



THE CITY OF SAN DIEGO

October 6, 2014

Dieter Fenkart-Froschl
Chief Operating Officer
San Diego Museum of Art
P.O. Box 122107
San Diego, CA 92112

Reference: San Diego Museum of Art - City of San Diego Consent to License Agreement –
Craft in the Park dba “Panama 66”

Dear Mr. Fenkart-Froschl:

Enclosed please find the executed original Consent to License referenced above.

If you have any questions, please feel free to contact me at (619) 236-6766.

Sincerely,

Patti D. Phillips
Supervising Property Agent

PDP/cb

Enclosure

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Real Estate Assets Department

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



CITY OF SAN DIEGO CONSENT TO LICENSE

THIS CITY OF SAN DIEGO CONSENT TO LICENSE ("Consent") is made by THE CITY OF SAN DIEGO, a California municipal corporation ("CITY"), to be effective as of September 25, 2014 (the "Effective Date"), as follows:

1. Master Lease. CITY, as lessor, and SAN DIEGO MUSEUM OF ART ("SDMA"), as lessee, are parties to that certain LEASE AGREEMENT ("Master Lease") filed in the Office of the San Diego City Clerk on February 12, 1990, as Document No. RR-275126 and relating to the ground lease of the land located in the City of San Diego, State of California, described and delineated on Exhibit "A" attached hereto and by this reference made part of this Consent (the "Master Lease Premises").
2. Sublease. SDMA as licensor, and Craft in the Park dba "Panama 66", as licensee ("Licensee"), are parties to that certain agreement ("Agreement") dated May 15, 2014, relating to a portion of the improvements on the Master Lease Premises (the "Agreement Premises," as more particularly defined in the Agreement).
3. Consent Required. Master Lease section 4.02, Assignment and Subletting, requires CITY'S consent to any occupation or use of the Agreement Premises to Licensee.
4. No Release. Nothing herein shall release SDMA from any of its obligations under the Master Lease.
5. Consent. Subject to the foregoing, CITY hereby consents to the use and occupancy of the Agreement Premises to Licensee, provided all of the following conditions are and remain true throughout the term of the Agreement:
 - (a) The Agreement is subject and subordinate to the Master Lease, as may be amended from time to time, and this Consent;
 - (b) CITY is not bound by any term or condition in the Agreement which in any way conflicts with CITY'S rights or would otherwise result in increasing CITY'S obligations under the Master Lease.

If at any time the foregoing provisions are not true, this Consent shall automatically and retroactively become null and void as of the Effective Date.

ENVIRONMENTAL ANALYSIS SECTION ENVIRONMENTAL CLEARANCE:

This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15301, (Existing Facilities) and Section 15331 (Historical Resources Restoration/Rehabilitation).

Date: 9/22/14

BY: [Signature]
Name: Myla Hermann
Title: Senior Planner

THE CITY OF SAN DIEGO, a California
municipal corporation

BY: [Signature]
Cybele Thompson
Director, Real Estate Assets Dept.

Approved as to form and legality this 2nd of
October, 2014.

JAN I. GOLDSMITH, City Attorney

BY: [Signature]
Name: Julia R. Mendoza
Title: Deputy City Attorney

Exhibit A: Master Lease Premises

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CITY ATTORNEY

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CIVIL DIVISION



TheSanDiegoMuseumofArt.org
P.O. Box 122107
San Diego, CA 92112

**The San Diego Museum of Art – Craft in the Park
Café Operations and Alcohol Beverage Service**

This Agreement is made and effective as of May 15, 2014 (hereafter “Effective Date”) between **The San Diego Museum of Art** (hereafter “the Museum”), a California nonprofit public benefit corporation, 1450 El Prado, San Diego, San Diego California, 92101 and **Craft in the Park** (hereafter “Contractor”), a California corporation, dba Panama 66, 3025 El Cajon Boulevard, San Diego California, 92104, collectively referred to as “the Parties” and separately referred to as “Party.”

RECITALS

WHEREAS, Contractor desires to become the Café (as defined below) operator, to provide beverage, concessions, and alcoholic beverage service; and

WHEREAS, the Museum desires to procure such services from Contractor;

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS.

- 1.1. **“Alcoholic Beverage Services”** means the provision of alcoholic and non-alcoholic beverage service at the Museum under a separate contract and on an agreed-upon, pre-planned basis for specific events or occasions at the Museum.
- 1.2. **“Agreement”** means this Agreement and any attachments hereto, and any modifications that are made to this Agreement in accordance with its terms.
- 1.3. **“Café”** means that area within the Licensed Premises known as the Sculpture Court Café that contains the Fixtures and Supplies needed to provide Services, all as defined herein.
- 1.4. **“Café Services”** means the provision of food and alcoholic and non-alcoholic beverage service at the Café.
- 1.5. **“Concession Services”** means the provision of food and/or alcoholic and non-alcoholic beverage service at the Museum on a non-hosted basis for specific events or occasions, other than “Alcoholic Beverage Services,” as defined above.
- 1.6. **“Contract Administrator”** means the Chief Operating Officer (COO) of the Museum or such other person assigned by the COO to monitor Contractor's performance under this

Agreement and empowered by the COO to act as the Museum's agent in relations with Contractor.

- 1.7. **"Contractor"** means Craft in the Park, a California corporation, dba Panama 66.
- 1.8. **"Fixtures"** means those food processing, preparation, and servicing equipment, furnishings, and other property owned by the Museum or purchased by Contractor to provide Services in the Café or Licensed Premises.
- 1.9. **"Licensed Premises"** means the area or portion of the Museum licensed to Contractor pursuant to this Agreement where the Café is located. The Licensed Premises does not include the Sculpture Garden. The Licensed Premises are generally depicted on the diagram attached hereto as Exhibit A and are subject to modification and change as provided herein.
- 1.10. **"Museum"** means the buildings and associated ground areas, including the Sculpture Garden, located in Balboa Park and commonly known as the San Diego Museum of Art, leased by the Museum from the City of San Diego pursuant to that certain Lease between the Museum and the City of San Diego dated February 12, 1990.
- 1.11. **"Party/Parties"** means either the Museum or Contractor or collectively referred to, as the case may be.
- 1.12. **"Preferred Caterers"** means catering companies selected by the Museum to provide Catering Services at the Museum. The current list of Preferred Caterers is attached hereto as Exhibit B and incorporated herein. The Museum reserves the right to amend such list by adding or deleting catering companies. The Museum shall notify Contractor in writing of any addition or deletion of catering companies to the list.
- 1.13. **"Services"** means providing Café operation, including a modular, movable coffee bar, concession services, and obtaining and serving alcoholic beverages to the Museum's guests, invitees, licensees, contractors, and employees.
- 1.14. **"Supplies"** means the nondurable goods needed for Services.
- 1.15. **"The Museum"** means The San Diego Museum of Art.

2. SERVICES.

- 2.1. **Services.** The Museum licenses Contractor to provide Services at SDMA for the Term, as defined herein, of this Agreement. Contractor shall be the exclusive provider of Café Services and Contractor agrees to provide Services as stated in this Agreement. Contractor shall exercise commercially diligent efforts to open the Café for operations by July 1st, 2014 after installation of Fixtures and Supplies as contemplated herein.
- 2.2. **Café Name.** Contractor shall operate the Licensed Premises under the fictitious business name "Panama 66." The Museum grants Contractor a license to use the "The San Diego

Museum of Art" name during the Term and Extended Term of this Agreement subject to the Museum's prior written approval of such use as provided herein. The name of the Café may only be changed by the prior mutual written agreement of Contractor and the Museum. Upon the expiration or termination of this Agreement, Contractor shall cease using the names "Panama 66" and "The San Diego Museum of Art." Contractor shall register the trademark "Panama 66" and hereby grants a license to the Museum to use the aforementioned trademark for its regular business. If this Agreement is terminated and, as a consequence of the termination, the concept/brand described in this Agreement disappears, the Café name and trademark shall not be used by any other Parties. The Parties agree that the name of the Café shall only be changed by mutual written agreement.

- 2.3. **Quality.** Contractor agrees to perform Services with promptness and diligence in a thorough, professional and workmanlike manner consistent with industry standards. Contractor and the Museum agree that Contractor shall operate the Café in a counter style, farm to table, communal space, representing local food, beer, wine, and handcrafted cocktails, to create a "neighborhood hub" in Balboa Park. The menu selections shall focus on seasonal and locally sourced ingredients with an emphasis on providing quality and value to the patron ("Café Concept"). The Café shall offer a mix of traditional seating with some larger communal tables with full alcoholic beverage offerings, "food to go"/express line, and coffee beverages for take-out patrons who will be able to utilize open seating in the Sculpture Garden and the rest of Balboa Park.
- 2.4. **Hours.** Contractor shall operate the Café at the Museum in the Licensed Premises. At Contractor's election, Contractor may operate the Café subject to the Museum's right to close the Licensed Premises for the Museum's events as provided herein. Contractor agrees to operate the Café at a minimum from 11 a.m. to 5 p.m. every day of the week. Subject to the foregoing and the prior written approval of the Museum, Contractor may modify the business hours.
- 2.5. **Approvals.** Contractor shall obtain prior written approval on all major decisions relating to Services from the Museum's Contract Administrator. Major decisions include, but are not limited to, a change in the Café Concept, general décor, facility space management, installations, or structural alterations to the Licensed Premises. The Museum's approval shall not be unreasonably withheld. Subject to Contractor's obligation to operate the Café and the Licensed Premises as provided in this Agreement, staffing practices, menu items, menu prices, supply and logistics management, and cleaning and maintenance shall be determined by Contractor in its professional judgment. However, Contractor shall consult with the Museum's Contract Administrator at regular meetings with regard to such operations.
- a. The Parties acknowledge that the City must approve this Agreement and the Museum shall not be held responsible for City's failure to approve the Agreement or failure to approve the Agreement in a timely manner. Contractor hereby releases the Museum from any liability due to City's approval process.
- 2.6. **Supplies and Fixtures.** Contractor shall furnish all Supplies for the operation of the Café at Contractor's expense. Contractor shall enter into contracts to obtain Supplies in Contractor's name and the Museum shall not be held responsible for Contractor's

contractual agreements. Contractor may use Supplies owned by the Museum. The Museum warrants that all Fixtures and Supplies provided by the Museum to the Licensed Premises shall be in good working order and fully functional at the time of opening date. Contractor shall have the right to inspect all Fixtures and Supplies during the transition period and before the opening date in order to determine that such Fixtures and Supplies are in such good working order and condition. Upon such acceptance, Contractor shall maintain, repair or replace the Fixtures and Supplies during the term of this Agreement in order to return them to the Museum in the same or similar condition upon expiration or termination of the Agreement subject to reasonable wear and tear, damage by casualty, and alterations/improvements.

- 2.7. **Advertising.** Contractor shall develop a marketing plan, which will be reviewed by the Museum. Contractor shall advertise and promote the Café actively and on a regular basis. Contractor is solely responsible for advertising agreements, contracts and signage costs and schedules associated with the promotion of the business. All copy, logo development, signage and collateral shall be approved by the Museum prior to publication. Submissions shall be made fifteen (15) days in advance. Contractor shall feature the Café on its website and link to the Museum's website. The Museum shall provide a link on its website to Contractor's website promoting the Café. Contractor and the Museum will work collaboratively to issue a press release announcing the opening of the Café.

Banners attached to the outside of the Museum shall be maintained regularly by the Museum. The Museum will consult with Contractor upon request regarding such banners and any signage for the Café. Contractor shall have the right to provide signage for the Café subject to the Museum's prior written approval as to design and location.

Contractor and the Museum agree to work in a collaborative manner to promote and market the Café and the Services, with regular meetings regarding operations, marketing and advertising.

- 2.8. **Outside Events.** Contractor shall provide Concession Services from the Licensed Premises to events or persons outside of the Museum, or book or provide such services to customers at the Museum, with the prior written approval of the Museum.
- 2.9. **Concessions.** Contractor shall provide Concession Services for designated events at the Museum at the request of the Museum, as part of the Preferred Caterers of the Museum.
- 2.10. **Alcohol Beverage License.** Contractor shall maintain the Café's Type 47 license from Alcoholic Beverage Control for the Term of this Agreement ("ABC License"). Contractor shall acquire the ABC License from the previous operator of the Café, subject to ABC approval ("ABC License Transfer"). Contractor shall pay for ABC License transfer costs. Contractor shall provide the Museum reasonable documentation supporting the ABC License Transfer costs. If Contractor cannot obtain the ABC License with ABC approval within three (3) months of the Effective Date, the Museum shall have the right to hire another contractor for those events that require alcoholic beverage service or terminate the Agreement with sixty (60) days notice.

- a. At the end of the Term of this Agreement, either the Museum or the Museum's designated operator may acquire from Contractor the ABC License, subject to ABC approval, and all Fixtures and Supplies related to the alcohol beverage service at Contractor's cost of acquiring the ABC License, the transfer cost of the ABC License, and cost of such Fixtures and Supplies.
 - b. At least sixty (60) days prior to the ABC License Transfer, the Museum and Contractor shall negotiate in good faith consistent with industry standards the specific percentages described in (c) below and whether Contractor may obtain permits for outside events as the alcohol beverage manager under the ABC License in accordance with applicable ABC laws and regulations under the financial terms outlined in (c).
 - c. If the ABC License Transfer occurs, as defined herein, Contractor shall act as an alcohol beverage manager in accordance with all ABC laws and regulations. Contractor shall provide all staffing, insurance, supplies and inventory at Contractor's expense and provide detailed accounting for all events to the Museum in a form and manner reasonably required by the Museum and all net profits associated therewith shall be paid to the Museum. The Museum shall be required to pay for all alcohol beverage purchases directly. The Parties shall amend this Agreement to incorporate specific negotiated terms into this Section.
- 2.11. **Alcoholic Beverage Service.** Subject to Sections 2.10 (a), (b), and (c) Contractor is the sole provider of alcoholic beverages for events conducted at the Museum, including Catering Services catered by Preferred Caterers as coordinated by the Museum. Contractor shall relinquish the liquor license to another vendor, at the Museum's discretion, once per year with 60 days' notice. Contractor shall provide alcoholic beverages upon the Museum's written request given no later than fifteen (15) days before an event, including the expected attendance at such event. Contractor acknowledges the possibility of last minute emergencies and Contractor shall try to accommodate last minute emergencies to the best of its ability. Contractor shall fully comply with, all licenses, permits, and approvals required by applicable law in connection with alcohol beverage trade practices rules for marketing, sales, and serving of alcohol beverages.
- 2.12. **Alcohol Beverage Costs.** Contractor's rates for alcoholic beverage services shall be competitive within the industry for such services. For events hosted by the Museum with a no-host bar, Contractor shall provide alcoholic beverage services at no cost to the Museum. For events hosted by the Museum that include a hosted bar, the Museum shall pay Contractor standard rates and prices for labor, beverage, equipment and supply rental. Contractor's schedule of hourly labor charges for alcohol beverage service staff is attached hereto as Exhibit C, which may be amended to reflect cost of living adjustments. There shall be no other mark-ups charged on staff time, materials, or other items used to provide the bar services. Contractor shall submit an invoice to the Museum within thirty (30) days of each event and the invoice shall reflect Contractor's costs as provided above. As used herein, the Museum events shall be events and gatherings at the Museum for the benefit of the Museum or which are hosted by the Museum and not for the benefit of outside groups or parties.

- 2.13. **Discounts.** Contractor shall provide a fifteen percent (15%) discount to the Museum employees, a ten percent (10%) discount to Balboa Park employees and employees of Balboa Park institutions at the Café, and fifteen percent (10%) discount for the Museum Members. Such employees shall be required to present identification or proof of employment and Museum members shall be required to show current membership card as a requirement to receiving such discount.
- 2.14. **The Museum Events.** The Museum has the right to use the Licensed Premises during Contractor's hours of operation for the Museum events provided the Museum gives Contractor sixty (60) days advance notice of such events.
- 2.15. **Warranties.** Contractor warrants that Services will be performed in a diligent and workmanlike manner in accordance with applicable industry standards. Contractor shall provide the maximum quality of Services, Fixtures and Supplies at the Café, reasonable prices and good public relations with the Museum's visitors, guests and employees. Contractor shall anticipate and resolve problems with Services, Fixtures or Supplies immediately and shall alert the Museum management and staff if the problem necessitates coordination or assistance with the Museum. Contractor shall comply with all state and local regulations relating to the purchase, storage, preparation and distribution of food and beverage services and supplies. It shall also comply with all state and local regulations regarding facility sanitation and maintenance. Contractor shall conform with the provisions of the Uniform Food Facilities Law (formerly the California Restaurant Act), CAL-OSHA and other state regulations. Contractor shall provide extermination and pest control services at least once a month in all food preparation and storage, dining, catering and lounge areas of the Licensed Premises. Contractor shall obtain and maintain applicable business licenses, health certificates, and insurance coverage necessary for the proper and legal operation of the foodservice operation herein described. Contractor shall also follow all rules, regulations and policies of the Museum.
- 2.16. **Performance.** Contractor and the Museum shall measure performance according to the following metrics:
- a. Annual surveys from Café patrons, administered by the Museum showing at least 80% satisfaction based on a set of mutually agreeable parameters such as (a) quality of food and drink, (b) variety and selection of food and drink, (c) quality of customer service, (d) décor and comfort, etc.
 - b. Annual performance review from Museum indicating satisfaction with (a) responsiveness to requests, (b) transparency, (c) integration with other areas of the Museum, (d) reputation in San Diego, (e) marketing efforts, etc.
 - c. Lack of formal complaints from Café patrons. If a formal complaint is received, Contractor shall be notified in writing and shall have 5 business days from receipt to correct the complaint. More than 5 formal complaints per month shall automatically be considered a breach or default by Contractor.
- 2.17. **Contractor Maintenance.** Contractor shall provide and pay for the regular and periodic maintenance and cleaning of all Fixtures and Supplies within the Licensed Premises and

Café, including standing heaters and propane supplies. Contractor shall dispose of food and debris and clean up upon the daily completion of Services, but shall not clean any art works or personal property of the Museum listed on Exhibit D. Contractor is directly responsible for assuring that the Café and Licensed Premises are kept clean and sanitary. Contractor shall maintain and be responsible for daily maintenance of all areas of the Café and kitchen. This will include daily sweeping, table, chair, and kiosk placement, and surface cleanliness to the standards of the Museum. A mutually agreed upon schedule of cleaning shall be followed by Contractor. Contractor shall assume direct responsibility for the preventative maintenance and repair of all Fixtures and Supplies, whether purchased by Contractor or the Museum. Contractor shall use ordinary care in the use and maintenance of the Fixtures or Supplies located on the Licensed Premises or Café.

- 2.18. **The Museum Maintenance.** The Museum represents that the indoor portion of the Licensed Premises and Café is serviced by a heating, ventilation and air conditioning system ("HVAC") and gas and electric utilities and all such utilities shall be provided by the Museum to the Licensed Premises at the Museum's sole cost and expense. The Museum represents that the HVAC system and all utilities, except the swamp cooler (to be repaired shortly), to the Licensed Premises are in good working condition as of the Effective Date of this Agreement. Subject to Contractor's responsibility for regular and periodic cleaning described above, the Museum shall be responsible for the maintenance and repair of the structure and the facilities that constitute the Licensed Premises and the architectural and decorative elements (including without limitation all pieces of art work) that are in the Licensed Premises including regular power-washing of the hard surface areas of the Licensed Premises. The Museum and Contractor shall coordinate power-washing schedules. The Museum shall be responsible for maintaining the Sculpture Garden and landscaping. The Museum shall also be responsible for maintenance, repair, and replacement of all utilities or services provided to the Licensed Premises that are not part of the Licensed Premises, including but not limited to the HVAC and other improvements consisting of or facilitating use of the Licensed Premises.
- 2.19. **Delivery.** Contractor shall be responsible for receiving Supplies and Fixtures ordered by Contractor and for the security of items received. Contractor shall keep the delivery area neat and clean and comply with the same rules and regulations for the non-exclusive delivery area.
- 2.20. **Trash Removal.** Contractor, at its expense, shall remove trash and garbage from the Licensed Premises and Café at least once a day or as often as may be necessary to ensure safe and sanitary conditions.
- 2.21. **Phone and Internet.** The Museum shall provide phone infrastructure up to the outlet. Contractor shall be responsible for setting up the connection with a phone company. The Museum shall provide data infrastructure up to the wall outlet and Internet access. Contractor is allowed to install a wireless router at its own cost.
- 2.22. **Security.** Contractor is responsible for control of the keys obtained from the Museum and the overall security of the Licensed Premises and Café. Overall security includes but is not limited to locking doors, gates and windows, and setting alarms. Contractor shall coordinate access to, and the securing of, the Licensed Premises and Café and access to

other parts of the Museum with the Museum's security officers and services. Contractor shall abide by all of the Museum's security policies and procedures and they shall control in the event of any inconsistency with Contractor's policies and procedures. Contractor shall keep confidential and secure the Museum's security policies and procedures, keys and alarms.

2.23. Relocation of Licensed Premises. The Museum reserves the right to relocate the Licensed Premises and Café to another area in the Museum. The newly relocated Licensed Premises and Café shall be comparable in size, covered seating, kitchen capacity and public exposure to the original Licensed Premises, and the terms of this Agreement shall apply. The relocated Licensed Premises and Café shall be delivered to Contractor with improvements substantially similar to those improvements existing at the time of the Museum's notice to Contractor ("Improvements").

- a. Notice. The Museum shall provide written notice to Contractor at least ninety (90) days prior to the effective date of any relocation ("Relocation Date"). The notice shall provide a detailed written description of the proposed relocation and a copy of any plans.
- b. Costs. The Museum shall pay for the Improvements costs and the costs to relocate the Fixtures and Supplies.
- c. Timing. Relocation of the Improvements, Fixtures and Supplies shall be completed at a mutually acceptable time convenient for the Parties but no later than the Relocation Date. Prior to relocation, the Parties shall execute an amendment to this Agreement reflecting the new location.

2.24. Modification or Changes to Licensed Premises. The Museum reserves the right to change or modify the Licensed Premises or Café including the addition or deletion of sculptures and works of art to the Licensed Premises upon thirty (30) days written notice ("Modification Date") provided such modification does not materially alter or change the size, kitchen capacity and public exposure of the Licensed Premises. Any changes or modifications shall be coordinated in a manner as to reasonably minimize the disruption to the operation of the Café and the Licensed Premises and shall be completed at a mutually acceptable time convenient for the Parties no later than the Modification Date, and be reflected in an amendment to this Agreement.

2.25. Hazardous Materials Compliance. The Museum warrants that the Licensed Premises and Museum are in compliance with all applicable laws affecting public occupancy and all applicable hazardous substance laws. If the Licensed Premises becomes out of compliance due to enactment of a new law, police rule or regulation that results in a hazardous materials compliance issue, the Museum shall be responsible for all work, cost and expense required to bring the Licensed Premises and Café into compliance.

2.26. Existing Contracts. A list of the special event dates during a transition period from May to August 2014 are attached as Exhibit E.

3. COMPENSATION.

- 3.1. **Payment Structure.** As a license fee for the operation of the Café, Contractor shall pay to the Museum seven percent (7%) of monthly gross food and beverage (alcoholic and non alcoholic) Café revenue per fiscal year (July 1 to June 30) excluding sales tax, returns and charge-backs. The total fees paid to the Museum by Contractor as a percent of Café gross revenue shall not be less than \$25,000 per fiscal year; if total fees as a percent of monthly gross revenue are less than \$25,000 per fiscal year, Contractor shall pay the difference to the Museum within 30 days of fiscal year end. Contractor shall also pay the Museum monthly seven percent (7%) of all gross alcohol sales from non-Café Concession Services and Catering Services excluding labor, sales tax and service charges. Contractor shall make all payments to the Museum by the tenth (10th) day of each month following the prior month end.
- 3.2. **In-Kind Services.** Contractor also shall provide \$5,000.00 of in-kind Catering Services at retail value to the Museum during each fiscal year of this Agreement and shall provide the Concession Services at cost for the Museum hosted events as provided herein. It is the sole responsibility of Contractor to provide an assessed valuation of the in-kind services to the Museum, and to be knowledgeable about Internal Revenue Services regulations concerning in-kind gifts. Within 30 business days of Contractor signing this Agreement, Contractor shall provide a letter describing the in-kind services, which are the subject of this Section 3.2, and the schedule for providing said services (the schedule may be modified with the mutual written agreement of the Museum and Independent Contractor). The Museum shall coordinate the use of the services subject of this Agreement. The Museum shall update Contractor's gift record from estimated value to verified value when the necessary documentation is received (i.e., IRS Form 8283 –Contractor is responsible for submitting IRS Form 8283 to the IRS). The Museum expressly disclaims any liability for any injury or damages to any party in connection with the provision of the above-noted in-kind services, which are being provided by Contractor as a gift.
- 3.3. **Payment and Reporting Schedule.** Contractor shall submit monthly financial reports and payments to the Museum (ATTN: Chief Operating Officer) verifying the business activity and calculations of payment in the form reflected on Exhibit F. Contractor shall have the ability to provide monthly financial reports in an electronic format, by the tenth (10th) day of each month following the prior month end.
- 3.4. **Contractor Accounting Records.** Contractor shall maintain a system of accounting that accounts for all moneys received at the time of sale and be prepared to submit accurate records of all transactions upon demand. Contractor shall provide receipts to Café patrons for all good and services sold in the Café. Contractor shall maintain separate revenue accounts for gross food and alcoholic and nonalcoholic beverage sales generated by Services. Contractor shall keep and maintain all required financial records in accordance with generally accepted accounting principles, reports exportable in excel format, and shall assure adequate internal controls, compliance with State laws and city regulations and the safeguarding of the Museum's assets. These records shall be open for inspection by the Museum, or its agents, at all reasonable times and upon reasonable prior notice. At the termination of this Agreement, Contractor shall maintain such records for not less than eighteen (18) months and shall make them available to the Museum, or its agents, in accordance with this section.

4. CAPITALIZATION.

- 4.1. **Inventory.** Contractor and the Museum have performed a physical inventory of the Museum's Fixtures and Supplies located on the Licensed Premises and Café as of the Effective Date. A complete list of the Fixtures and Supplies is attached hereto as Exhibit G and incorporated herein (the "**Inventory**") The Parties will amend Exhibit G within five (5) days after the Effective Date to reflect any changes to the Inventory.
- 4.2. **Additional Capital.** The Parties acknowledge and agree that the Inventory attached hereto as Exhibit G represents the Fixtures and Supplies owned by the Museum as of the Effective Date. Contractor shall provide such additional Fixtures and Supplies that it determines to be required or necessary for Services in accordance with the operating standards set forth herein. Such Fixtures and Supplies purchased by Contractor shall remain the property of Contractor and shall be removed by Contractor (and the Licensed Premises shall be restored to the condition prior to such installation) at the end of the Term or Extended Term. Prior to making any permanent installations or alterations to the Licensed Premises, Contractor shall provide the Museum with written specifications for such installations or alterations. Contractor may make such installations and alterations upon receipt of written approval from the Museum, provided that all such installations or alterations shall be done in a good, workmanlike and lien-free condition by licensed contractors approved by the Museum. Contractor shall indemnify and hold the Museum harmless from all costs, expenses or liability associated with such installations or alterations. Except for Contractors removable trade Fixtures and Supplies, all such alterations and installations shall become the property of the Museum upon such installation.
- 4.3. **Capital Investment by Contractor.** Contractor and the Museum shall periodically meet to discuss future capital improvements to the Licensed Premises, which will be funded through shared investments after the reopening of the Café. Contractor shall consult with the Museum regarding capital investments on Fixtures, Supplies and/or approved installations and alterations in Café prior to reopening of Café.

5. CONTRACTOR REPRESENTATION AND WARRANTIES.

- 5.1. **Organization and Good Standing.** Contractor is a California corporation duly organized, validly existing and in good standing under the laws of the State of California. Contractor has submitted verification that it is validly existing and in good standing in the State of California.
- 5.2. **Compliance with Laws.** Contractor is, and at all times has been, in full compliance with all federal, state, local, municipal, foreign, international, and multinational, laws, ordinances, principle of common law, codes, regulations, rules and statutes.

6. LIABILITY INSURANCE.

- 6.1. **General Liability.** During the term of this Agreement, Contractor shall obtain and maintain general liability insurance coverage in the amount of not less than two million five hundred thousand dollars (\$2,500,000.00); shall name the Museum as an additional insured; and require that the Museum have at least thirty (30) days notice prior to cancellation and replacement of coverage. Contractor shall furnish the Museum a certificate of insurance denoting compliance with the provisions herein prior to the commencement of Services. Contractor shall report to the Museum promptly and in writing any incident, which might reasonably result in any insurance claims for Contractor or the Museum.
- 6.2. **Additional Coverage.** Contractor shall obtain and keep in full force during the term of this Agreement a Fire Legal Liability or Broad Form Property Damage Liability Endorsement and Business Automobile Liability insurance with the above-mentioned general liability coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence. The Business Automobile Liability insurance shall cover vehicles owned, used, and hired by Contractor. Contractor shall provide proof of such insurance to the Museum.
- 6.3. **Worker's Compensation.** Contractor shall maintain Workers Compensation Insurance, Employees Liability Insurance, and insurance in compliance with any statutory requirements pertaining to the compensation of injured employees, covering all Contractor employees connected with the performance of this Agreement in compliance with the laws of the State of California,

7. TAXES.

- 7.1. **Sales/Use/Tax.** Contractor shall pay and keep current all Federal, State, and City taxes applicable to the Café and catering operations, including all applicable sales and use taxes assessed with respect to the sale of food or beverage through Services. Contractor shall hold the Museum harmless against any liability, costs and expenses with respect to any sales or use tax assessed with respect to the sale of food or beverage under the terms of this Agreement. The Museum shall pay any property tax assessed with respect to the Licensed Premises and on its Fixtures and Equipment except that Contractor shall pay any property tax relating to its Fixtures and Equipment located at the Licensed Premises.

8. PROPRIETARY RIGHTS.

- 8.1. **License Only.** Contractor acknowledges and agrees that this Agreement is a license to use the Licensed Premises and Café and does not constitute a lease or sublease of any interest in the Museum or any part thereof. Contractor also acknowledges that the license granted herein is a non-exclusive license (except for the license to operate the Café and the Concession Services and alcoholic beverage provider as provided herein which shall be exclusive during the Term of this Agreement), with the Museum retaining possession and control of the Museum at all times; provided, however, Contractor shall have exclusive use of the Licensed Premises as depicted on Exhibit A during the business hours for the Café and the two (2) hours prior to and two (2) hour after such business hours (hereinafter collectively the "Hours of Operation"). Contractor shall have exclusive use of the kitchen

facilities at the Museum and no other caterer or service provider shall be permitted to have use or access to the kitchen or Contractor's Fixtures and Supplies without Contractor's prior approval. Contractor may, at its sole cost, construct a secure area within the Licensed Premises for the exclusive use by Contractor for purpose of storage of supplies. The location and construction of the secure area shall be subject to the prior written approval of the Museum and Contractor shall provide the Museum with a key to such area at all times to enable the Museum and its security force to enter the area in any emergency or to inspect the area as reasonably and prudently required.

- 8.2. **Property of the Museum.** It is hereby agreed that any existing Fixtures in the Café or Licensed Premises as of the Effective Date are the property of the Museum and shall be returned to the Museum in the same or similar condition that existed as of the Effective Date upon expiration or termination of this Agreement. At the expiration of the Term or the Extended Term, Contractor shall return to the Museum the Fixtures in substantially the same quality and quantity as provided to Contractor as of the Effective Date.

9. TERM AND TERMINATION.

- 9.1. **Term.** This Agreement is effective on the Effective Date and shall remain in full force for a period of four (4) years and six (6) months from the Effective Date ("**Term**"). The Term shall be renewable or otherwise extended only upon the written mutual consent of both Parties; provided, however, that if no material breach or default has occurred during the Term by Contractor, and Contractor has provided all Services in a professional and first class manner as contemplated herein. The Museum shall have one (1) option to extend the Term of this Agreement for an additional four (4) years on the same terms and conditions as set forth herein ("**Extended Term**"). The Museum shall provide written notification of the Museum's decision to begin the Extended Term before May 15, 2018. If the Museum does not give written notice before May 15, 2018, the Museum shall have the right to seek a new Contractor in case of underperformance, as described in Section 2.16, or renegotiate this Agreement with Contractor. At least 180 days prior to the expiration of the Extended Term, the Parties shall meet and confer regarding amending this Agreement on terms mutually agreeable to Contractor and the Museum but neither Party shall be obligated to continue the relationship beyond the Extended Term.
- 9.2. **Breach or Default.** Notwithstanding the foregoing, this Agreement may be terminated for cause by either Party in the event the other Party is in material breach or default hereunder. A Party shall be in material breach or default in the event it incorrectly performs or fails to perform any provision, covenant or condition of this Agreement and such incorrect performance or failure to perform continues for twenty (20) calendar days after written notice thereof (the "**Defaulting Party**") from the other Party (the "**Electing Party**"); provided that if the nature of such material breach or default is such that the same cannot reasonably be cured within a twenty (20) calendar day period, the Defaulting Party shall not be deemed to be in material breach or default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure said material breach or default as soon as possible. Upon the occurrence of such material breach or default, the Electing Party shall have the option to terminate this Agreement. Upon any termination, Contractor shall vacate the Licensed Premises and deliver possession to the

Museum, following a transition period established by the Museum, while the Museum identifies a new contractor. If Contractor fails to so vacate the Licensed Premises and deliver possession to the Museum, then the Museum may, without prejudice to any other remedy, which it may have for possession, damages or arrearages, enter upon and take possession of the Licensed Premises and expel or remove Contractor and any other person who may be occupying the Licensed Premises. Notwithstanding the above, if such material breach or default is disputed and either Party submits such matter to arbitration to determine the existence of such material breach or default, neither Party shall have the right to terminate this Agreement until a final determination is made by the Arbitrator provided, however, that if the Museum in good faith alleges that Contractor has engaged in any act or omission that constitutes a material breach or default under the terms of this Agreement and such act or omission, if continued, could cause physical damage to the Museum, damage the reputation of the Museum, or relates to the health, safety or welfare of Museum patrons or employees, Contractor may be removed or expelled from the Licensed Premises pending the resolution of such matter in arbitration.

- 9.3. **Obligations.** In the event of termination or expiration of this Agreement, Contractor shall return to the Museum all Fixtures and Supplies in substantially the same quality and quantity as of the Effective Date listed on Exhibit G. In addition, Contractor shall remove its own Fixtures, Supplies and other property from the Museum and Licensed Premises at Contractor's sole cost and expense and restore the Licensed Premises and any other part of the Museum used by Contractor in the operation of the Café to substantially the same condition as it was as of the Effective Date, reasonable wear and tear, damage by casualty, and alterations/improvements approved by the Museum excepted. Any monies due to the Museum shall be prorated to the date of termination or expiration.

10. INDEPENDENT CONTRACTOR.

- 10.1. **Relationship.** It is understood and agreed that no relationship of employer-employee and/or partnership between Contractor and the Museum exists or is created by this Agreement. The Parties are separate legal entities for all intents and purposes, and neither Party shall have the authority to bind the other except as specifically provided herein. Each Party is an independent contractor and shall remain professionally and economically independent of the other. Contractor represents and warrants that it holds or will hold as of the date of opening of the Café, all necessary business licenses to carry out its business, except for the ABC License, which shall be obtained as described herein. Contractor agrees to indemnify and hold the Museum harmless against any payments or liabilities for which Contractor may become liable with respect to the operation of the Café or providing Services herein, except for the negligent acts or omissions of the Museum, its agents, officers, directors, contractors or employees. The Museum shall have no responsibility for any of Contractor's debts, liabilities, or other obligations.

11. INDEMNIFICATION.

- 11.1. **Contractor Indemnity.** Contractor shall indemnify, defend and hold the Museum, its Directors, officers, employees, and agents, successors, and assigns harmless from and

against any and all claims, demands, actions, causes of action, losses, liabilities, judgments, liens, rights, costs and expenses, including without limitation, attorney's fees and costs, judgments and settlements, asserted against or suffered by the Museum that may arise directly or indirectly by reason of Contractor's breach or default under any of the covenants and agreements set forth in this Agreement except such indemnification shall not extend to any negligent or willful acts or omissions of the Museum, its agents, officers, directors, contractors or employees. The Museum shall have no responsibility for any of the Contractor's debts, liabilities, or other obligations or for the intentional, reckless or negligent acts or omissions of Contractor. The indemnification set forth herein shall survive the termination of this Agreement.

- 11.2. **Liens.** Contractor agrees that it will pay or cause to be paid all costs for work done by it or caused to be done by it on the Licensed Premises or within the Museum, and Contractor shall keep the Licensed Premises and the Museum free and clear of all mechanic's liens and other liens filed or asserted on account of such work, on behalf of the Museum or persons claiming under it (the "**Liens**"). Contractor agrees to and shall indemnify, defend and hold the Museum and the Museum free and harmless against any and all liability, loss, damage, cost, attorneys' fees, and all other expenses on account of any Liens for work performed or materials or supplies furnished for Contractor or persons claiming under it.

12. CONFIDENTIAL INFORMATION.

- 12.1. Both Parties acknowledge and agree that in relation to the services being provided under this Agreement, one Party (hereinafter "Disclosing Party") may be given access to confidential or proprietary documents, materials or information regarding Disclosing Party's products, research, business affairs, and personnel matters, which the other Party (hereinafter "Receiving Party") acknowledges and agrees are of a highly sensitive and confidential nature and considered trade secrets and/or proprietary to Disclosing Party. Such information, documents and materials may include, without limitation, trade secrets, inventions, research, plans, proposals, marketing and sales programs, financial projections, cost summaries, pricing formulas and all concepts or ideas, materials or information related to the products, research, business or sales of Disclosing Party or Disclosing Party's customers or business partners, as well as Disclosing Party's personnel matters, which has not previously been released to the public at large by an authorized representative of Disclosing Party. Receiving Party represents that it will hold all such information confidential and that it will not use such confidential or proprietary information and/or documents for any purpose other than to perform services under this Agreement for the benefit of Disclosing Party. Both Parties understand that this obligation of confidentiality continues even after the expiration or termination of this Agreement.

13. NOTICES

- 13.1. **Method.** Any notice given under this Agreement shall be in writing and given (i) by delivering the notice in person, (ii) by commercial courier, or (iii) by sending it by registered or certified mail, or express mail, return receipt requested, with postage prepaid,



TheSanDiegoMuseumofArt.org
P.O. Box 122107
San Diego, CA 92112

to the mailing address listed below. For the convenience of the Parties, copies of notices may also be given by e-mail with receipt confirmation, to the e-mail address listed below.

For the Museum:

Dieter Fenkart-Froeschl
Chief Operating Officer
The San Diego Museum of Art
PO Box 122107
San Diego, CA 92112-2107
Email: dfenkart-froeschl@sdmart.org

For Craft in the Park:

3025 El Cajon Boulevard
San Diego California, 92104
Email: jeff@blindladyalehouse.com

Any mailing address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change.

Every notice (other than the giving or withholding of consent, approval, or satisfaction under this Agreement, but including requests therefor) shall comply with the following requirements. Each such notice shall state: (i) the section of this Agreement pursuant to which the notice is given and (ii) the period of time within which the recipient of the notice must respond or if no response is required, a statement to that effect. Each request for consent or approval shall contain reasonably sufficient data or documentation to enable the recipient to make an informed decision.

- 13.2. Notice Determination.** All notices under this Agreement shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipts. A person may not give official or binding notice by e-mail. Service process of each Party's address provided herein shall be valid and binding upon such respective Party. The effective time of notice shall not be affected by the receipt, prior to receipt of the original, of an e-mail copy of the notice.

14. FORCE MAJEURE.

- 14.1.** The Museum shall have no obligation or liability to Contractor if Contractor is prevented from opening or operating the Café by accident, riots, civil unrest, insurrection, war, terrorist act, act or order of any public authority, strikes, lockouts, other labor difficulties, fire, flood, epidemics, earthquake, natural disasters, acts of nature, widespread power shortages/outages or other conditions beyond the Museum's control.

15. ENTIRE AGREEMENT.

- 15.1. This Agreement constitutes the complete binding understanding of the Parties and supersedes all previous oral and written understanding. No amendment to or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both Parties.

16. NON-ASSIGNABILITY.

- 16.1. This Agreement will inure to the benefit of and be binding upon Contractor, its successors, and assigns; provided, however, that the foregoing shall not constitute or be deemed a waiver of any of the prohibitions against assignment or transfer contained in this Agreement. No assignment of this Agreement, either in whole or in part, or of any of the rights and obligations hereunder, can be made by Contractor without the prior written consent of the Museum, which consent can be withheld by the Museum in its absolute discretion. Any consent to one assignment or transfer shall not be deemed to be consent to any subsequent assignment or transfer. Any such assignment or transfer without such consent shall be void, and shall, at the option of the Museum, terminate this Agreement.

17. NO PRESUMPTION AGAINST DRAFTER.

- 17.1. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, experienced and knowledgeable legal counsel has represented each Party. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without presumption against the Party responsible for drafting any part of this Agreement (including, but not limited to, California Civil Code Section 1654).

18. WAIVER.

- 18.1. The rights and remedies of the Parties to this Agreement are cumulative and not alternative. Neither the failure nor any delay by any Party in exercising any right, power, or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege. To the maximum extent permitted by applicable Law: (i) no claim or right arising out of this Agreement or the documents referred to in this Agreement can be discharged by one Party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the other Party; (ii) no waiver that may be given by a Party will be applicable except in the specific instance for which it is given; and (iii) no notice to or demand on one Party will be deemed to be a waiver of any obligation of such Party or of the right of the Party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

19. SEVERABILITY.

- 19.1. If any provision of this Agreement, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Agreement.

20. ATTORNEYS FEES.

- 20.1. In the event any Party to this Agreement commences any action, including arbitration, legal or otherwise, concerning any aspect of this Agreement or any tort cause of action, including but not limited to the interpretation or enforcement of any of its provisions or because of any alleged dispute, breach, default, or misrepresentation in connection with any aspect or provision of this Agreement, or for a declaration of a Party's rights or obligations hereunder, or for any other judicial remedy, the prevailing Party shall be entitled to recover its reasonable attorneys' fees and all other costs and expenses incurred in connection with the action or proceeding, including without limitation expert witness fees, court reporter fees, collection expenses, and the costs of appeal, in addition to any other relief that Party may be entitled, whether or not such action proceeds to judgment. The award of attorneys' fees shall not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, include the full amount of costs, expenses, and attorneys' fees incurred in good faith.

21. ARBITRATION.

- 21.1. If a dispute arises out of or relates to this Agreement, or the breach thereof, the Parties agree first to endeavor in good faith to resolve the dispute through discussion and negotiation within 30 days after notice given by either Party of a request for negotiation. If not so resolved, the Parties agree to submit the dispute to mediation administered by the American Arbitration Association under its Commercial Financial Disputes Mediation Rules, before resorting to arbitration. Thereafter, the Parties agree to arbitrate any controversy, claim or dispute between them arising out of or in any way related to this Agreement, including claims for violation of any local, state or federal law, statute, regulation or ordinance or common law. The arbitration will be conducted in San Diego, California, by a single neutral arbitrator and in accordance with the American Arbitration Association's ("AAA") then current rules for resolution of commercial disputes. The arbitrator shall have the power to enter any award that could be entered by a judge of the trial court of the State of California, and only such power. The Parties agree to abide by any award rendered by the arbitrator. Judgment on the award may be entered in any court having jurisdiction thereof. Any and all such controversy or claims shall be kept confidential to the Parties and their attorneys and advisors, without publicity, and except as may be required by law, neither a Party, mediator, nor arbitrator may disclose the

existence, content, or results of any mediation or arbitration hereunder without the mutual written consent of the Parties.

22. GOVERNING LAW AND JURISDICTION.

- 22.1. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, without regard to the principles of conflict of laws, and with the same force and effect as if fully executed and to be performed therein. The Parties hereto consent to the personal jurisdiction and venue of the courts of the State of California in San Diego or the United States District Court for the Southern District of California, and further consent that any process or notice of motion or other application to the Court or a Judge thereof may be served outside of the State of California by registered or certified mail or by personal service, provided a reasonable time for appearance is allowed.

23. REPRESENTATIONS AND WARRANTIES.

Each Party represents, warrants, and covenants to the other Party the following:

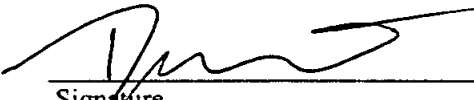
- 23.1. **Incorporation; Qualification; Status.** Each Party is a duly incorporated, valid, and existing corporation; each Party is in good standing under the laws of the State of California; each Party is qualified to do business in California.
- 23.2. **Authority of Corporation.** Each Party has full corporate power and authority to enter into this Agreement and to consummate the transactions contemplated by it. This Agreement has been duly authorized by all necessary action on the part of each Party and no other corporate action on the part of each Party is necessary to authorize the execution and delivery of this Agreement.
- 23.3. **Authority of Signatory.** Each individual executing the Agreement on behalf of each Party represents, warrants, and covenants that such person is duly authorized to execute and deliver the Agreement on behalf of each Party in accordance with its Bylaws and that the Agreement is binding upon each Party in accordance with its terms.



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P.O. Box 122107
San Diego, CA 92112

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT IN ITS ENTIRETY AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN. THE PARTIES FREELY AND VOLUNTARILY EXECUTE THIS AGREEMENT AS OF THE DATE WRITTEN ABOVE.

For SAN DIEGO MUSEUM OF ART



Signature
CHIEF OPERATING OFFICER

Title

5/15/2014

Date

For CONTRACTOR



Signature
CFO

Title

5/15/14

Date



Signature
President

Title

5/15/14

Date

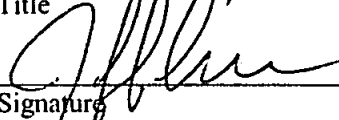


Signature
Secretary

Title

5/15/14

Date



Signature
CEO

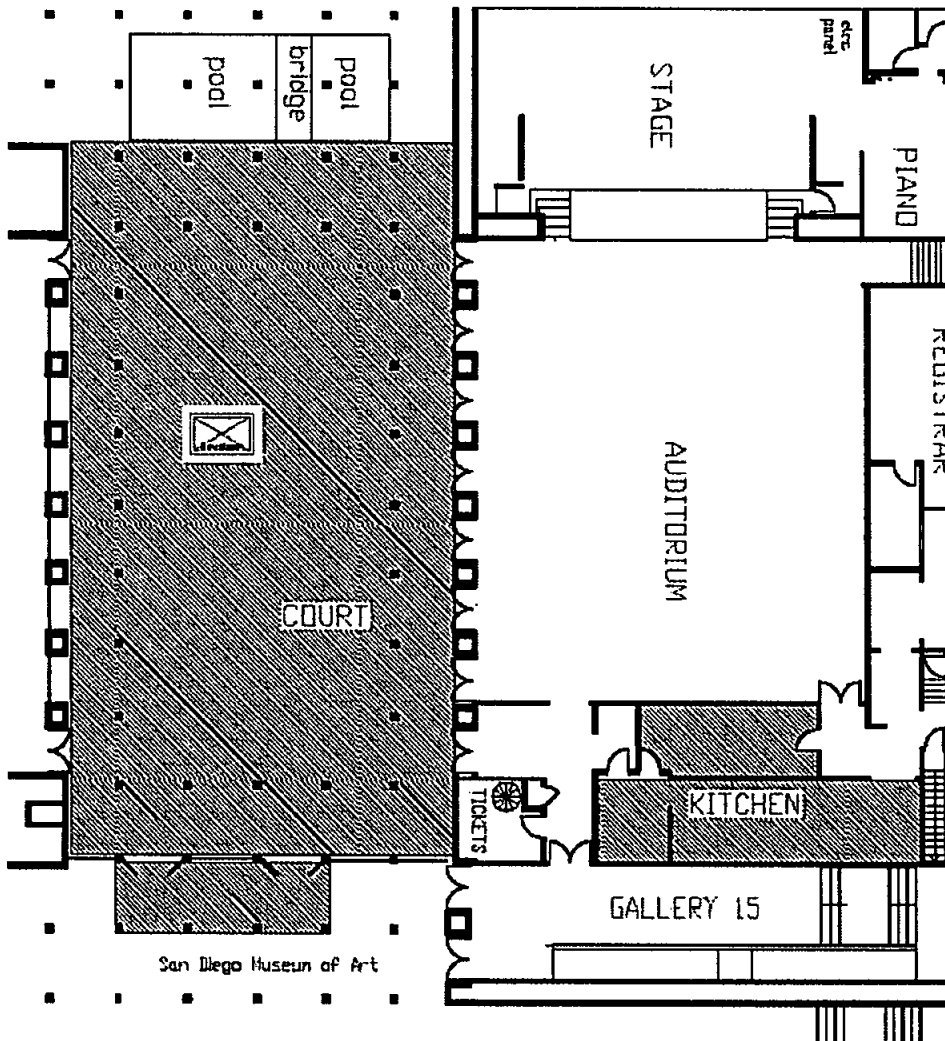
Title

5/15/14

Date

EXHIBIT A
Licensed Premises

Licensed premises are the shaded area.





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EXHIBIT B
Preferred Caterers

List of FY15 preferred caterers is currently being finalized.



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EXHIBIT C
Alcohol Beverage Services
Staff Charges

Final staff charges to be provided by May 19, 2014

- Bar Manager \$[...] per hour
- Bar Tender \$[...] per hour
- Bar back service/bus \$[...] per hour

EXHIBIT D
Maintenance Exclusions

All sculptures and their bases/pedestals, including but not limited to:

- 1974:8 Claire Falkenstein, "Accelerating Point"
- 1968:45 David Smith, "Cubi XV"
- 1968:47 Barbara Hepworth, "Figure for Landscape"
- 1976:137 Louise Nevelson, "Night Presence II"
- 1971:2 Henry Spencer Moore, "Reclining Figure: Arch Leg"
- 1968:84 Saul L. Baizerman, "Sonata Primitive"
- 1994:80 George Warren Rickey, "Two Lines Oblique: San Diego"
- 2012:26 Alexander Liberman, "Aim I"



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EXHIBIT E
Scheduled Events: May-August 2014

Calendar provided under separate cover.



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EXHIBIT F
Invoice Format

Invoice format to be provided by May 19, 2014

**EXHIBIT G
Inventory**

Item	Quantity	Notes:
2 Covered Trash Receptacles (Court Yard)	2	
4 ft side storage carts (kiosks)	2	
8 ft mobile cart (kiosk)	1	
China		
10 1/4 inch plate	25 doz	Inventory will be updated at close of business
cappucino cup	18 doz	Inventory will be updated at close of business
7 1/4 inch place	24 doz	Inventory will be updated at close of business
9 inch soup bowl	12 doz	Inventory will be updated at close of business
Flatware		
Barcelona Table Knife	30 doz	Inventory will be updated at close of business
European Dinner Fork	30 doz	Inventory will be updated at close of business
Barcelona teaspoon	21 doz	Inventory will be updated at close of business
Barcelona Soup/Dessert spoon	21 doz	Inventory will be updated at close of business
4' Table w/ two Shelves	1	
6' Wood Table w/ One Shelf	1	
8' Stainless steel table	1	
Booster for Dishwasher	1	
Cash registers	2	
Floor Mats	4	
Freezer	1	49 cu. Ft.
Ice Caddy	1	100 lb capacity, gray
Ice Maker Unit	1	625 lb production/24 hrs
Kitchen racks	2	
Meat slicer	1	
Ovens	2	
Pizza Prep Table	1	60" w/ 2 drawers, 1 door
Refrigerated Beverage Case	1	
Security cages and shelving	2	
Service carts	4	
Sinks	3	
Soup Warmer	1	
Stove	1	



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Walk-In Refrigerator w/ racks	1	6'6" w x 9'x8.1" h
Café tables	35	red and black circular tables
Café chairs	150	armless stackable red and black
Café chair dollies	3	rolling dollies for chair storage



THE CITY OF SAN DIEGO

Date of Notice: September 5, 2014

NOTICE OF RIGHT TO APPEAL ENVIRONMENTAL DETERMINATION

DEVELOPMENT SERVICES DEPARTMENT
SAP or WBS No. 21000022

PROJECT NAME/NUMBER: San Diego Museum of Art Consent to Sublease for a new café (Panama 66) at the Museum of Art Sculpture Garden in Balboa Park.

COMMUNITY PLAN AREA: Balboa Park

COUNCIL DISTRICT: 3

LOCATION: Museum of Art Sculpture Garden in the El Prado Section of Balboa Park.

PROJECT DESCRIPTION: Authorize the Mayor or his designee to sign a Consent to Sublease, allowing Lessee to sublease a portion of the improvements on the Master Lease Premised for a new café at the Museum of Art Sculpture Garden. This action will not result in an adverse affect on any historic properties within the El Prado National Historic Landmark District.

ENTITY CONSIDERING PROJECT APPROVAL: City of Dan Diego Mayor-Appointed Designee

ENVIRONMENTAL DETERMINATION: CEQA Exemption Section 15301- Existing facilities and 15331 (Historical Resources/Restoration).

ENTITY MAKING ENVIRONMENTAL DETERMINATION: City of San Diego Mayor-Appointed Designee

STATEMENT SUPPORTING REASON FOR ENVIRONMENTAL DETERMINATION: This activity has been determined to be exempt from CEQA pursuant to CEQA Section 15301 (Existing Facilities) which allows for the operation, repair, maintenance, permitting, leasing, licensing or minor alterations of existing public or private structures or facilities involving negligible or no expansion of use and Section 15331 (Historical Resources/Restoration) which allows for projects limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources in a manner consistent with the U.S. Secretary of the Interior's Standards; and where the exceptions listed in CEQA Section 15300.2 would not apply in that no cumulative impacts were identified; no significant effect on the environment were identified; the project is not adjacent to a scenic highway; no historical resources would be affected by the action, and the project was not identified on a list of hazardous waste sites pursuant to Section 65962.5 of the Government Code. This permit will allow use of a limited area within an existing leasehold where no environmental impacts would result.

PROJECT MANAGER: Patti Philips, Property Agent
MAILING ADDRESS: 1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101
PHONE NUMBER: (619) 236-6766

On September 5, 2014 the City of San Diego made the above-referenced environmental determination pursuant to the California Environmental Quality Act (CEQA). This determination is appealable to the City Council. If you have any questions about this determination, contact the City Development Project Manager listed above.

Applications to appeal CEQA determination made by staff (including the City Manager) to the City Council must be filed in the office of the City Clerk within 10 business days from the date of the posting of this Notice (**September 19, 2014**). The appeal application can be obtained from the City Clerk, 202 'C' Street, Second Floor, San Diego, CA 92101.

This information will be made available in alternative formats upon request.

POSTED IN THE OFFICE OF DSD	
Posted	SEP 05 2014 <i>m</i>
Removed	SEP 20 2014
Posted by	<i>myralee</i>



TheSanDiegoMuseumofArt.org
P.O. BOX 122107
San Diego, CA 92112

May 20, 2014

Patti D. Phillips
Supervising Property Assets
Real Estate Assets
City of San Diego
1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101

Dear Patti,

Thank you for walking us through the process of City approval of our contract with our new café operators. Enclosed please find the contract agreement and a check for \$727.00 for your review.

Will you please email me when this arrives? Just want to make sure you received it!

With kind regards,

Betty Lou Janney
Associate Director for Public Engagement

cc. D Fenkart-Froeschl

enc.