



(424) 526-7777 • 13837 Fiji Way, Marina del Rey, CA 90292 • beaches.lacounty.gov

Caring for Our Coast

• • •  
**Gary Jones**  
Director

**Kerry Silverstrom**  
Chief Deputy

**Amy M. Caves**  
Deputy Director

February 09, 2021

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**CONSENT TO ASSIGNMENT AND APPROVAL OF AMENDMENT NO.14 TO LEASE NO. 5601  
CATALINA YACHT ANCHORAGE (PARCEL 41) – MARINA DEL REY  
(FOURTH DISTRICT) (4 VOTES)**

**SUBJECT**

This Board letter requests the Board's consent to the proposed assignment of Lease Agreement No. 5601 (Lease) for Parcel 41 in Marina del Rey from the current lessee, Wesco Sales Corp., a California corporation (Lessee) to CAH Marina I, LLC, a California limited liability company and additionally to amend the Lease to extend the lease term by five years.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed actions are exempt from the California Environmental Quality Act (CEQA) because such actions do not constitute a project pursuant to Sections 15378(b)(5) of the CEQA Guidelines.
2. Consent to the proposed assignment of the Parcel 41 Lease to CAH Marina I, LLC, a California limited liability company.
3. Approve and authorize the Chair of the Board to sign the attached Amendment No. 14 to Lease No. 5601 pertaining to the extension of the lease term.
4. Authorize the Director of Beaches and Harbors to execute any consents, estoppels, and related documentation, approved as to form by County Counsel, necessary to effectuate the assignment of the Parcel 41 Lease.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Commonly known as Catalina Yacht Anchorage, Parcel 41 is improved with two one-story buildings totaling 2,085 square feet and 148 boat slips on 2.35 acres of land and 3.18 acres of water in Marina del Rey. The 60-year ground lease between the County and the lessee was executed in 1962, and expires on May 31, 2022.

Lessee is requesting County's consent to assign its leasehold interest in Parcel 41 to CAH Marina I, LLC, a California limited liability company ("Assignee"). Pursuant to the terms of the Lease, the Lessee must obtain the County's consent to the proposed assignment of the Lease, but such consent may not be unreasonably withheld.

Pursuant to that certain Department of Beaches and Harbors Policy Statement No. 23 – Assignments of Lease dated January 16, 1974, the County's decision whether to approve the proposed assignments shall be based on the following: a) the financial condition of the proposed assignee; b) the price to be paid for the leasehold as it relates to improvements or potential development thereon; and c) the management of the leasehold by the proposed assignee being in the best interest of the whole Marina.

The Department of Beaches and Harbors has reviewed the proposed assignment and has found that; a) the Assignee is affiliated with a portfolio of companies holding over 2.5 million square feet of commercial space with a multi-billion dollar value, and that Rick Caruso, its principal owner, has a published net worth of \$3.9 billion; b) the proposed sales price of \$2,500,000 for Parcel 41 appears to be justified based on an independent analysis by an economic consultant; and c) the proposed assignee's property management company, CARUSO MANAGEMENT COMPANY, Ltd., a California limited partnership, has requisite experience in managing and operating well-known Los Angeles area upscale properties, such as The Americana at Brand, The Grove, and Waterside, Marina del Rey.

The current Lease term is set to expire on May 31, 2022. The proposed Amendment No. 14 would extend the term by five years to May 31, 2027. This will allow the proposed assignee time to learn about the community as it considers a longer term proposal that more comprehensively outlines the plans to operate the property.

## **Implementation of Strategic Plan Goals**

The recommended action will ensure the County maximizes use of County assets, guides strategic investments, and supports economic development, in ways that are fiscally responsible and align with the County's highest priority needs, all of which promote Strategic Plan Goal No. III.3.2 (Manage and Maximize County Assets).

## **FISCAL IMPACT/FINANCING**

The proposed action will have no direct fiscal impact on the County, as the proposed transfer does not trigger any contractual obligation for the Lessee to pay a participation or other fee to County. The County will continue to receive the annual minimum rent as well as percentage rent during the extension period. As of June 1, 2020, the annual minimum rent was calculated at \$165,259, and is scheduled for another adjustment on June 1, 2023. All annual minimum rent adjustments shall either

increase the annual minimum rent or maintain it at the then-current amount.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

proposed assignment and have determined that the County has no reasonable basis on which to withhold its consent. No participation fee is due to the County under the term of the Lease.

Entering into leases of the County's Marina del Rey real property is authorized by Government Code section 25907 and 25536, and the proposed assignment is permitted by the Lease.

At its meeting on January 13, 2021, the Small Craft Harbor Commission unanimously endorsed the Director's recommendation that your Board consent to the assignment of the lease for Parcel 41 and the extension of the term.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed County consent action is not a project pursuant to the California Environmental Quality Act (CEQA) because such consent is an activity that is excluded from the definition of a project by Section 15378(b)(5) of the CEQA Guidelines. The proposed consent is an administrative activity of government which will not result in direct or indirect physical changes to the environment.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There is no impact on current services or projects.

### **CONCLUSION**

It is recommended that your Board approve the proposed consent to assignment of Parcel 41 and to please have the Chair sign all three copies of the Amendment No. 14 to Lease No. 5601, and have the Executive Officer of the Board return two executed copies, as well as an adopted-stamped copy of this letter to the Department of Beaches and Harbors, 13787 Fiji Way, Marina del Rey, CA 90292. Should you have any questions please contact Kristal Ghil at (424) 526-7735 or [kghil@bh.lacounty.gov](mailto:kghil@bh.lacounty.gov).

The Honorable Board of Supervisors

2/9/2021

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Gary Jones', with a stylized, cursive script.

GARY JONES

Director

GJ:AC:SP:SVG:kg

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors

WHEN RECORDED RETURN TO:

CAH Marina I, LLC  
101 The Grove Drive  
Los Angeles, CA 90036  
Attn: Legal Department

NO DOCUMENTARY TRANSFER TAX IS DUE –  
THE TERM OF THE LEASE IS LESS THAN 35 YEARS

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(Space Above for Recorder's Use)

### **ASSIGNMENT AND ASSUMPTION OF LEASE**

This Assignment and Assumption of Lease (this “**Assignment**”) dated as of \_\_\_\_\_, 2020 (“**Effective Assignment Date**”) is entered into by and between WESCO SALES CORP., a California corporation (“**Assignor**”) and CAH Marina I, LLC, a California limited liability company (“**Assignee**”). For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows as of the Effective Assignment Date:

1. Assignor hereby assigns, transfers, grants, conveys and sets over to Assignee all of Assignor’s right, title and interest in and to that Lease dated as of May 18, 1962 by and between the County of Los Angeles (the “**County**”) and David D. Jennings, as amended by that certain Amendment to Lease dated as of May 8, 1964 by and between the County and Mystic Cove Marina, Inc., a California corporation (“**Mystic Cove**”), as amended by that certain Amendment No. 2 to Lease for Parcel(s) 41 Marina Del Rey dated as of September 8, 1966 by and between the County and Mystic Cove, as amended by that certain Amendment No. 3 to Lease No. 5601 Parcel 41 – Marina Del Rey Renegotiation of Rent dated as of November 21, 1972 by and between the County and Tomas Del Amo (“TDA”), as amended by that certain Amendment No. 4 to Lease for Parcel(s) 41 Marina Del Rey dated as of November 19, 1973 by and between the County and TDA, as amended by that certain Amendment No. 5 to Lease for No. 5601 Parcel No. 41 – Marina Del Rey dated as of 1974 between the County and TDA, as amended by that certain Amendment No. 6 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of October 14, 1977 between the County and Assignor, as amended by that certain Amendment No. 7 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of March 1, 1983 between the County and Assignor, as amended by that certain Amendment No. 8 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of March 14, 1989 between the County and Assignor, as amended by that certain Amendment No. 9 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of October 10, 1989 between the County and Assignor, as amended by that certain Amendment No. 10 to Lease No. 5601 Parcel No. 41 – Marina Del Rey Small Craft Harbor Renegotiation of Rent dated as of September 17, 1996 by and between the County and Assignor, as amended by that certain Amendment No. 11 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of October 1, 1999 by and between the County and Assignor, as amended by that certain Amendment No. 12 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of September 9, 2003 by and between the County and Assignor,

and as amended by that certain Amendment No. 13 to Lease No. 5601 Parcel No. 41 – Marina Del Rey Small Craft Harbor Readjustment of Rent and Insurance dated as of July 1, 2014 by and between the County and Assignor (collectively, the “**Lease**”), with respect to certain real property located in Marina Del Rey, California and more particularly described on Exhibit A attached hereto (the “**Leased Property**”), to have and to hold the same for and during the rest, residue and remainder of the term of the Lease. Assignor represents that it is the current lessee under the Lease immediately prior to the execution and delivery of this Assignment.

2. Assignor hereby conveys and transfers to Assignee all of Assignor’s right, title and interest in and to all improvements located on the Leased Property, which improvements are and shall remain real property.

3. Assignee hereby accepts the foregoing assignment and assumes and agrees to perform, observe and be liable for all of the covenants, obligations, liabilities and provisions of the Lease to be performed or observed by the lessee thereunder, or for which the lessee thereunder is liable, which arise or accrue from and after the Effective Assignment Date.

4. Assignor and Assignee hereby acknowledge and agree that, in accordance with that certain Consent to Assignment and Estoppel Certificate consenting to this Assignment (the “**Consent**”), executed by the County of Los Angeles (the “**County**”) on \_\_\_\_\_, 2021, Assignor and Assignee shall be jointly and severally liable to the County for payment of any and all deficiencies in payments owing to the County under the Lease for the period preceding the Effective Assignment Date and first revealed by an audit after the Effective Assignment Date.

5. Assignor agrees to indemnify, defend and hold Assignee harmless from and against any and all claims, demands, liabilities, suits, actions, judgments, costs and expenses (including reasonable attorneys' fees and court costs) arising and accruing from or out of Assignor’s obligations under the Lease prior to the Effective Assignment Date.

6. Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, liabilities, suits, actions, judgments, costs and expenses (including reasonable attorneys' fees and court costs) arising and accruing from or out of Assignee’s obligations under the Lease on or after the Effective Assignment Date.

7. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8. This Assignment shall be governed by and construed in accordance with the laws of the state in which the Leased Property is located.

9. Assignor hereby agrees to and shall execute and deliver to Assignee any and all documents, agreements and instruments necessary to consummate the transactions contemplated by this Assignment.

10. This Assignment is made subject to all matters of record.

11. Each of Assignor and Assignee represent and warrant that they have all requisite authority to execute this Assignment and this Assignment constitutes a legal, valid and binding obligation of each of Assignor and Assignee, enforceable against each of Assignor and Assignee.

12. This Assignment may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, or modification or discharge is sought.

13. Any notices intended for Lessee (as defined in the Lease) shall hereafter be directed to Assignee at:

CAH MARINA I, LLC  
101 The Grove Drive  
Los Angeles, CA 90036  
Attention: Legal Department

14. This Assignment may be executed in any number of identical counterparts, all or any of which may contain the signatures of fewer than all of the parties, and all of which shall be construed together as a single instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the Effective Assignment Date.

ASSIGNOR:

WESCO SALES CORP.,  
a California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ASSIGNEE:

CAH MARINA I, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



EXHIBIT A

LEGAL DESCRIPTION

**The land referred to herein is situated in the State of California, County of Los Angeles Unincorporated and described as follows:**

APN: [4224-008-901](#); 8940-370-050 (possessory)

Lots 705 to 716 inclusive, of L.A.C.A. Map No. 88, in the County of Los Angeles, State of California, recorded in [Book 1, Pages 53](#) to 70 of Los Angeles County, Assessor's Maps, in the office of the County Recorder of said County.

Except therefrom an undivided one-half interest in all oil, gas and other hydrocarbons lying at or below a depth of 500 feet from the surface, but without any right of entry upon the surface or the first 500 feet below the surface, as reserved to the defendant's in the the Final Judgments of Condemnation by the County of Los Angeles, certified copies of which recorded on December 5, 1958 in [Book D-297, Page 221](#), of Official Records, and on August 21, 1959 in [Book D-580, Page 230](#) of Official Records.

APN: 4224-008-901 and 8940-370-050 (possessory)  
(End of Legal Description)

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of \_\_\_\_\_  
County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_,  
(here insert name and title of the notary)  
personally appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

## CONSENT TO ASSIGNMENT AND ESTOPPEL CERTIFICATE

### PARCEL 41

\_\_\_\_\_, 2021

PROPERTY NAME: Catalina Yacht Anchorage (Parcel 41)

PROPERTY ADDRESS: 13505 Bali Way, Marina Del Rey area of incorporated Los Angeles County, California, more particularly described on Exhibit A attached hereto and incorporated herein (the “**Property**”)

LEASE DATE: May 18, 1962

GROUND LESSOR: County of Los Angeles,  
State of California

GROUND LESSEE: Wesco Sales Corp., a California corporation, successor by assignment from David D. Jennings, an individual

This Consent to Assignment and Estoppel Certificate (“**Consent and Estoppel**”) is made as of \_\_\_\_\_, 2021 by the County of Los Angeles (“County” or “Lessor”), as the lessor under that certain Lease dated May 18, 1962, as amended (the “**Lease**”). The Lessor does hereby affirm:

1. Lessor is the owner of the fee simple estate in the Property and is Lessor under the Lease.
2. Lessor does hereby consent to the assignment of Lessee’s interest in said Lease to CAH Marina I, LLC, a California limited liability company (the “**Assignee**”).
3. The term of the Lease commenced on the date set forth in the Lease and expires on May 31, 2022.
4. A true and complete list of the documents comprising the Lease, including all amendments, supplements and other modifications thereto is attached hereto as Exhibit B. The documents attached to Exhibit B hereto represent the entire agreement between Lessor and Lessee as to the Lease and the premises leased thereunder and the Lease has not otherwise been modified, supplemented or amended in any way.
5. Rents and other charges have been fully paid under the Lease through December 31, 2018, as verified by a formal audit for the period ending such date (the

“**Effective Audit Date**”), and all delinquencies revealed by such audit have been paid to Lessor. Subject to County audit rights for periods after the Effective Audit Date that might affect the calculation of the annual square foot rental amounts required to be paid under the Lease, the current monthly minimum rental payable under the Lease as of the date hereof is \$13,772. Subject to the foregoing: (a) annual minimum rental as required by the Lease has been timely and fully made since the Effective Audit Date for all months up through and including December 31, 2020, and (b) monthly percentage rent payments have been made through the month of November, 2020 (for gross receipts reported for the month of November, 2020, but all such payments (in both clauses (a) and (b)) are subject to audit for periods from and after the Effective Audit Date. In the event any such audit reveals a rental deficiency, Lessee and Assignee shall be liable jointly and severally for payment of all unpaid deficiencies accruing on and after the Effective Audit Date. Annual square foot rental and percentage rental rates under the Lease are subject to adjustment in accordance with the terms and provisions of the Lease. The amount of the security deposit required under the Lease is \$41,315. The amount of \$38,981 has been paid to Lessor. The balance will be paid to Lessor within five (5) days of the execution of this Amendment. No portion of such security deposit has been applied by Lessor. No representation is made herein by Lessor as to the current status of Lessee’s payments of possessory interest taxes or any other taxes, assessments or similar service charges which may be due by the lessee to the County or other governmental or regulatory body in connection with the Property.

6. The next Adjustment Date for the annual minimum rent under the Lease is June 1, 2020.
7. Lessor acknowledges that Caruso Management Company, Ltd., a California limited partnership has been approved as the property management company for the Property and all improvements located thereon upon the consummation of the assignments to Assignee.
8. The Lease is in full force and effect.
9. Subject to any matters that may be disclosed by the audit described in Section 5 above, to the current actual knowledge of Lessor, there is no existing uncured default under the Lease with respect to any monetary or non-monetary provision of the Lease, and to the current actual knowledge of Lessor, no event has occurred which, with the passage of time or giving of notice, or both, would constitute a default with respect to any non-monetary provision of the Lease. Notwithstanding any contrary provision of this Section 9, County does not waive Lessee’s obligations under the Lease to cure any Property defects that are Lessee’s obligation to cure under the Lease, whether occurring prior to or during the extension period, that pose a health and safety risk, in accordance with the terms of the Lease. County has made no inspection of the Premises or investigation or inquiry as to Lessee’s performance of any non-monetary obligation under the Lease, except for the

Leasehold Premise Maintenance Deficiency Report, dated January 5, 2021, and there may be additional maintenance issues not set forth in said report.

10. Lessor has not assigned, conveyed, transferred, sold, encumbered or mortgaged its interest in the Lease or the Property and there are no mortgages, deeds of trust or other security interests encumbering Lessor's fee interest in the Property.
11. The undersigned individual is duly authorized to execute this certificate on behalf of Lessor.
12. The legal description for the Property that is set forth in the Lease describes both the boundaries of the leasehold estate and easements that have been reserved by the Lessor in the leasehold. Until the expiration of the Term or sooner termination of the Lease, Lessee is the owner of the Improvements, except for certain Improvements owned by the Lessor, including without limitation, utility lines, transformer vaults and all other utility facilities to the extent that they are not owned by a utility. Lessee shall have the use of all Improvements on the Premises whether owned by Lessor or Lessee.
13. This Consent to Assignment and Estoppel Certificate may be executed in counterparts, and when all counterpart documents are executed, counterparts shall constitute a single integrated document.
14. With reference to that certain amendment to the Lease entitled Amendment No. 9 to Lease No. 5601 Parcel No. 41 – Marina Del Rey dated as of October, 1989 (the "Ninth Amendment"), Lessor and Lessee hereby acknowledge and confirm that Lessee does not operate or maintain a yacht club on the leasehold premises and/or Lessee has not accepted the terms and conditions of Section 2 of the Ninth Amendment, thus Lessee is not currently subject to the revised percentage rentals terms set forth in Section 1 of the Ninth Amendment or the covenants set forth in Section 2 of the Ninth Amendment. For the avoidance of doubt, neither Lessee nor its successors or assigns shall be subject to the revised percentage rentals terms set forth in Section 1 of the Ninth Amendment or the covenants set forth in Section 2 of the Ninth Amendment, unless such party elects to operate and/or maintain a yacht club on the leasehold premises and accept the terms and conditions of Section 2 of the Ninth Amendment in accordance with Section 1 of the Ninth Amendment.

The truth and accuracy of the certifications contained herein may be relied upon by Lessee and Assignee and their respective successors, assigns and transferees, and lenders and said certifications shall be binding upon Lessor and its successors and assigns, and inure to the benefit of Lessee and Assignee and their respective successors, assigns and transferees and lenders. This Consent to Assignment and Estoppel Certificate shall not be deemed to alter or modify any of the terms and conditions of the Lease.

For the avoidance of doubt, in no event shall the certifications contained in this estoppel certificate modify the Lease, with the sole effect of said certifications being to estop Lessor from taking a position against any recipient which is inconsistent with the certifications contained in

this estoppel certificate, to the extent such recipient (a) did not have actual knowledge of facts contrary to those contained herein, and (b) reasonably relied to its detriment upon the certifications contained herein.

[SIGNATURES ON FOLLOWING PAGE]

**LESSOR:**

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
Gary Jones, Director of Department of  
Beaches and Harbors

**APPROVED AS TO FORM:**

RODRIGO CASTRO-SILVA  
Acting County Counsel

By: \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

GLASER WEIL FINK HOWARD AVCHEN & SHAPIRO LLP

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**  
**LEGAL DESCRIPTION**

Marina Del Rey  
Lease Parcel No. 41

Parcels 705 to 716 inclusive, in the County of Los Angeles, State of California, as shown on Los Angeles County Assessor's Map No. 88, recorded in Book 1, pages 53 to 70 inclusive, of Assessor's Maps, in the office of the Recorder of said county.

Reserving and excepting therefrom unto the County of Los Angeles easements for sanitary sewer, fire access, storm drain and harbor utility purposes over those portions thereof designated on said map to be reserved by said county for such purposes.

DESCRIPTION APPROVED

AUG 31 1961

JOHN A. LAMBIE

County Engineer

BY  DEPUTY



**EXHIBIT B**  
**GROUND LEASE AND ALL AMENDMENTS**  
**[SEE ATTACHED]**

**AMENDMENT NO. 14 TO LEASE AGREEMENT  
PARCEL 41 – MARINA DEL REY  
(LEASE NO. 5601)**

THIS AMENDMENT TO LEASE ("Amendment No. 14" or "Amendment") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2021 (the "Effective Date").

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES,  
herein referred to as "County,"**

**AND**

**CAH MARINA I, LLC, a California limited  
liability company, hereinafter referred to as  
"Lessee."**

**RECITALS:**

WHEREAS, County and Lessee's predecessor in interest entered into Lease No. 5601, dated May 18, 1962, as amended, under the terms of which County leased to Lessee's predecessor in interest that certain real property located in the Marina del Rey Small Craft Harbor, County of Los Angeles, State of California, now commonly known as Parcel 41, which leasehold premises (the "**Premises**") are more particularly described in Exhibit "A" attached to and incorporated in said lease, as amended (the lease and all amendments are collectively referred to as the "**Lease**").

WHEREAS, County and Lessee desire to enter into this Amendment No. 14 to further amend the Lease, as set forth herein below, pursuant to the terms and conditions hereof.

NOW, THEREFORE, with reference to the foregoing Recitals and the covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, County and Lessee hereby agree as follows:

1. **Definitions.** All initially-capitalized terms used but not defined in this Amendment have the meanings given to such terms in the Lease.

2. **Amendment Conditions.** This Amendment shall be conditioned upon the consummation of the assignment by the current lessee under the Lease, Wesco Sales Corp., a California corporation ("**Wesco**"), of its leasehold interest, to Lessee (the "**Assignment**"), and upon the County's written consent to the Assignment, in the form attached as Exhibit "B" hereto (the "**Consent**") and incorporated herein by this reference. This Amendment shall be effective on the date (the "**Effective Date**") on which said Consent is approved by the County.

3. **Extension of Term.** Pursuant to Section 2 of the Lease, the Term is set to expire on May 31, 2022. County and Lessee hereby agree to extend the Term by an



additional five (5) years (the "Interim Extension"), so that the Term will now expire on May 31, 2027. For the avoidance of doubt, said extension will not result in an extension of the Term beyond the ninety-nine (99) year limit imposed by California Government Code Section 37396(a). County and Lessee further agree that should the parties subsequently agree to an additional extension of the Lease, to begin after May 31, 2027 ("Long-term Extension"), County may assess an extension fee based upon the granting of the Interim Extension and any Long-term Extension. Notwithstanding the foregoing, nothing in this Section 3 and/or this Amendment shall be construed to obligate the County to further extend the Lease.

4. **Long Term Proposal.** During the term of the lease extension, County requests that Lessee explore options for a long term proposal for the Premises which will include, but not be limited to, the continued marina and anchorage uses. Accordingly, Lessee agrees to use commercially reasonable efforts to conduct an outreach process to engage and collect input from the community, boating community, civic leaders, and other stakeholders to assist Lessee in the formulation of, and determination of feasibility for, a long term proposal for the Premises. Lessee hereby also agrees to use commercially reasonable efforts to develop a proposal that comprehensively outlines improvement of and investment in the Premises, which efforts shall include without limitation, demonstration that a good faith effort has been made to pursue a long term proposal that is mutually acceptable to Lessee and County. Lessee will provide to County quarterly status updates describing the status of such efforts. Upon receipt of each of Lessee's quarterly status updates, Lessee agrees to meet and confer with the County so that the County will have an opportunity to provide input and recommendations. Furthermore, as reasonably necessary to evaluate the feasibility of Lessee's proposal, County shall also have the right to retain its own consultants. Lessee agrees to reimburse County for the out-of-pocket costs incurred by County for such consultants in accordance with a budget reasonably pre-approved by Lessee and County. Notwithstanding the provisions of this Section 4, by no later than the fourth (4<sup>th</sup>) anniversary of the Effective Date, Lessee agrees to submit to County a proposed development concept, including all uses, preliminary drawings, names of retained consultants, and proforma construction budget, etc.

5. **No Other Claims.** The Lease is in full force and effect. To Lessee's knowledge, County has met and fulfilled all of its obligations under the Lease and is not in default under the Lease. To Lessee's knowledge, there is no current defense, offset, claim or counterclaim by or in favor of Lessee against the County under the Lease. Furthermore, Lessee has no right to any concession (rental or otherwise) or similar compensation in connection with the Lease and Lessee's renting of the Premises, except as expressly provided in the Lease. There has not been filed by or against Lessee a petition in bankruptcy, voluntary or otherwise, any assignment for the benefit of creditors, any petition seeking reorganization or arrangement under the bankruptcy laws of the United States or any state thereof, or any other action brought pursuant to such bankruptcy laws with respect to Lessee.



6. **Miscellaneous.**

6.1 **No Modification.** Except as referenced herein, the Lease has not been modified, amended or supplemented, and the Lease is and remains in full force and effect.

6.2 **Time of the Essence.** Time is of the essence with respect to this Amendment.

6.3 **Governing Law.** This Amendment shall be governed by and construed in accordance with the laws of the State of California without giving effect to the conflict of law principles of said state.

6.4 **No Waiver.** Except as expressly provided herein, County shall not be deemed by reason of its execution of this Amendment to have waived any terms or provisions of the Lease, including, without limitation, any default or Event of Default or any rights and remedies that County may have under the Lease, at law or in equity.

6.5 **Controlling Provisions.** In the event of any inconsistencies between the provisions of this Amendment and the provisions of the Lease, the provisions of this Amendment shall govern and prevail.

6.6 **Integration and Merger.** This Amendment, the Exhibits attached hereto, and all documents referenced in the Amendment to be executed by Parent or Principal in connection herewith, contain the entire agreement of County and Lessee regarding the modification of the Lease and supersede all prior agreements, term sheets and understandings between County and Lessee, whether written or oral, with respect to the modification of the Lease.

6.7 **Survival.** All representations and warranties contained in this Amendment shall be deemed to be material and shall survive the effectiveness of the modifications to the Lease contemplated by this Amendment.

6.8 **Further Assurances.** At either party's request, the other party shall promptly execute any other document or instrument and/or seek any consent or agreement from any third party that is reasonably necessary to evidence or carryout the intent of the parties, as set forth in this Amendment.

6.9 **Captions; Use of Certain Terms.** The Section titles and captions in this Amendment are for convenience only and shall not be deemed to be part of this Amendment. All pronouns and any variation or pronouns shall be deemed to refer to the masculine, feminine or neuter, as the identity of the parties may require. Whenever the terms referred to herein are singular, the same shall be deemed to mean the plural, as the context indicates, and vice versa.

6.10 **Incorporation of Exhibits.** All of the Exhibits referred to in and attached to this Amendment are incorporated herein by this reference.

6.11 Signature in Counterparts. This Amendment may be signed in any number of counterparts. Each counterpart shall represent an original of this Amendment, and all such counterparts shall collectively constitute one fully-executed document.

[SIGNATURES ON FOLLOWING PAGE]

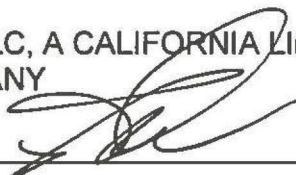
IN WITNESS WHEREOF, County and Lessee have entered into this Amendment No. 14 as of the date first set forth above.

CAH MARINA I, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

  
Rick Camuso  
President, CAH Marina I, LLC

THE COUNTY OF LOS ANGELES

By: \_\_\_\_\_

HILDA L. SOLIS,  
Chair, Board of Supervisors

ATTEST:

CELIA ZAVALA,  
Executive Officer-Clerk of the  
Board of Supervisors

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO CASTRO-SILVA  
County Counsel

By: \_\_\_\_\_  
Deputy

IN WITNESS WHEREOF, County and Lessee have entered into this Amendment No. 14 as of the date first set forth above.

CAH MARINA I, LLC, A CALIFORNIA LIMITED  
LIABILITY COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
HILDA L. SOLIS,  
Chair, Board of Supervisors

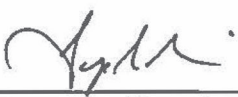
ATTEST:

CÉLIA ZAVALA,  
Executive Officer-Clerk of the  
Board of Supervisors

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO CASTRO-SILVA  
County Counsel

By:  \_\_\_\_\_  
Deputy