEL 1:

ALL THAT PORTION OF THE NORTH 110.00 FEET OF LOT 17 IN BLOCK 58 OF CARRUTHER'S ADDITION, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO PLAT OF SURVEY OF LOTS 13, 14, 15, 16 AND THE NORTH 110.00 FEET OF LOT 17 IN BLOCK 58 OF CARRUTHER'S ADDITION, AS SHOWN ON MAP THEREOF NO. 1557, FILED IN THE OFFICE OF THE SAN DIEGO COUNTY RECORDER APRIL 8, 1913, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE NORTHERLY ALONG THE WESTERLY LINE THEREOF NORTH $16^{\circ}01'34''$ WEST A DISTANCE OF 52.19 FEET TO THE BEGINNING OF A NON-TANGENT 230.00-FOOT RADIUS CURVE CONCAVE WESTERLY, A RADIAL OF WHICH BEARS NORTH $89^{\circ}07'49''$ EAST TO SAID POINT; THENCE LEAVING SAID WESTERLY LINE OF LOT 17 NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $15^{\circ}09'23''$ A DISTANCE OF 60.84 FEET TO A POINT ON THE NORTHERLY LINE OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE EASTERLY ALONG SAID NORTHERLY LINE, AND PARALLEL WITH THE SOUTHERLY LINE OF NORTH 110.00 FEET OF SAID LOT 17, SOUTH $89^{\circ}39'55''$ EAST A DISTANCE OF 334.54 FEET TO THE EASTERLY LINE OF LAND DESCRIBED AS PARCEL 1 IN DEED TO THE SAN DIEGO HOUSING COMMISSION RECORDED AUGUST 20, 1986 AS DOCUMENT NO. 86-357882 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH $29^{\circ}11'04''$ EAST (RECORD SOUTH $29^{\circ}11'00''$ EAST PER SAID DEED TO THE SAN DIEGO HOUSING COMMISSION) A DISTANCE OF 68.39 FEET TO AN ANGLE POINT IN SAID EASTERLY LINE; THENCE SOUTH $23^{\circ}29'56''$ WEST A DISTANCE OF 54.94 FEET (RECORD SOUTH $23^{\circ}30'00''$ WEST, 55.00 FEET PER SAID DEED TO THE SAN DIEGO HOUSING COMMISSION) TO THE SOUTHERLY LINE OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE WESTERLY ALONG SAID SOUTHERLY LINE NORTH $89^{\circ}39'55''$ WEST A DISTANCE OF 322.67 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

ALL THAT PORTION OF THE NORTH 110.00 FEET OF LOT 17 IN BLOCK 58 OF CARRUTHER'S ADDITION, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO PLAT OF SURVEY OF LOTS 13, 14, 15, 16 AND THE NORTH 110.00 FEET OF LOT 17 IN BLOCK 58 OF CARRUTHER'S ADDITION, AS SHOWN ON MAP THEREOF NO. 1557, FILED IN THE OFFICE OF THE SAN DIEGO COUNTY RECORDER APRIL 8, 1913, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE NORTHERLY ALONG THE WESTERLY LINE THEREOF NORTH $16^{\circ}01'34''$ WEST A DISTANCE OF 52.19 FEET TO THE BEGINNING OF A NON-TANGENT 230.00-FOOT RADIUS CURVE CONCAVE WESTERLY, A RADIAL OF WHICH BEARS NORTH $89^{\circ}07'49''$ EAST TO SAID POINT; THENCE LEAVING SAID WESTERLY LINE OF LOT 17 NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $15^{\circ}09'23''$ A DISTANCE OF 60.84 FEET TO A POINT ON THE NORTHERLY LINE OF THE NORTH 110.00 FEET OF SAID LOT

PARCEL 2 (CONTINUED):

17; THENCE EASTERLY ALONG SAID NORTHERLY LINE, AND PARALLEL WITH THE SOUTHERLY LINE OF NORTH 110.00 FEET OF SAID LOT 17, SOUTH 89°39'55" EAST A DISTANCE OF 334.54 FEET TO THE EASTERLY LINE OF LAND DESCRIBED AS PARCEL 1 IN DEED TO THE SAN DIEGO HOUSING COMMISSION RECORDED AUGUST 20, 1986 AS DOCUMENT NO. 86-357882 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 29°11'04" EAST (RECORD SOUTH 29°11'00" EAST PER SAID DEED TO THE SAN DIEGO HOUSING COMMISSION) A DISTANCE OF 68.39 FEET TO AN ANGLE POINT IN SAID EASTERLY LINE, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 23°29'56" WEST A DISTANCE OF 54.94 FEET (RECORD SOUTH 23°30'00" WEST, 55.00 FEET PER SAID DEED TO THE SAN DIEGO HOUSING COMMISSION) TO THE SOUTHERLY LINE OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE EASTERLY ALONG SAID SOUTHERLY LINE SOUTH 89°39'55" EAST A DISTANCE OF 24.61 FEET TO THE WESTERLY LINE OF SAN MIGUEL AVENUE AS SHOWN ON OCEAN VIEW TERRACE, ACCORDING TO MAP THEREOF NO. 2641, FILED IN THE OFFICE OF THE SAN DIEGO COUNTY RECORDER MARCH 31, 1950; THENCE NORTHERLY ALONG SAID WESTERLY LINE NORTH 06°35'00" EAST A DISTANCE OF 8.08 FEET TO THE BEGINNING OF A TANGENT 20.00-FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 35°05'31" A DISTANCE OF 12.25 FEET TO THE BEGINNING OF A REVERSE 35.00-FOOT RADIUS CURVE; THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 52°00'50" A DISTANCE OF 31.77 FEET TO THE TRUE POINT OF BEGINNING.

RESERVATION AREA FOR FUTURE EASEMENTS

LEGAL DESCRIPTION

ALL THAT PORTION OF THE NORTH 110.00 FEET OF LOT 17 IN BLOCK 58 OF CARRUTHER'S ADDITION, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO PLAT OF SURVEY OF LOTS 13, 14, 15, 16 AND THE NORTH 110.00 FEET OF LOT 17 IN BLOCK 58 OF CARRUTHER'S ADDITION, AS SHOWN ON MAP THEREOF NO. 1557, FILED IN THE OFFICE OF THE SAN DIEGO COUNTY RECORDER APRIL 8, 1913, LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE NORTHERLY ALONG THE WESTERLY LINE THEREOF NORTH 16°01'34" WEST A DISTANCE OF 52.19 FEET TO THE BEGINNING OF A NON-TANGENT 230.00-FOOT RADIUS CURVE CONCAVE WESTERLY, A RADIAL OF WHICH BEARS NORTH 89°07'49" EAST TO SAID POINT; THENCE LEAVING SAID WESTERLY LINE OF LOT 17 NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15°09'23" A DISTANCE OF 60.84 FEET TO A POINT ON THE NORTHERLY LINE OF THE NORTH 110.00 FEET OF SAID LOT 17; THENCE EASTERLY ALONG SAID NORTHERLY LINE, AND PARALLEL WITH THE SOUTHERLY LINE OF NORTH 110.00 FEET OF SAID LOT 17, SOUTH 89°39'55" EAST A DISTANCE OF 199.54 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID NORTHERLY LINE SOUTH 39°28'25" EAST A DISTANCE OF 143.23 FEET TO A POINT OF TERMINUS IN THE SOUTHERLY LINE OF THE NORTH 110.00 FEET OF SAID LOT 17.

86147.15

09/21/87

Jack F. Roth
JACK F. ROTH - LS 5016

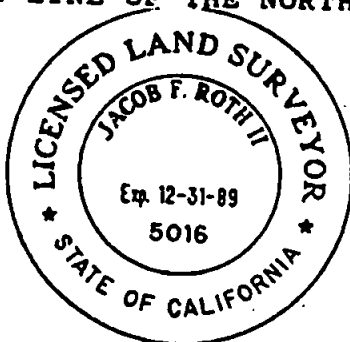


EXHIBIT "B"

1. Purpose

The purpose of the Senior Center is to provide nutrition, recreation and social activities to area senior citizens.

2. Fees and Charges

No fees are charged for services provided to clients. Voluntary donations will be accepted to partially cover the cost of lunch. Currently, the recommended donation is sixty (60) cents.

3. Schedule of Operating Hours

Scheduled hours of operations will be 8:00 a.m. to 5:00 p.m., Monday through Friday. The center will also be open on occasional evenings and weekends for special activities.

EXHIBIT "C"

General Development Plan

1. Building or Floor Plan.
2. Development Plan, containing:
 - a. Plot Plan.
 - b. Development Schedule.
 - c. Financial Plan.
 - d. Schematic Elevations.
 - e. Landscape Plan.
 - f. Others as applicable.

PAUL MCKIMMIA
& ASSOCIATES
ARCHITECTS
575 ISLAND AVE
SAN DIEGO
CALIFORNIA
92101
(619) 556-0001

PROJECT DEVELOPMENT SCHEDULE

THE NEIGHBORHOOD HOUSE ASSOCIAT

	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEB
	12 19 26	2 9 16 23 30	7 14 28	4 11 18 25	1 8
PROJECT START UP					
CONDITIONAL USE PERMIT AMENDMENT					
SAN.DIEGO GAS AND ELECTRIC CO					
BEGIN SCHEMATIC DESIGN					
COMPLETE SCHEMATIC DESIGN					
REVIEW					
BEGIN DESIGN DEVELOPMENT					
COMPLETE DESIGN DEVELOPMENT					
REVIEW					
BEGIN CONSTRUCTION DOCUMENTS					
COMPLETE CONSTRUCTION DOCUMENTS					
SUBMIT PLAN CHECK					
100 PERCENT COMPLETE					
BIDDING & NEGOTIATION					
BEGIN CONSTRUCTION					

NHA Senior Center
Project Budget
At January 13, 1987

Projected Project Budget Estimate:

Site work	\$112,406
Building	337,000
Fees	
Planning Department	\$26,200
City Overhead	14,880
Professional	<u>78,862</u>
Total fees	119,942
Contingency reserve	48,580
General contractors profit	33,705
Equipment and Furnishings	42,367

Total Projected Budget Estimate \$694,000

Financing

Funds available For Project

CDBG funds	\$372,008
SCBA grant	<u>322,000</u>

Total Funds 694,000

Ralph W. Wynn
51A

(R-94-1591)

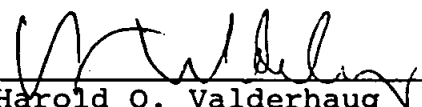
RESOLUTION NUMBER R- 283827

4-15-94

ADOPTED ON MAY 09 1994

BE IT RESOLVED, by the Council of The City of San Diego, that the expenditure of an amount not to exceed \$242,000 from Community Development Block Grant (CDBG) Fund No. 18529, Dept. 4043, Org. 4301, Account 4279, for the acquisition and related costs of an approximately 4.5-acre (gross) parcel of land known as portions of Lots 13 through 17 in Block 58 of Carruther's Addition, is hereby authorized and approved.

APPROVED: JOHN W. WITT, City Attorney

By 
Harold O. Valderhaug
Chief Deputy City Attorney

HOV:ps
04/25/94
Or.Dept:REA
Aud.Cert:9401058
Job:521651
R-94-1591
Form=r-t