

CITY OF SAN DIEGO SUBLEASE

THIS CITY OF SAN DIEGO SUBLEASE ("Sublease") is entered into by and among THE CITY OF SAN DIEGO, a California municipal corporation ("CITY"), and Randy Kattola dba CIVIC CENTER CAFÉ ("SUBLESSEE"), to be effective when signed by the parties and approved by the San Diego City Attorney ("Effective Date").

FOR VALUABLE CONSIDERATION, the sufficiency of which is acknowledged, the parties agree as follows:

1. Subleased Premises. CITY Subleases to SUBLESSEE and SUBLESSEE Subleases from CITY Suite 408 located within "Civic Center Plaza" at 1200 Third Avenue, San Diego, California, 92101 (the "Premises"), consisting of approximately 768 square feet, including a food preparation and storage area, counter space, and customer seating, which is more particularly depicted in **Exhibit A: Premises** attached hereto. It is further agreed that the Premises has not been surveyed; CITY and SUBLESSEE have agreed to approximate square footage; and any deviation between approximate and actual square footage of the Premises shall not cause any reduction or change in rent or consideration due under this Sublease.
2. Allowed Uses. SUBLESSEE may use the Premises solely and exclusively for the purpose of the management and operation of a delicatessen café and such other related or incidental purposes as may be first approved in writing by CITY, and for no other purposes whatsoever (the "Allowed Uses").
3. Term. The term of this Sublease shall commence on May 1, 2018 ("Commencement Date") and shall expire on the April 30, 2021 ("Term").
4. Early Occupancy. SUBLESSEE shall be granted early occupancy of the Premises forty five (45) calendar days prior to the Commencement Date to perform approved tenant improvements and for installation of all furniture, fixtures and equipment, but not for the purpose of operating SUBLESSEE's business on the Premises, provided that the Sublease has been executed by all parties on or before this date, and that SUBLESSEE has obtained the express written consent of CITY in accordance with Section 22 of this Sublease, and provided further at SUBLESSEE has provided to CITY proof of insurance for all insurance SUBLESSEE is required to maintain under this Sublease. If SUBLESSEE is granted access to the Premises before the Commencement Date under this section, all terms and provisions of this Sublease shall apply to the SUBLESSEE's use of the Premises except for the requirement for the payment of rent, and SUBLESSEE shall abide by all of such terms and provisions.
5. Rent.
 - a. Base Rent. The annual base rent established for the Term following the Commencement Date of this Sublease for year one of the Sublease is Fourteen Thousand Seven Hundred Eighty Four Dollars (\$14,784.00) ("Base Rent"). Base Rent shall be paid in twelve (12) equal monthly installments of One Thousand Two Hundred Thirty Two Dollars (\$1,232.00) each. The rent is due and payable, without deduction or offset on the first

(1st) of each month and shall be deemed late on the fifth (5th) of the month.

- b. Additional Rent. In addition to paying the Base Rent, SUBLESSEE shall pay monthly common area maintenance cost ("CAMs") of Sixty Eight Dollars (\$68.00) as additional rent. CAMs shall be payable for the same periods and in the same manner as the Base Rent. Base Rent and CAMs are collectively referred to as "rent."
 - c. Rent Adjustment. The Base Rent shall increase annually by two percent (2%). For example, the Base Rent for year two of the Sublease shall be Fifteen Thousand Eighty Dollars (\$15,080.00) and the Base Rent for year three of the Sublease shall be Fifteen Thousand Three Hundred Eight Five Dollars (\$15,385).
6. Security Deposit. Concurrently with SUBLESSEE's signature of this Sublease, SUBLESSEE shall deliver to CITY a sum in the amount equal to the last month's rent ("Security Deposit") as security for the performance of SUBLESSEE's obligations under this Sublease. CITY shall not be liable to SUBLESSEE for any interest thereon. Any interest earned from such deposit or redeposit shall not become part of the Security Deposit, but shall be and remain the property of CITY. All or any portion of the Security Deposit shall be available unconditionally to CITY to cure, in whole or in part, any breach or default of this Sublease by SUBLESSEE, or for expenses incurred by CITY as a result of SUBLESSEE's breach or default of this Sublease. SUBLESSEE shall maintain the Security Deposit throughout the Term. The Security Deposit is not an advance payment of rent or a measure or limit of SUBLESSEE's liability for damages.

SUBLESSEE waives the provisions of California Civil Code section 1950.7, and all other provisions of law now in force or that become in force after the Effective Date, that provide that CITY may claim from a security deposit only those sums reasonably necessary to remedy the defaults in the payment of accrued rent, to repair damage caused by SUBLESSEE, or to clean the Premises. SUBLESSEE and CITY agree the CITY may, in addition, claim those sums reasonably necessary to compensate CITY for any other foreseeable or unforeseeable loss of damage caused by the act or omissions of SUBLESSEE or SUBLESSEE's officers, agents, employees, independent contractors, or invitees, including future rent payments.

7. Place of Payment. -All amounts due under this Sublease shall be made payable to "City Treasurer" and delivered to the Office of the City Treasurer, Civic Center Plaza Building, 1200 Third Avenue, First Floor, San Diego, CA 92101, or mailed with an invoice to:

THE CITY OF SAN DIEGO
Office of the City Treasurer
P.O. Box 129030
San Diego, CA 92112-9030

8. Delinquent Payments. If SUBLESSEE fails to pay rent when due, SUBLESSEE shall pay, in addition to the unpaid rent, five percent (5%) of the delinquent rent which shall be additional Rent. If the rent is still unpaid after fifteen (15) days past due, SUBLESSEE shall pay an additional five percent (5%) (being a total ten percent (10%)), which is agreed by the

parties to be appropriate to compensate CITY for the cost of servicing the delinquent account, and shall be additional rent. In no event shall the charge for late payments of rent be less than Twenty-Five Dollars (\$25). After thirty (30) days past due, unpaid amounts due CITY under this Sublease may be referred to the San Diego City Treasurer for collection, and shall be subject to San Diego Municipal Code section 22.1707, as may be amended from time to time. SUBLESSEE shall pay to CITY any collection-referral fee and all other fees and charges plus interest as may then be charged by the San Diego City Treasurer under authority of the San Diego Municipal Code. Acceptance of late charges and any portion of the late payment by CITY shall neither constitute a waiver of SUBLESSEE's default with respect to late payment nor prevent CITY from exercising any other rights and remedies available at law or in equity. As required by law, SUBLESSEE is hereby notified that a negative credit report may be submitted to a credit reporting agency if amounts due CITY are not paid when due.

9. Default and Remedies.

- a. Default. SUBLESSEE shall be in default of this Sublease if any of the following occurs:
 - i. SUBLESSEE fails to make any payment required under this Sublease when due;
 - ii. SUBLESSEE breaches any of its obligations under this Sublease, other than those requiring payment to CITY, and fails to correct the breach within thirty (30) days following written notice thereof from CITY, or if not curable within thirty (30) days, fails to commence to correct the breach within thirty (30) days and diligently pursue the cure to completion;
 - iii. SUBLESSEE voluntarily files or involuntarily has filed against it any petition under any bankruptcy or insolvency act or law, and such proceeding is not dismissed within sixty (60) days thereafter;
 - iv. SUBLESSEE is adjudicated a bankrupt; or
 - v. SUBLESSEE makes a general assignment for the benefit of creditors.
- b. Remedies. Upon SUBLESSEE default, CITY may, at its option, either terminate this Sublease upon three (3) days prior notice delivered to SUBLESSEE (or any person claiming rights through SUBLESSEE), or deliver to SUBLESSEE (or any person claiming rights through SUBLESSEE) a thirty (30)-day written "Notice of Intent to Terminate" this Sublease. If CITY delivers such a "Notice of Intent to Terminate" and SUBLESSEE (or the persons claiming rights through SUBLESSEE) does not cure the default within the thirty-day period, CITY may, upon three (3) days prior notice delivered to SUBLESSEE (or any person claiming rights through SUBLESSEE) terminate this Sublease and all rights of SUBLESSEE (and/or each person claiming rights through SUBLESSEE) to the Premises or to possession of the Premises. Upon termination, CITY may enter and take possession of the Premises, and may recover from SUBLESSEE the sum of:

- i. the worth at the time of award of any unpaid rent that was due at the time of termination;
- ii. the worth at the time of award of the amount by which the unpaid rent that would have been earned after termination until the time of award exceeds the amount of rental loss, if any, that SUBLESSEE affirmatively proves could have been reasonably avoided;
- iii. the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of rental loss, if any, that SUBLESSEE affirmatively proves could be reasonably avoided;
- iv. any other amount necessary to compensate CITY for all the detriment proximately caused by SUBLESSEE's breach and default, or that in the ordinary course of things, would be likely to result; and
- v. all other amounts in addition to or in lieu of those previously stated as may be permitted at law or in equity.

As used in clauses (a) and (b), above, the "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum. As used in clause (c), above, the "worth at the time of award" is 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 rent and any and all other amounts payable by SUBLESSEE under this Sublease.

- c. Abandonment by SUBLESSEE. If SUBLESSEE abandons the Premises, this Sublease shall continue in effect as long as CITY does not terminate this Sublease, and CITY may enforce all of its rights and remedies under this Sublease, including without limitation the right to recover rent as it becomes due, plus damages.
 - d. Waiver. Any waiver by CITY of a breach or default by SUBLESSEE shall not be a waiver of any other breach or default. No waiver shall be valid and binding unless in writing and executed by CITY. CITY's delay or failure to enforce a right or remedy shall not be a waiver of that or any other right or remedy under this Sublease. The enforcement of a particular right or remedy for a breach or default shall not waive any other right or remedy for the same breach or default, or for any other or later breach or default. CITY's acceptance of any rents shall not be a waiver of any default preceding such payment. SUBLESSEE acknowledges that any failure by CITY to discover a breach or default, or take prompt action to require the cure of any breach or default, shall not result in an equitable estoppel, but CITY shall at all times, have the legal right to require the cure of any breach or default. CITY's acceptance of a partial payment of rent shall not constitute a waiver of the balance of the rent payment due.
10. Unauthorized Use Charge. SUBLESSEE shall pay CITY one hundred (100%) of the gross receipts from any use of the Premises that is not allowed by this Sublease, regardless of any related penalties charged SUBLESSEE by competent governmental authorities. Such unauthorized use charge shall be payable to CITY within thirty (30) days after SUBLESSEE

receives such gross receipts. No unauthorized use charges shall satisfy or credit against any other rent obligations of SUBLESSEE under this Sublease. The unauthorized use charge shall otherwise be considered "rent" under this Sublease, and shall be subject to all costs and penalties for delinquent payments hereunder. The existence of such unauthorized use charge and CITY's acceptance thereof shall not constitute authorization for the use in question, and shall not waive any of CITY's rights under this Sublease.

11. Conduct of SUBLESSEE. SUBLESSEE and its employees shall at all times conduct themselves in a professional, creditable, and competent manner. SUBLESSEE shall comply with all permitting requirements. SUBLESSEE shall thoroughly train all employees in their duties, all requirements of this Sublease, and all applicable rules and regulations of CITY.
12. Governmental Approvals. By entering into this Sublease, neither CITY nor CITY's City Council is obligating itself to SUBLESSEE or to any governmental agent, board, commission or agency with regard to any other discretionary action relating to SUBLESSEE's occupancy, use, development, maintenance or restoration of the Premises. "Discretionary action" includes without limitation re-zonings, variances, environmental clearances and all other required governmental approvals.
13. CITY's Consent, Discretion. CITY's consent or approval under this Sublease shall mean the written consent or approval of CITY's Mayor, or his or her designee ("Mayor"), unless otherwise expressly provided herein or required by law. CITY's discretionary acts hereunder shall be made in the Mayor's discretion, unless otherwise expressly provided or required by law.
14. Assignment and Subletting. SUBLESSEE shall not assign this Sublease or any interest in this Sublease, and shall not sublet the Premises or any part of the Premises, or grant any license or other right or appurtenant privilege to the Premises, or permit any other person, except SUBLESSEE's employees, agents, and guests, to use or occupy the Premises or any part of the Premises, without CITY's prior written consent. Any such consent shall not be deemed a consent to any subsequent assignment, subletting, occupation, or use by another person. Neither this Sublease nor any interest in it shall be assignable, as to SUBLESSEE's interest, by operation of law, without CITY's written consent. "Assignment" shall include without limitation the transfer of any interest in this Sublease and, if SUBLESSEE is other than a natural person, the transfer of a controlling interest in SUBLESSEE or any of SUBLESSEE's general partners, principals, or controlling shareholders.
 - a. Consent Conditions. CITY may require, as a condition to consenting to any assignment, sublease or other grant of rights related to the use and occupancy of the Premises, that this Sublease be revised to comply with then-current CITY Sublease provisions, and that the assignment, sublease or other grant of rights be subject and subordinate to each and every provision of this Sublease.
 - b. Charter Section 225. Pursuant to San Diego City Charter section 225, SUBLESSEE and each of its subtenants and assignees shall make a full and complete disclosure of the name and identity of any and all persons directly or indirectly involved in this Sublease and the Premises, and the precise nature of all interests of all persons therein. Pursuant to City

Charter Section 225, every person or entity which will have an interest in this Sublease or the Premises must be reviewed and approved by CITY.

- c. Additional Consideration to CITY from SUBLESSEE. SUBLESSEE and CITY agree that in the event of an assignment or in the event of a subletting of the majority portion of the Premises, SUBLESSEE shall pay to CITY two percent (2%) of the gross amount paid to SUBLESSEE in connection with an approved assignment of the Sublease or two percent (2%) of any amount paid SUBLESSEE in consideration of an approved sublease of all or a majority portion of the Premises. The amount upon which the two percent (2%) shall be based shall be the total consideration resulting from the transaction including total cash payments and the market value of noncash consideration, including but not limited to stocks, bonds, deferred payments, secured and unsecured notes, and forbearances regarding claims and judgments. Prior to CITY's consent to any assignment or majority subletting, SUBLESSEE shall deliver to CITY a written statement of all sums due and owing to CITY from SUBLESSEE pursuant to the provisions of this section, together with an acknowledgment from the proposed assignee or SUBLESSEE as to the amount due CITY. The sum due CITY shall be payable in full to CITY concurrent with the completion of the transaction, be it an assignment or a Sublease. Any assignment or subletting in violation of the terms and conditions of this section shall be void. The provisions of this section shall not apply to:
 - i. an assignment or transfer of a beneficial interest in the Premises resulting from devise, bequest, intestate succession, or by operation of law for the benefit of the spouse or descendants (i) of SUBLESSEE (if an individual) or (ii) of SUBLESSEE's principal owner or chief executive office (if SUBLESSEE is other than an individual); or
 - ii. such other assignment for which CITY determines that the legal and equitable ownership interests in the Sublease have remained unchanged, such as a change in the legal or fictitious name of the SUBLESSEE without any other change in the equity in or the beneficial use of, or legal title to, the Sublease or the Premises as an asset or the income produced thereby.
 - d. Additional Consideration to CITY from Subleases. Excepting therefrom any majority Sublease as described above, as a condition to CITY's approval of any Sublease or other rental agreement as allowed under this Sublease for a portion of the Premises, SUBLESSEE shall pay to CITY fifty percent (50%) of the gross revenues owed to SUBLESSEE under any Sublease or other rental agreement for the Premises.
15. No Holdover. If SUBLESSEE continues to occupy the Premises after the expiration or earlier termination of this Sublease, such occupancy shall neither constitute a renewal or extension of this Sublease, nor give SUBLESSEE any rights in or to the Premises. If SUBLESSEE continues to occupy the Premises after the expiration or earlier termination of this Sublease, the Base Rent shall be at One Hundred Twenty Five Percent (125%) of the previous month. CITY's acceptance of such rent shall neither constitute a renewal or extension of the license, nor give SUBLESSEE any rights in or to the Premises.

16. Surrender of Premises. Upon the expiration or earlier termination of this Sublease, SUBLESSEE shall vacate the Premises and surrender them to CITY free and clear of all liens and encumbrances, and in a decent, safe, and sanitary condition, reasonable wear and tear excepted. At any time after the expiration or earlier termination of this Sublease, SUBLESSEE shall execute, acknowledge, and deliver to CITY, within thirty (30) days after CITY's demand, a valid and recordable quitclaim deed covering all of the Premises. If SUBLESSEE fails or refuses to deliver the required quitclaim deed, CITY may prepare and record a notice reciting SUBLESSEE's failure to perform this Sublease provision, and the notice shall be deemed conclusive evidence of the termination of this Sublease and all of SUBLESSEE's rights in and to the Premises.
17. Restoration of Premises. Except as otherwise provided in this Sublease, prior to the expiration or as soon as practicable after termination of this Sublease, SUBLESSEE shall restore the Premises to their condition on the Effective Date, normal wear and tear excepted. Any restoration work requires CITY review and approval.
18. Superior Interests. This Sublease is subject to all liens, encumbrances, covenants, conditions, restrictions, reservations, contracts, agreements and licenses, easements and rights-of-way pertaining to the Premises, whether or not of record. SUBLESSEE shall obtain all licenses and agreements from such third parties as may be or become necessary or reasonably advisable to allow its use of the Premises, relative to any such superior interest. If SUBLESSEE's use of the Premises is or becomes inconsistent or incompatible with a preexisting, superior interest, SUBLESSEE shall take such actions and pay all costs and expenses necessary to remove such inconsistency or incompatibility to the satisfaction of the holder of the superior interest.
19. Maintenance of the Premises. SUBLESSEE shall, at SUBLESSEE's sole cost and expense and to CITY's satisfaction, maintain the Premises in good order and repair and in a safe, healthy and sanitary condition at all times during the Term. CITY shall not be required to make any improvements or repairs to the Premises. SUBLESSEE shall keep the Premises free and clear of rubbish, debris and litter at all times.
20. Trash and Refuse. SUBLESSEE shall, at its sole cost and expense, provide containers on the Premises to receive trash and refuse generated on the Premises. Refuse containers shall not be located outside the Premises. Such containers shall be covered and emptied regularly enough to prevent them from overflowing or creating unhealthful, unsightly, or unsanitary conditions. The contents of the containers shall be disposed of by the property management day porter at the end of each business day.
21. Inspection. CITY may at all times enter and inspect the Premises.
22. Improvements/Alterations. Except as otherwise provided in this Sublease, SUBLESSEE shall not construct any improvements, structures or installations on the Premises, and shall not alter the Premises without the express written consent of CITY. Except as required by law, CITY shall not be obligated to make any repair or assume any expense for any improvements or alterations to the Premises.
23. Improvements and Personal Property.

- a. Improvements. Upon expiration or termination of this Sublease, SUBLESSEE shall remove any and all improvements, fixtures, structures and installations or additions to the Premises that were solely constructed or installed on the Premises by SUBLESSEE ("SUBLESSEE Improvements"). Any restoration work requires CITY review and approval. SUBLESSEE shall, at SUBLESSEE's sole cost and expense, remove all SUBLESSEE Improvements as soon as practicable, but in no event later than sixty (60) days after the expiration or earlier termination of this Sublease. SUBLESSEE, at its sole cost and expense, shall be responsible for the repair of any and all damage resulting from the removal of SUBLESSEE Improvements as required by this Sublease. If SUBLESSEE fails to remove SUBLESSEE Improvements as required, CITY may, at its option, remove them at SUBLESSEE's sole cost and expense. Notwithstanding the foregoing, CITY may, upon notice to SUBLESSEE at termination or at any time prior to the expiration of the Term, elect to assume ownership of all or any SUBLESSEE Improvements as of the expiration or earlier termination of this Sublease, at no cost to CITY. If CITY elects to assume ownership of all or any SUBLESSEE Improvements, SUBLESSEE shall honor such assumption and execute and deliver all necessary and appropriate documents, materials and other items reasonably needed to effect such transfer of ownership to CITY.
- b. Personal Property. SUBLESSEE shall remove from the Premises all SUBLESSEE-owned machines, appliances, equipment, trade fixtures and other items of personal property upon the expiration of the Term, or as soon as practicable after termination, but in no event later than thirty (30) days after the expiration or earlier termination of this Sublease. Any such items which SUBLESSEE fails to so remove shall be deemed abandoned and become CITY's property free of all claims and liens, or CITY may, at its option, remove such items at SUBLESSEE's sole cost and expense. SUBLESSEE, at its sole cost and expense, shall be responsible for the repair of any and all damage resulting from the removal of its personal property from the Premises.
- c. Post-Sublease License. CITY grants permission to SUBLESSEE to enter upon and occupy the Premises after the expiration or earlier termination of this Sublease solely for the purpose of removing SUBLESSEE Improvements and SUBLESSEE's personal property as provided by this Sublease. This provision shall survive the expiration or earlier termination of this Sublease.
- d. Late Removal. Notwithstanding any provision of this Sublease to the contrary, SUBLESSEE shall pay rent to CITY for any period of time after the expiration or termination of this Sublease needed to remove SUBLESSEE Improvements or personal property as required by this Sublease, whether by CITY or SUBLESSEE. Such rent shall be calculated on a per diem basis using the rental rate in effect just prior to the expiration or termination of this Sublease.
- e. CITY's Right to Acquire Personal Property. If SUBLESSEE wants to dispose of any of its personal property used in its operations on the Premises upon expiration or termination of this Sublease, CITY shall have the first right to acquire such personal property.

24. Insurance. SUBLESSEE shall obtain and maintain throughout the Term, at its sole cost and expense, all insurance required by this Sublease. SUBLESSEE's liabilities under this Sublease, including without limitation SUBLESSEE's indemnity obligations, shall not be deemed limited in any way to the insurance coverage required herein. SUBLESSEE's maintenance of the required insurance coverage is a material consideration for this Sublease. Notwithstanding any provision of this Sublease to the contrary, if SUBLESSEE fails to maintain or renew the insurance coverage required herein, or fails to deliver evidence of same to CITY, SUBLESSEE shall be in default of this Sublease. SUBLESSEE shall not modify any policy or endorsement thereto which increases CITY's exposure to loss. SUBLESSEE shall obtain and deliver to CITY's Real Estate Assets Department a current certificate of insurance and relevant endorsements for (and subject to CITY's written approval of same):

- i. Commercial General Liability Insurance ("CGL") written on an *ISO Occurrence form CG 00 01 07 98* or an equivalent form providing coverage at least as broad which shall cover liability arising from any and all personal injury, including death, and property damage with limits of at least Two Million Dollars (\$2,000,000) per occurrence, subject to an annual aggregate of at least Four Million Dollars (\$4,000,000). There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy; and
 - ii. Workers' Compensation Insurance, as required by applicable laws, for all of SUBLESSEE's employees who are subject to this Sublease, with employers' liability coverage with a limit of at least One Million Dollars (\$1,000,000), and an endorsement that the insurer waives the right of subrogation against The City of San Diego and its elected officials, officers, employees, representatives and agents.
- a. Additional Insureds. To the fullest extent allowed by law, including without limitation California Insurance Code section 11580.04, each policy must be endorsed to include as an insured "The City of San Diego and its elected officials, officers, employees, representatives and agents" with respect to liability arising out of: (a) ongoing operations performed by SUBLESSEE or on SUBLESSEE's behalf; (b) SUBLESSEE's products; (c) SUBLESSEE's work, including without limitation SUBLESSEE's completed operations performed by SUBLESSEE or on SUBLESSEE's behalf; or (d) the Premises.
 - b. Primary and Non-Contributory. Each policy must be endorsed to provide that the insurance afforded by Commercial General Liability policies is primary to any insurance or self-insurance of The City of San Diego and its elected officials, officers, employees, representatives and agents as respects operations of the named insured. Any insurance maintained by The City of San Diego and its elected officials, officers, employees, representatives and agents shall be in excess of SUBLESSEE's insurance and shall not contribute to it.

- c. Severability of Interest. Each policy must be endorsed to provide that SUBLESSEE's insurance shall apply separately to each insured against whom claim is made or suit is bought, except with respect to the limits of the insurer's liability and shall provide cross-liability coverage.
- d. Qualified Insurer(s). Except for the State Compensation Insurance Fund, all insurance required by this Sublease shall only be carried by insurance companies with a rating of at least "A-, VI" by A.M. Best Company that are authorized by the California Insurance Commissioner to do business in the State of California, and that have been approved by CITY. CITY may accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State of California and is included on the List of Eligible Surplus Lines Insurers (i.e., the LESLI list). All policies of insurance carried by non-admitted carriers shall be subject to all of the requirements for policies of insurance provided by admitted carriers described herein. Each insurer shall be subject to CITY's approval in each instance.
- e. Deductibles/Retentions. All deductibles and self-insured retentions on any insurance policy are the sole responsibility of SUBLESSEE and must be disclosed and acceptable to CITY at the time evidence of insurance is provided.
- f. Continuity of Coverage. All policies shall be in effect on or before the first day of the Term, except "course of construction fire insurance" shall be in force on commencement of all authorized construction, and full applicable fire insurance coverage shall be effective upon completion of each insurable improvement. The policies shall be kept in force for the duration of the Term. At least thirty (30) days prior to the expiration of each insurance policy, SUBLESSEE shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the requirements of this Sublease. SUBLESSEE shall provide proof of continuing insurance at least annually during the Term and otherwise upon CITY's request. If insurance lapses or is discontinued for any reason, SUBLESSEE shall immediately notify CITY and shall immediately obtain replacement insurance as soon as possible.
- g. Modification. To assure protection from and against the kind and extent of risk existing with the Allowed Uses or the Premises, CITY, at its discretion, may require the revision of amounts and coverage at any time during the Term by giving SUBLESSEE thirty (30) days prior written notice. SUBLESSEE shall also obtain any additional insurance required by CITY for new improvements, changed circumstances or CITY's reasonable re-evaluation of risk levels related to the Allowed Uses or the Premises.
- h. Accident Reports. SUBLESSEE shall immediately report to CITY any accident causing property damage or injury to persons on the Premises or otherwise related to the Allowed Uses. Such report shall contain the names and addresses of the involved parties, a statement of the circumstances, the date and hour of the accident, the names and addresses of any witnesses, and other pertinent information.
- i. Causes of Loss - Special Form Property Insurance. SUBLESSEE shall obtain and maintain, at its sole cost, Causes of Loss - Special Form Property Insurance on all of SUBLESSEE's insurable property related to the Allowed Uses or the Premises in an

amount to cover 100 percent (100%) of the replacement cost. SUBLESSEE shall deliver to CITY a certificate of such insurance.

26. Indemnification and Hold Harmless. SUBLESSEE shall protect, defend, indemnify and hold CITY and its elected officials, officers, employees, representatives and agents harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to SUBLESSEE's officers, employees, invitees, guests, agents or contractors, which arise out of or are in any manner directly or indirectly connected with this Sublease or SUBLESSEE's occupancy, use, development, maintenance or restoration of the Premises, and all expenses of investigating and defending against same, including without limitation attorney fees and costs; provided, however, that SUBLESSEE's duty to indemnify and hold harmless shall not include any established liability arising from the sole negligence or intentional misconduct of CITY and its elected officials, officers, employees, representatives and agents. CITY may, at its election, conduct the defense or participate in the defense of any claim related in any way to this indemnification. If CITY chooses at its own election to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification, SUBLESSEE shall pay all reasonable costs related thereto, including without limitation reasonable attorney fees and costs.
27. Compliance with Laws. SUBLESSEE shall at all times in its use, occupancy, and maintenance of the Premises comply with all applicable laws, rules and regulations and direction by competent governmental authorities, and all at SUBLESSEE's sole cost and expense. At least annually, SUBLESSEE shall deliver to City copies of all documentary evidence of such compliance received by or otherwise available to SUBLESSEE (e.g., validation of periodic inspection of SUBLESSEE's fire-suppression equipment in the Premises).
28. California Public Records Act. CITY shall determine, in its sole discretion, whether this Sublease or any information provided by SUBLESSEE pursuant to this Sublease is or is not a public record subject to disclosure under the California Public Records Act. SUBLESSEE shall hold CITY and its elected officials, officers and employees harmless for CITY's disclosure of any such information in response to a request for information under the CPRA.
29. No Discrimination. SUBLESSEE shall not discriminate in any manner against any person on account of race, color, religion, gender, gender identity, gender expression, sexual orientation, medical status, national origin, age, marital status or disability in SUBLESSEE's use of the Premises, including without limitation the provision of goods, services, facilities, privileges, advantages and accommodations, and the hiring and retention of employees and contractors.
30. Equal Opportunity. SUBLESSEE 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 all other related and applicable federal and state laws and regulations. SUBLESSEE shall not discriminate against any employee or applicant for employment based on race, religion, color, ancestry, age, gender, sexual orientation, disability, medical condition or place of birth. SUBLESSEE shall cause the foregoing provisions to be inserted in all of SUBLESSEE's contracts for work related to this Sublease

so that such provisions will be binding upon each of SUBLESSEE's contractors. SUBLESSEE shall fully cooperate with any investigation conducted by CITY pursuant to CITY's Nondiscrimination in Contracting Ordinance (i.e., San Diego Municipal Code sections 22.3501-22.3517, as amended from time to time), and upon CITY's request SUBLESSEE shall submit a current Workforce Report. SUBLESSEE acknowledges that failure to comply with the requirements of this section and/or submitting false information in response to these requirements may result in termination of this Sublease and debarment from participating in CITY contracts for a period of not less than one (1) year.

31. Equal Benefits. SUBLESSEE shall comply with San Diego Municipal Code sections 22.4301-22.4308, which require applicable parties to offer the same employment benefits to employees with spouses and employees with domestic partners. SUBLESSEE shall certify that it will maintain such equal benefits throughout the term of this Sublease. SUBLESSEE's failure to maintain equal benefits shall be a material breach of this Sublease.
32. Disabled Access Compliance. SUBLESSEE shall comply with Title 24 of the California Code of Regulations (i.e., the "California Building Code"); the Americans with Disabilities Act of 1990 ("ADA"); and all other applicable state and federal laws and regulations enacted protecting the rights of people with disabilities. SUBLESSEE's compliance shall include without limitation the following:
 - a. SUBLESSEE shall not discriminate against qualified persons with disabilities in any aspects of employment, including recruitment, hiring, promotions, conditions and privileges of employment, training, compensation, benefits, discipline, layoffs and termination of employment;
 - b. No qualified individual with a disability may be excluded on the basis of disability from participation in, or be denied the benefits of, services, programs or activities of SUBLESSEE;
 - c. SUBLESSEE shall post a statement addressing the requirements of the ADA in a prominent place at the work site;
 - d. Where required by law, SUBLESSEE shall, at SUBLESSEE's sole cost and in conformance with all applicable building codes and accessibility regulations, comply with applicable disabled-access requirements by making accessible any areas of the Premises which deny access to disabled persons; and
 - e. SUBLESSEE shall include language in each sublicense agreement, if any, indicating the sublicensee's agreement to abide by the foregoing provisions.

SUBLESSEE and each of its sublicensees shall be individually responsible for their own ADA compliance program. SUBLESSEE's failure to comply with the above requirements and/or submitting false information in response to those requirements shall be a default under this Sublease.

33. Accessibility Assessment. In accordance with California Civil Code section 1938, CITY hereby states that the Premises have not been inspected by a Certified Access Specialist (CAsp).

Further, pursuant to California Civil Code section 1938(e), CITY is required to state: "A Certified Access Specialist (CAsp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CAsp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CAsp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CAsp inspection, the payment of the fee for the CAsp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

34. Drug-Free Workplace. SUBLESSEE shall comply with CITY's Drug-Free Workplace requirements set forth in Council Policy 100-17, adopted by San Diego Resolution R-277952 and incorporated into this Sublease by this reference.
35. CITY Employee Participation Policy. CITY may unilaterally and immediately terminate this Sublease if SUBLESSEE employs an individual who, within the twelve (12) months immediately preceding such employment did, in their capacity as a CITY officer or employee, participate in negotiations with or otherwise have an influence on a recommendation made to the San Diego City Council related to the selection of SUBLESSEE for this Sublease. It is not the intent of this policy that these provisions apply to members of the City Council.
36. Local Business and Employment. SUBLESSEE acknowledges that CITY seeks to promote employment and business opportunities for local residents and firms in all CITY contracts. For work associated with this Sublease and to the extent legally possible, SUBLESSEE shall use its best efforts to solicit applications for employment and bids and proposals for contracts from local residents and firms as opportunities occur. SUBLESSEE shall use its best efforts to hire qualified local residents and firms whenever practicable.
37. SUBLESSEE's Risk. SUBLESSEE shall bear all risks and liability arising out of or in any manner directly or indirectly connected with SUBLESSEE's use or occupancy of the Premises and any damages to the improvements on, under or in the vicinity of the Premises resulting directly or indirectly thereby.
38. No Nuisance. SUBLESSEE shall not use the Premises in any manner which creates a nuisance or unreasonably disturbs the quiet enjoyment of persons in and to the surrounding area.
39. Signs. SUBLESSEE shall not erect or display any banners, pennants, flags, posters, signs, menu boards, decorations, marquees, awnings or similar devices or advertising without CITY's prior written consent. If any such unauthorized item is found on the Premises, SUBLESSEE shall remove the item at its expense within twenty-four (24) hours after notice by CITY, or CITY may summarily thereafter remove the item at SUBLESSEE's cost.

40. Encumbrances. SUBLESSEE shall keep the Premises and the property of which it is a part free from all encumbrances and liens of any nature which arise out of or are in any manner directly or indirectly connected with this Sublease or SUBLESSEE's use or occupancy of the Premises. SUBLESSEE shall protect, defend, indemnify and hold CITY harmless from and against any and all such encumbrances and/or liens, and from and against any claim, liability, cost or expense, including without limitation all attorney fees and costs, relating to or charged against the property in connection with such encumbrances and/or liens, including without limitation SUBLESSEE's failure or the failure of any contractor or subcontractor hired by SUBLESSEE to pay any person or persons entitled to lien or encumber the property pursuant to the California Civil Code.
41. Taxes. SUBLESSEE shall pay, before delinquency, all taxes, assessments and fees assessed or levied upon SUBLESSEE or the Premises during the Term, including the land and any buildings, structures, machinery, equipment, appliances or other improvements or property of any nature whatsoever erected, installed or maintained by SUBLESSEE, or levied by reason of SUBLESSEE's occupancy, use, development, maintenance or restoration of the Premises, including without limitation licensing and Sublease costs and fees. SUBLESSEE acknowledges that this Sublease may create a possessory interest subject to property taxation, and that SUBLESSEE may be subject to the payment of taxes levied on that interest. SUBLESSEE shall pay all such possessory interest taxes. SUBLESSEE's payment for such taxes, fees and assessments shall not reduce any payment due CITY.
42. Unavoidable Delay. If the performance of an act required by this Sublease is directly prevented or delayed by a cause beyond the reasonable control of the party required to perform the act, that party shall be excused from performing the act for a period equal to the period of the prevention or delay. This provision shall not apply to obligations to pay rent. The party claiming a delay shall notify the other party in writing within ten (10) days after the beginning of any claimed delay.
43. Hazardous Substances. SUBLESSEE shall not allow the illegal installation, storage, utilization, generation, sale or re of Hazardous Substance or otherwise regulated substances in, on, under or from the Premises. SUBLESSEE and SUBLESSEE's agents and contractors shall not install, store, utilize, generate or sell any Hazardous Substance on the Premises without CITY's prior written consent. SUBLESSEE shall, prior to initiating any operations, obtain all required agreements from applicable regulatory agencies, including without limitation the San Diego County Department of Environmental Health, local fire agencies, the San Diego County Department of Weights and Measures, the San Diego County Air Pollution Control District, and the San Diego Regional Water Quality Control Board. Installing, utilizing, storing, or any other presence of a Hazardous Substance includes boxes, bags, bottles, drums, cylinders, above or below ground tanks, equipment with tanks, or any other type of container, equipment or device which holds or incorporates a Hazardous Substance or hazardous waste.
- a. Release. For all purposes of this Sublease, a "release" shall include without limitation any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or otherwise disposing of a hazardous substance.

- b. Hazardous Substance. For all purposes of this Sublease, "Hazardous Substance" shall mean any substance listed by the Environmental Protection Agency or the State of California as a hazardous substance, and all types of petroleum-related substances and their chemical constituents.
- c. Remediation. If SUBLESSEE's occupancy, use, development, maintenance or restoration of the Premises ("SUBLESSEE's Operations") results in a release of a Hazardous Substance, SUBLESSEE shall pay all costs of remediation and removal to CITY's satisfaction for unrestricted reuse of the Premises, and in accordance with all applicable laws, rules and regulations of governmental authorities.
- d. Removal. If SUBLESSEE or SUBLESSEE's contractor or agent has received approval and agreements to store, utilize, generate or install, or otherwise bring Hazardous Substances to the Premises, SUBLESSEE and/or SUBLESSEE's contractor or agent shall remove all Hazardous Substances in any type of container, equipment or device from the Premises immediately upon or prior to the expiration or earlier termination of this Sublease. CITY reserves the right to conduct inspections of the Premises and/or request documentation demonstrating the legal removal and/or disposal of the hazardous materials, wastes or other containers, equipment or devices from the Premises. SUBLESSEE shall be responsible for any and all costs incurred by CITY to remove any container, equipment or device requiring disposal or removal as required by this provision.
- e. Indemnity. SUBLESSEE shall protect, defend, indemnify and hold CITY harmless from any and all claims, costs and expenses related to environmental liabilities resulting from SUBLESSEE's Operations, including without limitation: (i) costs of environmental assessments; (ii) costs of regulatory remediation oversight; (iii) costs of remediation and removal; (iv) any necessary CITY response costs; (v) all fines, penalties or fees assessed by any regulatory agency; (vi) damages for injury to natural resources, SUBLESSEE's officers, employees, invitees, guests, agents or contractors, or the public; and (vii) all costs of any health assessments or health effect studies.
- f. Notice of Release. If SUBLESSEE knows or has reasonable cause to believe that a Hazardous Substance has been released on, from or beneath the Premises, SUBLESSEE shall immediately notify CITY and any appropriate regulatory or reporting agency pursuant to California Code of Regulations Title 19 and any other applicable laws or regulations. SUBLESSEE shall deliver a written report thereof to CITY within three (3) days after receipt of the knowledge or cause for belief and submit any required written reports to regulatory or reporting agencies as required by regulation or law. If SUBLESSEE knows or has reasonable cause to believe that such substance is an imminent release or is an imminent substantial danger to public health and safety, SUBLESSEE shall take all actions necessary to alleviate the danger. SUBLESSEE shall immediately notify CITY in writing of any violation, notice to comply, or notice of violation received or the initiation of environmental actions or private suits related to the Premises.
- g. Environmental Assessment. Upon reasonable cause to believe that SUBLESSEE's Operations resulted in any Hazardous Substance being released on, from or beneath the

Premises, CITY may cause an environmental assessment under regulatory oversight of the suspect area to be performed 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 SUBLESSEE's sole cost and expense, and shall establish what, if any, Hazardous Substances have more likely than not been caused by SUBLESSEE's Operations on, in, from or under the Premises, and in what quantities. If any such Hazardous Substances exist in quantities greater than allowed by city, county, state or federal laws, statutes, ordinances or regulations, or require future restricted re-use of the Premises, then the environmental assessment shall include a discussion of such substances with recommendations for remediation and removal necessary to effect unrestricted re-use and in compliance with those laws or statutes, and estimates of the cost of such remediation or removal. SUBLESSEE shall cause, or if SUBLESSEE fails to do so within a reasonable period of time, as determined by CITY in its sole discretion, then CITY may cause, the remediation and/or removal recommended in the environmental assessment such that unrestricted re-use of the Premises and compliance with environmental laws and regulations are achieved, and SUBLESSEE shall pay all costs and expenses therefor.

44. Storm Water Pollution Prevention Program. The CITY and SUBLESSEE are committed to the implementation of controls (best management practices, or BMPs) to manage activities on the premises in a manner which aids in the protection of the City of San Diego's precious water resources. It is the SUBLESSEE's responsibility to identify and implement an effective combination of BMPs so as not to cause pollutant discharges to the storm drain system in violation of San Diego Storm Water Management and Discharge Control Ordinance (San Diego Municipal Code Sections 43.0301 to 43.0312),

Therefore, SUBLESSEE shall, at a minimum, implement and comply, as applicable, with the Minimum Industrial and Commercial BMPs for industrial and commercial facilities adopted under the San Diego Municipal Code Section 43.0307(a).

It is ultimately the SUBLESSEE's responsibility to prevent pollutant discharges to the storm drain system. Therefore, the SUBLESSEE will identify and implement any additional BMPs that may be required to avoid the discharge of pollutants to the storm drain system.

45. Waiver. CITY's failure to insist upon the strict performance of any of SUBLESSEE's obligations under this Sublease, in one or more instance, shall not be construed as a waiver of any such obligation, and the same shall remain in full force and effect. CITY's waiver of a default shall not be a waiver of any other default. Any waiver of a default must be in a writing executed by CITY to constitute a valid and binding waiver. CITY's delay or failure to exercise a right or seek a remedy shall not be deemed a waiver of that or any other right or remedy under this Sublease, at law, or in equity. The exercise of any particular right or the use of any particular remedy for any default shall not waive the use of any other right or remedy for the same default or for another or later default. CITY's acceptance of any rents shall not be a waiver of any default preceding the rent payment. CITY's failure to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but CITY may at any and all times require the cure of the default.

46. Prevailing Wages. By signing this Sublease, SUBLESSEE certifies that it is aware of the wage provisions described herein and shall comply with such provisions before entering onto the Location Areas, or allowing any contractors or subcontractors to perform work within the Location Areas. Pursuant to San Diego Municipal Code section 22.3019, construction, alteration, demolition, repair and maintenance work performed under this Sublease is subject to State prevailing wage laws. For construction work performed under this Sublease cumulatively exceeding \$25,000 and for alteration, demolition, repair and maintenance work performed under this Sublease cumulatively exceeding \$15,000, SUBLESSEE and its contractors and subcontractors shall comply with State prevailing wage laws including, but not limited to, the requirements listed below.

a. Compliance with Prevailing Wage Requirements. Pursuant to sections 1720 through 1861 of the California Labor Code, SUBLESSEE, its contractors and subcontractors, shall ensure that all workers who perform work under this Sublease are paid not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations (DIR). This includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

i. Copies of such prevailing rate of per diem wages are on file at CITY and are available for inspection to any interested party on request. Copies of the prevailing rate of per diem wages also may be found at <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>. SUBLESSEE shall require its contractors and subcontractors to post a copy of the prevailing rate of per diem wages determination at each job site and shall make them available to any interested party upon request.

ii. The wage rates determined by the DIR refer to expiration dates. If the published wage rate does not refer to a predetermined wage rate to be paid after the expiration date, then the published rate of wage shall be in effect for the life of this Sublease. If the published wage rate refers to a predetermined wage rate to become effective upon expiration of the published wage rate and the predetermined wage rate is on file with the DIR, such predetermined wage rate shall become effective on the date following the expiration date and shall apply to this Sublease in the same manner as if it had been published in said publication. If the predetermined wage rate refers to one or more additional expiration dates with additional predetermined wage rates, which expiration dates occur during the life of this Sublease, each successive predetermined wage rate shall apply to this Sublease on the date following the expiration date of the previous wage rate. If the last of such predetermined wage rates expires during the life of this Sublease, such wage rate shall apply to the balance of the contract.

b. Penalties for Violations. SUBLESSEE and its contractors and its subcontractors shall comply with California Labor Code section 1775 in the event a worker is paid less than the prevailing wage rate for the work or craft in which the worker is employed.

c. SUBLESSEE and its contractors and subcontractors shall comply with California Labor Code section 1776, which generally requires keeping accurate payroll records, verifying

and certifying payroll records, and making them available for inspection. SUBLESSEE shall require its contractors and subcontractors to also comply with section 1776. SUBLESSEE's contractors and subcontractors shall submit weekly certified payroll records online via CITY's web-based Labor Compliance Program. SUBLESSEE is responsible for ensuring its subcontractors submit certified payroll records to CITY.

- i. In addition to submitting weekly certified payroll records to CITY, SUBLESSEE's contractors and their subcontractors shall also furnish the records specified in Labor Code section 1776 directly to the Labor Commissioner in the manner required in Labor Code section 1771.4.
- d. Apprentices. SUBLESSEE and its contractors and subcontractors shall comply with California Labor Code sections 1777.5, 1777.6 and 1777.7 concerning the employment and wages of apprentices. SUBLESSEE shall be held responsible for the compliance of their contractors and subcontractors with sections 1777.5, 1777.6 and 1777.7.
- e. Working Hours. SUBLESSEE and its contractors and subcontractors shall comply with California Labor Code sections 1810 through 1815, including but not limited to: (i) restrict working hours on public works contracts to eight hours a day and forty hours a week, unless all hours worked in excess of 8 hours per day are compensated at not less than 1½ times the basic rate of pay; and (ii) specify penalties to be imposed on design professionals and subcontractors of \$25 per worker per day for each day the worker works more than 8 hours per day and 40 hours per week in violation of California Labor Code sections 1810 through 1815.
- f. Required Provisions for Subcontracts. SUBLESSEE shall include at a minimum a copy of the following provisions in any contract they enter into with a contractor or subcontractor: California Labor Code sections 1771, 1771.1, 1775, 1776, 1777.5, 1810, 1813, 1815, 1860 and 1861.
- g. Labor Code Section 1861 Certification. SUBLESSEE in accordance with California Labor Code section 3700 is required to secure the payment of compensation of its contractors' and subcontractors' employees and by signing this Sublease, SUBLESSEE certifies that "I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract."
- h. Labor Compliance Program. CITY has its own Labor Compliance Program authorized in August 2011 by the DIR. CITY will notify SUBLESSEE to withhold or cause to be withheld contract payments when payroll records are delinquent or deemed inadequate by CITY or other governmental entity, or it has been established after an investigation by CITY or other governmental entity that underpayment(s) have occurred. For questions or assistance, please contact CITY's Equal Opportunity Contracting Department at 619-236-6000.

- i. SUBLESSEE's Contractors and Subcontractors Registration Requirements. Certain work performed pursuant to the Sublease is subject to compliance monitoring and enforcement by the DIR. A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter of the Labor Code unless currently registered and qualified to perform the work pursuant to Labor Code section 1725.5. In accordance with Labor Code section 1771.1(a), "[i]t is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 2103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded."
 - i. A contract entered into with any contractor or subcontractor in violation of Labor Code section 1771.1(a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, SUBLESSEE, contractor, or any subcontractor to comply with the requirements of section 1725.5 of this section.
 - ii. SUBLESSEE certifies that SUBLESSEE has verified that all contractors or subcontractors used on this public works project are registered with the DIR in compliance with Labor Code sections 1771.1 and 1725.5, and SUBLESSEE shall provide proof of registration to the CITY upon request.
47. Cumulative Remedies. CITY's rights and remedies under this Sublease are cumulative and shall not limit or otherwise waive or deny any of CITY's rights or remedies at law or in equity.
48. Survival. Any obligation which accrues under this Sublease prior to its expiration or termination shall survive such expiration or termination.
49. Joint and Several Liability. If SUBLESSEE is comprised of more than one person or legal entity, such persons and entities, and each of them, shall be jointly and severally liable for the performance of each and every obligation of SUBLESSEE under this Sublease.
50. No Affiliation. Nothing contained in this Sublease shall be deemed or construed to create a partnership, joint venture or other affiliation between CITY and SUBLESSEE or between CITY and any other entity or party, or cause CITY to be responsible in any way for the debts or obligations of SUBLESSEE or any other party or entity.
51. Entire Agreement. This Sublease constitutes the entire agreement between the parties and supersedes any and all prior understandings, representations, warranties and agreements between them pertaining to this Sublease and SUBLESSEE's occupancy, use, development, maintenance and restoration of the Premises. Any modification, alteration or amendment of this Sublease shall be in writing and signed by all the parties hereto.
52. Counterparts. This Sublease may be executed in one or more counterparts, each of which shall be deemed to constitute an original, but all of which, when taken together, shall constitute one and the same instrument.

53. Notices. Any notice required or agreed to be given under this Sublease shall be in writing and may be served personally or delivered by United States mail, postage prepaid, and addressed to SUBLESSEE and to CITY as follows:

SUBLESSEE:

Civic Center Cafe
Attention: Randy Kattola
800 E. Chase Avenue, Unit S
El Cajon, California 92020
(858) 232-2229

THE CITY OF SAN DIEGO
Attention: Director, Real Estate Assets Department
1200 Third Avenue, Suite 1700 (MS 51A)
San Diego, California 92101
(619) 236-6020

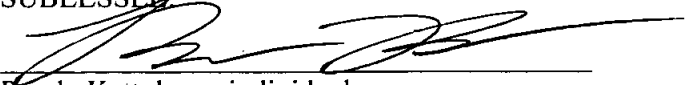
54. Authority to Contract. Each individual executing this Sublease on behalf of another person or legal entity represents and warrants that they are authorized to execute and deliver this Sublease on behalf of such person or entity in accordance with duly adopted resolutions or other authorizing actions which are necessary and proper and under such legal entity's articles, charter, bylaws or other written rules of conduct or governing agreement, and that this Sublease is binding upon such person or entity in accordance with its terms. Each person executing this Sublease on behalf of another person or legal entity represents and warrants such entity is a valid, qualified corporation, limited liability company, partnership or other unincorporated association in good standing in its home state and that such entity is qualified to do business in California.
55. Acceptance of Premises. By signing this Sublease, SUBLESSEE represents and warrants that it has independently inspected the Premises and made all tests, investigations and observations necessary to satisfy itself as to the condition of the Premises and its suitability for the Allowed Uses. SUBLESSEE further represents and warrants that it is not relying on any representation by CITY as to the condition of the Premises or its suitability for the Allowed Uses, and that SUBLESSEE is relying solely on its own and independent inspections, tests, investigations and observations of the Premises in entering into this Sublease. SUBLESSEE accepts the Premises in their current condition. SUBLESSEE acknowledges and agrees that unless set forth in this Sublease, CITY has no obligation to improve, modify, repair, replace, alter, secure, or otherwise develop the Premises at any time either prior to, on or after the Effective Date. SUBLESSEE shall not hold CITY responsible for any defects in the Premises. SUBLESSEE accepts and assumes all risk of harm to all persons and property, including without limitation SUBLESSEE's employees, from any defects in the Premises, and shall be solely responsible therefor.
56. Primary Lease. Sublessee by its execution of this Sublease hereby unconditionally acknowledges and agrees as follows: (a) Sublessee has received a copy of the Lease Agreement dated as of March 13, 2015 (the "Primary Lease", between THE CITY OF SAN

DIEGO, as Tenant, and CCP 1200, LLC, as Landlord, (b) this Sublease represents a sublease of Sublessor's rights in and to the Premises and this Sublease and the rights of Sublessee hereunder are in all respects subject and subordinate to the Primary Lease.

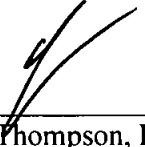
[Remainder of Page Left Blank]

IN WITNESS WHEREOF, this Sublease is executed to be effective as of the Effective Date.

SUBLESSEE


Randy Kattola, an individual

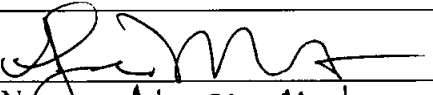
THE CITY OF SAN DIEGO, a California municipal corporation

By: 
Cybele L. Thompson, Director
Real Estate Assets

Environmental Analysis Section Environmental Clearance:

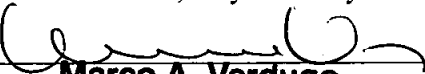
Categorically exempt from CEQA pursuant to
State CEQA Guidelines Section 15301 (Existing Facilities)

Date: 2/13/18

By: 
Name: Alyssa Muto
Title: Interim Planning Director

Approved as to form this 20th day of February, ~~2017~~ 2018.

MARA W. ELLIOTT, City Attorney

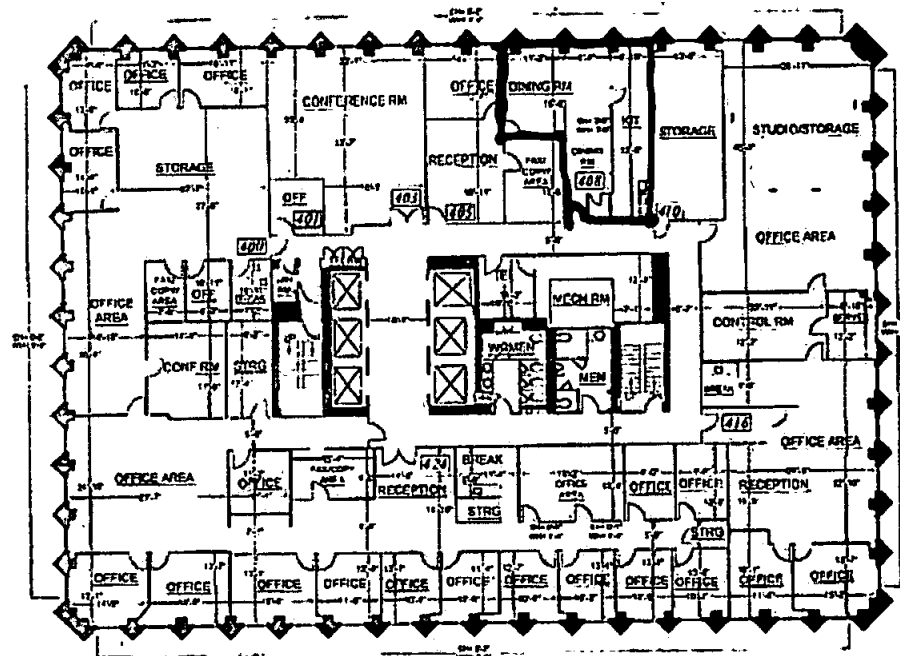
BY: 
Name: Marco A. Verdugo
Title: Deputy City Attorney

PREPARED FOR:
Genster
225 Broadway, Suite 1600
San Diego, CA 92101
Tel (619) 557-2546

Measured Area: 16,216 s.f.

FLOOR PLAN

CIVIC CENTER PLAZA
1200 3rd AVENUE
SAN DIEGO, CA
FOURTH FLOOR
(As Measured: February 2015)
(Last Updated: April 2016)



ELEVATION METHOD	
Spot Height ASPT	1" = 4'
SD Height	5" = 10'
Window Height	1/2" = 50'
(shown only to windows)	
Survey Accuracy:	± 0.12 %

Notes: All dimensions shown are rounded to the nearest inch, for informational purposes only. All measurements are recorded to 1/8" accuracy as determined on the final CAD drawing supplied.

16' 8' 0' 16'
SCALE: 1/16" = 1' - 0"

LASERTECH
FLOORPLANS
TEL: (619) 293-6600
FILE: 16-048

Exhibit "A" - Premises