

ORIGINAL



THE CITY OF SAN DIEGO
COALITION OF NEIGHBORHOOD COUNCILS
Lease Agreement

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CITY OF SAN DIEGO LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is executed between THE CITY OF SAN DIEGO, a municipal corporation ("CITY"), and COALITION OF NEIGHBORHOOD COUNCILS, a California nonprofit corporation ("LESSEE").

SECTION 1: USES

- 1.1 Premises. CITY leases to LESSEE and LESSEE leases from CITY all of that certain real property located at 415 North Euclid Avenue, San Diego, including a building of approximately 7,108 square feet known as the Tubman-Chavez Multicultural Center and adjacent parking lot, and as more specifically described in Section 9.1, Legal Description, of this Lease. The real property is hereinafter called the "Premises."
- 1.2 Uses. The Premises are leased to LESSEE solely and exclusively for the purposes of operating and maintaining the Tubman-Chavez Multicultural Center by that name as a nonreligious community outreach center that offers programs in arts and culture, business training, computers and technology, educational services, employment placement, financial literacy, health education, recreational activities, social and professional gatherings, and for other related or incidental purposes as may be first approved in writing by CITY and for no other purpose whatsoever. The use of the Premises for any unauthorized purpose shall subject this Lease to termination at the sole option of CITY.

LESSEE covenants and agrees to use the Premises for the above-specified purposes and to diligently pursue the purposes throughout the Term (defined in Section 2.1) of this Lease. Failure to continuously use the Premises for the purposes authorized in this Lease shall subject this Lease to termination at the sole option of CITY.

- 1.3 Related Council Actions. By entering into 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 Premises. LESSEE shall be solely responsible for processing all land use, development, and construction approvals required for the use and

occupancy of the Premises. This Lease shall not be interpreted by any decision maker on any CITY-issued permit or approval to override or dictate the outcome of any findings required for any permit or development approval.

- 1.4 Quiet Possession. LESSEE, paying the rent and performing the covenants and agreements in this Lease, 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 Term LESSEE is temporarily dispossessed through action or claim of a title superior to CITY'S, then this Lease shall not be voidable nor shall CITY be liable to LESSEE for any resulting loss or damage, but there may be determined and stated in writing by CITY a proportionate reduction of the 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 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 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.
 - d. 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 Premises resulting from CITY exercising the rights reserved in this section. 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, LESSEE shall provide competent management of the Premises to the satisfaction of CITY. For the purposes of this section, "competent management" shall mean demonstrated ability in the management and operation of a nonprofit community outreach program and related activities, in accordance with all applicable federal, state, and local regulations, and 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 9.4,

Schedule of Days and Hours of Operation, of this Lease. Any changes in this schedule shall be subject to the prior written approval of CITY. 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.

- 1.8 Rates and Charges. All charges for merchandise and services or facilities on the Premises shall be in accordance with the schedule set forth in Section 9.3, Schedule of Rates and Charges, of this Lease. Any changes in this schedule shall be subject to the prior written approval of CITY.
- 1.9 CITY Use. The Premises shall be available to CITY for civic events and special programs, free of charge, except when 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 Premises shall be used exclusively for the purposes specified in Section 1.2, Uses, of this Lease. 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, LESSEE shall not be precluded from providing a forum for open public debate by two or more candidates of different political parties, such as occurs at a "candidate forum" and similar events.
- 1.11 Public Use. The general public shall not be wholly or permanently excluded from any portion of the Premises. LESSEE may develop reasonable restrictions for use of the facility 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 in this Lease. LESSEE agrees that all activities conducted on the Premises shall be as stated in Section 1.2, Uses, of this Lease. 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.

SECTION 2: TERM

- 2.1 Term. The Term of this Lease shall be three (3) years ("Term"). The Term shall commence upon the execution of this Lease by the City Manager and approval by the City Attorney ("Commencement Date"). If the Commencement Date is not the first day of a calendar month, the Term shall be extended to include the partial calendar month from and including the Commencement Date so that the Term shall expire on the last day of a calendar month. "Lease Year" as used in this

Lease shall mean the first full twelve (12) calendar months of the Term and each twelve (12)-month period thereafter during the Term.

- 2.2 Holdover. Any holding over by LESSEE after the expiration or earlier termination of this Lease shall not be considered a renewal or extension of this Lease. The occupancy of the Premises after the expiration or earlier termination of this Lease shall constitute a month-to-month tenancy, and all other terms and conditions of this Lease shall continue in full force and effect. CITY shall have the right to increase the rent to bring the rent to fair market value and to terminate the holdover tenancy at will upon thirty (30) days prior written notice to LESSEE.
- 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, 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: RENT

- 3.1 Time and Place of Payment. Beginning with the seventh month of the Term, rent is due monthly in advance on or before the first day of each calendar month. The Administrative Fee (defined in Section 3.2 below) is due annually in advance on or before the first day of each Lease Year. All rents and Administrative Fees required in this Lease must be made payable to the City Treasurer and mailed to: Office of the City Treasurer, City of San Diego, P.O. Box 122289, San Diego, California, 92112-4165; or hand delivered to: Office of the City Treasurer, Civic Center Plaza, 1200 Third Avenue, Suite 100, San Diego, California.

The place of payment may be changed at any time by CITY upon thirty (30) days written notice to LESSEE. Mailed rental payments shall be deemed paid upon the date the payment is postmarked by the postal authorities. If postmarks are illegible, the payment shall be deemed paid upon actual receipt by the City Treasurer. LESSEE assumes all risk of loss and responsibility for late payment charges if payments are made by mail.

- 3.2 Rent and Administrative Fee.

- a. Rent Amount. The rent for the first six (6) months of the Term is one dollar (\$1), receipt of which is acknowledged by CITY. Beginning with

the seventh month of the Term, the rent shall be one hundred dollars (\$100) per month.

- b. Administrative Costs. LESSEE shall pay a fee of two thousand eight hundred forty-nine dollars and twenty-five cents (\$2,849.25) per Lease Year ("Administrative Fee"), payable annually, to partially offset CITY'S costs of administering this Lease. The Administrative Fee is subject to annual adjustments based on percentage increases in the Consumer Price Index ("CPI") as hereinafter provided.

- c. (1) CPI Adjustments. Beginning with the second Lease Year, the Administrative Fee shall be adjusted to reflect the percentage increase in the CPI based on the average of the indexes for the third quarter (July, August, and September) of the calendar year prior to each adjustment.

The index used will be the CPI for "All Urban Consumers" for Los Angeles/Riverside/Orange County, California. If this index is no longer published, the index for adjustment will be the U.S. Department of Labor's Comprehensive Official Index most comparable to the aforesaid index. If an Administrative Fee adjustment is calculated using an index from a different base year than 1982-84, which equaled a base figure of 100 for the CPI, the base figure used will first be converted under a formula supplied by the Bureau of Labor Statistics or its successor.

If the Department of Labor indexes are no longer published, another index generally recognized as authoritative will be substituted by agreement of CITY and LESSEE. If the parties cannot agree within sixty (60) days after demand by either party, a substitute index will be selected by the Chief Officer of the Regional Office of the Bureau of Labor Statistics or its successor, notwithstanding continued reference in this Lease to CPI in any event.

In no event shall the adjusted Administrative Fee as established by the CPI be less than the Administrative Fee in existence immediately prior to the adjustment date. The failure of CITY to deliver timely notice of any Administrative Fee adjustment shall not constitute a waiver by CITY of its rights under this Lease.

- (2) CPI Adjustment Computation. The Administrative Fee adjustment for each one (1) year period shall be calculated by CITY as follows:

The "adjustment multiplier" shall be established by dividing the "current index" by the "base index" as defined below.

The "base index" denominator for the calculation is 178.50. This is a fixed number representing the three (3)-month average of index figures published by the CPI using the months of July, August, and September of 2001.

The "current index" numerator for the calculation is a variable number that shall be the three (3)-month average of index figures published by the CPI using the months of July, August, and September of the calendar year preceding the adjustment date.

The "base figure" for purposes of calculating the annual adjustment shall be a fixed amount of Two Thousand Five Hundred Dollars (\$2,500).

Example Calculation for Calendar Year 2006 Administrative Fee Adjustment

Current Index (Third Quarter 2005)	203.43	
	-----	= 1.1397 (Adjustment Multiplier)
Base Index (Third Quarter 2001)	178.50	

The "base figure" is then multiplied by the adjustment multiplier to determine the new Administrative Fee. Using the foregoing example, the adjusted Administrative Fee is calculated as follows:

\$2,500	(Base Figure)
x 1.1397	(Adjustment Multiplier)
\$2,849.25	(Adjusted Administrative Fee)

- (3) Maximum Increase. Notwithstanding the foregoing, the Administrative Fee adjustments shall not increase the Administrative Fee in excess of six percent (6%) per calendar year.

- 3.3 Delinquent Administrative Fee. If LESSEE fails to pay the Administrative Fee when due, LESSEE shall pay, in addition to the unpaid Administrative Fee, five percent (5%) of the delinquent Administrative Fee. If the Administrative Fee is still unpaid at the end of fifteen (15) days, LESSEE shall pay an additional five percent (5%) [being a total of ten percent (10%)], which is hereby mutually agreed by the parties to be appropriate to compensate CITY for loss resulting from Administrative Fee delinquency, including lost interest, opportunities, legal costs, and the cost of servicing the delinquent account. Notwithstanding the

foregoing, in no event shall the charge for late payment of the Administrative Fee be less than twenty-five dollars (\$25). LESSEE agrees that the specific late charges represent a fair and reasonable estimate of the costs that CITY will incur from LESSEE'S late payment. Acceptance of late charges and any portion of the late payment by CITY shall in no event constitute a waiver of LESSEE default with respect to late payment, nor prevent CITY from exercising any of the other rights and remedies granted under this Lease.

- 3.4 Unauthorized Use Charge. LESSEE shall pay CITY fifty percent (50%) 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 Administrative Fee payments and the provision for delinquent Administrative Fees. The existence of the fifty percent (50%) charge in this section 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 hold LESSEE in default for participating in or allowing any unauthorized use of the Premises.
- 3.5 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 Premises and will be complete and accurate showing all income and receipts from use of the Premises. LESSEE'S failure to keep and maintain records and make them available for inspection by CITY is a breach of this Lease and cause for termination. LESSEE shall maintain all records and accounts for a minimum period of five (5) years. This section shall survive expiration or earlier termination of this Lease.
- 3.6 Annual Budget. LESSEE shall submit to the City Manager for review and approval by November 1 of each year copies of documents evidencing the proposed programs and financial status of LESSEE for the upcoming calendar year. Without limiting the generality of the foregoing, these documents shall include (i) a copy of LESSEE'S proposed programs; (ii) a copy of a detailed operating budget showing expected sources of revenue and the nature of all proposed expenditures, including compensation for the director and staff of LESSEE; and (iii) an adequate reserve account for maintenance of the Premises.
- 3.7 CDBG Program Income. If LESSEE participates in the Community Development Block Grant (CDBG) program of CITY, CDBG "program income" shall be defined as all income earned by LESSEE from the use of the Premises (e.g., room rental fees), per Section 24 of the Code of Federal Regulations (CFR) 570.500(a)(1)(iii). All program income shall be treated as CDBG funds subject to all applicable requirements governing the use of CDBG funds as listed in 24 CFR 570; 24 CFR 84; OMB Circular A-110, "Uniform Administrative Requirements

for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations”; and OMB Circular A-122 “Cost Principles for Nonprofit Organizations.” All uses of program income shall adhere to CDBG regulations as listed in 24 CFR 570.503. The CDBG Administrator of CITY shall designate the specific process for receipting, utilizing, and accounting of program income received from the Premises per applicable guidelines. Quarterly reports shall be submitted to the City of San Diego, Community and Economic Development Department, Attention: CDBG Administrator. Report format, content, and verification shall be subject to the CDBG Administrator’s discretion. It is the intention of this section to make the program income available to LESSEE for operational, rehabilitation, or maintenance expenses solely and directly for the benefit of the Premises.

SECTION 4: ASSIGNMENT/DEFAULT

- 4.1 Time is of Essence; Provisions Binding on Successors. Time is of the essence for all of the terms, covenants, and conditions of this Lease, and, except as otherwise provided in this Lease, 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 in this Lease and shall not sublet the Premises or any part of the Premises, or any right or privilege appurtenant to the Premises, or allow any other person, except employees, agents, and guests of LESSEE, to use or occupy the Premises or any part of the Premises, without the prior written consent of CITY 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 assignment or subletting without CITY’S consent shall be void and shall, at the option of CITY, terminate this Lease. This Lease shall not, nor shall any interest in this Lease, be assignable as to the interest of LESSEE by operation of law, without the written consent of CITY.

"Assignment" for the purposes of this section shall include any transfer of any ownership interest in this Lease by LESSEE or by any partners, principals, or stockholders, as the case may be, from the original LESSEE, its general partners, or principals.

Approval of any assignment or sublease shall be conditioned upon the assignee or sublessee agreeing in writing that it will assume the rights and obligations thereby assigned or subleased and that it will keep and perform all covenants, conditions, and provisions of this Lease which are applicable to the rights acquired. CITY

may require, as a condition to approval of any sublease of the majority portion of the leasehold or any assignment, that this Lease or the requested sublease be revised to comply with standard CITY lease requirements that are then current. CITY may also require, as a condition to approval of any sublease of a commercial nature (e.g., food vending or telecommunications installations), that LESSEE pay CITY market rents for such uses. Pursuant to City Charter Section 225, CITY must review and approve every person or entity which will have an interest in this Lease as a sublessee or assignee.

4.3 Encumbrance. LESSEE shall not encumber this Lease, its leasehold estate, or its improvements on the Premises by deed of trust, mortgage, chattel mortgage, or other security instrument during the term of this Lease.

4.4 Defaults and Remedies.

a. Defaults. Each of the following shall constitute an event of default under this Lease:

- (1) LESSEE fails to make any payment required under this Lease when due and fails to make full payment, including any penalty due, within three (3) days following written notice from CITY; or
- (2) LESSEE defaults in the performance of any covenant or condition required by this Lease, other than those requiring payment to CITY, to be performed by LESSEE and fails to cure the default within thirty (30) days following written notice from CITY; or if any default, other than those requiring payment to CITY, is not curable within thirty (30) days, and LESSEE fails to commence to cure the default(s) within the thirty (30)-day period and diligently pursue the cure to completion; or
- (3) LESSEE voluntarily files any petition under any bankruptcy or insolvency act or law; or
- (4) LESSEE has involuntarily filed against it any petition under any bankruptcy act or law, and the matter is not dismissed within ninety (90) days of filing; or
- (5) LESSEE is adjudicated a bankrupt; or
- (6) LESSEE makes a general assignment for the benefit of creditors; or
- (7) LESSEE uses the Premises for any unauthorized purpose.

b. Remedies.

- (1) Upon default by LESSEE, CITY may, at its option, give LESSEE or any person claiming rights through LESSEE a written Three (3)-Day Notice to Pay or Quit, if the default is based upon Section 4.5a(1), or CITY may terminate the Lease and all rights of LESSEE and of all persons claiming rights through LESSEE to the Premises or to possession of the Premises, and CITY may enter and take possession of the Premises (provided, however, in the event that any default described in Section 4.5a(2) - (7) of this Lease is not curable within thirty (30) days after notice to LESSEE, CITY will not terminate this Lease pursuant to the default, if LESSEE immediately commences to cure the default and diligently pursues such cure to completion), and may recover from LESSEE the sum of:
 - (a) the worth of at the time of award of any unpaid rent that had been due at the time of termination;
 - (b) the worth at the time of award of the amount by which (i) the unpaid rent that would have been earned after termination until the time of award exceeds (ii) the amount of rental loss, if any, as LESSEE affirmatively proves could have been reasonably avoided;
 - (c) the worth at the time of award of the amount by which (i) the unpaid rent for the balance of the term after the time of the award exceeds (ii) the amount of rental loss, if any, as LESSEE affirmatively proves could be reasonably avoided;
 - (d) any other amount necessary to compensate CITY for the detriment proximately caused by LESSEE'S failure to perform LESSEE'S obligations or that, in the ordinary course of things, would be likely to result; and
 - (e) all other amounts in addition to or in lieu of those previously stated as may be permitted from time to time by California law. As used in clauses (a) and (b) of this section, the "worth at time of award" shall be computed by allowing interest at the rate of ten percent (10%) per annum. As used in clause (c) of this section, the "worth at the time of award" shall be computed by discounting that amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus two percent (2%).

As used in this section, the term "rent" shall include base rent, percentage rent, and any other payments required by LESSEE.

- 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 shall be as follows:
- a. If 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. If there is 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. If there is a partial taking, if, in the opinion of CITY, the remaining part 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.
 - d. Award. All monies awarded in any taking shall belong to CITY, whether the taking results in diminution in value of the leasehold or the fee or both; provided, however, LESSEE shall be entitled but limited 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 defend, indemnify, protect, and hold CITY, its elected officials, officers, employees, agents, and representatives harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to LESSEE'S employees, invitees, guests, agents, or officers, which arise out of or are in any manner directly or indirectly connected with the development or operation of the leasehold or the work and operations to be performed under this Lease, and all expenses of investigating and defending against damages or injuries. LESSEE'S duty to indemnify and hold harmless shall not include any claims or liability arising from the established active negligence, sole negligence, or sole willful misconduct of CITY, its elected officials, officers, employees, agents, and representatives.

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 two million dollars (\$2,000,000) 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 one hundred percent (100%) 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.

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

- (1) Additional Insureds. All insurance policies will, by separate endorsement, name "The City of San Diego, its elected officials, officers, employees, agents, and representatives" as additional insureds, protect them against any legal costs in defending claims, and will not terminate without thirty (30) 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 Commencement Date, 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 certificate of the insurance policy must be provided to CITY prior to CITY'S execution 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 extent of risk existing on the Premises. LESSEE shall 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 five thousand dollars (\$5,000) 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. The 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 b.(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 the default.

- 5.3 Waste, Damage, or Destruction. LESSEE shall give notice to CITY of any fire or other damage that may occur on the Premises within five (5) days of the fire or damage. LESSEE shall not commit or allow to be committed any waste or injury or any public or private nuisance on or about the Premises. LESSEE shall keep the Premises clean and clear of refuse and obstructions and dispose of all garbage, trash, and rubbish in a manner satisfactory to CITY. If the Premises are damaged by any cause which puts the Premises into a condition which is not decent, safe, healthy, and sanitary, LESSEE shall make or cause to be made full repair of the damage and to restore the Premises to the condition which existed prior to the damage; or, at CITY'S option, LESSEE shall clear and remove from the Premises all debris resulting from the 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 the damage, using for either purpose the insurance proceeds as set forth in Section 5.2, Insurance, of this Lease. LESSEE shall commence preliminary steps toward performing repairs, restoration, replacement, or removal of the facility on the Premises or any damage within thirty (30) days of the occurrence of the damage and shall complete the required repairs, restoration, replacement, or removal within one hundred eighty (180) days of the occurrence of the damage.
- 5.4 Security Deposit. A security deposit shall be paid to CITY by LESSEE in the sum of one thousand dollars (\$1,000) on or before the commencement date of this Lease. All or any portion of the principal sum shall be available unconditionally to CITY for correcting any default or breach of this Lease by LESSEE, LESSEE'S successors or assigns, or for payment of expenses incurred by CITY as a result of LESSEE'S failure to faithfully perform all terms, covenants, and conditions of this Lease.

The security deposit shall take one of the forms set out below:

- a. Cash. Cash deposits shall be deposited with CITY, and CITY shall not be liable to LESSEE for any interest on the deposits. Any interest earned by CITY from the deposit or redeposit shall be and remain the property of CITY.
- b. Instrument(s) of Credit. An instrument(s) of credit from one or more financial institutions, subject to regulation and insurance by the state or federal government, shall pledge that the funds are on deposit and guaranteed for payment and agree that any or all funds shall be paid to CITY upon demand by CITY. The financial institution and the form of any instrument pledging the funds must be approved by CITY.

LESSEE shall maintain the required security deposit throughout the Lease term and for ninety (90) days thereafter unless previously released by

CITY. Failure to do so shall be considered a default and is grounds for immediate termination of this Lease.

In the event CITY utilizes all or any portion of the security deposit, LESSEE shall reimburse the deposit within ten (10) days of notice from CITY to bring the security deposit up to the full specified amount.

The security deposit or any balance of the deposit shall be returned to LESSEE within ninety (90) days following the expiration or earlier termination of this Lease, provided LESSEE has faithfully complied with all terms, covenants, and conditions of this Lease.

The security deposit may be increased by CITY proportionate to any increased performance or rental liability of LESSEE upon sixty (60) days prior written notice from CITY of the required increase.

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 its 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 has performed all 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 presence of any Hazardous Substances (defined in Section 6.12).
- 6.2 Entry and Inspection. CITY reserves and shall always have the right, but not the obligation, to enter the Premises for the purpose of viewing and ascertaining the condition of the Premises, or to protect its interests in the Premises, or to inspect the operations conducted on the Premises. If entry or inspection by CITY discloses that the Premises are not in a decent, safe, healthy, and sanitary condition, CITY shall have the right, but not the obligation, after ten (10) days written notice to LESSEE, to have any necessary maintenance work done at the expense of LESSEE, and LESSEE shall pay promptly any and all costs incurred by CITY in having necessary maintenance work done, in order to keep the Premises in a decent, safe, healthy, and sanitary condition. If at any time CITY determines that the 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. The

bond shall be in an amount adequate in the opinion of CITY to correct the unsatisfactory condition. LESSEE shall pay the cost of the 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 shall assume full responsibility and cost for the operation, maintenance, and repair of the Premises throughout the Term. LESSEE shall 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 all applicable laws. All applicable codes and standards of CITY and other government agencies shall be observed in all maintenance, repairs, and replacements on the Premises.
- 6.4 Improvements/Alterations. LESSEE shall not construct any improvements, structures, or installations on the Premises or make any alterations to the Premises, including changing locks or exterior paint colors, without prior written approval by CITY. LESSEE shall not make major structural or architectural design alterations to approved improvements, structures, or installations on the Premises without prior written approval by CITY and that 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 shall order, obtain, and pay for all utilities and service and installation charges in connection with the development and operation of the Premises. All utilities shall 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 the construction, a faithful performance bond in the amount of one hundred percent (100%) 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 claims, including reasonable attorneys' 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 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 shall 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 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 possessory interest taxes. LESSEE further agrees that payment of taxes, fees, and assessments will not reduce any administrative fees due CITY.

6.9 Signs. LESSEE shall not 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 twenty-four (24) hours notice by CITY, or CITY may then 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 the expiration or earlier termination of this Lease 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 of this Lease or one hundred eighty (180) days prior to expiration of this Lease, and LESSEE shall remove all

improvements, structures, and installations as directed by CITY at LESSEE'S sole cost on or before the expiration or earlier termination of this Lease. If LESSEE fails to remove any improvements, structures, and installations as directed, LESSEE shall 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 earlier termination of this Lease. Any 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 the items at LESSEE'S expense.
- d. If any removal of personal property by LESSEE results in damage to the remaining improvements on the Premises, LESSEE shall repair all of the damage at its expense.
- e. Any necessary removal by either CITY or LESSEE which takes place beyond the expiration or termination of this Lease shall require LESSEE to pay rent to CITY at the rate in effect immediately prior to the expiration or earlier termination of this Lease.
- f. If LESSEE desires to dispose of any of its personal property used in the operation of the Premises upon expiration or termination of this Lease, then CITY shall have the first right to acquire or purchase the 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, the party shall be excused from performing that act for the period equal to the period of the prevention or delay. This provision shall not apply to obligations to pay administrative fees as required by this Lease. If LESSEE or CITY claims the existence of a delay, the party claiming the delay shall notify the other party in writing of the fact within ten (10) days after the beginning of any claimed delay.

6.12 Hazardous/Toxic Substances.

- a. LESSEE shall not allow the release of hazardous substances in, on, 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 Office of the City Clerk as Document 769704-1 and by this reference is incorporated in this Lease. In the event of any release of a hazardous substance, LESSEE shall be responsible for all costs of remediation and removal of the hazardous substances in accordance with all applicable rules and regulations of governmental authorities.

- b. LESSEE shall assume the defense of, indemnify, and hold 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, damages for injury to natural resources or the public, and costs of any health assessment or health effect studies.
- c. 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 CITY within five (5) days of receipt of the knowledge or cause for belief. If LESSEE knows or has reasonable cause to believe that the substance is an imminent and substantial danger to public health and safety, LESSEE shall notify CITY immediately upon receipt of this knowledge or belief and shall take all actions necessary to alleviate the danger. LESSEE shall notify CITY immediately of any notice of violation received or initiation of environmental actions or private suits relative to the Premises. LESSEE and LESSEE'S sublessees also shall not store, utilize, or sell any hazardous substance on the Premises without the prior written consent of CITY.
- d. At any time within the twelve (12) months before the expiration or earlier termination of this Lease, LESSEE, at 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. The 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 the 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 the remediation or removal. LESSEE shall cause the remediation and/or removal recommended in the environmental assessment so that compliance with environmental law is achieved and shall be solely responsible for all costs and expenses incurred.

- 6.13 Best Management Practices. LESSEE shall comply with the Best Management Practices ("BMP") including the Stormwater Pollution Prevention Plan ("SPPP") approved by CITY'S Stormwater Management Program. LESSEE shall submit for review and approval by the City Manager, within ninety (90) days of the Commencement Date of this Lease, BMP and a SPPP that are satisfactory to CITY that will control erosion and reduce the amount of pollutants and other sediments discharged from the Premises. The BMP and SPPP will be reviewed periodically by CITY. Upon written notice from CITY requesting an update of the BMP, LESSEE shall submit updated BMP and a SPPP that are satisfactory to CITY within ninety (90) days of receipt of notice. LESSEE shall implement any necessary changes to the BMP and SPPP as a result of any review by CITY to ensure compliance with any changes in laws or regulations. It is LESSEE'S responsibility to inform employees, contractors, subcontractors, agents, and vendors of the BMP and SPPP.

SECTION 7: GENERAL PROVISIONS

7.1 Notices

- a. Any notice required or permitted to be given under this Lease shall be in writing and may be served personally or by United States mail, postage prepaid, addressed to LESSEE at the Premises or at another address designated in writing by LESSEE; and to CITY as follows:

City of San Diego
Attention: Real Estate Assets 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 the 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.

- c. Notice served pursuant to the terms of this Section 7.1 shall be effective upon personal service or five (5) days after deposit in the U. S. mail.
- 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 under the authority of any 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 shall not discriminate in any manner against any person or persons on account of race, color, religion, gender, sexual orientation, medical status, national origin, age, marital status, or physical disability 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 Compliance with CITY'S Equal Opportunity Contracting Program.
 - a. LESSEE acknowledges and agrees that it is aware of, and will comply with, City Council Ordinance No. 18173 (San Diego Municipal Code Sections 22.2701 through 22.2708, as amended), EQUAL EMPLOYMENT OPPORTUNITY OUTREACH PROGRAM, a copy of which is on file in the Office of the City Clerk and by this reference is incorporated in this Lease. LESSEE and all of its subcontractors are individually responsible to abide by its contents.
 - b. LESSEE shall comply with Title VII of the Civil Rights Act of 1964, as amended; Executive Orders 11246, 11375, and 12086; the California Fair Employment Practices Act; and any other applicable federal and state laws and regulations hereafter enacted. LESSEE will not discriminate against any employee or applicant for employment on any basis prohibited by law.
 - c. LESSEE submitted and CITY acknowledges receipt of a current Work Force Report or a current Equal Employment Opportunity (EEO) Plan as required by Section 22.2705 of the San Diego Municipal Code, which sets forth the actions that LESSEE will take to achieve CITY'S commitment to equal employment opportunities.

- d. LESSEE shall insert the foregoing provisions in all subcontracts for any work covered by this Lease so that these provisions will be binding upon each subcontractor. LESSEE agrees that compliance with EEO provisions flowing from the authority of both parties will be implemented, monitored, and reviewed by CITY'S Equal Opportunity Contracting Program staff.
 - e. 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 Lease and debarment from participating in CITY contracts for a period of not less than one (1) year.
- 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 attorneys' 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. The 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 Lease, agrees that there is no other written or oral understanding between the parties with respect to the 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 may, at the sole option of CITY, be unilaterally and immediately terminated by CITY if the contractor or LESSEE employs an individual who, within the twelve (12) months immediately preceding the 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 are 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) 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 Disabled Access Compliance. LESSEE shall at all times in the construction, maintenance, occupancy, and operation of the Premises comply with the 1990 Americans with Disabilities Act and Title 24 of the California Code of Regulations (Building Code), as defined in Section 18910 of the California Health and Safety Code and any other applicable federal, state, or local regulations hereafter enacted protecting the rights of people with disabilities.

- 7.14 Authority. Each individual executing this Lease on behalf of another person or legal entity represents and warrants that he/she is authorized to execute and deliver this Lease on behalf of that person or entity in accordance with duly adopted resolutions or other authorizing actions which are necessary and proper and under the legal entity's articles, charter, bylaws, or other written rules of conduct or governing agreement, and that this Lease is binding upon that person or entity in accordance with its terms. Each person executing this Lease on behalf of another person or legal entity shall provide CITY with evidence, satisfactory to the City Manager, that such authority is valid and that such entity is a valid, qualified corporation, limited liability company, partnership, or other unincorporated association in good standing in its home state and that the entity is qualified to do business in California.
- 7.15 Standard of Employees. LESSEE and its employees shall at all times conduct themselves and the operations on the Premises in a creditable manner.
- 7.16 Survival. Any obligation which accrues under this Lease prior to its expiration or earlier termination shall survive the expiration or earlier termination of the Lease.
- 7.17 San Diego's Strong Mayor Form of Governance. All references to "City Manager" in this Lease and all subsequent amendments to this Lease shall be deemed to refer to "Mayor." This section became effective on January 1, 2006, and shall remain in effect for the duration that CITY operates under the mayor-council (commonly referred to as "strong mayor") form of governance pursuant to Article XV of The City of San Diego Charter.

(Remainder of Page Intentionally Left Blank)

SECTION 8: SIGNATURES

8.1 Signature Page.

This Lease is executed by CITY, acting by and through its City Manager, and by LESSEE, acting by and through its lawfully authorized officers, to be effective as of the Commencement Date.

THE CITY OF SAN DIEGO, a municipal corporation

Date 5/19/06

By: Mike Boyle
Name: Mike Boyle
Title: READ Acting Director

LESSEE: COALITION OF NEIGHBORHOOD COUNCILS, a California nonprofit corporation

Date 5/19/06

By: Dwayne Crenshaw
Name: Dwayne Crenshaw
Title: Executive Director

By: _____
Name: _____
Title: _____

APPROVED as to form and legality this 24th day of MAY, 2006.

MICHAEL J. AGUIRRE, CITY ATTORNEY

By: Brock Ladewig
Deputy City Attorney
Brock Ladewig

PTC/cj
5/8/06

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SECTION 9: EXHIBITS

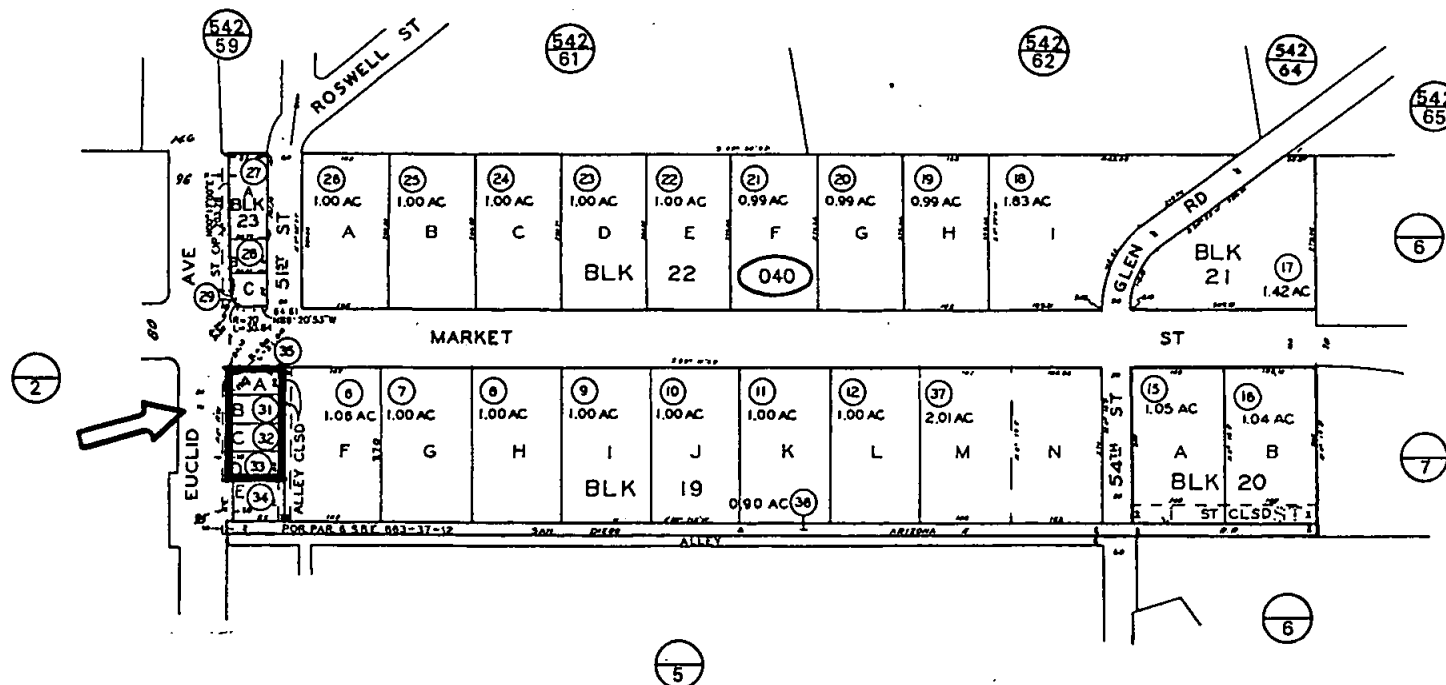
9.1 Legal Description.

Lots A, B, C, and D in Block 19 of Las Alturas No. 5, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 2053, filed in the Office of the San Diego County Recorder, August 17, 1927; together with the vacated alley lying Easterly of and adjacent to said Lots A, B, C, and D.

EXCEPTING THEREFROM the Southerly 10.00 feet of said Lot D required for the widening of Chollas Creek.

09/15/2003 EX

CHANGES				
BLK	OLD	NEW	TR	CUT
	17-18	37	64	338
040	17-18	ST 21	81	5242
	17-18	SAME	82	5743
040	27-29	ST 20	04	4899




 SAN DIEGO COUNTY
 ASSESSOR'S MAP
 BOOK 548 PAGE 04

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS
 ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS
 MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

MAP 2053-LAS ALTURAS NO. 5
 ROS 17310

9.2 Corporate Name.

COALITION OF NEIGHBORHOOD COUNCILS
CORPORATE NAME

I, Dwayne Crenshaw, certify that I am the
Executive Director of the corporation named in the attached Lease;
that Dwayne Crenshaw, who signed this Lease on behalf of the
corporation, was then Executive Director of the corporation; that the Lease
was duly signed for and on behalf of the corporation by authority of its governing body, pursuant
to a resolution duly adopted by its Board of Directors on May 16, 20 06,
and is within the scope of its corporate powers; and that set out below are the names of the
officers and directors of the corporation.

By Dwayne

CORPORATE SEAL

Name Barbara Howard, Chair
Title

Name Lamar Jackson, Vice Chair
Title

Name Elaine Kennedy, Treasurer
Title

Name Letitia Flynn, Secretary
Title

9.3 Schedule of Rates and Charges.

Opening Fee (Non-operating hours)	\$35
Nonprofit Meetings	Free
Other Meetings	\$15 per hour
Nonprofit Event	\$35 per hour
Other Events	\$100 per hour
- 2 hour minimum	
- \$35 each additional hour	
Kitchen Use	\$100 first 2 hours
- \$35 each additional hour	
Event Security Deposit	\$100

An additional charge for security and cleanup may be assessed by LESSEE.

9.4 Schedule of Days and Hours of Operation.

Monday through Thursday 10:00 a.m. to 6:00 p.m.

Friday 10:00 a.m. to 3:00 p.m.

The Center may be opened upon request before and after regular business hours and on weekends.