

THE CITY OF SAN DIEGO

CONSENT TO ASSIGNMENT OF FLAT RATE LEASE AGREEMENT

The City of San Diego (CITY), as LESSOR, entered into a Lease Agreement with the Rowing Council of San Diego, dated May 3, 1988. The Lease Agreement is filed in the offices of the City Clerk as Document RR270877.

The leasehold interest was subsequently assigned by the Rowing Council of San Diego to The San Diego Rowing Club and the Mission Bay Rowing Association, California non-profit Corporations, (LESSEES).

The City hereby consents to the assignment of that portion of the leasehold interest held by the Mission Bay Rowing Association to

THE INTERCOLLEGIATE ROWING CONSORTIUM,

as outlined in Exhibit A attached hereto, subject to the following terms and conditions:

1. The Intercollegiate Rowing Consortium, (I.R.C.) agrees to accept all of the duties, responsibilities and obligations of the Mission Bay Rowing Association under the terms of the above-referenced lease.
2. The I.R.C. shall not sublease or assign any of its interest in the lease without the prior written consent of the City.
3. The I.R.C. agrees to maintain insurance coverage in the amounts specified by the lease, naming the City as additional insured. All insurance policies must contain a clause stating that coverage may not be cancelled without 30 days prior written notice to the City, and a copy of said policies must be provided to the City on or before the execution of this consent.

(Signature page 2 follows)

SIGNATURE PAGE.

THE CITY OF SAN DIEGO

Date: 6/7/95

By Robert J. Collins
Deputy Director

MISSION BAY ROWING ASSOCIATION

Date: 6/13/95

By Baron Butler
(Assignor)

INTERCOLLEGIATE ROWING CONSORTIUM

Date: 6/14/95

By John W. Witt
(Assignee)

APPROVED as to form and legality this 9 day of June, 1995

JOHN W. WITT, City Attorney

By [Signature]

ASSIGNMENT OF LEASE

This Agreement is made effective the 31st day of March, 1995, by and between MISSION BAY ROWING ASSOCIATION, a California Non Profit Corporation (hereinafter "ASSIGNOR" or "MBRA") and the INTERCOLLEGIATE ROWING CONSORTIUM, a consortium made up of the University of San Diego and the University of California San Diego (hereinafter "ASSIGNEE" or "IRC").

Recitals

WHEREAS, on or about May 3, 1988, the CITY OF SAN DIEGO, a Municipal Corporation (hereinafter "LESSOR") entered into that certain lease agreement entitled "CITY OF SAN DIEGO FLAT RATE LEASE" with THE ROWING COUNCIL OF SAN DIEGO, a California Nonprofit corporation, for the premises located at 1220 El Carmel Place, San Diego, CA 92109, now known as the COGGESHALL ROWING CENTER (hereinafter "the Lease"), a true and correct copy of which is attached hereto as Exhibit "A;" and

WHEREAS, on or about July 31, 1989, THE ROWING COUNCIL OF SAN DIEGO assigned its interest in the Lease by way of ASSIGNMENT OF LEASE AND MEMORANDUM OF COSTS AND RESPONSIBILITY to the SAN DIEGO ROWING CLUB, a California Nonprofit corporation, and MISSION BAY ROWING ASSOCIATION, a California Nonprofit corporation, as Co-Lessees (hereinafter "the '89 Assignment"), a true and correct copy of which is attached hereto as Exhibit "B;" and

WHEREAS, on or about August 6, 1989, the SAN DIEGO ROWING CLUB and the MISSION BAY ROWING ASSOCIATION entered into an operating agreement regarding the operation of the COGGESHALL ROWING CENTER. Said agreement is entitled "COGGESHALL ROWING CENTER Operating Agreement" (hereinafter "the '89 Operating Agreement"), a copy of which is attached hereto as Exhibit "C;" and

WHEREAS, the CITY OF SAN DIEGO executed on or about September 22, 1989, that certain document entitled CITY OF SAN DIEGO CONSENT TO ASSIGNMENT OF FLAT RATE LEASE AGREEMENT (hereinafter "the '89 Consent"), a true and correct copy of which is attached hereto as Exhibit "D;" and

WHEREAS, the UNIVERSITY OF SAN DIEGO and the UNIVERSITY OF CALIFORNIA SAN DIEGO have executed an operating agreement entitled "COGGESHALL ROWING CENTER AT EL CARMEL OPERATING AGREEMENT BETWEEN USD AND UCSD" whereby they have among other matters agreed to be known collectively as the "INTERCOLLEGIATE ROWING CONSORTIUM," a true copy of said agreement is attached hereto as Exhibit "E;" and

WHEREAS, MISSION BAY ROWING ASSOCIATION desires to assign to the INTERCOLLEGIATE ROWING CONSORTIUM the MBRA interest as Co-Lessee in the aforementioned CITY OF SAN DIEGO FLAT RATE LEASE identified as Exhibit A above which is incorporated herein by reference; and

WHEREAS, the INTERCOLLEGIATE ROWING CONSORTIUM desires to accept the assignment of MBRA's interest in the aforementioned lease; and

WHEREAS, an Assignment of Lease requires the written approval of the CITY OF SAN DIEGO;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

1. Assignment of Lease: In consideration of the payment to or on behalf of MBRA of the sums agreed to set forth in Exhibit "F" attached hereto, ASSIGNOR hereby grants, transfers, conveys and assigns to ASSIGNEE all of ASSIGNOR's right, title and interest in and to its interest in the Lease attached hereto as Exhibit "A" that ASSIGNOR received by way of the '89 Assignment attached hereto as Exhibit "B" as qualified by the '89 Consent attached hereto as Exhibit "D" and by the '89 Operating Agreement attached hereto as Exhibit "C." ASSIGNEE agrees to and does accept the assignment of ASSIGNOR's interest as set forth in Exhibits A, B, C and D. Payment of the above referenced sums to be paid to or on behalf of ASSIGNOR on or before execution of this Assignment of Lease.

2. Assumption of Obligations: (a) ASSIGNEE expressly assumes and agrees to keep, perform, and fulfill all the terms, covenants, conditions, and obligations, required to be kept, performed, and fulfilled by ASSIGNOR as Co-Lessee under the Lease, the '89 Assignment, the '89 Operating Agreement, and the '89 Consent, and shall represent the rights of the SAN DIEGO CREW CLASSIC in ASSIGNOR's portion of the leasehold and cooperate with Co-Lessee the SAN DIEGO ROWING CLUB regarding the operation and maintenance of the COGGESHALL ROWING CENTER.

3. Possession of Premises: ASSIGNOR, as the entity MBRA, upon the Assignment date shall relinquish its interest in the Lease and transfer possession of the leased premises to ASSIGNEE.

4. Conditions to Assignment: Notwithstanding anything to the contrary contained in this Assignment, no assignment by ASSIGNOR to ASSIGNEE described herein shall be effective until each of the following conditions (collectively described as "Conditions to Assignment") have been fulfilled:

(a) The funds set forth in Section 1. have been paid to or on behalf of MBRA by ASSIGNEE; and

(b) ASSIGNEE and ASSIGNOR have obtained the written consent of the City of San Diego to this Assignment of Lease including its Exhibits A-F.

5. Cooperation: Each party hereto shall cooperate with and execute, acknowledge and deliver to each other party all documents, and shall take all actions, reasonably required by such other party from time to time to confirm or effect the matters set forth herein, or otherwise to carry out the purposes of this Assignment.

6. Attorneys Fees: In the event that any litigation or arbitration shall be commenced concerning this Assignment by any party hereto, the party prevailing in such litigation or arbitration shall be entitled to recover, in addition to such other relief as may be granted, reasonable attorneys' fees and costs as awarded by a court of competent jurisdiction or the arbitrator(s).

7. Notices: All notice, demands, approvals and other communications provided for in this Assignment shall be in writing and shall be personally delivered or delivered by U.S. Mail postage prepaid to the appropriate party at its address as follows:

ASSIGNOR: MISSION BAY ROWING ASSOCIATION
c/o Karen Butler, President
2925 Cañon Street
San Diego, CA 92106

ASSIGNEE: INTERCOLLEGIATE ROWING CONSORTIUM
c/o Regina Sullivan
Department of Athletics
University of San Diego
Alcala Park
San Diego, CA 92110

Or

c/o Judy Sweet
Director Athletics
U.C. San Diego
Department of Athletics 0531
9500 Gilman Drive
La Jolla, CA 92093-0531

LESSOR: CITY OF SAN DIEGO
c/o Martin Mumert
City of San Diego
Real Estate Department
1200 3rd Avenue, Suite 1700
San Diego, CA 92101

A party's address for notice may be changed from time to time by written notice to all other parties. All communications shall be effective when actually received; provided, however, that nonreceipt of any communication as the result of a change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication.

8. No Third Parties Benefitted: This Assignment is made for the purpose of setting forth certain rights and obligations of ASSIGNEE and ASSIGNOR, no other person shall have any rights hereunder or by reason hereof as a third party beneficiary or otherwise, except as otherwise provided for herein regarding the SAN DIEGO ROWING CLUB and the SAN DIEGO CREW CLASSIC.

9. Governing Law: This agreement shall be governed and construed by the laws of the State of California.

10. Successor and Assigns: This Assignment shall bind and inure to the benefit of the successors and assigns of the parties hereto.

11. Severability: Should any provision of this Assignment of Lease be held to be inoperative, unenforceable or invalid for any reason, such inoperativeness, unenforceability or invalidness shall not effect the remaining provisions.

12. Headings, Titles, and Subtitles: The headings, titles, and subtitles are inserted solely for convenient reference and shall be ignored in any construction of this instrument.

13. Time of Essence: Time is of the essence in this agreement.

14. Method of Execution: This Assignment of Lease shall not be signed in counterparts and shall be executed in its entirety by all the parties thereto.

IN WITNESS WHEREOF, the parties have caused this Assignment of Lease to be executed by their respective authorized representatives on the date first above written.

ASSIGNOR:

MISSION BAY ROWING ASSOCIATION,
a California Nonprofit corporation

By: Karen Butler 3/31/95
KAREN BUTLER, President

ASSIGNEE:

INTERCOLLEGIATE ROWING CONSORTIUM

By: Thomas Burke 3/29/95
THOMAS BURKE, Vice President of
Student Affairs, UNIVERSITY OF
SAN DIEGO

By: A. W. Russ 3/30/95
A. W. RUSS, Associate Vice
Chancellor of Student Affairs,
UNIVERSITY OF CALIFORNIA SAN
DIEGO

The foregoing is approved.

CITY OF SAN DIEGO

By _____

COGGESHALL ROWING CENTER AT EL CARMEL
OPERATING AGREEMENT BETWEEN USD AND UCSD

This agreement is entered into on March 1, 1995 between the University of California at San Diego (UCSD) and the University of San Diego (USD). The two universities hereby agree to form a partnership that will be called the "Intercollegiate Rowing Consortium" (IRC). Per the lease agreement with the City of San Diego, the IRC will be responsible for overseeing the operation of the portion of the Coggeshall Rowing Center at El Carmel that includes the two westerly bays plus yard space at El Carmel. The space will hereinafter be referred to as the "facility". The purpose of this agreement is to provide cost-effective opportunities for intercollegiate rowers at USD and UCSD.

UCSD and USD will share the expense and the commitment necessary to operate the facility, however, it is understood that each university remains responsible for the management of its own program, coaches, student-athletes, assets and debts.

The IRC agrees to the following:

A. FINANCIAL RESPONSIBILITIES

1. Each university will be responsible for an equal one half of the short and long term expenses related to the facility at El Carmel.
2. The IRC will assume responsibility for the percentage of expenses for the overall Rowing Center previously agreed to between the MBRA and the San Diego Rowing Club. The two universities will share equally the cost of these expenses.
3. Short term expenses include but are not limited to: telephone (local access only); water; electricity; security; daily maintenance of the facility both inside the bays and in the outside yard; facility insurance; landscaping; etc..
4. Long term, capital expenditures include but are not

limited to: repainting of the entire El Carmel facility; reroofing; general maintenance; fees associated with city, state or government permits that apply to the facility as a whole; etc..

5. Each university is responsible for the timely payment in full of its share of expenses. Each university must make payment due within 30 days of receipt of an invoice. Failure to make payment due will be viewed as a breach of this agreement and may result in the assessment of a service fee to cover costs arising from delinquent payments. Failure to make a payment will result in the loss of access to and use of the facility until all debts are paid in full.

B. OPERATING COMMITTEE

1. A four person Operating Committee (OC) will be appointed which will include two representatives from each university (one men's team coach and one women's team coach or other administrators as designated by each university).
2. Each representative will have one full vote with a majority of votes necessary to carry a motion.
3. The OC will meet at least once monthly and thereafter as needed.
4. A committee chair will be appointed from the OC who will be responsible for overseeing the operation of the facility as directed by the OC. The Chair does not have the authority to make decisions with financial implications without approval of the OC. The assignment of Chair will rotate every two years with the rotation being as follows: USD followed by UCSD.
5. Responsibilities of the Chair will include but are not limited to: coordinating and overseeing a maintenance schedule for the facility; collecting payments due for expenses incurred jointly by the two institutions (each university is solely responsible for its own share of expenses and will write a check or money order for its share); sending payments due to appropriate vendors in a

timely manner; maintaining accurate records of any payments made; serving as the liaison with the San Diego Rowing Club (SDRC); and other duties as necessary.

C. FACILITY USEAGE

1. Each university will have sole access to one bay at the facility. USD will occupy the easterly bay that is closest to the SDRC portion of the facility. UCSD will occupy the westerly bay which borders the outside storage area. The outside storage area will be shared equitably by the two universities as needed.
2. Equipment owned by each university including but not limited to shells, oars, tools, launches, parts and step boxes is for the sole use of that university unless approval is given for use by other teams or individuals.
3. Upon approval of the Crew Classic Director, the IRC will share the office space that exists within the facility.
4. Keyed access to the bays and the outside storage area will be limited to the respective UCSD and USD coaches. Each university will be responsible for supervising use by its respective staff members and students.

Given that the original master plan for the facility allows for the construction of a third bay on the westerly side of the facility, the IRC agrees that decisions regarding the allocation of cost and space of such a bay would require approval of the Operating Committee.

D. INDEMNIFICATION

USD shall defend, indemnify, and hold UCSD, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of USD, its officers, employees, or agents.

UCSD shall defend, indemnify, and hold USD, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of UCSD, its officers, employees, or agents.

E. INSURANCE

Each UNIVERSITY at its sole cost and expense, shall insure its activities in connection with this Agreement by maintaining programs of insurance as follows:

1. General Liability Self-Insurance Program with a limit of 1,000,000 dollars per occurrence, or Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with a limit of 1,000,000 dollars per occurrence.

If the above insurance is written on a claims-made form, it shall continue for three years following termination of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.

2. Business Automobile Liability Self-Insurance Program for owned, non-owned, or hired automobiles with a combined single limit of not less than 1,000,000 dollars per occurrence, or Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles with a combined single limit of not less than 1,000,000 dollars per occurrence.
3. Workers' Compensation and Employers Liability Self-Insurance Program covering each UNIVERSITY'S full liability under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.
4. Such other insurance in such amounts which from time

to time may be reasonably required by the mutual consent of each UNIVERSITY against other insurable risks relating to performance.

It should be expressly understood, however, that the coverages required under this Section E.1. and E.2. shall not in any way limit the liability of each UNIVERSITY.

The coverages referred to under 1. and 2. of this Section E shall include each UNIVERSITY as an insured. Such a provision, however, shall apply only in proportion to and to the extent of the negligent acts or omissions of each UNIVERSITY, its officers, employees, and agents. Each UNIVERSITY upon the execution of this Agreement shall furnish the other with its respective Certificate of Insurance evidencing compliance with all requirements.

UCSD and USD agree to work together with a spirit of cooperation in order to operate the facility in a professional and cost-effective manner. They also agree to abide by all guidelines set forth by the Operating Committee.

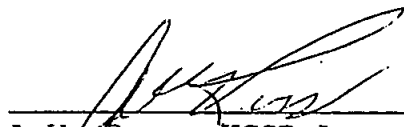
By signing this agreement, UCSD and USD agree to abide by the contents contained herein.



Thomas J. Burke, USD Vice-President of Student Affairs

3/29/15

Date



A.W. Russ, UCSD Associate Vice-Chancellor of Student Affairs

3/30/95

Date

EXHIBIT F

Sums to be Paid by the University of San Diego
to or on Behalf of MBRA

1.	1/3 of Staining of COGGESHALL ROWING CENTER	\$ 730.66
2.	Portion of debt owed to Associated Students	\$2,000.00
3.	1/2 of Site Development of COGGESHALL	\$1,434.54
4.	1/2 of SDRC outstanding billing thru 8/94	\$ 885.78
5.	1/2 of SDRC 4th Quarter billing	\$ 222.50
6.	1/3 of MBRA expenses through December 1994	\$ 214.61
7.	1/3 of telephone bill for January 1995	\$ 8.66
8.	1/3 of telephone bill for February 1995	\$ 9.21
9.	1/2 of the security service bill for Feb - Apr 95	\$ 84.00
10.	1/2 of all SDRC expenses attributable to the MBRA portion of the leasehold premises accrued subsequent to December 1994	\$ <u>Unk</u>
		\$5,589.96

Sums to be Paid by the University of California San Diego
to or on Behalf of MBRA

1.	1/3 of Staining of COGGESHALL ROWING CENTER	\$ 730.66
2.	Portion of debt owed to Associated Students	\$2,000.00
3.	1/2 of Site Development of COGGESHALL	\$1,434.55
4.	1/2 of SDRC outstanding billing thru 8/94	\$ 885.77
5.	1/2 of SDRC 4th Quarter billing	\$ 222.51
6.	1/3 of MBRA expenses through December 1994	\$ 214.61
7.	1/3 of telephone bill for January 1995	\$ 8.66
8.	1/3 of telephone bill for February 1995	\$ 9.21
9.	1/2 of the security service bill for Feb - Apr 95	\$ 84.00
10.	1/2 of all SDRC expenses attributable to the MBRA portion of the leasehold premises accrued subsequent to December 1994	\$ <u>Unk</u>
		\$5,589.97

ASSIGNMENT OF LEASE

AND

MEMORANDUM OF COSTS AND RESPONSIBILITY

This Assignment of Lease and Memorandum of Cost and Responsibility is made by SAN DIEGO ROWING COUNCIL (hereinafter "COUNCIL"), THE SAN DIEGO ROWING CLUB (hereinafter "ROWING CLUB"), MISSION BAY ROWING ASSOCIATION (hereinafter "MBRA"), UNIVERSITY OF SAN DIEGO, UNIVERSITY OF CALIFORNIA, SAN DIEGO and the SAN DIEGO CREW CLASSIC in anticipation of the construction of a facility to be known as The Coggeshall Rowing Center.

RECITALS

This Assignment of Lease and Memorandum of Costs and Responsibility is made based upon the following recitals:

WHEREAS, COUNCIL is the lessee and the City of San Diego is the lessor of that certain Lease of property identified as a portion of El Carmel Point, a true and correct copy of which is attached hereto as Exhibit "A".

WHEREAS, an Assignment of the Lease requires the written approval of the City of San Diego.

WHEREAS, concurrently herewith, COUNCIL is assigning the Lease to ROWING CLUB and MBRA as Co-Lessees by Assignment of Lease, a true and correct copy of which is attached hereto as Exhibit "B".

EXHIBIT B

WHEREAS, the work of improvement that is to be built upon the land leased from the City under Exhibit "A" is described on those certain plans prepared by Baker Engineering, Sheets 1 through 21 as presently modified and approved by the City of San Diego Building Department and identified as the Coggeshall Rowing Center.

WHEREAS, the COUNCIL desires to assign its interest as Lessee under said Lease to ROWING CLUB and MBRA as Co-Lessees and ROWING CLUB and MBRA are willing to accept that assignment and act as Co-Lessees under that Lease.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

1. COUNCIL, in contemplation of the recitals contained herein, hereby assigns the Lease which is attached hereto as Exhibit "A" to ROWING CLUB and MBRA as Co-Lessees and ROWING CLUB and MBRA hereby accept said assignment and agree to act as Co-Lessees. All parties by executing this Assignment, concur with the Assignment.

2. The work of improvement is to be constructed by Ed Olsen, Jr. & Associates, General Contractors.

3. The project manager for the construction of the facility per the Memorandum of Agreement dated February 26, 1986, is William Mollering. The ROWING CLUB and MBRA shall enter into a contract with William Mollering and Ed Olsen, Jr. & Associates

with respect to the construction of the facility and shall have a separate project manager agreement with William Mollering.

4. The cost of construction shall be shared based on the square footage occupied each by the ROWING CLUB and MBRA, which represents the interests of the UNIVERSITY OF SAN DIEGO and the UNIVERSITY OF CALIFORNIA, SAN DIEGO. The funding of the construction which shall be based on the square footage occupied is to involve contributions from the following sources and entities:

a. The remainder of the Coggeshall lifetime gift originally in the amount of \$250,000 estimated to be in the range of \$186,000 now being held in trust by ROWING CLUB; \$186,000

b. The University of San Diego \$55,000

c. The University of California, San Diego \$55,000

d. The San Diego Crew Classic \$25,000

e. San Diego Rowing Club

(not to exceed) \$527,000

TOTAL \$848,000

5. The site work including the revetment wall, parking and landscaping and underground utilities will be paid out of the funds identified in paragraph 4a hereto. If these funds are insufficient to cover these expenses, any excess shall be shared pro rata based on square footage.

6. Bay Nos. 4, 5 and 6 along with the facilities located to the east of the building identified on sheet 4 of the plans shall be constructed by ROWING CLUB it being understood however that the multi-purpose room and the trophy room may only

be roughed in at this point. Any change orders that are executed in connection with those spaces are to be the responsibility of ROWING CLUB. Funds identified in paragraph 4e hereto shall be used to construct these facilities.

7. It is anticipated at this time that shell storage space No. 1 and west locker restrooms will not be built.

8. ROWING CLUB and MBRA shall have an operating agreement governing their relationship. In addition, at the expiration of the Lease with the City of San Diego, ROWING CLUB and MBRA agree to make every reasonable effort to renegotiate separate leases with the City of San Diego for their respective portions of the building.

9. As far as the operation of the facility is concerned it shall be jointly operated by ROWING CLUB and MBRA such that each is responsible for its respective space. Additionally ROWING CLUB and MBRA shall share both the financial responsibility for the maintenance of common areas including the parking lot and the decision making for such maintenance pro rata based upon square footage.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum this 31st day of JULY, 1989.

SAN DIEGO CREW CLASSIC

By *Jack Buchanan*
Jack Buchanan
Executive Director and
General Manager

SAN DIEGO ROWING CLUB

By *Archie Meihls*
Archie Meihls
President

MISSION BAY ROWING ASSOCIATION

By *Bart Sayer*
Bart Sayer
President

SAN DIEGO ROWING COUNCIL

By *Dr. Thomas Cosgrove*
Dr. Thomas Cosgrove
President

UNIVERSITY OF SAN DIEGO

By *Arthur E. Hughes*

UNIVERSITY OF CALIFORNIA,
SAN DIEGO

By *JM Livers for*
Jan Valdes-Smith
as referenced on attached
signature sheet of
M. Valdes-Smith
letter of Aug. 4, P. 9

The foregoing is approved.

CITY OF SAN DIEGO

By _____

SAM:06288907ry

IN WITNESS WHEREOF, the parties hereto have executed
this Memorandum this 31st day of JULY, 1989.

SAN DIEGO ROWING CLUB

Archie Meihls
President

SAN DIEGO ROWING COUNCIL

Dr. Thomas Cosgrove
President

UNIVERSITY OF CALIFORNIA,
SAN DIEGO

reference August 4, 1984 letter
to Judith Sweet and August 9, 1989
letter to Van Juhnes-Smith

By

- 5 -

EXHIBIT. A

THE CITY OF SAN DIEGO FLAT RATE LEASE

The above referenced lease is not attached hereto. It is; however, instead attached as EXHIBIT "A" to the Assignment of Lease by and between the MISSION BAY ROWING ASSOCIATION and the INTERCOLLEGIATE ROWING CONSORTIUM.

COGGESHALL ROWING CENTER

Operating Agreement

This is an agreement by and between the San Diego Rowing Club hereinafter referred to as SDRC, and the Mission Bay Rowing Association, hereinafter referred to as MBRA.

WHEREAS, the parties have entered into a joint lease agreement with the City of San Diego for the purpose of operating the Coggeshall Rowing Center for a period concurrent with the lease with the city and

WHEREAS, the parties are developing a waterfront facility at El Carmel Point to support and house club, collegiate and junior rowing for the community of San Diego,

NOW, THEREFORE, the parties do mutually agree that:

I. Each tenant will have exclusive possession and use of, and be responsible for the operation and maintenance of their respective parts of the boathouse.

A. This will consist of bays # 4, 5, and 6 and the adjacent pad, along with all the facilities to the east as noted on page 4 of the plans, for SDRC, and shell storage units # 2 and three with the adjacent pad, and storage space, and the west locker rooms, if built, for MBRA.

II. SDRC will provide administrative services for the Coggeshall Rowing Center. SDRC will provide MBRA and the operating committee with regular and timely reports of activities and budgets.

A. SDRC, as the administering institution, will procure and maintain a policy of fire insurance as specified in the lease for the duration of the lease.

III. An Operating Committee shall be formed for the purpose of providing for optimal utilization of the Coggeshall Rowing Center by the two tenants within the terms of the lease with the city of San Diego.

A. The Operating committee will consist of three representatives from MBRA and three representatives from SDRC and will meet monthly to review operations, set policy, and budgets relating to areas of common use and function, such as parking, maintenance, and upkeep.

- B. One member of the Operating Committee, to be elected by the committee on an annual basis, will represent both parties in all interactions with the city of San Diego relating to the operation and lease of the facility.
- C. The committee will be chaired by a voting member elected for a 1 year term (July 1 through June 30) at an annual meeting in May of each year.
- D. MBRA and SDRC, and each of its members, will notify the Operating Committee in writing within 24 hours of becoming aware of any actual or impending breach of the terms of the lease.

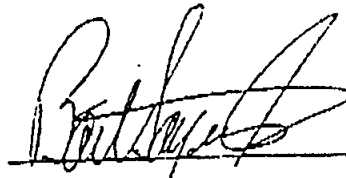
IV. All costs of maintenance, repairs, operation, replacements and services related to common areas and necessary to maintain and preserve those premises in a condition and manner satisfactory to the city of San Diego, will be shared equally by each of the tenants.

V. This agreement may be modified at any time by written consent of both parties, and duly approved and executed by the parties' authorized representatives.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their authorized representatives on this _____ day of _____ 1989.

 SDRC

Archie Meihls, President

 MBRA

Bart Sayer, President

COPY

CITY OF SAN DIEGO

CONSENT TO ASSIGNMENT OF FLAT RATE LEASE AGREEMENT

The City of San Diego (CITY), as LESSOR under that certain Lease Agreement entered into with

**THE ROWING COUNCIL OF SAN DIEGO,
a California Nonprofit Corporation**

(LESSEE), dated May 3, 1988, and filed in the Office of the City Clerk as Document RR-270877, hereby consents to the Assignment of that Lease Agreement to

**THE SAN DIEGO ROWING CLUB AND MISSION BAY ROWING ASSOCIATION,
California Nonprofit Corporations**

(ASSIGNEE), in accordance with the terms and conditions set out in the attached Assignment of Lease and Memorandum of Costs and Responsibility entered into by LESSEE and said ASSIGNEE, dated July 31, 1989, with the following exceptions and conditions:

1. The CITY'S consent is granted with the exception that the building plans described in the first paragraph of page 2 of the assignment of Lease and Memorandum of Costs and Responsibility are not approved by the City's Property Department and were not consistent with the Development Plan on page 29 of the Lease. Building plans consistent with the Development Plan must be resubmitted to and approved by the Property Department on or before the following dates:
 - a. If plans must be reviewed and approved by the Park and Recreation Board or any of its Committees or Subcommittees, the final building plans must be submitted to the Property Department and reviewed and approved by the Property Department during the ordinary course of business on or before January 30, 1990.
 - b. If the plans do not need to be reviewed by the Park and Recreation Board or any of its Committees or Subcommittees, the final building plans must be submitted to the Property Department and reviewed and approved by the Property Department during the ordinary course of business on or before November 15, 1989.
2. A new Development Plan that is consistent with the terms of the Lease and that is in a form similar to the Development Plan on page 29 of the Lease must be submitted and approved by the Property Department on or before October 6, 1989.

DOCUMENT NO. 769724

FILED SEP 26 1989

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

EXHIBIT D

3. The Operating Agreement dated August 6, 1989 between the San Diego Rowing Club and the Mission Bay Rowing Association must always specify an entity that will be responsible for: receiving notices from the City as provided under the Lease; maintaining and making records available of all operations; and complying with all covenants and conditions of the Lease. Assignee must submit all revisions or amendments to the Operating Agreement that relate to this requirement to the City for review and approval, which shall not be unreasonably withheld.

THE CITY OF SAN DIEGO

Dated 9-22-89

By 
James L. Spotts, Property Director

APPROVED AS TO FORM AND LEGALITY THIS 20 DAY OF September, 1989.

JOHN W. WITT, City Attorney

By 
Deputy

MLS:st(43-7)
9-19-89

Attachment

COGGESHALL ROWING CENTER AT EL CARMEL
OPERATING AGREEMENT BETWEEN USD AND UCSD

This agreement is entered into on March 1, 1995 between the University of California at San Diego (UCSD) and the University of San Diego (USD). The two universities hereby agree to form a partnership that will be called the "Intercollegiate Rowing Consortium" (IRC). Per the lease agreement with the City of San Diego, the IRC will be responsible for overseeing the operation of the portion of the Coggeshall Rowing Center at El Carmel that includes the two westerly bays plus yard space at El Carmel. The space will hereinafter be referred to as the "facility". The purpose of this agreement is to provide cost-effective opportunities for intercollegiate rowers at USD and UCSD.

UCSD and USD will share the expense and the commitment necessary to operate the facility, however, it is understood that each university remains responsible for the management of its own program, coaches, student-athletes, assets and debts.

The IRC agrees to the following:

A. FINANCIAL RESPONSIBILITIES

1. Each university will be responsible for an equal one half of the short and long term expenses related to the facility at El Carmel.
2. The IRC will assume responsibility for the percentage of expenses for the overall Rowing Center previously agreed to between the MBRA and the San Diego Rowing Club. The two universities will share equally the cost of these expenses.
3. Short term expenses include but are not limited to: telephone (local access only); water; electricity; security; daily maintenance of the facility both inside the bays and in the outside yard; facility insurance; landscaping; etc..
4. Long term, capital expenditures include but are not

limited to: repainting of the entire El Carmel facility; reroofing; general maintenance; fees associated with city, state or government permits that apply to the facility as a whole; etc..

5. Each university is responsible for the timely payment in full of its share of expenses. Each university must make payment due within 30 days of receipt of an invoice. Failure to make payment due will be viewed as a breach of this agreement and may result in the assessment of a service fee to cover costs arising from delinquent payments. Failure to make a payment will result in the loss of access to and use of the facility until all debts are paid in full.

B. OPERATING COMMITTEE

1. A four person Operating Committee (OC) will be appointed which will include two representatives from each university (one men's team coach and one women's team coach or other administrators as designated by each university).
2. Each representative will have one full vote with a majority of votes necessary to carry a motion.
3. The OC will meet at least once monthly and thereafter as needed.
4. A committee chair will be appointed from the OC who will be responsible for overseeing the operation of the facility as directed by the OC. The Chair does not have the authority to make decisions with financial implications without approval of the OC. The assignment of Chair will rotate every two years with the rotation being as follows: USD followed by UCSD.
5. Responsibilities of the Chair will include but are not limited to: coordinating and overseeing a maintenance schedule for the facility; collecting payments due for expenses incurred jointly by the two institutions (each university is solely responsible for its own share of expenses and will write a check or money order for its share); sending payments due to appropriate vendors in a

timely manner; maintaining accurate records of any payments made; serving as the liaison with the San Diego Rowing Club (SDRC); and other duties as necessary.

C. FACILITY USEAGE

1. Each university will have sole access to one bay at the facility. USD will occupy the easterly bay that is closest to the SDRC portion of the facility. UCSD will occupy the westerly bay which borders the outside storage area. The outside storage area will be shared equitably by the two universities as needed.
2. Equipment owned by each university including but not limited to shells, oars, tools, launches, parts and step boxes is for the sole use of that university unless approval is given for use by other teams or individuals.
3. Upon approval of the Crew Classic Director, the IRC will share the office space that exists within the facility.
4. Keyed access to the bays and the outside storage area will be limited to the respective UCSD and USD coaches. Each university will be responsible for supervising use by its respective staff members and students.

Given that the original master plan for the facility allows for the construction of a third bay on the westerly side of the facility, the IRC agrees that decisions regarding the allocation of cost and space of such a bay would require approval of the Operating Committee.

D. INDEMNIFICATION

USD shall defend, indemnify, and hold UCSD, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of USD, its officers, employees, or agents.

UCSD shall defend, indemnify, and hold USD, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of UCSD, its officers, employees, or agents.

E. INSURANCE

Each UNIVERSITY at its sole cost and expense, shall insure its activities in connection with this Agreement by maintaining programs of insurance as follows:

1. General Liability Self-Insurance Program with a limit of 1,000,000 dollars per occurrence, or Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with a limit of 1,000,000 dollars per occurrence.

If the above insurance is written on a claims-made form, it shall continue for three years following termination of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.

2. Business Automobile Liability Self-Insurance Program for owned, non-owned, or hired automobiles with a combined single limit of not less than 1,000,000 dollars per occurrence, or Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles with a combined single limit of not less than 1,000,000 dollars per occurrence.
3. Workers' Compensation and Employers Liability Self-Insurance Program covering each UNIVERSITY'S full liability under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.
4. Such other insurance in such amounts which from time

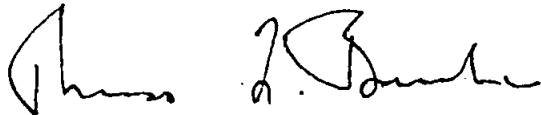
to time may be reasonably required by the mutual consent of each UNIVERSITY against other insurable risks relating to performance.

It should be expressly understood, however, that the coverages required under this Section E.1. and E.2. shall not in any way limit the liability of each UNIVERSITY.

The coverages referred to under 1. and 2. of this Section E shall include each UNIVERSITY as an insured. Such a provision, however, shall apply only in proportion to and to the extent of the negligent acts or omissions of each UNIVERSITY, its officers, employees, and agents. Each UNIVERSITY upon the execution of this Agreement shall furnish the other with its respective Certificate of Insurance evidencing compliance with all requirements.

UCSD and USD agree to work together with a spirit of cooperation in order to operate the facility in a professional and cost-effective manner. They also agree to abide by all guidelines set forth by the Operating Committee.

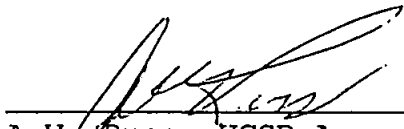
By signing this agreement, UCSD and USD agree to abide by the contents contained herein.



Thomas J. Burke, USD Vice-President of Student Affairs

3/29/95

Date



A.W. Russ, UCSD Associate Vice-Chancellor of Student Affairs

3/30/95

Date

DUPLICATE

CITY OF SAN DIEGO

CONSENT TO ASSIGNMENT OF FLAT RATE LEASE AGREEMENT

The City of San Diego (CITY), as LESSOR under that certain Lease Agreement entered into with

**THE ROWING COUNCIL OF SAN DIEGO,
a California Nonprofit Corporation**

(LESSEE), dated May 3, 1988, and filed in the Office of the City Clerk as Document RR-270877, hereby consents to the Assignment of that Lease Agreement to

**THE SAN DIEGO ROWING CLUB AND MISSION BAY ROWING ASSOCIATION,
California Nonprofit Corporations**

(ASSIGNEE), in accordance with the terms and conditions set out in the attached Assignment of Lease and Memorandum of Costs and Responsibility entered into by LESSEE and said ASSIGNEE, dated July 31, 1989, with the following exceptions and conditions:

1. The CITY'S consent is granted with the exception that the building plans described in the first paragraph of page 2 of the assignment of Lease and Memorandum of Costs and Responsibility are not approved by the City's Property Department and were not consistent with the Development Plan on page 29 of the Lease. Building plans consistent with the Development Plan must be resubmitted to and approved by the Property Department on or before the following dates:
 - a. If plans must be reviewed and approved by the Park and Recreation Board or any of its Committees or Subcommittees, the final building plans must be submitted to the Property Department and reviewed and approved by the Property Department during the ordinary course of business on or before January 30, 1990.
 - b. If the plans do not need to be reviewed by the Park and Recreation Board or any of its Committees or Subcommittees, the final building plans must be submitted to the Property Department and reviewed and approved by the Property Department during the ordinary course of business on or before November 15, 1989.
2. A new Development Plan that is consistent with the terms of the Lease and that is in a form similar to the Development Plan on page 29 of the Lease must be submitted and approved by the Property Department on or before October 6, 1989.

DOCUMENT NO. **769724**

FILED **SEP 26 1989**
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

3. The Operating Agreement dated August 6, 1989 between the San Diego Rowing Club and the Mission Bay Rowing Association must always specify an entity that will be responsible for: receiving notices from the City as provided under the Lease; maintaining and making records available of all operations; and complying with all covenants and conditions of the Lease. Assignee must submit all revisions or amendments to the Operating Agreement that relate to this requirement to the City for review and approval, which shall not be unreasonably withheld.

THE CITY OF SAN DIEGO

Dated 9/22/89

By

J. L. Spotts
James L. Spotts, Property Director

APPROVED AS TO FORM AND LEGALITY THIS 20 DAY OF September, 1989.

JOHN W. WITT, City Attorney

By

[Signature]
Deputy

MLS:st(43-7)
9-19-89

Attachment

ASSIGNMENT OF LEASE

AND

MEMORANDUM OF COSTS AND RESPONSIBILITY

This Assignment of Lease and Memorandum of Cost and Responsibility is made by SAN DIEGO ROWING COUNCIL (hereinafter "COUNCIL"), THE SAN DIEGO ROWING CLUB (hereinafter "ROWING CLUB"), MISSION BAY ROWING ASSOCIATION (hereinafter "MBRA"), UNIVERSITY OF SAN DIEGO, UNIVERSITY OF CALIFORNIA, SAN DIEGO and the SAN DIEGO CREW CLASSIC in anticipation of the construction of a facility to be known as The Coggeshall Rowing Center.

RECITALS

This Assignment of Lease and Memorandum of Costs and Responsibility is made based upon the following recitals:

WHEREAS, COUNCIL is the lessee and the City of San Diego is the lessor of that certain Lease of property identified as a portion of El Carmel Point, a true and correct copy of which is attached hereto as Exhibit "A".

WHEREAS, an Assignment of the Lease requires the written approval of the City of San Diego.

WHEREAS, concurrently herewith, COUNCIL is assigning the Lease to ROWING CLUB and MBRA as Co-Lessees by Assignment of Lease, a true and correct copy of which is attached hereto as Exhibit "B".

WHEREAS, the work of improvement that is to be built upon the land leased from the City under Exhibit "A" is described on those certain plans prepared by Baker Engineering, Sheets 1 through 21 as presently modified and approved by the City of San Diego Building Department and identified as the Coggeshall Rowing Center.

WHEREAS, the COUNCIL desires to assign its interest as Lessee under said Lease to ROWING CLUB and MBRA as Co-Lessees and ROWING CLUB and MBRA are willing to accept that assignment and act as Co-Lessees under that Lease.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

1. COUNCIL, in contemplation of the recitals contained herein, hereby assigns the Lease which is attached hereto as Exhibit "A" to ROWING CLUB and MBRA as Co-Lessees and ROWING CLUB and MBRA hereby accept said assignment and agree to act as Co-Lessees. All parties by executing this Assignment, concur with the Assignment.

2. The work of improvement is to be constructed by Ed Olsen, Jr. & Associates, General Contractors.

3. The project manager for the construction of the facility per the Memorandum of Agreement dated February 26, 1986, is William Mollering. The ROWING CLUB and MBRA shall enter into a contract with William Mollering and Ed Olsen, Jr. & Associates

7/31/89

with respect to the construction of the facility and shall have a separate project manager agreement with William Mollering.

4. The cost of construction shall be shared based on the square footage occupied each by the ROWING CLUB and MBRA, which represents the interests of the UNIVERSITY OF SAN DIEGO and the UNIVERSITY OF CALIFORNIA, SAN DIEGO. The funding of the construction which shall be based on the square footage occupied is to involve contributions from the following sources and entities:

a. The remainder of the Coggeshall lifetime gift originally in the amount of \$250,000 estimated to be in the range of \$186,000 now being held in trust by ROWING CLUB; \$186,000

b. The University of San Diego \$55,000

c. The University of California, San Diego \$55,000

d. The San Diego Crew Classic \$25,000

e. San Diego Rowing Club

(not to exceed) \$527,000

TOTAL \$848,000

5. The site work including the revetment wall, parking and landscaping and underground utilities will be paid out of the funds identified in paragraph 4a hereto. If these funds are insufficient to cover these expenses, any excess shall be shared pro rata based on square footage.

6. Bay Nos. 4, 5 and 6 along with the facilities located to the east of the building identified on sheet 4 of the plans shall be constructed by ROWING CLUB it being understood however that the multi-purpose room and the trophy room may only

be roughed in at this point. Any change orders that are executed in connection with those spaces are to be the responsibility of ROWING CLUB. Funds identified in paragraph 4e hereto shall be used to construct these facilities.

7. It is anticipated at this time that shell storage space No. 1 and west locker restrooms will not be built.

8. ROWING CLUB and MBRA shall have an operating agreement governing their relationship. In addition, at the expiration of the Lease with the City of San Diego, ROWING CLUB and MBRA agree to make every reasonable effort to renegotiate separate leases with the City of San Diego for their respective portions of the building.

9. As far as the operation of the facility is concerned it shall be jointly operated by ROWING CLUB and MBRA such that each is responsible for its respective space. Additionally ROWING CLUB and MBRA shall share both the financial responsibility for the maintenance of common areas including the parking lot and the decision making for such maintenance pro rata based upon square footage.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum this 31st day of JULY, 1989.

SAN DIEGO CREW CLASSIC

By *Jack Buchanan*
Jack Buchanan
Executive Director and
General Manager

SAN DIEGO ROWING CLUB

By _____
Archie Meihls
President

MISSION BAY ROWING ASSOCIATION

By _____
Bart Sayer
President

SAN DIEGO ROWING COUNCIL

By *Dr. Thomas Cosgrove*
Dr. Thomas Cosgrove
President

UNIVERSITY OF SAN DIEGO

By *Arthur E. Hughes*

The foregoing is approved.

CITY OF SAN DIEGO

By _____

SAM:06288907ry

UNIVERSITY OF CALIFORNIA,
SAN DIEGO

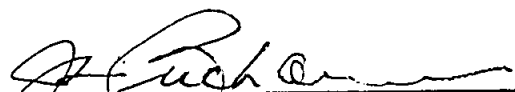
By *Van Jones-Smith*

reference August 4, 1984 letter
to Judith Sweet and August 9, 1989
letter to Van Jones-Smith

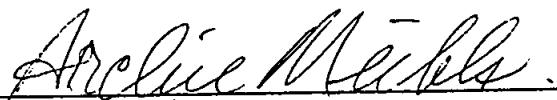
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IN WITNESS WHEREOF, the parties hereto have executed this Memorandum this 31st day of JULY, 1989.

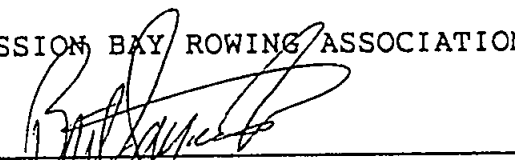
SAN DIEGO CREW CLASSIC

By 
Jack Buchanan
Executive Director and
General Manager

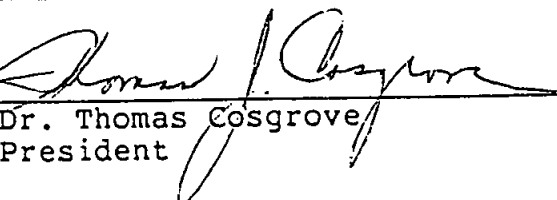
SAN DIEGO ROWING CLUB

By 
Archie Meihls
President

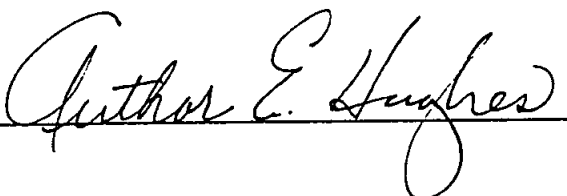
MISSION BAY ROWING ASSOCIATION

By 
Bart Sayer
President

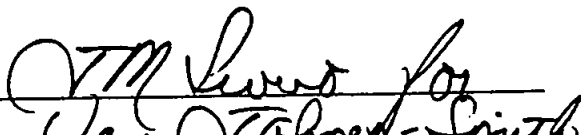
SAN DIEGO ROWING COUNCIL

By 
Dr. Thomas Cosgrove
President

UNIVERSITY OF SAN DIEGO

By 

UNIVERSITY OF CALIFORNIA,
SAN DIEGO

By 
Van Tahres-Smith
as referenced on attached
signature sheet of
M. Tahres-Smith
letters of Aug. 4, P. 19

The foregoing is approved.

CITY OF SAN DIEGO

By _____

SAM:06288907ry

SAN DIEGO ROWING CLUB

P.O. BOX 2768
SAN DIEGO, CA 92112
(619) 488-1893

July 1, 1986

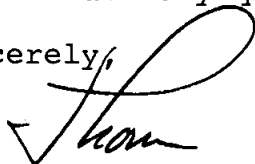
Mr. Lawrence Lamb,
Property Agent
City of San Diego
Property Department
1222 1st, MS 503
San Diego, CA 92101

Dear Mr. Lamb:

We have enclosed a document which assigns the interests of the San Diego Rowing Club in the development of the El Carmel Point Rowing Facility to the Rowing Council of San Diego.

If you have any questions, please feel free to contact us.

Sincerely,



Thomas Ward-McKinlay, Ph.D.
President

TWM/rg



SINCE 1888

ASSIGNMENT OF INTEREST

THIS AGREEMENT OF INTEREST is made this 24 day of August, 1986 by and between the San Diego Rowing Club, a California non-profit corporation hereinafter called "Assignor" and the Rowing Council of San Diego, a California non-profit corporation hereinafter called "Assignee".

RECITAL

The Assignor desires to assign its interest in the El Carmel Point Rowing Facility as set forth in Document No. RR264232, City of San Diego Flat Rate Lease, page 17, Article 7.13 which states:

- 7.13 Future Location for LESSEE (San Diego Rowing Club). LESSEE is leasing the premises at the Santa Clara Recreation Center on a temporary basis pending the construction of a permanent facility on El Carmel Point. LESSEE agrees to furnish the City with a development and financing plan, acceptable to the City Manager, for the new facility by November 30, 1985, execute a lease with the City for the premises on El Carmel Point no later than September, 1986, and agrees to commence construction of the project no later than December, 1986 and complete it no later than December, 1987. If the Lessee does not provide the City Manager with an acceptable

financing and development plan, execute a lease for El Carmel Point and complete the construction of the facility within the aforementioned time periods, LESSEE will not see an extension of this lease and agrees to vacate the premises at expiration of the lease term March 31, 1988.

Therefore, Assignor and Assignee agree as follows:

1. For value received, Assignor hereby assigns and transfers all of its right, title and interest in the El Carmel Point site and Assignee hereby agrees to and does accept the assignment and Assignee expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept.

2. The parties agree that this Assignment of Interest shall become effective only if Assignor and Assignee execute the Facility Agreement attached hereto as Exhibit A.

Executed at San Diego, California on the day and year first written above.

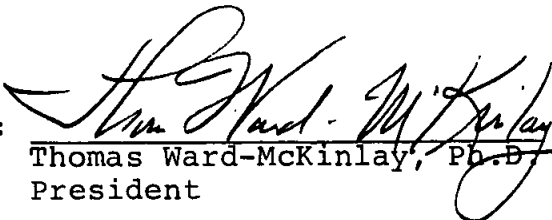
"ASSIGNOR"

San Diego Rowing Club

"ASSIGNEE"

Rowing Council of San Diego

By:


Thomas Ward-McKinlay, Ph.D.
President

By:


William Robinson
President

EXHIBIT A

FACILITY AGREEMENT

THIS FACILITY AGREEMENT (the "Agreement") made this day the 8th of August, 1986 by and between the SAN DIEGO ROWING CLUB, a California non-profit corporation (the "Club"), and the SAN DIEGO ROWING COUNCIL, a California non-profit corporation (the "Council"), with reference to the following facts:

A. The purpose of this Agreement is to record the terms and provisions for the use of the proposed rowing facility on El Carmel Point (the "Proposed Facility").

B. The Club currently leases from the City of San Diego a facility located on Santa Clara Point (the "Existing Facility"). The lease expires on March 31, 1988 (the "Existing Lease").

C. The Council will lease the Proposed Facility from the City of San Diego upon the completion of its construction (hereinafter referred to as the "Master Lease").

D. In order to provide for the transition from the Existing Facility to the Proposed Facility, the City of San

Diego has requested that the Club assign its interest in the Existing Facility to the Council.

NOW, THEREFORE, in consideration of the mutual covenants, terms and provisions herein contained, and for other good and valuable consideration, the parties hereto agree as follows:

1. Facility Lease.

1.1 At the time the Council enters into the Master Lease with the City of San Diego concerning the use of the Proposed Facility, the Council will use its best efforts to have included in the Master Lease a provision whereby the City of San Diego will recognize the Club as the successor-in-interest to the Council, if the Council vacates, forfeits or otherwise terminates its position as the Master Lessee under the Master Lease. This provision would further provide that if the Club became the successor-in-interest to the Council under the Lease, the Club would continue to be bound by and honor any other subleases of any subtenants.

1.2 The Master Lease shall be an exhibit to the sublease between the Council and the Club concerning the subleasing of certain space in the Proposed Facility.

1.3 The Club shall pay to the Council as rent for the use of certain space in the Proposed Facility, a pro rata amount (based on the number of square feet used by the Club over the entire square footage of the Proposed Facility) of the rent paid to the City of San Diego by the Council.

1.4 The sublease between the Club and the Council relating to the Proposed Facility, may be terminated by the Council only if the Club fails to meet the requirements, terms and conditions set forth in the Master Lease between the City of San Diego and the Council.

1.5 The Council shall notify the Club within twenty-four (24) hours of the receipt by the Council from the City of San Diego of any notice of failure to meet the terms and conditions of the Master Lease by the Council or any other subtenant.

1.6 The Club and the Council shall not be liable or responsible for the other's actions or inactions. Further, the Club shall not be liable or responsible for the actions or inactions of any other tenant or tenants of the Proposed Facility.

1.7 The Council shall present to and discuss with the Club the long-term financial ability of the rowing community to sustain the Proposed Facility prior to submission to the City of San Diego of plans for the construction of the Proposed Facility.

1.8 The Club shall assign to and the Council shall accept said assignment of the Existing Lease between the Club and the City of San Diego as provided for in the Assignment of Lease attached hereto. In connection with the Assignment of the Lease, the Council will only assume the liabilities and responsibilities of the Club as contained in the Existing Lease and the Council shall not be liable or responsible for any other liabilities or responsibilities of the Club.

2. Use of Space.

2.1 The Club and the Council must approve in writing in advance the use of the Proposed Facility by any tenant, including the Club and the Council, for any purpose other than "rowing activities."

2.2 The Club and the Council must consent in writing in advance to any modification or change to the Proposed Facility if said modification or change directly or indirectly affects the Club, the Council or any other tenant.

2.3 "Rowing activities" are those activities generally associated with sculling and sweep rowing. This expressly includes all rowing boats with sliding seats. Specifically excluded are all other rowing craft such as canoes, outriggers, dorries, surf skis, and other similar rowing craft. Furthermore, all activities directly associated with rowing and the tenants of the Proposed Facility, including meetings, clinics, social occasions, repair and maintenance, are included in the definition of "rowing activities". Specifically excluded from the definition of "rowing activities" are repairing, maintenance and other activities that require highly toxic or highly flammable substances.

3. Separate Agreements.

3.1 The Club and the Council shall enter into a separate agreement or separate agreements in the event that it becomes necessary to share costs and expenses in connection with the operation of the Proposed Facility and/or any activity associated therewith.

4. Notices.

4.1 Any and all notices or other communications which either party shall be required or may elect to provide the other party pursuant to this Agreement shall be in writing unless otherwise so provided. Any written notice or communication shall be personally delivered or mailed registered or certified mail, return receipt request to the other party at the applicable address as set forth at the end of this Agreement.

4.2 Delivery or service of any written notice or communication shall be deemed completed: (i) if personally delivered, upon such delivery; or (ii) if mailed, upon receipt by the other parties, but in any event within seventy-two (72) hours after transmission if such transmission originates from within the same state as the intended recipient's mailing address, or within one hundred twenty (120) hours after transmission if such transmission originates from a state other than that of the intended recipient's mailing address.

5. General Provisions.

5.1 Each party hereto agrees to perform such further acts and to execute and deliver such further documents as may be necessary or desirable to effectuate the purpose of this Agreement.

5.2 No modification, amendment, discharge or change of this Agreement shall be valid unless same be in writing and signed by all the parties hereto.

5.3 If any provisions of this Agreement or the application is hereafter held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and to this and only the provisions of this Agreement are declared severable.

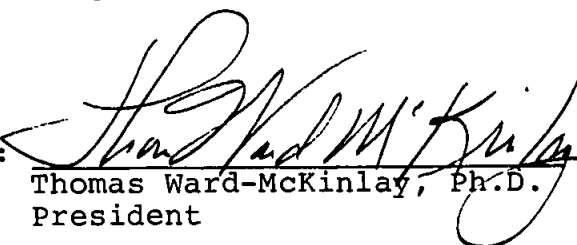
5.4 Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope of the intent of this Agreement or any of the terms hereof.

5.5 All exhibits referred to herein and attached hereto are incorporated as a part hereof.

5.6 This Agreement shall be construed and enforced in accordance with the laws of the State of California.

"CLUB"
SAN DIEGO ROWING CLUB

"COUNCIL"
SAN DIEGO ROWING COUNCIL

By: 
Thomas Ward-McKinlay, Ph.D.
President

By: 
William Robinson,
President

ADDRESSES

SAN DIEGO ROWING CLUB
P.O. Box 2768
San Diego, CA 92112

SAN DIEGO ROWING COUNCIL