COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION

"Parks Make Life Better!"

Russ Guiney, Director | John Wicker, Chief Deputy Director

Executive Offices • 433 South Vermont Avenue • Los Angeles, CA 90020-1975 • (213) 738-2961

November 05, 2014

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:

**APPROVAL OF AGREEMENT
FOR THE USE OF A PORTION OF THE
HOLLYWOOD BOWL'S FAIRFIELD PARKING LOT
(SUPERVISORIAL DISTRICT 3) (3 VOTES)**

SUBJECT

The recommended action will award a ten-year Agreement with one five-year extension with Hollywood Heritage, Inc. for lease of a portion of the Hollywood Bowl's Fairfield Parking Lot for the operation of the Hollywood Heritage Museum, also known as the Lasky/DeMille Barn.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the approval of the attached Agreement categorically exempt from the California Environmental Quality Act for the reasons stated herein and the reasons reflected in the record of the Agreement.

2. Approve and instruct the Director of the Department of Parks and Recreation to execute a ten-year Agreement with Hollywood Heritage, Inc. for the use of a portion of the Hollywood Bowl's Fairfield Parking Lot for the operation of the Hollywood Heritage Museum, effective January 1, 2015. The Agreement would result in an estimated $33,000 in rent revenue to the Department of Parks and Recreation's Operating Budget over the initial ten-year term.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Hollywood Heritage Museum, also known as the Lasky/DeMille Barn (Barn), is listed on the National Register of Historic Places and is designated as a California State Landmark. The Barn was originally located on Selma and Vine Streets in Hollywood and used as a studio by the Jesse L.

Lasky Feature Play Company, which later became Paramount Studios. On May 12, 1982, Hollywood Heritage, Inc. acquired ownership of the Barn, and within a year, the Barn was renovated and relocated to its current location at the Hollywood Bowl's Fairfield Parking Lot across from the Hollywood Bowl. The Barn occupies approximately 12,000 square feet of the parking lot. Today, the Barn serves as an educational and cultural site for the community through its display of historical memorabilia of the motion picture, television, and related entertainment industries.

On October 14, 1982, the Board of Supervisors (Board) approved a 23-year agreement with Hollywood Heritage, Inc. for the use of a portion of the Hollywood Bowl's Fairfield Lot. The agreement was set to expire on December 20, 2005, however, on the same day, the Board extended the agreement for 12 months. On December 12, 2006, the Board extended the agreement for an additional 24 months, through December 31, 2008. Upon expiration of the agreement, the Department of Parks and Recreation (Department), through the use of a Director's Agreement, entered into a 12-month agreement through December 31, 2009 in order to allow the Department to complete negotiations on a new agreement. A new agreement was approved by the Board on December 15, 2009, and is set to expire on December 31, 2014.

Upon expiration of the agreement, Hollywood Heritage, Inc. will be required, at its own expense, to remove the Barn and all its improvements within 360 days, and return the premises to its original condition. If Hollywood Heritage, Inc. fails to remove these improvements, the County will be entitled to keep such improvements or remove them from the premises and Hollywood Heritage, Inc. will reimburse the County for the cost of restoring the premises to its original condition.

Approval of the recommended actions will allow the Director of the Department of Parks and Recreation to execute a ten-year Operating Agreement (Agreement) with Hollywood Heritage, Inc. to continue to use a portion of the Hollywood Bowl's Fairfield Parking Lot for the operation of the Barn, effective January 1, 2015.

Implementation of Strategic Plan Goals

The proposed Agreement will further the County's Strategic Plan Goal of Operational Effectiveness/ Fiscal Sustainability (Goal 1) by maximizing the effectiveness of processes, structure, and operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services.

FISCAL IMPACT/FINANCING

Pursuant to the terms of the Agreement, Hollywood Heritage, Inc. will pay a monthly amount as follows:

- Years 1-5: $250 per month
- Years 6-10: $300 per month
- Years 11-15: $350 per month

Due to the small size of the Barn, it is anticipated that the operation will not generate much revenue over and above what is needed to cover operational expenses.

OPERATING BUDGET IMPACT

Based on the recommended actions, the Department anticipates a small but immaterial increase to its rent revenue. The proposed Agreement will generate an additional $1,800 per year during the

first five years, and then another $600 per year for the following five years. The Department will utilize the revenue as offsets to service contract increases.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board is authorized by the provision of Government Code Section 25907 to lease County parks and recreation real property for the provision of services and property improvements that are consistent with public park and recreation purposes. The proposed Agreement is consistent with said purpose.

This Agreement contains terms and conditions supporting the Board's ordinances, policies, and programs, including, but not limited to: Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the Defaulted Property Tax Reduction Program, Los Angeles County Code 2.206; compliance with the County's smoking ban ordinance, Los Angeles County Code Title 17, Sections 17.04.185 through 17.04.650; compliance with the County's policy on restricting its purchase and use of Expanded Polystyrene containers; participation in the County's Artificial Trans Fat Reduction Program; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Hollywood Heritage, Inc. has executed the attached Agreement and will provide the required insurance policies prior to the start of this Agreement, naming the County of Los Angeles as additional insured.

County Counsel has approved the Agreement as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed approval of the Agreement is categorically exempt from the California Environmental Quality Act (CEQA) according to Section 15301 of the State CEQA Guidelines and Class 1(r) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, because the Agreement involves leasing of an existing facility with no expansion of an existing use.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current public services.

CONCLUSION

Should you have any questions please contact Sandra Salazar at (626) 821-4660 or ssalazar@parks.lacounty.gov, Kandy Hays at (626) 821-4600 or khays@parkslacounty.gov, Kasey Dizon at (213) 738-2986 or kdizon@parks.lacounty.gov, or Kaye Michelson at (213) 738-2955 or kmichelson@parks.lacounty.gov.

Respectfully submitted,

RUSS GUINEY
Director

RG:JW:RM
KEH:SS:rc

Enclosures

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

LEASE AGREEMENT
BY AND BETWEEN

COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION

AND

HOLLYWOOD HERITAGE, INC.

FOR

THE OPERATION OF THE HOLLYWOOD HERITAGE MUSEUM

December 2014

LEASE AGREEMENT PROVISIONS
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STANDARD EXHIBITS

A LEASED PREMISES
B LESSEE'S EEO CERTIFICATION
C SAFELY SURRENDERED BABY LAW
D JURY SERVICE ORDINANCE
E INTERNAL REVENUE SERVICE NOTICE NO. 1015
F LESSEE CONFIDENTIALITY CERTIFICATION
G ARTIFICIAL TRANS FAT REDUCTION PROGRAM
H VENDING MACHINE POLICY
I GREEN INITIATIVE
J SMOKING BAN
K STYROFOAM BAN

LEASE AGREEMENT BETWEEN

COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION

AND

HOLLYWOOD HERITAGE, INC.

This Agreement and Exhibits made and entered into this ___ day of _____, 2014

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "County",

AND

HOLLYWOOD HERITAGE, INC., hereinafter referred to as "Lessee"

RECITALS

WHEREAS, the County owns certain real property adjacent to Highland Avenue in the Hollywood district of the City of Los Angeles, approximately 12,000 square feet in area, (the "Leased Premises"), as described in Exhibit "A" attached hereto and by this reference made a part hereof; and

WHEREAS, the Lasky-De Mille Barn, sometimes referred to as "Barn", is a designated California Historic Landmark (California Landmark No. 554) and is listed on the National Register of Historic Places is currently situated at 2100 North Highland Avenue, Hollywood, and served as one of the first motion picture production studios in the Hollywood district of the City of Los Angeles; and

WHEREAS, a "Declaration of Gift" was executed on May 12, 1982, whereby the Barn was gifted by the Paramount Pictures Corporation to Lessee; and

WHEREAS, on October 26, 1982, the County and Lessee entered into a twenty-three (23) year lease agreement that was subsequently extended for three years (the "Lease Agreement"). The Lease Agreement provided that Lessee would place its Barn on the Leased Premises in order to operate a museum (referred to as the "Hollywood Heritage Museum") through December 31, 2008; and

WHEREAS, pursuant to California Government Code Section 25351.3, ownership of all "assets" of Lessee after payment or discharge of any indebtedness and liabilities were to revert to the County upon the expiration of the Lease Agreement on January 1, 2009; and

WHEREAS, the Board of Supervisors has concluded that, with the exception of the rent provided for in this Lease Agreement and any cash reserves, all property of Lessee, including, but not limited to, the Barn and all memorabilia and related property on display therein and any other property of Lessee (collectively, the "Lessee Property"), do not constitute "assets" for purposes of California Government Code Section 25351.3; and

WHEREAS, in reliance upon this conclusion by the Board of Supervisors, Lessee did not transfer all of the Lessee Property to a third party prior to the expiration of the Lease Agreement; and

WHEREAS, County acknowledges and agrees that California Government Code Section 25351.3 does not afford it any right to acquire any of the Lessee Property and further acknowledges that the Lessee Property, including the Barn and memorabilia in particular, remains the property of Lessee despite the expiration of the Lease Agreement; and

WHEREAS, on January 1, 2009, the County entered into a Director's Agreement for a period of six months that was subsequently extended for one (1) – six month option, which expired on December 31, 2009; and

WHEREAS, on January 1, 2010, the County entered into an Agreement for a period of four years that was subsequently extended for one – one year option, which is due to expire on December 31, 2014; and

WHEREAS, parties now desire that Lessee continue to operate the Hollywood Heritage Museum in the Barn currently situated on the Leased Premises, for the preservation of the history and memorabilia of the motion picture and related entertainment industries, and historic Hollywood, thus contributing to the education and cultural development of the City of Los Angeles; and

WHEREAS, Lessee is willing to exercise the grant of such lease in accordance with the terms and conditions prescribed therefore; and

WHEREAS, this Lease Agreement therefore authorizes the Director of the Department of Parks and Recreation to act on behalf of the Los Angeles County pursuant to Section 44.5 of the Los Angeles County Charter as implemented by Los Angeles County Code Section 2.26.140 (A); and

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

1.1 Exhibits A through K are attached to, and form a part of this Lease Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Lease Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Lease Agreement and then to the Exhibits according to the following priority:

1.1.1 Exhibit A1 and A2 – Leased Premises

1.1.2 Exhibit B – Lessee's EEO Certification

1.1.3 Exhibit C – Safely Surrendered Baby Law

1.1.4 Exhibit D – Jury Service Ordinance (only for paid employees)

1.1.5 Exhibit E – IRS Notice 1015

1.1.6 Exhibit F – Lessee Confidentiality Certification

1.1.7 Exhibit G – Artificial Trans Fat Reduction Program

1.1.8 Exhibit H – Vending Machine Policy

1.1.9 Exhibit I – Green Initiatives

1.1.10 Exhibit J – Smoking Ban

1.1.11 Exhibit K – Use of Polystyrene (EPS) Food Containers

1.2 This Lease Agreement and the Exhibits hereto, constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous agreements, written and oral, and all communications between the parties relating to the subject matter of this Lease Agreement. No

changes to this Lease Agreement shall be valid unless prepared pursuant to Section 6, Changes and Amendments, of this Lease Agreement, and signed by both parties.

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

2.1 Lease Agreement: Agreement executed between the County and Lessee. It sets forth the terms and conditions for the Lease Agreement.

2.2 Lessee: The sole proprietor, partnership, or corporation that has entered into an Agreement with the County.

2.3 Leased Premises: The real property located at 2100 North Highland Avenue, in the Hollywood district of the City of Los Angeles, approximately 12,000 square feet in area, including non-exclusive use of the parking lot for the parking of automobiles or buses and special events approved by the County, and all rights of ingress and egress related thereto.

2.4 Operations Manager: The individual designated by the Lessee to administer the Lease Agreement operations after award of the Lease Agreement.

2.5 State: The State of California.

2.6 County: The County of Los Angeles.

2.7 Board of Supervisors: The Board of Supervisors of the County of Los Angeles acting as governing body or an authorized representative thereof.

2.8 Department: The County of Los Angeles Department of Parks and Recreation acting on behalf of the County for matters relating to this Lease Agreement.

2.9 Director: The Director of the Department of Parks and Recreation, County of Los Angeles, acting on behalf of the County on contractual or administrative matters relating to the enforcement of this Lease Agreement, or his authorized representative(s).

2.10 County Agreement Manager: Person designated by the Director with authority to administer the services related to this Lease Agreement, or his/her authorized representative.

2.11 Day(s): Calendar day(s) unless otherwise specified.

2.12 Agreement Year: The first day of the month following approval by the Board of Supervisors.

3.0 USE GRANTED

3.1 Lessee is hereby authorized to continue to locate its Barn on the Leased Premises, as shown in Exhibit A attached hereto and by reference is incorporated herein, and to operate a museum therein known as the "Hollywood Heritage Museum," for the preservation of the history and memorabilia of the motion picture and related entertainment industries, and historic Hollywood, thus contributing to the education and cultural development of the City of Los Angeles (the "Lease Purpose"). Lessee shall be allowed to display memorabilia, display and present educational and other public programming.

Lessee may also use the Lease Premises to raise funds in support of the Lease Purpose, including the maintenance of the Barn, provided prior to holding any such function on the Leased Premises, Lessee shall provide Director with written notice and obtain Director's prior approval. In all events, any such functions shall be for the limited purpose of raising funds in support of the Lease Purpose including maintenance of the Barn. Regardless as to the form of approval, Lessee further agrees to adhere to any conditions or safety rules related to such function as required by Director.

3.2 Lessee shall make good effort attempts to provide County, on either a semi-annual or a quarterly basis, with a schedule indicating the hours of operation for the museum, as well as any special events. Said schedule, as well as written requests for approval of a special event should be forwarded to:

Hollywood Bowl
Attention: Operations
2301 North Highland Avenue
Los Angeles, California 90068
(323) 850-2060

3.3 The County, at its sole option, may develop and maintain routine landscaping on the Leased Premises, including but not limited to, installation of irrigation systems, planting, replanting, and periodic maintenance of landscaping at any time during the term of this lease, provided that the County will consult with Lessee at least fourteen (14) days prior to performing any such material work that may interfere with Lessee's access to or operations on the Leased Premises or the public's access to or use of the Leased Premises and the County will make reasonable efforts to coordinate such material work with Lessee so as to minimize any such interference. Lessee shall make no claim against County for any damage or destruction of Lessee's personal property or for any inconvenience resulting from any such activities, unless such claim relates to County's gross negligence or intentional misconduct.

3.4 It is further understood that the Leased Premises may be made freely accessible to the public for park and recreation purposes. Lessee shall make no claim against County for any damage or destruction of Lessee's personal property or for any inconvenience resulting from such public use of the Leased Premises, unless such claim relates to County's gross negligence or intentional misconduct. Lessee shall be permitted to construct a fence at its sole cost around the Barn and its deck areas only for security purposes; provided Lessee (a) obtains County's prior written approval as to the design (including, without limitation, material, height, and color of the fence), location, and installation schedule of the fence; and (b) provides County with a key or password combination in order to open the fence in the event of an emergency.

3.5 The right and permission of Lessee is subordinate to the right of County to use the Leased Premises for the public purposes to which it now is and may, at the option of the County, be devoted. Lessee undertakes and agrees to use the Leased Premises in such manner as it will not unreasonably injure or interfere with the full use and enjoyment by the public.

4.0 LEASED PREMISES

4.1 The real property located at 2100 North Highland Avenue, in the Hollywood district of the City of Los Angeles, approximately 12,000 square feet in area, including the non-exclusive use of the parking lot for purposes of parking automobiles and buses and special events, and all rights of ingress and egress related thereto.

4.2 Lessee acknowledges personal inspection of the Leased Premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect its operations. Lessee accepts the Leased Premises in their present physical condition, and agrees to make no demands upon County for any improvements or alterations thereof.

4.3 Lessee may make or construct or cause to be made or constructed additions, alterations, repairs, replacements or other changes to the Leased Premises at Lessee's expense, provided: permits are obtained therefore as hereinafter required. If such work requires any use of the adjoining parking lot, Director's prior written approval is required for any such use and there is compliance with such terms and conditions relating thereto, as may be imposed thereon by the Director.

4.4 Lessee hereby acknowledges the title of the County or its successors in said real property, to the Leased Premises and the improvements located thereon (excluding the Barn and any other Lessee Property), and covenants and agrees never to assail, contest or resist said title. Lessee further agrees that Lessee's use and occupancy of the Leased Premises shall be referable solely to the permission herein granted.

4.5 Ownership of all structures, buildings or improvements constructed or located by Lessee upon the Leased Premises, including, but not limited to, the Barn and any other Lessee Property, and all alterations, additions or betterments thereto shall remain the property of the Lessee. Upon expiration of the term of the Lease Agreement as provided in Section 5.1, as may be extended in accordance with Section 5.2, Lessee will be required, at its own expense, to remove the Barn and all its improvements within 360 days after the end of the term of the Lease Agreement, and promptly return the Leased Premises in broom clean condition or equivalent when applied as a vacant lot. Should the Lessee fail to remove the Barn and all its improvements within such 360 day period, the County, without additional notice to Lessee, shall be entitled to keep such improvements or remove them from the Leased Premises, entirely at the risk and sole expense of Lessee.

5.0 TERM OF LEASE AGREEMENT

5.1 The term of this Lease Agreement shall be for a period of 10 years commencing on January 1, 2015, unless terminated sooner or extended, in whole or in part, as provided in this Lease Agreement.

5.2 The Director shall have the sole option to extend the term of this Lease Agreement for one (1) additional five-year period. Said option may be exercised only with the condition that Lessee is not in material default, in the opinion of the Director, of any of the material terms and conditions of this Lease Agreement.

6.0 CHANGES AND AMENDMENTS

6.1 The County's Board of Supervisors or its designee may require the addition and/or change of certain terms and conditions in the Lease Agreement during the term of this Lease Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors and approved by Lessee; provided that the County has added or changed such provisions in similarly situated or class contracts between the County and third parties. To implement such

orders, an Amendment to the Lease Agreement shall be prepared and approved by Lessee and Director.

7.0 CONSIDERATION

7.1 In consideration for the use granted herein, Lessee shall pay the County a monthly amount as follows:

- Years 1-5: $250
- Years 6-10: $300
- Years 11-15: $350

7.2 Payment is due and payable the first day of each calendar month for the duration of this Lease Agreement. Payment shall be by check or bank draft and made payable to the County of Los Angeles Department of Parks and Recreation. **Payment shall be mailed or otherwise delivered to the Treasurer and Tax Collector, P.O. Box 54927, Los Angeles, California 90054-0927** or such other place as may hereafter be designated in writing to the Lessee.

7.3 A late payment of two-percent (2%) per month shall be added to any late payment received by the Treasurer and Tax Collector. However, the late payment charge herein provided may be waived, whenever the Director finds a late payment excusable by reason of extenuating circumstances. At no time during the term of this Lease Agreement shall the County be obligated to notify Lessee of the accumulation of late payment charges.

8.0 SECURITY DEPOSIT

County and Lessee each acknowledge and understand that no security deposit has been paid by Lessee and none is required.

9.0 ACCOUNTING RECORDS

9.1 All sales shall be recorded and a customer's receipt shall be issued. Beginning and ending cash receipts shall be made a matter of daily record.

9.2 Lessee shall furnish the Director with a monthly gross receipts report. Such a report for the immediately preceding month shall accompany each monthly payment required to be made as provided herein. The

monthly reporting period shall be by calendar month rather than monthly anniversary date of the effective date of this Lease Agreement. In addition thereto, Lessee shall furnish an annual statement of operations and a balance sheet prepared by a person and in a form acceptable to the County. The annual statement of operations shall be submitted to the **Contracts, Golf and Special Districts Division** within sixty (60) days of the close of the calendar year.

9.3 Lessee shall maintain a method of accounting which shall, to the satisfaction of the Auditor-Controller, correctly and accurately reflect the gross receipts and disbursements of Lessee in connection with the operation. The method of accounting, including bank accounts, established for said operation shall be separate from the accounting system used for any other business operated by Lessee or for recording Lessee's personal financial affairs. Such method shall include the keeping of the following documents:

9.3.1 Regular books of accounting such as general ledgers;

9.3.2 Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.;

9.3.3 State and Federal income tax returns and sales tax returns and checks and other documents providing payment of sums shown which shall be kept in confidence by County;

9.3.4 Cash transaction receipts (daily receipts may be separated but shall be retained so that from day to day the sales and/or rentals can be identified);

9.3.5 Any other accounting records that the Auditor-Controller deems necessary for proper reporting of receipts;

9.4 All documents, books and accounting records shall be open for inspection and re-inspection at any reasonable time during the term of this Lease Agreement and for three (3) years thereafter. In addition, the County may from time to time conduct an audit and re-audit of the

books and business conducted by Lessee and observe the operation of the business so that accuracy of the above records can be confirmed. All information obtained in connection with the County's inspection of records or audit shall be treated as confidential information and exempt from the public disclosure thereof to the extent permitted under the California Public Records Act.

10.0 OPERATING RESPONSIBILITIES

10.1 Advertising Materials, Signs and Publicity

With the exception of any signs currently located or used on the Leased Premises, and any maintenance or replacement thereof, Lessee shall not post any additional signs upon the Leased Premises or improvements thereon without the County's prior written consent. Lessee may place temporary directional signs, as approved by Director, around the Leased Premises to help direct visitors to the Leased Premises during hours of operation and for special events, so long as all such temporary signage is removed within twenty-four hours (24) after conclusion of such special event or at the end of the business day during regular operations.

10.2 Compliance with Laws, Rules and Regulations

Lessee, in its use of the Leased Premises and operation of the Hollywood Heritage Museum thereon, shall conform to and abide by all Federal, State, County, and municipal laws and regulations, insofar as the same or any of them are applicable; and where permits and/or leases are required for the use and/or any construction authorized herein, the same must be first obtained from the regulatory agency having jurisdiction thereover. Further, Lessee shall conform to and abide by all rules and regulations and policies of the Board of Supervisors and/or the Director of the Department of Parks and Recreation that Lessee is given notice of insofar as the same or any of them are applicable to Lessee's use of the Leased Premises or its operation of the Hollywood Heritage Museum thereon.

10.3 Illegal Activities

Lessee shall not knowingly permit any illegal activities to be conducted upon the Leased Premises.

10.4 Disorderly Persons

Lessee agrees to report to the County and/or not to knowingly allow any loud, boisterous or disorderly persons to loiter within the Leased Premises; provided the County acknowledges that there is an existing homeless and transient loitering problem on the Leased Premises for which Lessee has not been able to address.

10.5 Maintenance

10.5.1 Lessee shall be responsible for maintaining, at its sole expense, the Leased Premises in as good a condition as received, normal wear and tear excluded; provided that Lessee shall not be responsible to do any capital improvements, renovations or construction (e.g., Lessee shall not be responsible to improve or replace the paving or structures on the Leased Premises). Lessee acknowledges and agrees that County shall not be responsible for any damages which may occur to the Leased Premises, unless such damage results from County's gross negligence or intentional misconduct.

10.5.2 Upon notification of any damage to the Leased Premises caused by Lessee, its employees or agents, or need for any routine repair thereof, Lessee shall promptly commence efforts to repair such damage, but in no event later than fourteen (14) days after becoming aware of the occurrence thereof and diligently continue such repairs to completion. Lessee shall oversee the performance of all such repairs required in compliance with all applicable laws.

10.6 Safety

Lessee shall immediately commence efforts to correct, and shall diligently continue such efforts to correct, any unsafe condition on the Leased Premises it has caused or created; provided the County shall be

responsible to correct any unsafe condition, that in its opinion, it has caused or created. Lessee shall cooperate fully with the County in the investigation of any accidental injury or death occurring on the Leased Premises, including a prompt report thereof to the Director. Lessee shall cooperate and comply fully with all Federal, State, County ordinances, and municipal ordinances or any other regulatory agency having jurisdiction thereover, regarding any safety inspections and certifications of any and all Lessee's structures and enclosures located on the Leased Premises.

10.7 Sanitation

No offensive matter, refuse, or substance constituting an unlawful fire hazard or unlawful detrimental to the public health, shall be permitted by Lessee and Lessee shall not permit or cause any accumulation thereof to occur. Lessee shall provide that all refuse is collected as often as necessary, and in no case less than once a week, and shall pay all charges which may be made for the removal thereof.

10.8 Security Devices

Lessee, at its own expense, may provide any legal devices or equipment including, but not limited to, a fence around the Barn as permitted in accordance with Section 3.4, and the installation thereof on the Leased Premises, designated for the purpose of protecting the Leased Premises from theft, burglary or vandalism, provided written approval for installation thereof is first obtained from the Director.

10.9 Utilities

Lessee shall pay for all costs, fees or charges for the application, installation, maintenance or the use of any utilities or services required in the exercise of the permission herein granted. Lessee waives any and all claims against the County for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, electrical apparatus or wires serving the Leased Premises, unless such claim relates to County's gross negligence or intentional misconduct.

10.10 Lessee's Staff and Employment Practices

10.10.1 Lessee shall designate one member of its staff as an Operations Manager with whom the County may deal with on a daily basis. Any person selected by Lessee as an Operations Manager shall be fully acquainted with the Lessee's operation, familiar with the terms and the conditions prescribed therefore by this Lease Agreement, and authorized to act in the day to day operation thereof.

10.10.2 The Director may at any time give Lessee written notice to the effect that the conduct or action of a designated employee of Lessee is, in the reasonable belief of the Director, detrimental to the interest of the public patronizing the Leased Premises. Upon receipt of such notice, Lessee shall meet with representatives of the Director to discuss such conduct or action, and discuss possible solutions. Moreover, Lessee shall take reasonable steps to assure Director that the conduct and activities of Lessee's employee will not constitute a nuisance to the interest of the public patronizing the Leased Premises.

11.0 STANDARD TERMS AND CONDITIONS

11.1 Agreement Enforcement and Amendment to the Lease Agreement

11.1.1 The Director shall be responsible for the enforcement of this Lease Agreement on behalf of the County and shall be assisted therein by those officers and employees of the County having duties in connection with the administration thereof.

11.1.2 In the event either party commences legal proceedings for the enforcement of this Lease Agreement, the prevailing party shall be entitled to recover its attorney's fees and costs incurred in the action brought thereon from the non-prevailing party.

11.1.3 This document may be modified only by further written agreement between the parties hereto. The Board of Supervisors' hereby authorizes the Director to act on its behalf in negotiations, approval, preparation and execution of any modification deemed necessary

by said officer in the proper administration of this Lease Agreement. The Director shall consult with appropriate County employees and officials in the preparation of such amendments and in all circumstances shall obtain County Counsel's approval as to form prior to execution of final documents. Any such modification shall not be effective unless and until approved and executed by Lessee and in the case of the County, until approved by the Director.

11.2 Assignment and Subletting

Lessee shall not assign in part or in whole, sublease, or otherwise transfer its rights under this Lease Agreement without the County's prior written approval. Any attempt by Lessee to assign or otherwise transfer rights under this Lease Agreement shall be void. Furthermore, any such attempted action by Lessee shall be deemed to be a material breach of this Lease Agreement. Notwithstanding anything to the contrary in this Section 11.2, Lessee shall have the right to assign this Lease Agreement and its rights, obligations and duties hereunder to an affiliate, a purchaser of the Barn, any entity acquiring all or substantially all of the assets of Lessee or otherwise, in connection with any merger, consolidation or restructuring of Lessee, upon written notification to the County.

11.3 Cancellation

11.3.1 Upon the occurrence of any one or more of the Events of Default (as described in Section 11.8), this Lease Agreement shall be subject to cancellation by the Director. The Director shall give Lessee ten (10) days' notice by personal service or by registered or certified mail of the grounds for cancellation and indicate that an opportunity to be heard thereon will be afforded, if request is made to the Director within ten (10) days from the date of said notice.

11.3.2 Upon cancellation of this Lease Agreement pursuant to Section 11.3.1, County shall have the right to recover from Lessee (a) any damages to the Leased Premises, and (b) any attorney's fees and

costs of suit in recovering any portion of the above amounts from Lessee.

11.3.3 Upon cancellation of this Lease Agreement pursuant to Section 11.3.1, County shall have the right to take possession of the Leased Premises, including all improvements to the Leased Premises, except for the Barn and any other Lessee Property, and use same for the purpose of satisfying and/or mitigating all damages arising from a breach of this Lease Agreement.

11.3.4 Action by County to effectuate a cancellation and forfeiture of possession of the Leased Premises shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Lease Agreement.

11.4 Compliance with Civil Rights Laws

Lessee hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Lease Agreement or under any project, program, or activity supported by this Lease Agreement.

11.5 Conflict of Interest

11.5.1 No County employee whose position with the County enables such employee to influence the award of this Lease Agreement or any competing Lease Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Lessee or have any other direct or indirect financial interest in this Lease Agreement. No officer or employee of the Lessee who may benefit financially from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation of such work, or in any way attempt to

unlawfully influence the County's approval or ongoing evaluation of such work.

11.5.2 The Lessee shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Lease Agreement. The Lessee warrants that it is not presently aware of any facts that create a conflict of interest. If the Lessee hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

11.6 County's Quality Assurance Plan

The County or its agent will evaluate Lessee's performance under this Lease Agreement on not less than an annual basis. Such evaluation will include assessing Lessee's compliance with all agreement terms and performance standards. Material Lessee deficiencies that the County determines are severe or continuing and that may place performance of the Lease Agreement in jeopardy if not corrected, will be reported to the Board of Supervisors. The report will include improvement and/or corrective action measures taken by the County and Lessee.

11.7 Damage to County Facilities, Buildings or Grounds

11.7.1 Lessee shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, appurtenances, buildings, or grounds on the Leased Premises caused by Lessee or employees or agents of Lessee. Such repairs shall be completed according to common industry standards and in accordance with all applicable laws, including obtaining required permits and following Los Angeles Building Code requirements and procedures, and shall be completed within a reasonable time after Lessee has become aware of such

damage, but in any event Lessee shall commence such repairs no later than thirty (30) days after the occurrence.

11.7.2 In the event the Leased Premises shall be totally or partially destroyed, either party may elect to terminate this Lease Agreement upon written notice to the other party.

11.7.3 Construction by County Affecting Premises

In the event that County shall construct or cause construction within the non-exclusive parking lot that is part of the Leased Premises, this Lease Agreement shall continue in full force and effect, except that the location of the non-exclusive parking lot that is part of the Leased Premises shall be adjusted to a reasonably comparable alternative location at the Director's discretion, if necessary. Lessee agrees to accept the remedy heretofore provided in the event of construction upon the Leased Premises and hereby waives any and all additional rights and remedies for relief or compensation that are presently available or may be available hereinafter under the laws and statutes of the State.

11.8 Events of Default

11.8.1 The failure of Lessee to pay the amount due in Section 7.0, Consideration, for the use granted herein in the manner and amount set forth hereinbefore within ten (10) days of written notice from County.

11.8.2 The failure of Lessee to operate in a manner required by this Lease Agreement and failure to cure the same within ten (10) days of written notice from County unless such cure cannot be reasonably completed within such ten (10) day period, then Lessee shall have such additional days reasonably necessary to complete such cure so long as Lessee is taking diligent efforts to do so through completion, and has initiated attempts to cure within ten (10) days of written notice from County.

11.8.3 Any breach of this Lease Agreement which County, in its sole discretion, determines to be a material breach of the Lease Agreement, and failure to cure the same within ten (10) days of written notice from County unless such cure can not be reasonably completed within such ten (10) day period, then Lessee shall have such additional days reasonably necessary to complete such cure so long as Lessee is taking diligent efforts to do so through completion, and has initiated attempts to cure within ten (10) days of written notice from County.

11.8.4 The failure of Lessee to maintain compliance with the requirements set forth in Subparagraph 11.26, Lessee's Warranty of Adherence to *County's Child Support Compliance Program*, within ninety (90) calendar days of written notice.

11.8.5 Failure on the part of Lessee or any County Lobbyist or County lobbying firm retained by Lessee to fully comply with the County *Lobbyist Ordinance*, Los Angeles County Code 2.160.

11.9 Termination Upon Transfer of Title or Park Closure

Notwithstanding any other provision of this Agreement, in the event the County transfers its interest of the Hollywood Bowl and the demised premises to a governmental agency (assignee), the County reserves the right to: terminate this Agreement; or provided there is consent Agreement to said assignee. County shall provide the Lessee with notice of termination or assignment of this Agreement pursuant to this provision.

11.10 Suspension

The County, at its convenience, and without further liability, may suspend Lessee's performance under this Agreement, in whole or in part, by written notice to Lessee from the Director specifying the effective date and extent of suspension.

a. Lessee shall immediately discontinue all services unless otherwise indicated by Director

b. In the event the entire Agreement is suspended and the period of suspension exceeds one calendar year, this Agreement may be deemed terminated for the convenience at the option of either party, upon written notice to the other party.

11.11 Fair Labor Standards

The Lessee shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for worked performed by Lessee's employees for which the County may be found jointly or solely liable.

11.12 Warranty Against Contingent Fees

11.12.1 The Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Lessee for the purpose of securing business.

11.12.2 For breach of this warranty, the County shall have the right to terminate this Agreement and, at its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

11.13 Compliance with the County's Smoking Ban Ordinance

11.13.1 Smoking shall be prohibited at all parks, except: Smoking shall be permitted by actors who may be acting during a permitted production or models during a permitted photography session, unless otherwise

determined by the Director, in consultation with the applicable Fire Official; and

11.13.2 Smoking shall be permitted within designated areas of the Museum, with prior approval and at the discretion of the Director, in consultation with the operation of the Hollywood Heritage Museum.

11.14 Tuberculosis

Lessee shall not employ as a member of its food and non-alcoholic beverage staff any person who cannot produce a certificate showing that within the last two years, such person has been examined and has been found to be free of communicable tuberculosis. Thereafter, those employees whose skin test is negative shall be required to undergo the foregoing examination at least once every four years for so long as the employee skin test remains negative. Once an employee has documented positive skin test, he or she shall be removed from the position of food and beverage staff. When the skin test has been followed by x-ray, the forgoing examination is no longer required and referral shall be made within 30 days of the examination to the County's Health Officer to determine the need for follow-up care. "Certificate" means a document signed by the examining physician and surgeon who is licensed under Chapter 5 (Commencing with Section 2000), Division 2 of the California Business Code and or a notice from a public health agency or unit of the Tuberculosis Association that indicates freedom from active tuberculosis.

11.15 Artificial Trans Fat Reduction Program

11.15.1 Lessee agrees that it will participate in the County's Artificial Trans Fat Reduction (ATFR) Program, which mandates that no foods containing 0.5 grams or more of artificial trans-fat per serving be stored, distributed, held for service, and/or used in the preparation of any menu item or in the Lessee's demised premises, except for food that is being served directly to consumers in a manufacturer's original sealed package, as more specifically set forth in Exhibit G hereto. Lessee shall provide the written certification attached hereto as Exhibit G stating that it has reviewed and

is familiar with the requirements of the ATFR Program and will promptly obtain approval as a participant from the County's Public Health Department. Further details can be found at www.lapublichealth.org.

11.15.2 Within five days of the County's execution of this Agreement, Lessee shall submit to the County's Public Health Department all required application materials for participation in the ATRF Program, and shall thereafter diligently pursue approval as an ATFR participant. Lessee's failure to do either of the foregoing shall constitute a material breach of this Agreement and shall be grounds for immediate termination by the County. County shall have the right, in its sole discretion, to extend the time limit for submission of any and all application documents.

11.15.3 Upon County's approval of the Lessee's participation in the ATFR Program, Lessee shall have the same rights and obligations as any voluntary member of ATFR Program (e.g. use of Program decal/logo, status updating, etc.), except for the right to terminate participation and as otherwise set forth herein.

11.15.4 In addition to any remedies provided by the County ATRF Program's rules, any failure by Lessee to comply with the ATRF Program standards shall constitute a material breach of this Agreement entitling the County to terminate the Agreement in its entirety or, if the Lessee provided service to multiple demised premises, with respect to the non-compliant facility. Prior to and/or in lieu termination, the County may also, at its discretion, do any or all of the following:

1. Impose liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from Lessee's breach of this Section. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is $100 per day, per non-compliant facility and that Lessee shall be liable to County for that amount.

2. Require removal of all AFTR logo, signage and other advertising materials from non-compliant Lessee demised premises and from any

other location where such material are used by the Lessee, including without limitation menus, menu boards and dining table tent cards.

3. Require Lessee to cure its non-compliance with ATFR Program standards within a period prescribed by the County, in its discretion.

11.16 Use of Polystyrene (EPS) Food Containers

The Lessee is required to comply with the County's policy on restricting its purchase and use of EPS food containers on County-owned property.

11.17 Contract Alert Reporting Database

The County maintains databases that track/monitor Contractor performance history. Information entered into such database may be used for a variety of purposes, including determining whether County will execute an agreement term extension option.

11.18 Green Initiative

Lessee shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits. Lessee shall purchase, store, and use environmentally and human friendly products that are compatible with products used by County. County shall determine and approve Lessee's products prior to their use.

11.19 Facsimile Representations

The County and Lessee hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Notices and Amendments and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Lease Agreement, and that the parties will follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

11.20 Force Majeure/Time Extensions

If performance by a part of any portion of this Lease Agreement is made impossible by any prevention, delay, or stoppage caused by strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or

materials or reasonable substitutes for those items; government actions, civil commotions, fire or other casualty; or other causes beyond the reasonable control of the party obligated to perform, performance by that party for a period equal to the period of that prevention, delay, or stoppage is excused. Lessee's obligation to pay Rent, however, is not excused by this Section.

11.21 Governing Law, Jurisdiction, And Venue

Lessee shall be governed by, and construed in accordance with, the laws of the State of California. Lessee agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Lease Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

11.22 Indemnification

Lessee shall indemnify, defend and hold harmless County, and its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Lessee's acts, visitors, and/or omissions arising from and/or relating to this Lease Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

11.23 Independent Lease

This Agreement is by and between the County of Los Angeles and Lessee and is not intended to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Lessee. Lessee understands and agrees that all persons furnishing services on behalf of Lessee pursuant to this Agreement are, for purposes of Worker's Compensation Liability, employees solely of Lessee and not of County. Lessee shall bear the sole responsibility and liability for furnishing

Worker's Compensation benefits to any person for injuries arising from or connected with services on behalf of Lessee pursuant to this Agreement.

11.24 General Provisions for All Insurance Coverage

Without limiting Lessee's indemnification of County and the United States, and in the performance of this Lease Agreement and until all of its obligations pursuant to this Lease Agreement have been met, Lessee shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 11.24 and 11.25 of this Lease Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Lessee pursuant to this Lease Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Lessee for liabilities which may arise from or relate to this Lease Agreement.

11.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Lessee's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Lease Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Lessee's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Lessee and/or Sub-Lessee insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party

named on the Certificate shall match the name of the Lessee identified as the contracting party in this Lease Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand ($50,000.00) dollars, and list any County required endorsement forms.

- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Lessee, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Department of Parks and Recreation
Contracts, Golf, and Special Districts Division
301 North Baldwin Avenue, Arcadia CA 91007
Attention: Kandy E. Hays, Chief

Lessee also shall promptly report to County any injury or property damage accident or incident, including any injury to a Lessee employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Lessee. Lessee also shall promptly notify County of any third party claim or suit filed against Lessee or any of its Sub-Lessees which arises from or relates to this Lease Agreement, and could result in the filing of a claim or lawsuit against Lessee and/or County.

11.24.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Lessee's General Liability policy with respect to liability arising out of Lessee's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Lessee's acts or omissions, whether such liability is attributable to the Lessee or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

11.24.3 Cancellation of/or Changes in Insurance

Lessee will provide County with, or Lessee's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten days in advance of cancellation for non-payment of premium and 30 days in advance for any other cancellation or policy change Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Agreement.

11.24.4 Failure to Maintain Insurance

Lessee's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material

breach of this Agreement, upon which County immediately may suspend or terminate this Agreement. County at its sole discretion, may obtain damages from Lessee resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Lessee, deduct the premium cost from sums due to Lessee or pursue Lessee reimbursement.

11.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

11.24.6 Lessee's Insurance Shall Be Primary

Lessee's insurance policies, with respect to any claims related to this Lease Agreement, shall be primary with respect to all other sources of coverage available to Lessee. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Lessee coverage.

11.24.7 Waivers of Subrogation

To the fullest extent permitted by law, the Lessee hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Lease Agreement. The Lessee shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

11.24.8 Sub-Lessee Insurance Coverage Requirements

Lessee shall include all Sub-Lessees as insureds under Lessee's own policies, or shall provide County with each Sub-Lessee's separate evidence of insurance coverage. Lessee shall be responsible for verifying each Sub-Lessee complies with the Required Insurance provisions herein, and shall require that each Sub-Lessee name the County and Lessee as additional insureds

on the Sub-Lessee's General Liability policy. Lessee shall obtain County's prior review and approval of any Sub-Lessee request for modification of the Required Insurance.

11.24.9 Deductibles and Self-Insured Retentions (SIRs)

Lessee's policies shall not obligate the County to pay any portion of any Lessee deductible or SIR. The County retains the right to require Lessee to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Lessee's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety leased to transact business in the State of California.

11.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Lease Agreement. Lessee understands and agrees to maintain such coverage for a period of not less than three (3) years following Agreement expiration; termination or cancellation.

11.24.11 Application of Excess Liability Coverage

Lessee may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form") the underlying primary policies, to satisfy the Required Insurance provisions.

11.24.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard Insurance Services Office, Inc. (ISO) separation of insureds provision with no insured versus insured exclusions or limitations.

11.24.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Lessee use of self-insurance, risk retention groups, risk

purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

11.24.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

11.25 INSURANCE COVERAGE

11.25.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	$2 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million
Each Occurrence:	$1 million

11.25.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than $1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Lessee's use of autos pursuant to this Lease Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

11.25.3 Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than $1 million per accident. If Lessee will provide contract employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage

equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Lessee's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

11.25.4 Property Coverage

Lessees given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County shall be named as an Additional Insured and Loss Payee on Lessee's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

11.26 Lessee's Warranty of Adherence to County's Child Support Compliance Program

11.26.1 Lessee acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through lease agreement and/or contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

11.26.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Lessee's duty under this Lease Agreement to comply with all applicable provisions of law, Lessee warrants that it is now in compliance and shall during the term of this Lease Agreement maintain in compliance with employment and wage reporting

requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

11.27 Non-Discrimination and Affirmative Action

11.27.1 Lessee hereby certifies and agrees that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, where applicable, and Title 43, part 17 of the Code of Federal Regulations Subparts A and B, and the Americans with Disabilities Act of 1990, to the and that no persons shall, on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age or disability, be subject to discrimination under the privileges and use granted by this Lease Agreement or under any project, program or activity supported by this Lease Agreement.

11.27.2 Lessee certifies and agrees that all persons employed thereby, are and shall be treated equally without regard to or because of race, creed, color, national origin, sex, age, marital status, or disability, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964, the Unruh Civil Rights Act, the Cartwright Act, and the State Fair Employment Practices Act.

11.27.3 Lessee certifies and agrees that sublessees, if any, sublessees, if any, bidders and vendors thereof are and shall be selected without regard to or because of race, creed, color, national origin, sex, age, marital status, or disability.

11.27.4 The parties agree that in the event Lessee violates the non-discrimination provisions contained herein, County shall, at its option, be entitled to a sum of FIVE HUNDRED DOLLARS ($500.00) pursuant to California Civil Code 1671 as liquidated damages in lieu of canceling, terminating or suspending this Lease Agreement. Lessee further agrees that FIVE HUNDRED DOLLARS ($500.00) is a reasonable sum under all of the circumstance existing at the time of the execution of this Lease Agreement.

11.28 Notices

Any notice required to be given under the terms of this Lease Agreement or any law applicable thereto may be: (1) by facsimile; (2) sent by electronic mail (email); (3) delivered by personal service, placed in a sealed envelope, with postage paid, return receipt requested, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub-post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. **The address to be used for any notice served by mail upon Lessee shall be: Hollywood Heritage Museum, Attention: Operations Manager, P.O. Box 2586, Hollywood, CA 90078 or such other place as may hereafter be designated in writing to the Director by Lessee. The address to be used for any notice served by mail upon the County shall be: Los Angeles County Department of Parks and Recreation, Attention: Contracts, Golf and Special Districts Division, 301 North Baldwin Avenue, Arcadia, CA 91007 and Hollywood Bowl, Operations, 2301 North Highland Avenue, Los Angeles, CA 90068,** or such other place as may hereafter be designated in writing to Lessee by the Director. Service by mail shall be deemed complete upon deposit in the above mentioned manner. Addresses may be changed by either party by giving ten (10) days prior written notice thereof to the other party. The Director

shall have the authority to issue all notices or demands required or permitted by the County under this Lease Agreement.

11.29 Notice to Employees Regarding the Federal Earned Income Credit
The Lessee shall notify its employees, and shall require each sub-lessee and/or subcontractor, if any, to notify its employees, that they may be eligible for the Federal Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, Exhibit E.

11.30 Notice to Employees Regarding the Safely Surrender Baby Law
The Lessee acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Lessee understands that it is the County's policy to encourage all companies doing business with the County to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Lessee's place of business. The Lessee shall provide to its employees, and shall require each sub-lessee and/or subcontractor, if any, to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit C of this Lease Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

11.31 Public Records Act

11.31.1 Any documents submitted by the Lessee; all information obtained in connection with the County's right to audit and inspect the Lessee's documents, books, and accounting records pursuant to Subsection 11.32, Record Retention and Inspection/Audit Settlement, of this Lease Agreement; become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential",

or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

11.31.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Lessee agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in an action or liability arising under the Public Records Act.

11.32 Record Retention and Inspection/Audit Settlement

The Lessee shall maintain accurate and complete financial records of its activities and operations relating to this Lease Agreement. The Lessee agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Lease Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment and proprietary data and information, shall be kept and maintained by the Lessee and shall be made available to the County during the term of this Lease Agreement and for a period of three (3) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Lessee at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Lessee shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

11.32.1 In the event that an audit of the Lessee is conducted specifically regarding this Lease Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Lessee or otherwise,

then the Lessee shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Lessee's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Lease Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

11.33 Recycled-Bond Paper

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Lessee agrees to use recycled-content paper to the maximum extent possible on this Lease Agreement.

11.34 Right of Entry

Any officers and/or authorized employees of the County may enter upon the Leased Premises at any time during the Lessee's normal hours of operation or upon no less than twenty-four (24) hours prior verbal notice (except in the event of emergency to person or property), subject to being accompanied by the Lessee's Operations Manager, for the purpose of determining whether or not Lessee is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the County within the Leased Premises. However, nothing in this paragraph shall limit the rights of the County to enter the Leased Premises pursuant to Section 3.4.

11.35 Severability

If any provision of this Lease Agreement is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.

11.36 Surrender of Premises

Upon termination of this Lease Agreement, Lessee shall peaceably vacate the Leased Premises and remove its Barn and related improvements

located thereon and deliver up the same to County in as good a condition as received from County, ordinary wear and tear excepted.

11.37 Validity

If any provision of this Lease Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Lease Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

11.38 Waiver

11.38.1 Any waiver by the County of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of the County to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Lease Agreement or stopping the County from enforcing the full provisions thereof.

11.38.2 No delay, failure, or omission of the County to re-enter the Leased Premises or to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter accrued shall impair any such right, power, privilege or option, or be construed as a waiver of or acquiescence in such default or as a relinquishment of any right.

11.38.3 No notice to Lessee shall be required to restore or revive "time of the essence" after the waiver by the County of any default.

11.38.4 No option, right, power, remedy or privilege of the County shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given the County by this Lease Agreement shall be cumulative.

11.39 Warranty Against Contingent Fees

11.39.1 The Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this Lease Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Lessee for the purpose of securing business.

11.39.2 For breach of this warranty, the County shall have the right to terminate this Lease Agreement and, at its sole discretion, deduct from the Lease Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

12.0 ENTIRE LEASE AGREEMENT

This document and the exhibits attached hereto, constitutes the entire Lease Agreement between the County and Lessee for the authorized operations and use granted herein on the Leased Premises with regard to the operation of the Hollywood Heritage Museum by Lessee in its Barn currently situated on the Leased Premises. All other agreements, promises and representations with respect thereto, other than contained herein, are expressly revoked, as it has been the intention of the parties to provide for a complete integration within the provisions of this document, and the exhibits attached hereto, the terms, conditions, promises and covenants relating to the Lessee's operation or the Hollywood Heritage Museum in its Barn on the Leased Premises to be used in the conduct thereof.

13.0 AUTHORIZATION WARRANTY

Each of the parties hereto represents and warrants that the person executing this Lease Agreement on its behalf is an authorized agent who has actual authority to bind such party to each and every term, condition, and obligation of this Lease Agreement and that all requirements of such party have been fulfilled to provide such authority.

IN WITNESS WHEREOF, Lessee has executed this Lease Agreement, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Lease Agreement to be executed on its behalf by the Director of the Department of Parks and Recreation thereof, the day and year first above written.

COUNTY OF LOS ANGELES

By_____

Russ Guiney, Director

Department of Parks and Recreation

LESSEE

By Bryan Cooper

Bryan Cooper, President

Hollywood Heritage, Inc.

APPROVED AS TO FORM:

RICHARD WEISS
Acting Deputy County Counsel

By Christina A Salseda

Christina A. Salseda, Principal Deputy