

OLVERA STREET MERCHANT CONCESSION AGREEMENT

BETWEEN CITY OF LOS ANGELES AND _____,
_____, LOS ANGELES, CALIFORNIA 90012

ARTICLE 1. BASIC PROVISIONS

1.1. **Date and Parties.** This Concession Agreement ("**Agreement**") is between City of Los Angeles, as Owner ("**City**") and _____, as Merchant ("**Merchant**"). Merchant is doing business as _____ [dba-name], with principal offices at _____ [Merchant's address]. City is a municipal corporation, organized under the laws of the State of California. Except as specified in Section 1.8 below, for purposes of this Concession Agreement and the approvals required hereunder, the City acts through its El Pueblo de Los Angeles Historical Monument Authority Commission ("**Commission**"), 125 Paseo de la Plaza, Suite 300, Los Angeles, California 90012, or any lawfully designated successor entity.

1.2. **Premises.** That certain premises (hereinafter "**Premises**") situated in the City of Los Angeles, County of Los Angeles, State of California, and identified as [Space-number] as described in Exhibit __. Such Premises contain _____ square feet of GCARA (as defined in Section 3.3) and are located within El Pueblo de Los Angeles Historical Monument ("**Monument**") (and portions thereof commonly referred to as "Olvera Street"), as delineated on the plan attached to this Concession Agreement as Exhibit B and incorporated herein by this reference (see Article 3, page 3 for further provisions). A "Puesto" is a stand, and further defined as any Premises situated between and in the center of the West and East sides, or adjacent to the Plaza, of Olvera Street, and as designated as a "Puesto" by the Commission.

1.3. **Term.** Twenty (20) years ("**Term**") commencing on the Execution Date. (see Section 5.1, page 7, for further provisions). Subject to the conditions of Article __ of this Concession Agreement, Merchant shall also have one (1) twenty-year (20-year) option to extend the Term of the Concession Agreement.

1.4. **Rent.** Rent as defined in this Concession Agreement ("**Rent**") is payable on the first (1st) day of each month.

1.5. **Security Deposit.** ("**Security Deposit**"). (See Section 10.1, page 15, for further provisions.) The Merchant shall pay to the City a security deposit equal to two month's rent, payable in equal installments over a period of twenty-four (24) months commencing on the Execution Date of the Concession Agreement.

1.6. **Permitted Use.** (see Section 4.1, page 4, and Exhibit __ for further provisions).

1.7. **Capacity Of City As Owner.** Except where clearly and expressly provided otherwise in this Concession Agreement, the capacity of the City in this Concession Agreement shall be as an owner only, and any obligations or restrictions imposed by this Concession Agreement on City shall be limited to that capacity and shall not relate to or otherwise affect any activity of the City of Los Angeles in its governmental capacity, including, but not limited to, enacting laws, inspecting structures, reviewing and issuing permits, and all other legislative, administrative, or enforcement functions of the City of Los Angeles pursuant to federal, state, or local law.

1.8. **City's Representative.** The City's El Pueblo de Los Angeles Historical Monument Authority Department ("**El Pueblo Department**"), or any lawfully designated successor, shall be

City's representative with respect to all matters pertaining to this Concession Agreement except that approval of this Concession Agreement and approval of any revision or modification to this Concession Agreement must comply with Los Angeles Charter Section 370 and Los Angeles Administrative Code Section 10.5 (as amended from time to time), including but not limited to approval by the Los Angeles City Council for the Concession Agreement and any applicable Concession Agreement revisions or modifications. Said approval may be granted or withheld in the City's sole discretion. (See also Section 26.18, Page 25, herein.) The Los Angeles City Attorney must approve the Concession Agreement as to form. The defined term "**General Manager**" shall mean the General Manager of the El Pueblo Department, or such successor position as the City Council of the City of Los Angeles may designate. The defined term shall also include any person designated by the General Manager to act on behalf of the General Manager, either generally or for specified activities under this Concession Agreement. The defined term "**Property Manager**" shall mean the person designated by the General Manager to act on behalf of City in matters described in this Concession Agreement or in the Exhibits to this Concession Agreement. Merchant shall be notified in writing of such designation and the specific authority granted to any designee.

1.9. Merchant - Primary Merchant Designation. In the event that Merchant as defined in Section 1.1 of this Concession Agreement includes or is a legal entity (including but not limited to, any corporation, limited liability company, partnership, or trust) or multiple individuals, or is amended to include more than one (1) single individual or legal entity, Merchant hereby designates as the Primary Merchant ("**Primary Merchant**") under this Concession Agreement the individual known as _____. Acts and omissions of the Primary Merchant will be deemed to occur with the advance knowledge and consent of all of the individuals or legal entities comprising the Merchant, inure to the benefit of the Merchant and be the responsibility of the Merchant. Acts and omissions by the Primary Merchant are deemed to be the acts and omissions of each and all persons and entities comprising the Merchant. The Primary Merchant may designate a Contact Person ("**Contact Person**"). City may treat the Contact Person as the Merchant for administration of the Concession Agreement rights and obligations, including providing notice under the Concession Agreement. Each separate, individual or legal entity comprising Merchant under this Concession Agreement agrees to hold the City harmless from any and all costs and expenses of any nature rising out of any act or omission of the Primary Merchant and the City's conduct arising from the acts and omissions of Primary Merchant. References in this Concession Agreement to Merchant are deemed to include references to Primary Merchant.

1.9.1. Joint and Several Obligations. Notwithstanding the provisions of Section 1.9, above, each individual or legal entity comprising Merchant shall be jointly and severally liable for the obligations, acts and omissions of each and every individual or legal entity comprising Merchant and the agents, employees, independent contractors, licensees, as well as to all persons and entities claiming through any of these persons or entities.

1.10. Prior Concession Agreement. Merchant is a party to a prior agreement between City and Merchant. This Concession Agreement replaces any such prior agreement and any contract oral or written relating to the Premises and the rights and benefits thereunder are hereby terminated.

1.11. Execution Date. The defined term "**Execution Date**" shall mean the date the Office of the City Clerk of Los Angeles attests this Concession Agreement.

ARTICLE 2. NOTICES

2.1. Notices. All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands shall be personally delivered (including by means of professional messenger service), sent by United States registered or certified mail, postage prepaid, return receipt requested, or transmitted by

telecopier (e.g., fax), followed by hard copy sent by United States regular mail, in which case the receiving party shall immediately confirm receipt of such notice. All notices are effective upon receipt. The Premises' address of _____ shall be included in all notices. For the purpose of notice, the addresses for the parties are set forth in Section 2.2 below. Either party may from time to time designate another person or place as the party's designee for notice purposes, provided that the notice of change in designee complies with the notice provisions of Section 2.1.

2.2. Notices - Where Sent. All notices given under this Concession Agreement which are mailed or telecopied shall be addressed to the respective parties as follows:

To City

City of Los Angeles
% El Pueblo de Los Angeles Historical Monument
Authority Department
125 Paseo de la Plaza, Suite 300
Los Angeles, California 90012
Telecopier: 213-485-8238

To Merchant

Notice-address
Telecopier:

ARTICLE 3. PREMISES

3.1. Rental of Premises. The City rents to Merchant the Premises described in Section 1.2 of this Concession Agreement.

3.2. Acceptance of Premises. Merchant shall take the Premises in an "as is" condition as of the Concession Agreement Execution Date. Subject to the City's obligations, if any, in Sections 16.2, 18.1 and 18.3, with respect to the Monument Systems. City is not responsible for any build-out or other preparation of the Premises for occupancy by Merchant. Merchant agrees to perform all work necessary to prepare said space for occupancy at Merchant's sole cost and expense. Merchant waives the right to make repairs at the expense of City. Merchant waives the benefit of the provisions of subsection 1 of Section 1932 and Sections 1941 and 1942 of the California Civil Code or under any similar law, statute or ordinance now or hereafter in effect. It shall be Merchant's obligation, at Merchant's sole cost and expense, to install any and all fixtures, equipment, supplies or other material necessary to open for and thereafter conduct business. Any painting or other redecoration which Merchant desires shall also be done at Merchant's sole cost and expense.

City and Merchant acknowledge that City has acquired Premises by a quit-claim deed executed by the State of California on October 27, 1988, a copy of which is attached as Exhibit _____

3.3. Definition of GCARA. Gross Concession Agreement Rented Area (hereinafter known as "GCARA") means, with respect to the Premises and all other rentable areas, the number of gross square feet of floor area for the exclusive use by the occupant thereof (whether present or future) and its customers, excluding Monument maintenance storage areas and basement spaces. Said area shall be measured from the exterior face of exterior walls and the exterior face of service corridor walls, the line along the front of the Premises where the Premises abuts the Monument or sidewalk, and the center line of any wall the Premises shares with other premises of the Monument. No deduction from GCARA shall be made for columns, stairs, elevators or any interior construction or equipment.

This Concession Agreement reflects the rental rate applicable for the Premises (for

example, retail, office, storage, etc.).

ARTICLE 4. MERCHANT'S CONDUCT OF BUSINESS

4.1. Use. Merchant shall use the Premises solely for the purposes specified in Exhibit ___. Merchant shall not use or permit the Premises to be used for any other purpose without City's prior written consent, which may be granted or withheld in the City's sole discretion. Merchant shall not use or occupy the Premises in violation of law and shall discontinue any use of the Premises which is declared by any governmental authority to be a violation of law. Merchant, at Merchant's sole cost and expense, shall comply with any directive of any governmental or municipal authority which imposes any duty upon Merchant or City with respect to the Premises or the use or occupation thereof, which arises due to the nature of Merchant's use or occupancy of the Premises. Notwithstanding the foregoing, Merchant shall not be responsible for compliance with directives which are the responsibility of City as provided in this Concession Agreement. Merchant shall not commit, or suffer to be committed, any waste or nuisance in its occupancy of the Premises. Merchant shall not commit, or suffer to be committed, or any act which may increase the cost of public liability or any other insurance City elects to carry in connection with the ownership, management, maintenance and operation of the Premises or which is otherwise in contravention of insurance underwriting regulations, guidelines and practices in use by City, as amended. Merchant shall not, without the consent of the City, suggest or use the name "El Pueblo de Los Angeles" or "Olvera Street" for any purpose other than as an address of the business to be conducted by Merchant in the Premises. Merchant shall not do or permit the doing of anything in connection with Merchant's business or advertising which, in the reasonable judgment of the City, may confuse or mislead the public as to any relationship between City and Merchant. Merchant shall not leave the Premises unoccupied or vacant during its tenancy except prior to receipt of a certificate of occupancy. Merchant further covenants and agrees to continuously operate its business in compliance with all applicable federal, state, and local environmental statutes, rules and regulations including but not limited to the Rules and Regulations established by City and contained in Exhibit ___ of this Concession Agreement. Said Rules and Regulations may be modified by City, acting through its Commission, upon thirty (30) days' notice. Merchant shall indemnify and hold City harmless from any and all costs and expenses of any nature rising out of any claim or proceeding, administrative or otherwise, with respect to the Rules and Regulations.

4.2. Hours Of Retail Business; Continuous Operation. Merchant shall maintain the minimum hours of operation and be open for business at the times of day as specified under the City's Rules and Regulations as contained in Exhibit ___, and as may be amended by the Commission from time to time. With respect to any business controlled by governmental regulations or labor union contracts in its hours of operation, the foregoing provisions shall be subject to the hours of operation so prescribed by such governmental regulations or labor union contracts. Merchant shall operate and conduct its operations without interruption in a diligent and efficient manner except while the Premises are not able to be occupied by reason of casualty. Merchant's business shall be adequately and competently staffed to operate in accordance with the Rules and Regulations contained in Exhibit ___. Any cessation of business activity not consistent with the Rules and Regulations, regardless of the ongoing payment of Rent, shall be considered a material breach of this Concession Agreement.

4.3. Personal Attention by Merchant. Although Merchant may hire employees, personal attention in the management and operation of the business on the Premises is mandatory. Each individual Merchant named as a party in the Concession Agreement, or if Merchant is an entity then the Majority Owner, shall devote substantial and on-going personal on-Premises attention to the operation of the business. Failure of the Merchant or Majority Owner to devote such personal attention shall constitute a material breach of this Concession Agreement.

4.4. Rules And Regulations. Merchant and Merchant's employees and invitees shall comply with and observe faithfully the rules and regulations governing the Premises ("**Rules and**

Regulations) and the Monument, as the Rules and Regulations are set forth in this Concession Agreement as Exhibit ____, as such Rules and Regulations may be modified from time to time by City acting through its Commission. In the event of a conflict between the provisions of this Concession Agreement, as amended, and the Rules and Regulations, the provisions of this Concession Agreement shall govern.

4.5. Signs, Logos, and Marks. Merchant agrees that Merchant will not use any of the City's seals, names, logos, insignias or marks without the prior written consent of City. Use of the City seal requires explicit approval by the City Council. This section does not apply to seals, names, logos, insignias or marks that must be displayed pursuant to any duty imposed on Merchant. Merchant further agrees that Merchant will not act in any way or manner to impart official endorsement by the City of Merchant's merchandise or business. Merchant shall not, without the consent of the City, use the name "El Pueblo de Los Angeles" or "Olvera Street" or similar names (collectively as "**El Pueblo Brand Names**") for any purpose other than as an address of the business to be conducted by Merchant in the Premises, nor shall Merchant do or permit the doing of anything in connection with Merchant's business or advertising which, in the reasonable judgment of the City, may confuse or mislead the public as to any relationship between City and Merchant in the use of the Premises. Merchant further agrees that Merchant will not act in any way or manner to suggest or impart official endorsement by the City of Merchant's merchandise or business.

4.5.1. Shall Merchant desire to obtain trademark license to use any of the City's trademarks, including El Pueblo Brand Names, for any purpose, a separate trademark license with fair market royalties must be entered into with approval from appropriate City departments and/or City Council and approved by the City Attorney's Office. If requested by Merchant, City shall provide Merchant a royalty-free and paid-up trademark license for the use of the names "Olvera Street," "Placita Olvera," or "Calle Olvera" in connection with Merchant's business operated in the Premises.

4.6. Intellectual Property Rights. Merchants agree that any and all names, logos, trademarks and/or copyrights developed hereinafter which will in any way associate with, identify or implicate an affiliation with City or the El Pueblo Brand Names, shall be approved by City, shall belong to City upon creation or first use, and shall continue in City's exclusive ownership upon termination of this Concession Agreement. Further, any works developed pursuant to this Concession Agreement by Merchant, including all related copyrights and other proprietary rights therein, shall belong to City upon creation, and shall continue in City's exclusive ownership upon termination of this Concession Agreement. This shall include, but is not limited to, all construction drawings, designs, reports, specifications, notes and other work developed in the performance of this Concession Agreement. Further, Merchant shall deliver to the City, upon request, the disk or tape that contains the construction design files and shall specify the supplier of the software and hardware necessary to use the design files of any work that is performed with the assistance of Computer Aided Design and Drafting Technology. Merchant intends and hereby agrees to assign and transfer to City all right, title and interest in and to such intellectual property, including copyrights and other proprietary rights therein, unless otherwise agreed to in writing by City personnel with delegated authority or the City Council.

4.6.1. In the event that Merchant is required to convey to City tangible and intangible deliverables, Merchant warrants that it has the full right, power and authority over and is the sole exclusive owner of all tangible and intangible property deliverable to City in connection with this Concession Agreement and that title to such materials conveyed to City shall be delivered free and clear of all claims, liens, charges, judgments, settlements, encumbrances or security interests.

4.6.2. Merchant agrees not to incorporate into or make any deliverables dependent upon any original works of authorship or Intellectual Property Rights of third parties without first (i) obtaining City's prior written permission, and (ii) granting to or obtaining for City a

nonexclusive, royalty-free, paid-up, irrevocable, perpetual, world-wide license, to use, reproduce, sell, modify, publicly and privately perform, publicly and privately display and distribute, for any purpose and medium whatsoever, any such prior works.

4.6.3. Merchant further warrants that all deliverables do not infringe or violate any patent, copyright, trademark, trade secret or any other intellectual property rights of any person, entity or organization. Merchant agrees to promptly execute any documents reasonably requested by City in connection with securing City's registration of patent and/or copyrights or any other statutory protection in such work product including an assignment of copyright in all deliverables. Merchant further agrees to incorporate these provisions into all of its contracts with architects, engineers and other consultants or contractors.

4.6.4. Merchant, at its sole expense, shall hold harmless protect, defend and indemnify City against any intellectual property infringement claim, demand, proceeding, action and/or dispute ("**Action**") brought by a third party in connection with any deliverable or Merchant's performance hereunder. Merchant shall pay all costs, expenses, losses and damages, judgments and claims including reasonable attorney's fees, expert witness fees and other costs. In Merchant's defense of the City, negotiation, compromise, and settlement of any such Action, the Los Angeles City Attorney's Office shall retain discretion in and control of the litigation, negotiation, compromise, settlement, and appeals therefrom, as required by the Los Angeles City Charter, particularly Article II, Sections 271, 272 and 273 thereof.

4.6.5. Rights and remedies available to the City hereinabove shall survive the expiration or other termination of this agreement. Further, the rights and remedies are cumulative of those provided for elsewhere in this Concession Agreement and those allowed under the laws of the United States, the State of California, and the City of Los Angeles.

4.6.6. Merchant agrees that before commencement of any subcontract work it will incorporate all provisions on property ownership, including Section 4.5 through subsection 4.6.5, to contractually bind or otherwise oblige its subconsultants, personnel performing work such that the City's titles, rights, and interests in deliverables and all intellectual property related rights are preserved and protected as intended herein.

4.7. **Waiver by Artists.** The installation of any artwork permanently or semi-permanently, such as murals, must comply with any applicable provisions of City's sign laws. After obtaining written approval from City to install and at least 30 business days prior to installing any such artwork, Merchant shall secure written waivers from all artists such that the artists waive any and all of their "adroit moral" including the "right to integrity in the artwork" (i.e., right to preserve the artwork unaltered or destroyed) and other similar rights including those under the Visual Artists Rights Act, 17 U.S.C. §106A et seq. (including §106A(a)(3)(A), §106A(a)(3)(B) and §113); and the California Art Preservation Act, California Civil Code § 987. Merchant shall file the written waivers with the City Attorney's Office for approval no later than 20 business days prior to the commencement of the installation of the artwork. Such installation shall not commence without written approval from the City Attorney's Office of the legal adequacy of the waivers.

4.8. **Compliance With Laws.** In the use of the Premises, Merchant shall comply with all safety, health and police regulations in all respects and at all times.

4.9. **Uses For Other Premises.** Except as may be otherwise stated in Exhibit __ of this Concession Agreement, City reserves the absolute right to rent or utilize other premises in the Monument as City shall determine to best promote the interests of the City of Los Angeles and the Monument, and no representations are made or intended as to the nature of the enterprise to be engaged in by any other merchant, or to preclude use of other premises for any other purpose by the City.

4.10. Vending Machines. Mechanical, self operating or automatic vending machines, including but not limited to automated teller and cash dispensing machines, shall only be allowed in or operated in, on, or about the Premises consistent with the City's Rules and Regulations as contained in Exhibit ____, and as may be amended from time to time.

4.11. Use Of Machinery. Merchant shall not use any machinery in the Premises which may cause vibration or tremor to the floors or walls, or which by its weight might injure the floors of the Premises or adjacent spaces.

4.12. Hazardous Materials. Without limiting any of the obligations described above, Merchant shall not use or permit the Premises or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process hazardous materials without City's prior written consent, which may be denied at City's sole discretion, and even with City's written consent, only in compliance with all laws and regulations with respect to hazardous materials (The "***Environmental Regulations***") (including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (U.S.C., Title 42 § 9601, et seq) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (U.S.C., Title 42 § 6901, et seq) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-To-Know Act, as amended (together, with the regulations promulgated thereunder, "Title III") (42 U.S.C. § 11011, et seq.) and any so-called "Superfund" or "Superlien" law), nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any agent, employee, independent contractor, licensee, the storage, transportation, disposal or use of hazardous materials or the release or threat of release of hazardous materials on, from or beneath the Premises or onto any other property. Upon the occurrence of any such release or threat of release of hazardous materials, Merchant shall promptly notify City in writing. Merchant shall pay as Additional Rent City's costs for all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all hazardous materials so released, on, from or beneath the Premises or other property, in strict compliance with all Environmental Regulations.

4.13. Window Displays And Signs. Upon substantial completion of merchant improvements, Merchant shall proceed to install Merchant's exterior signage (which shall be installed no later than the date that rent starts to accrue). All Merchant's signage shall be in compliance with all applicable laws, the Rules and Regulations, and any applicable sign criteria for the Monument as established by the City or its designee. Prior to installation of any sign, Merchant shall obtain written approval for the sign and its proposed location by the Monument General Manager. Merchant shall have the sole obligation to install and pay for Merchant's signage on the Premises. Merchant shall not install, display or maintain any off-site signs, digital signs or supergraphic signs. Except as approved in writing by City, no written or descriptive material of a permanent or nonpermanent nature, whether for advertising or any other purpose, shall be hung or affixed to the interior walls, ceilings, windows, and supports of the Premises or on the store front, windows or any other exterior surface or fixture of the Monument.

ARTICLE 5. TERM AND OCCUPANCY DATE

5.1. Concession Agreement Term. The initial term of this Concession Agreement shall be for a period of twenty (20) years ("**Term**") and shall commence on the Execution Date ("**Concession Agreement Commencement Date**"), and shall terminate on the last of the month which is twenty (20) years after the month containing the Concession Agreement Commencement Date ("**Concession Agreement Termination Date**"), unless extended or terminated earlier pursuant to the provisions of this Concession Agreement.

5.2. Concession Agreement Year Defined. The first "**Concession Agreement Year**" shall begin on the Concession Agreement Commencement Date and shall expire on the last day

of the month, twelve (12) full calendar months next following said Concession Agreement Commencement Date. Subsequent Concession Agreement Years shall be each consecutive twelve (12) calendar month period thereafter.

5.3. Holdover By Merchant. In the event that Merchant remains in possession of the Premises after the expiration of the Term, or any extensions or renewals thereof, with the implied or express consent of City, Merchant shall become a merchant from month to month at the Rent (as that term is defined in Article 6) payable during the last month of the Term of this Concession Agreement, subject to any automatic Rent escalations applicable during the last two years of the expiring Term, or any extensions or renewals thereof, and such tenancy shall continue until terminated by City or Merchant giving the other at least thirty (30) days prior written notice of the intention to terminate the tenancy. In all other respects, the tenancy shall be governed by the provisions of this Concession Agreement.

5.4. Surrender of Premises. The voluntary or other surrender of this Concession Agreement by Merchant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of City, operate as an assignment to it of any or all transfers, assignments or subtenancies. No act or thing done by City or any agent or employee of City during the Term shall be deemed to constitute an acceptance by City of a surrender of the Premises unless such intent is specifically acknowledged in a writing signed by City. The delivery of keys to the Premises to City or any agent or employee of City shall not constitute a surrender of the Premises or effect a termination of this Concession Agreement, whether or not the keys are thereafter retained by City, and notwithstanding such delivery, Merchant shall be entitled to the return of such keys at any reasonable time upon request until this Concession Agreement shall have been properly terminated.

5.5. Condition of Surrendered Premises. Upon the expiration or termination of this Concession Agreement, Merchant shall peaceably surrender the Premises and all alterations and additions thereto, broom-clean, in good order, repair and condition, reasonable wear and tear excepted, and shall comply with all other provisions of this Concession Agreement and applicable law. Upon expiration or termination, Merchant shall, without expense to the City, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, freestanding cabinet work, and other articles of personal property owned by Merchant or installed or placed by Merchant at its expense in the Premises, and such similar articles of any other persons claiming under Merchant, as City may, in its sole discretion, require to be removed, and Merchant shall repair at its own expense all damage to the Premises and building(s) resulting from such removal.

ARTICLE 6. RENT

6.1. Rent. The word, "**Rent**" as used in the Concession Agreement, shall refer to the rent in the amounts set forth or provided for in this Concession Agreement to be paid to City at the place designated in Article 2.2 (page 3) or at such other place designated by City without, , prior demand therefore, except for Additional Rent.

6.2. Rent Calculation. Rent shall be due as of November 1, 2010. A two-tiered rent structure shall be available to Merchant as provided in this Article. "Prior Rent" is the rental rate in effect immediately prior to the rent set by the Commission on April 1, 2010. Merchant's Prior Rent was \$_____. The Merchant's rent established by the Commission on April 1, 2010, was \$_____. In no event shall Merchant pay rent less than Prior Rent. At the time of execution of this Concession Agreement, Merchant shall elect and select one of the three (3) rental rates set forth in the herein-below listed Tiers, namely, Tier One A, Tier One B or Tier Two. Tier One B rent is only available to the Merchant at the Commencement of the Concession Agreement and must be selected by the Merchant at the time of execution of the Concession Agreement. Tier One B rent also shall be available to an assignee who is an immediate family member as defined in Section 12.1.1.1, provided the assignment is made by the Merchant without an exchange of

consideration (for example, Merchant receives no money or anything else of value from the assignee or anyone else) and provided that the assignee completes the form in Section 6.2.2.1. Tier Two hardship rent shall be available only to an assignee starting the sixth year after the assignment and only if the auditor determines assignee qualifies for Tier Two hardship rent. Merchant shall designate said election and selection by placing merchant's initials in the blank next to the listed Tier caption.

6.2.1. Tier One A (Market Rent; Broad Assignment Rights) []:

6.2.1.1. If Merchant does not operate a Puesto, Merchant shall receive, for the first six months after Concession Agreement Commencement Date, a 25% discount from the April 1, 2010 Commission-approved rate. For the second six months, Merchant shall receive a 20% discount from the April 1, 2010 Commission-approved rate. In no event shall Merchant pay less than the Prior Rent.

6.2.1.2. If Merchant operates a Puesto on Olvera Street, the Puesto rental calculations shall be based on the following:

6.2.1.2(a). For the first six months after Concession Agreement Commencement Date, a Puesto having square footage of 75 square feet, or more, shall receive a discount of 25% from the April 1, 2010 Commission-approved rate. For the second six months after Concession Agreement Commencement Date, such a Puesto shall receive a 20% discount from the April 1, 2010 Commission-approved rate.

6.2.1.2(b). For the first six months after Concession Agreement Commencement Date, a Puesto having square footage of less than 75 square feet shall receive a discount of 30% from the April 1, 2010 Commission-approved rate. For the second six months after Concession Agreement Commencement Date, such a Puesto shall receive a 25% discount from the April 1, 2010 Commission-approved rates.

6.2.1.3. On the thirty-seventh month after Concession Agreement Commencement Date, and again on the forty-ninth month after the Concession Agreement Commencement Date, the above rental rates will be adjusted by the Consumer Price Index for All Items, All Urban Consumers for the Los Angeles-Riverside-Orange County, California Area (1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics, with a cap on such CPI increase of 5% yearly.

6.2.2. Tier One B (Phase-In; Limited Assignment Rights) []:

6.2.2.1. In order to receive Tier One B rent, Merchant shall complete and sign a form provided by the Department and contained in Exhibit _____. Merchant shall submit it to the Department at the same time Merchant signs the Concession Agreement. The form shall state that Merchant would not be profitable as set-out in Sections 6.2.3.2 and 6.2.3.3 if Merchant paid Tier One A rent. In no event shall Merchant pay less than the Prior Rent.

6.2.2.2. If Merchant does not operate a Puesto on Olvera Street, then Merchant shall pay Tier One B rent as follows:

6.2.2.2(a). For the first twelve months after Concession Agreement

Commencement Date: Prior Rent plus one-third of the difference between Merchant's Prior Rent and the amount represented by a 25% discount from the April 1, 2010 Commission-approved rental rate.

6.2.2.2(b). For months 13 through 24 after Concession Agreement Commencement Date: Prior Rent plus two-thirds of the difference between Merchant's Prior Rent and the amount represented by a 25% discount from April 1, 2010 Commission-approved rental rate.

6.2.2.2(c). For months 25 through 36 after Concession Agreement Commencement Date: 25% discount from April 1, 2010 Commission-approved rental rate.

6.2.2.2(d). For months 37 through 60 after Concession Agreement Commencement Date: rent adjusted by the Consumer Price Index formula in 6.2.1.3 of this Article.

6.2.2.3. If Merchant operates a Puesto on Olvera Street having square footage of 75 square feet, or more, then Merchant shall pay Tier One B rent as follows:

6.2.2.3(a). For the first twelve months after Concession Agreement Commencement Date: Prior Rent plus one-third of the difference between Merchant's Prior Rent and the amount represented by a 25% discount from April 1, 2010 Commission-approved rental rate.

6.2.2.3(b). For months 13 through 24 after Concession Agreement Commencement Date: Prior Rent plus two-thirds of the difference between Merchant's Prior Rent and the amount represented by a 25% discount from April 1, 2010 Commission-approved rental rate.

6.2.2.3(c). For months 25 through 36 after Concession Agreement Commencement Date: 25% discount from April 1, 2010 Commission-approved rental rate.

6.2.2.3(d). For months 37 through 60 after Concession Agreement Commencement Date: rent adjusted by the Consumer Price Index formula in 6.2.1.3 of this Article.

6.2.2.4. If Merchant operates a Puesto on Olvera Street having square footage of less than 75 square feet, then Merchant shall pay Tier One B rent as follows:

6.2.2.4(a). For the first twelve months after Concession Agreement Commencement Date, Prior Rent plus one-third of the difference between Merchant's Prior Rent and the amount represented by a 30% discount from April 1, 2010 Commission-approved rental rates.

6.2.2.4(b). For months 13 through 24 after Concession Agreement Commencement Date: Prior Rent plus two-thirds of the difference between Merchant's Prior Rent and the amount represented by a 30% discount from April 1, 2010 Commission-approved rental rates.

6.2.2.4(c). For months 25 through 36 after Concession Agreement Commencement Date: 30% discount from April 1, 2010

Commission-approved rental rate.

6.2.2.4(d). For months 37 through 60 after Concession Agreement Commencement Date: rent adjusted by the Consumer Price Index formula in 6.2.1.3 of this Article.

6.2.3. Tier Two (Hardship Rent; Limited Assignment Rights) []:

6.2.3.1. Tier Two rent is hardship rent which at the time of the Concession Agreement Commencement Date shall be the greater of 50% of the rental rates approved by the Commission on April 1, 2010 and the Prior Rent. Any time after the Concession Agreement Commencement Date, hardship rent shall be 50% of the rent in effect at the time of the Tier Two hardship application or hardship annual reapplication.

6.2.3.2. In order to receive Tier Two rent, Merchant shall submit to an audit by the City Controller using the protocol and criteria described below in 6.2.3.3. The audit shall be completed in 30 days. The audit must confirm that if Merchant paid Tier One A rent, Merchant's concession would no longer be profitable as set-out in Section 6.2.3.3. Merchant shall submit to an audit by the Controller for each year that Merchant seeks to pay Tier Two rent. During the time period in which the Controller is conducting the audit, Merchant shall continue to pay Rent in the amount due at the time of the hardship application. After the fifth-year anniversary of the Concession Agreement, any Tier Two rent shall conform to the hardship rent policy approved by the Commission in existence at that time.

6.2.3.3. The auditor shall be the City Controller and shall conduct an audit tailored to a cash business to assess profitability as a percentage of revenues over expenses, and, if not a cash business, using other relevant criteria. The audit shall determine the ability of Merchant to pay Tier One A Rent and continue business as a going concern and on a commercially sustainable basis, with a reasonable profitability. Merchant shall be considered eligible for Tier Two rent if Merchant establishes that paying Tier One A rent would cause a lack of profitability (where revenues exceed expenses by less than 10%). Merchant shall cooperate with all inquiries the auditor deems reasonably necessary, including but not limited to the following (where applicable to particular merchants):

6.2.3.3(a). Review of federal business and/or personal tax returns if the auditor in its sole discretion determines that those documents would be relevant to the audit (for example, where Merchant does not maintain business bank records, sales receipts, certified daily ledgers, cash register tapes, etc.);

6.2.3.3 (b). Review of sales tax reported to the state;

6.2.3.3 (c). Review of any bank records into which deposits or withdrawals are made relating to the concession;

6.2.3.3 (d). Review of disbursements, including invoices or receipts for all expenses;

6.2.3.3 (e). Totaling receipts from receipt books and/or cash register tapes and tracing to deposit records and bank statements;

6.2.3.3 (f). Ensuring that receipts are issued for each sale by observing a merchant's sales to customers on random days not specified in advance;

6.2.3.3 (g). Comparing information in income tax returns to cash receipts and cash disbursement ledgers/records;

6.2.3.3 (h). Tracing disbursement records back to supporting documentation, such as cancelled checks and/or invoices;

6.2.3.3 (i). Assessing the reasonableness of cash disbursements (to determine whether expenses are related to the Olvera Street business, such as payroll expenses and costs of good sold);

6.2.3.3 (j). Review of certified daily ledgers maintained by any merchant of cash or other receipts and/or paid expenses.

6.2.3.4. If Merchant seeks Tier Two rent status within the first year after Lease Commencement Date but Merchant did not maintain records and documents sufficient to comply with the requirements set forth in 6.2.3.3 above, then Merchant shall provide the auditor with all records and document that Merchant possesses. If the auditor finds that Merchant displays a likelihood of qualifying for the Tier Two requirements, then Merchant shall be provisionally granted Tier Two status for six months. Beginning no later than Concession Agreement Commencement Date, Merchant shall keep records and documents that allow Merchant to comply fully with the audit requirements.

6.2.3.5. If at any time the auditor determines that Merchant does not meet the requirements to establish Tier Two status, then Merchant shall begin paying Tier One A or Tier One B rent and repay the City within 30 days the difference between the Tier One A or Tier One B rent and Tier Two rent plus interest calculated at 12% per annum or the maximum rate allowed by law, whichever is less, from the time Merchant first paid Tier Two rent.

6.2.3.6. Subject to 6.2.3.4 above, if Merchant presents the auditor with insufficient documentation to reasonably satisfy the auditor, Merchant shall not be eligible for Tier Two rent. Merchant shall not be eligible for Tier Two rent if the auditor reasonably determines that Merchant materially under-reported revenues to the City or to federal or state governments.

6.2.3.7. To the extent allowed by law, all of the information furnished by Merchant to the auditor shall be deemed confidential and confidentiality shall be reasonably maintained by the auditor.

6.3. Rent. Merchant shall pay to City for each Concession Agreement Year during the Term of this Concession Agreement Rent payable in equal monthly installments. The Concession Agreement Commencement Date ("Rent Commencement Date") shall be November 1, 2010. Each monthly installment shall be paid in advance and shall be due on the first (1st) day of each month, without any set off or deduction. Payment shall be made to El Pueblo de Los Angeles Historical Monument Authority Department at the place given for notices in Article 2.2 (page 3) or to such other person or address as City may designate in writing from time to time. Payment must be in United States dollars, either in the form of a check (drawn on a bank located in the United States) or via electronically transmitted funds. City reserves the right to require payments in the form of cashier's check or postal money order. Merchant's obligation to pay rent pursuant to this Concession Agreement is based solely on Merchant's possession of the

Premises.

6.3.1. Rent During Holdover. Rent for any month to month tenancy beyond the expiration of this Concession Agreement, or any extension or renewal thereof, shall be paid in the same manner as if the Term of this Concession Agreement had commenced with the first day of such holdover.

6.4. Additional Rent. "Additional Rent" shall be all payments other than Rent due to City by Merchant as required and described in this Concession Agreement and shall be paid upon demand. City shall have the same rights and remedies hereunder with respect to the collection of said Additional Rent as it has with respect to the collection of Rent. Items which may generate Additional Rent include, without limitation: Security Deposit increase, if any (*Section 10.1, page 15*); public area maintenance and patrol services charges, and administrative fees levied for serving notice and pursuing enforcement of the use provisions and /or the Non-Encroachment Policy contained herein.

6.5. Late Payments.

6.5.1. Interest On Unpaid Rent And Expenses. Any Rent, expenses or other sums owing to City pursuant to the provisions of this Concession Agreement, not paid when due shall bear interest at the rate of twelve percent (12%) per annum or the maximum rate allowed by law, whichever is less, until paid, in addition to any Late Charges provided for in Section 6.5.2.

6.5.2. Late Charges. For each such late payment that is not paid within ten (10) days after the date due, Merchant shall pay to City a service charge equal to ten percent (10%) of the overdue amount. Merchant acknowledges and agrees that such late payment by Merchant will cause City to incur costs and expenses not contemplated by this Concession Agreement, the exact amounts of which will be extremely difficult to ascertain, and that such service charge represents a fair estimate of the costs and expenses which City would incur by reason of Merchant's late payment. Merchant further agrees that such service charge shall neither constitute a waiver of Merchant's default with respect to such overdue amount nor prevent City from exercising any other right or remedy available to City.

6.5.3. Increase In Security Deposit. Following any three consecutive late payments of Rent, City may, in addition to any other remedies or rights it may have, upon notice to Merchant, require that Merchant increase the amount of any Security Deposit required herein pursuant to Article 10 by 100%, which additional Security Deposit shall be retained by City, and which may be applied by City, in the manner provided herein with respect to any Security Deposit required herein.

6.6 Back Rent. Rent owed pursuant to this Concession Agreement shall be due as of November 1, 2010. If between November 1, 2010, and the Execution Date of this Concession Agreement, Merchant paid Rent less than the amount set by this Concession Agreement, the difference ("Back Rent") shall be paid by Merchant to City in equal installments over a period of twenty-four (24) months commencing on the Execution Date of this Concession Agreement. However, if Merchant's first twelve (12) months of total payments (back rent, CAM, security deposit and rent) to City pursuant to this Concession Agreement will exceed 150 percent of the total amount paid by Merchant in the twelve (12) months immediately prior to the Execution Date of this Concession Agreement, then Merchant may pay the Back Rent in equal installments over a period of sixty (60) months commencing on the Execution Date of the Concession Agreement.

ARTICLE 7. ANNUAL BASE RENT ADJUSTMENTS AND FAIR MARKET RENT ADJUSTMENT

7.1. Computation Of Base Rent Increases. For the first 60 months of this Concession Agreement, Rent shall be automatically adjusted pursuant to the provisions in Article 6. Commencing with the sixth (6th) Concession Agreement Year (as defined in *Section 5.2, page 7*), and continuing on the commencement of each Concession Agreement Year thereafter, with the exception of the Fair Market Rent Adjustment every fifth year, the Rent payable under Section 6 shall be automatically adjusted, effective on the commencement of each Concession Agreement Year (The "**Adjustment Date**"), proportionately by the increase, if any, in the Consumer Price Index for All Items, All Urban Consumers for the Los Angeles-Riverside-Orange County, California Area (1982-84=100), published by the United States Department of Labor, Bureau of Labor Statistics ("**Index**") which is for the month which is four (4) months prior to Concession Agreement Commencement Date ("**Beginning Index**"). The Index for the month which is four (4) months prior to each Adjustment Date ("**Extension Index**") is to be used in determining the amount of the adjustment. In other words, if the Extension Index has increased over the Beginning Index, the Base Rent for the following Concession Agreement Year shall be set by multiplying the Rent for the first (1st) Concession Agreement Year (i.e., \$ ___ per year) by a fraction, the numerator of which is the Extension Index and denominator of which is the Beginning Index. In no event, however, shall the Rent for a Concession Agreement Year ever be less than the Rent in effect immediately preceding such Concession Agreement Year.

7.2. Market Rent Adjustment. Commencing with the sixth (6th) Concession Agreement Year and every fifth (5th) year thereafter during the Term of the Concession Agreement and any extension of the Concession Agreement, the Rent shall be adjusted to fair market rent rates, according to the following procedures. The first market rent rate adjustment shall be effective and the new Rent paid by Merchant beginning on month 61. In the interim years, the Concession Agreements will be escalated annually based on the Index.

Every five (5) years, the Rent shall be reset to fair market rent based on appraisal reports. The market reset process shall begin six months before each five-year anniversary of the Concession Agreement and shall occur as follows: (1) City and Merchant, or their designated representatives, shall meet for a sixty (60) day period to negotiate and attempt to agree on a rent increase; (2) if no agreement is achieved, then the City shall have forty-five (45) days to commission and produce a certified MAI appraisal of "market rent" and Merchant shall have forty-five (45) days to commission and produce a certified MAI appraisal of "market rent." Each appraisal must comply with the Uniform Standards of Professional Appraisal Practices and the Appraisal Institute. The term "market rent" shall be as defined in the Appraisal Institute Dictionary of Real Estate Appraisal. If a party fails timely to commission and produce a certified MAI appraisal of "market rent," then the new rent shall be as established in the certified MAI appraisal of "market rent" that was timely commissioned and produced by the other party. The City and Merchant appraisers (or, alternatively, a judge of the Los Angeles County Superior Court on Ex Parte Application by either party) shall select a third, neutral MAI-certified appraiser qualified to render an appraisal of the downtown retail market. The designated neutral appraiser shall choose market rates for Merchant from those specified in the appraisal that is best supported and reasonable. The designated neutral appraiser shall have 30 days to complete his or her analysis and render a conclusion. If that timing is deemed not possible by the neutral appraiser, both sides shall jointly stipulate to an agreement for time of completion. The conclusion of the third appraiser shall be binding and shall become the new Rent. Merchant shall not seek to challenge the conclusion of the third appraiser in any forum including, but not limited to, Commission, City Council or the courts.

7.3. Changes In the Index. If the Index changes so that the base year of the Index differs from that used as of the Beginning Index, the Index shall be converted in accordance with the conversion factors published by the United States Department of Labor, Bureau of Labor Statistics. Should said Index be discontinued, or be published with such infrequency as to render the formulae in this Article to be unworkable, or be altered in some other manner, then City and

Merchant shall mutually adopt a substitute index or substitute procedure which reasonably reflects and monitors consumer prices. The substitute index must obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

ARTICLE 8. EXTENSION PERIOD

8.1. Extension Period; Request For Extension. Merchant shall have one (1) 20-year option to extend Term of the Concession Agreement. If Merchant is not in default of this Concession Agreement as determined, in part, by Merchant Evaluations as provided for in Section 22.2, Merchant may submit to City a written notice ("**Extension Notice**") to extend this Concession Agreement ("**Extension Option**") for twenty (20) years ("**Extension Period**"), which Extension Request shall be received by City no later than one hundred and eighty (180) days prior to the then-scheduled Concession Agreement Termination Date. The Rent for the Extension Period shall be as provided in this Concession Agreement.

8.2. Extension Option Term. The Extension Period shall be upon the same provisions, covenants, and conditions as those contained in this Concession Agreement

ARTICLE 9. MERCHANT'S RECORDS

9.1. Preparation and Retention Of Records. Merchant shall prepare and keep adequate financial records accurately reflecting daily receipts from all sales and other transactions on or from the Premises by Merchant and any other entities or persons conducting any business upon or from the Premises, as well as purchase of merchandise and other concession expenses.

9.2. Cash Register Receipts. Merchant shall record at the time of sale, in the presence of the customer, all receipts from sales or other transactions whether for cash or credit in a cash register or in cash registers having a cumulative total which shall be sealed in a manner approved by City, and having such other features as shall be required and approved by City.

9.3. Original Business Records. Merchant shall keep on the Premises (or at some other place agreeable to City within the County of Los Angeles) for at least three (3) years following the end of any Concession Agreement Year the financial records required with respect to said concession, including all pertinent original sales records. If such pertinent original business records are kept at a place other than the Premises, Merchant shall bring such pertinent original sales records to the Premises or such other place reasonably designated by City upon request of City.

9.4. City's Right Of Examination. City and City's authorized representative shall have the right to examine Merchant's financial records required by this Article during regular business hours and upon five (5) days written notice. City may examine Merchant's financial records required by the Article as City deems necessary:

- (a) In connection with Merchant's application for Tier Two (Hardship) Rent, pursuant to Section 6.2.3; or
- (b) At any time after Merchant initiates a damage claim against City.

City encourages Merchant to submit to City Merchant's financial records for the purpose of determining fair market rental value during the market rent adjustment process required in Article 7.2 of this Concession Agreement.

ARTICLE 10. SECURITY DEPOSIT

10.1. Security Deposit. Merchant shall maintain on deposit with City throughout the Term of this Concession Agreement a deposit in cash as security for the performance of Merchant's obligations under this Concession Agreement ("**Security Deposit**"). The initial amount of the Security Deposit shall be equal to two (2) months Rent payable in equal

installments over a period of twenty-four (24) months commencing on the Execution Date of the Concession Agreement. However, if Merchant's first twelve (12) months of total payments (back rent, CAM, security deposit and rent) to City pursuant to this Concession Agreement will exceed 150 percent of the total amount paid by Merchant in the twelve (12) months immediately prior to the Execution Date of this Concession Agreement, then Merchant may pay the amount of the Security Deposit in equal installments over a period of sixty (60) months commencing on the Execution Date of the Concession Agreement. City shall hold the Security Deposit, and City shall have the right at any time to apply part or all of the Security Deposit to cure Merchant's default in payment of Rent, to repair damages to the Premises resulting from Merchant's occupancy, to clean the Premises upon termination of this Concession Agreement, and any expense, loss, or damage that City may suffer because of Merchant's default under this Concession Agreement. Merchant shall be obligated to maintain the Security Deposit at its full amount by payment of Additional Rent, and City, upon sixty (60) days prior written notice, may require Merchant to deposit an additional amount where events (e.g., an increase in the Rent amount) reasonably require an increase in the amount of the Security Deposit (see also Section 6.5.3, page 13, for increased Security Deposit in the event of late Rent payments). Upon termination of this Concession Agreement, City may utilize all or part of the Security Deposit to restore the Premises to its original condition, less normal wear and tear. Deductions may include the removal of personal property. Deductions also may include sums reasonably necessary to compensate City for any loss or damage, foreseeable or not, caused by an act or omission of Merchant and Merchant's invitees. Neither the Security Deposit nor its application by City shall be a bar or defense to any action in unlawful detainer or to any action which City may at any time commence for a breach of any of the covenants or conditions of this Concession Agreement. City's obligation with respect to the Security Deposit are those of a debtor and not a trustee. City can maintain the Security Deposit separate and apart from City's general funds or can commingle the security deposit with City's general fund or other funds. City shall not pay Merchant interest on the Security Deposit.

10.2. Return Of Security Deposit. City shall retain any portion of the Security Deposit which may properly be utilized by City for the purposes described in this Article 10 and shall return the balance of the Security Deposit to Merchant: upon termination of this Concession Agreement by reason of damage or destruction of the Premises, default on the part of City, or taking of the Premises by right of eminent domain; or upon the any other termination of this Concession Agreement, including any month-to-month holdover, within two (2) weeks after the date City receives possession of the Premises, unless the Security Deposit will reasonably be used to repair damages to the Premises caused by Merchant or to clean the Premises, in which case the return shall be within thirty (30) days after the date City receives possession of the Premises.

ARTICLE 11. TAXES, LICENSES AND PERMITS

11.1. Taxes. Merchant shall pay any tax which may be assessed against Merchant's interest in the Premises and all taxes levied upon trade fixtures and personal property located in the Premises. In no event shall City be obligated or required to pay these or any other taxes levied or assessed by reason of Merchant's occupancy, possession and control of the Premises.

11.2. Licenses And Permits. Merchant shall obtain any licenses and permits required for the use and occupancy of the Premises and shall pay any and all taxes, fees, or charges regularly levied, charged or assessed by the City of Los Angeles or other public agencies upon businesses of the type conducted in the Premises. Such taxes, fees, or charges are the obligation of the Merchant.

11.3. Acknowledgment Of Taxable Interest. By executing this agreement and accepting the benefits thereof, a property interest may be created known as a "**possessory interest**" and such property interest will be subject to property taxation. Merchant, as the party in whom the possessory interest is vested, shall be responsible for the payment of all property taxes, if any,

levied upon such interest. Merchant acknowledges that the notice required under California Revenue and Taxation Code section 107.6 has been provided. Merchant acknowledges that by this Article it has been informed of the necessity of filing a claim for exemption to obtain any available exemptions from said tax, and has also been advised that exemption from taxes may not be granted, and that City has no control as to whether or not such exemption will be granted.

ARTICLE 12. TRANSFER OF INTEREST

12.1. Prohibitions and Limits on Transfer of Concession Agreement Interests. Merchant shall not involuntarily transfer by operation of law, or voluntarily transfer (either by assignment, use agreement, license or concession) the Concession Agreement or Premises, in whole or in part, nor sublet the use of, or license the use of all or any part of the Premises, except as provided herein.

12.1.1. Transfers of Interest - Conditions. City will consider written requests by Merchant to transfer the Premises or rights and duties of the Concession Agreement consistent with this Article and, after such consideration, may consent to such transfer at its reasonable discretion, as described in Section 12.1.3 below. Notwithstanding this consideration or consent, the proposed transfer will not take effect until all City contracting approvals and formalities are observed, and an amended Concession Agreement is executed by all parties.

12.1.1.1. If Merchant pays Tier One A rent, Tier One B rent or Tier Two rent, then Merchant may make an assignment to an immediate family member (spouse, registered domestic partner, children, adopted children and blood relative in the second degree) provided the Concession Agreement is assigned to, or placed in trust with, a single designee for all concession purposes.

12.1.1.2. If Merchant pays Tier One A rent, Merchant may also make a one-time assignment to another existing Olvera Street merchant (merchant to whom assignment is proposed must have been a concessionaire since at least 1999). However, if Merchant requesting the assignment at any time paid Tier One B rent or Tier Two rent, then said Merchant may only make the one-time assignment described in the preceding sentence if said Merchant paid Tier One A rent for at least 12 consecutive months prior to the requested assignment.

12.1.2. Transfers to Qualified Entities. Any assignment permitted in this Article may be made to a legally formed and legally qualified entity (corporation, limited liability company or partnership) provided that such an assignee includes an assignee authorized by this Article who is the Majority Owner. The Majority Owner must be the day-to-day operator of the concession.

12.1.3. City's Consent. City shall not unreasonably withhold its consent to a proposed transfer of the Concession Agreement or Premises consistent with this Article. The parties hereby agree that City may take into consideration the following in granting or withholding its consent to a requested assignment. City's failure to consent to a transfer otherwise authorized by this Article shall be deemed reasonable as a matter of law where one or more of the following apply:

- (a) Only applicable to an assignment sought to another merchant under Section 12.1.1.2: The merchant to whom the assignment would be made (the assignee) has made three consecutive late or partial rent payments with respect to other City property including, but not limited to, on Olvera Street, without the City's prior written permission;
- (b) The merchant to whom assignment is proposed does not possess sufficient financial strength to assure compliance with the Concession Agreement terms;

- (c) The merchant to whom assignment is proposed has been convicted, pled guilty, or pled nolo contendere of a crime of moral turpitude, or is engaged in a business which is incompatible with the Monument's business plan or historical significance;
- (d) The merchant to whom assignment is proposed intends to use the Premises in manner different from Merchant's use of the Premises allowed under the Concession Agreement;
- (e) The Merchant owes the City any monies including, but not limited to, back Rent; or
- (f) The transfer of the Concession Agreement or Premises is requested within one (1) year of expiration of the Concession Agreement.

12.1.4 Improper Transfer. If Merchant agrees, orally or in writing, to transfer, assign, sublet or license any portion of the Premises in any manner inconsistent with this Concession Agreement, then any such transfer, assignment, sublease or license shall be void and be of no legal effect, and the City shall not recognize or grant any rights to any other party relating to said improper transfer, assignment, sublease or license. In the event of such an improper transfer, Merchant shall forfeit any remaining option to extend the term of the Concession Agreement as provided herein-above in Section 1.3, page1. The City may also seek all damages and remedies available under the Concession Agreement and available in law and equity for any such improper transfer. Merchant also shall defend, indemnify and hold harmless City and any and all of City's boards, commissions, officers, agents, employees, assigns, and successors in interest and, at the option of City, defend by counsel satisfactory to City, from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorneys' fees and cost of litigation, arising out of or relating to Merchant agreeing to transfer, assign, sublet or license any portion of the Premises. Rights and remedies available to City under this Section are cumulative of those provided for elsewhere in the Concession Agreement.

12.1.5 Re-set to Market Rate. If the City approves a transfer to a merchant pursuant to Section 12.1.1.2, upon the transfer, the Rent due hereunder from transferee re-sets to a market rate. A transfer to a merchant pursuant to Section 12.1.1.2 during the first year after Concession Agreement Commencement Date will result in a Rent due from the transferee at the level set by the Commission on April 1, 2010. Commencing with the second year after Concession Agreement Commencement Date, and each year thereafter through the fifth year, transferee's Rent will be the April 1, 2010 Commission-approved rent, adjusted by the Consumer Price Index for All Items, All Urban Consumers for the Los Angeles-Riverside-Orange County, California Area (1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics, with a cap on such CPI increase of 5% yearly. Thereafter, for all transfers approved by the City after the first 60 months of this Concession Agreement, transferee's Rent will be computed pursuant to Article 7.

ARTICLE 13. DEATH OF MERCHANT AND FAILURE TO OPERATE

13.1. Death of Merchant or Co-Merchant/Failure to Operate. If Merchant is a single individual, upon the death of Merchant Merchant's interest in the Concession Agreement shall immediately terminate and the Premises will be voluntarily vacated thirty (30) days after the death of Merchant. Any representative of Merchant or Merchant's estate in possession of the Premises during the thirty-day period following Merchant or co-Merchant's death shall not be considered to be an assignee or submerchant approved by City. Any payment of Rent during and for the thirty-day period shall be considered to be made on behalf of decedent Merchant, or his or her estate, and shall not create a new tenancy. The Concession Agreement will also terminate if Merchant fails to operate its business of thirty (30) days on account of Merchant's disability and no transfer previously approved by City in writing pursuant to this Concession Agreement remains to operate the business after the expiration of the thirty-day period.

If there is no authorized representative of Merchant and Merchant dies or becomes so disabled that Merchant can no longer operate its business in the Premises, Merchant hereby authorizes City to enter the Premises, to pack Merchant's belongings and personal property and trade fixtures, to remove said property from the Premises and to store it. If Merchant or Merchant's authorized representative subsequently fails to claim Merchant's belongings and personal property, City shall, at Merchant's expense, dispose of such property. City shall not be liable for any loss of or damage to, Merchant's property not caused by City's gross negligence or willful and bad faith conduct, nor shall City be liable in any way to Merchant for entering the Premises, taking possession and control of Merchant's property, and removing it.

ARTICLE 14. BANKRUPTCY – INSOLVENCY

14.1. Bankruptcy. In the event that all or substantially all of Merchant's assets are placed in the hands of a receiver or trustee and such receivership or trusteeship continues for a period of thirty (30) days; or Merchant makes an assignment for the benefit of creditors or is finally adjudicated a bankrupt; or any proceedings under the Bankruptcy Act is instituted by Merchant or filed against Merchant as it now exists or under any amendment thereof which may hereafter be enacted, and this Concession Agreement is not terminated, the trustee or any vendee of trustee or vendor shall take subject to all of the provisions and conditions of this Concession Agreement, including, but not limited to, the use requirements specified in Exhibit __, and further that any unpaid Rents or sums owed to the City are fully paid.

ARTICLE 15. IMPROVEMENTS

15.1 Modifications, Additions, Title to Improvement. In the event that Merchant desires to make modifications, improvements or additions to the Premises or any part of the Premises for the following items: structural design, accessibility barrier removal work, landscape design, interior or exterior fixtures, or furnishings that vary from an old world Mexican theme, (collectively "**Alteration(s)**"), the approval in writing of City shall be obtained prior to the commencement of any Alterations, which approval shall not be unreasonable withheld. All modifications and additions shall be in accordance with this Article. Once any Alteration has been approved by City and the work has begun, Merchant shall, with reasonable diligence, prosecute to completion all approved Alterations. All work shall be performed in a good and workmanlike manner, shall substantially comply with plans and specifications submitted to City as required herein, and shall comply with all applicable governmental permits, laws, ordinances and regulations. It shall be the responsibility of Merchant, at its own cost and expense, to obtain all licenses, permits and other approvals necessary for the construction of approved Alterations. Title to all Alterations and Improvements existing or hereafter erected on the Premises, regardless of who constructs such improvements, shall immediately become City's property and, at the end of the Term, shall remain on the Premises without compensation to Merchant. Merchant agrees never to assail, contest or resist title to the Alterations and improvements. The foregoing notwithstanding, City may elect, by notice to Merchant, that Merchant must remove any Alterations that are peculiar to Merchant's use of the Premises and are not normally required or used by City and/or future occupants of the Premises. In this event, Merchant shall bear the cost of restoring the Premises to its condition prior to the installment of the Alterations.

15.1.1 Merchant acknowledges that the Premises are part of an historic building and Monument. Merchant may not remove or modify the historic or architectural fabric or features of the Premises without prior written approval from City, which City may refuse to give at City's sole discretion.

15.1.2 No awning, shade, sign, advertisement, or notice shall be inscribed, painted or affixed on or to any part of the outside or inside of the Premises except it be of such color, size and style and in such place upon or in the Premises as may be designated by City.

15.1.3 Lettering on doors and other exterior signs to the Premises shall be subject to City's prior approval, which approval is hereby granted on current lettering on doors unless such lettering violates City law.

15.1.4 Electric wiring of every kind, boring or cutting for wires, and the location of telephone and telegraph instruments shall be designated by City.

15.1.5 Notwithstanding any other provision of this Concession Agreement, in the event any Merchant conducts restaurant operations in the Premises, at least once every three (3) months or more often as needed, Merchant shall hire a licensed, insured plumbing contractor to remove debris, clear, unclog or "jet," the sewer lines that carry debris from the Premises, unless a sewer line is no longer in service. Merchant shall select the licensed, insured plumbing contractor from a list pre-approved by City. Merchant shall bear the sole responsibility for payment for the plumbing maintenance. Merchant shall provide to City, by no later than the tenth (10th) day after completion of the plumbing maintenance, documentation of the work performed and the Merchant's payment for the work. In the event Merchant fails to perform the quarterly plumbing maintenance and provide written proof of the work, City may contract directly with the plumbing contractor to perform the maintenance work. Merchant must permit the plumbing contractor to access the Premises as specified in Section of this Concession Agreement. All cost for the plumbing work incurred by the City on the Merchant's behalf is hereby deemed Additional Rent, and Merchant shall promptly pay the cost of such work upon receipt of an invoice therefor.

15.1.6 General Construction Guidelines. Except as provided by law or regulations, the California Building Code (Title 24, California Code of Regulations) shall apply. Merchant shall use the Construction Specifications Institute (CSI) Master Guide Specifications and Historic Building Codes in the planning, design, construction and completion of all improvements. Merchant shall place great importance on quality assurance by complying with all governing codes and regulations, providing products of acceptable manufacturer's instructions.

ARTICLE 16. CONSTRUCTION AND COMPLETION OF CAPITAL AND MERCHANT IMPROVEMENTS

16.1. Installation of Fixtures and Equipment. All Merchant Improvements to the Premises shall be the responsibility of Merchant, at Merchant's sole cost and expense. Merchant shall install at the Premises all trade fixtures, equipment, and furnishings necessary or proper for the operation of Merchant's business. All such items shall be of first quality, although refurbished items in good working order that keep with an old world Mexican theme are acceptable. All items shall be maintained by Merchant in good condition and repair throughout the Term of this Concession Agreement. Restrooms, plumbing, wiring attached to the existing structure, lighting fixtures, and floor-to-ceiling partitions shall be construed as alterations to the Premises.

16.2. Monument Systems - Defined. As used in this Concession Agreement, the defined term "Capital Improvements" shall mean any machinery, transformers, duct work, conduit, pipe, bus duct, cable, wires, and other equipment, facilities, and systems, to the extent within The Monument or the infrastructure owned and operated by the City of Los Angeles, designed to supply heat, ventilation, air conditioning and humidity or any other services or utilities, or comprising or serving as any component or portion of the electrical, gas, steam, plumbing, sprinkler, communications, alarm, security, or fire/life safety systems or equipment, or any other mechanical, electrical, electronic, computer, or other systems or equipment which service The Monument in whole or in part; provided, however, that such equipment, facilities, and systems which serve solely the Premises or Merchant with respect to communications, alarm, security,

and computer systems shall not be considered part of the Monument Systems to the extent that such equipment, facilities, and systems may be accessed and altered without interference with any Monument Systems.

16.3. Notices Of Non-Responsibility. Before any improvements, alterations, or construction work of any kind are performed by Merchant, subsequent to completion of Merchant's initial work as specified in this Concession Agreement and the attachments hereto, Merchant shall first give to City ten (10) days notice in order that City may post and record a non-responsibility notice. City shall have the right to post and keep posted on the Premises notices such as those provided for by Section 3094 of the Civil Code of California, or which City may deem to be proper for the protection of City's interest in the Premises. Upon completion of any construction by Merchant, Merchant or Merchant's contractor shall file for record in the Office of the County Recorder in and for the County of Los Angeles a Notice of Completion as permitted by law and provide a copy of said notice to City.

ARTICLE 17. EASEMENTS FOR MAINS, CONDUITS, AND PIPES

17.1 Easements. City reserves to itself and Merchant hereby grants to City such licenses of easements in or over or under the Premises or any portion thereof as shall be reasonably required for the installation or maintenance of mains, conduits or pipes or for construction of other facilities to serve the Monument or any part thereof, including the premises of any occupant. City shall pay for any alteration required on the Premises as a result of any such exercise, occupancy under or enjoyment of licenses or easements. Further, no exercise, occupancy under, or enjoyment of licenses or easements by City shall result in unreasonable interference with Merchant's use, occupancy or enjoyment of the Premises as contemplated by this Concession Agreement.

ARTICLE 18. MAINTENANCE AND HOUSEKEEPING

18.1 City's Code Compliance Obligations. If at any time during the Term of this Concession Agreement, any regulatory or municipal agency determines that repair or construction of roofs, foundations, structural components of buildings, the exterior surface of outside walls, main plumbing lines, main natural gas lines, and electrical lines up to the main circuit box is necessary to bring the Premises into compliance with applicable building codes, City shall correct such non-compliance at its sole cost and expense. Temporary relocation of Merchant or rent abatement during repairs or construction shall be pursuant to City Rules and Regulations as contained in Exhibit ___, and as amended from time to time by the Commission.

18.2 Merchant's Obligations. Merchant shall maintain all facilities and personal property and equipment on the Premises in good condition and repair at Merchant's sole cost and expense at all times during the term of this Concession Agreement. Such maintenance shall conform to City standards in accordance with Exhibit "J", Facility Maintenance Program. The term maintenance, for the purposes of this Concession Agreement, is defined as all repairs to real property improvements and preservation work necessary to maintain Premises facilities including but not limited to the infrastructure of facilities, personal property and equipment in a good state of repair, as well as to preserve them for their intended purpose for an optimum useful life. Should Merchant fail, neglect, or refuse to undertake and complete any required maintenance, City shall have the right pursuant to Section 18.2.1 to perform such maintenance or repairs for Merchant. In this event, Merchant shall promptly reimburse City for the cost thereof, provided however, except in case of an emergency, that City shall first give Merchant ten (10) days written notice of its intention to perform such maintenance or repairs. City shall not be obligated to make any repairs to or maintain any improvements on the Premises. Merchant hereby expressly waives the right to make repairs at the expense of City and the benefit of the provisions of Sections 1941 and 1942 of the Civil Code of the State of California relating thereto if any there be. City has made no representations respecting the condition of the Premises, except as specifically set for in this Concession Agreement. Prior to initiating any maintenance,

Merchant shall submit a maintenance plan to City describing the maintenance work it intends to undertake.

18.2.1. If Merchant refuses or neglects to repair, replace or maintain the Premises, or any part thereof, in a safe manner and a manner reasonably satisfactory to City, City shall have the right, upon giving Merchant ten (10) days written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Merchant. In such event, Merchant shall pay the cost of such work as Additional Rent promptly upon receipt of an invoice thereof.

18.2.2 On ten (10) days written notice (except in emergency wherein no notice is required) City may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, additions to the Premises or to the building of which the Premises are a part, or to any equipment located in the building as City shall desire or deem necessary or as City may be required by any governmental or quasi-governmental authority or court order or decree. In the case of emergency requiring immediate attention, City's right to enter may be exercised at City's reasonable discretion.

18.3 Compliance With Laws. Merchant shall continuously and without exception repair and maintain the Premises, including Merchant Improvements, Alterations, fixtures, and furnishings, in an order and condition in compliance with all Laws and Orders. As used in this Concession Agreement, the defined term "**Laws and Orders**" includes all federal, state, county, city, or government agency laws, statutes, ordinances, standards, rules, requirements, or orders now in force or hereafter enacted, promulgated, or issued, including, without limitation, government measures regulating or enforcing public access, occupational, health, or safety standards for employers, employees, landlords, or merchants. Merchant, at Merchant's sole expense, shall promptly make all repairs, replacements, alterations, or improvements needed to comply with all Laws and Orders to the extent that the Laws and Orders relate to or are triggered by (a) Merchant's particular use of the Premises, (b) the Merchant Improvements located in the Premises, or (c) any Alterations located in the Premises. City, at City's sole expense, shall promptly make all repairs, replacements, alterations, or improvements needed to comply with all Laws and Orders to the extent that the Laws and Orders relate to the any of the structural or mechanical components of the Monument for which City is responsible under this Concession Agreement. If, however, a portion or all of such compliance work on such structural or mechanical components of the Monument is triggered by the Merchant Improvements or Alterations requested by Merchant under Article 16, Merchant shall bear all expense of such work on such portion of the structural or mechanical components of the Monument.

18.4 Public Area Maintenance; Patrol Services. For the first Concession Agreement Year of the Term, and the first fractional calendar month, if any, Merchant shall pay to City Additional Rent at the rate of \$0.36/square foot per month for public area maintenance and patrol services ("Common Area Maintenance" or "CAM"). Neither City nor any of its employees shall be liable to Merchant for damage allegedly or proximately resulting from insufficient patrol services, or for failure of the patrol to prevent an act by any person. For each Concession Agreement Year thereafter, the amount paid as Additional Rent for maintenance and patrol services shall be increased or decreased from the rate of the previous year to reflect any reasonable change in the costs incurred by the El Pueblo Department.

ARTICLE 19. UTILITIES

19.1. Water, Sewage and Trash. Merchant shall be responsible for all costs associated with the installation and provision of all utilities necessary to and used in connection with the Premises, including but not limited to delivery of water to the Premises, and sewage and trash disposal. Merchant shall install separate water meter, grease interceptors and other infrastructure as needed to effect the intent of this Section. Merchant shall pay for water directly to the local public utility. When installing facilities, no trees shall be trimmed or cut without

permission of City. Removal and disposal of all rubbish, refuse, and garbage resulting from Premises' operations shall be the Merchant's responsibility and shall be disposed of outside the Monument and in accordance with the City's Rules and Regulations and applicable laws and local ordinances. All trash containers and/or trash bins shall be adequately screened to the satisfaction of City.

19.2 Electricity, Gas and Telecommunications. Merchant shall be responsible for arranging for the provision of electricity and gas to the Premises. Electricity and gas shall be separately metered and Merchant shall pay for any usage at the rates charged by local public utilities. Merchant shall be responsible for arranging for the provision of any telecommunications services to the Premises, including, without limitation, telephone and cable service. Charges for all telecommunications supplied to the Premises shall be paid by Merchant.

19.3 Air Systems. Merchant shall operate, repair and maintain a heating, ventilating, cooling, air handling and control system ("HVAC") serving the Premises.

19.4 Customer Parking. Public parking and Merchant parking shall be pursuant to City Rules and Regulations as contained in Exhibit ___, and as amended from time to time by the Commission.

19.5 Casualty, Damage or Destruction. If the Premises or the Monument suffer any substantial casualty or are destroyed or damaged by fire, earthquake, or from any cause whatsoever, Merchant and City shall each have the option to terminate this Concession Agreement upon giving fifteen (15) calendar days prior written notice to the other party of the exercise of this termination right.

19.6 Waiver. The provisions contained in this Concession Agreement shall supersede any contrary laws now or hereafter in effect relating to damage or destruction, and City and Merchant hereby waive the provisions of California Civil Code sections 1932(2) [termination where greater part of thing hired perishes] and 1933(4) [automatic termination upon destruction of thing hired].

19.7 Termination. If either party terminates this Concession Agreement as permitted by this Article, then this Concession Agreement shall end effective the date specified in the termination notice. The rent and other charges shall be payable up to the effective date of termination and shall account for any abatement. City shall promptly refund to Merchant any prepaid, unaccrued rent, accounting for any abatement, less any sum then owing by Merchant to City.

ARTICLE 20. INSURANCE AND INDEMNIFICATION

20.1. Insurance. Merchant, at Merchant's own cost and expense, shall, prior to any possession or other use of the Premises, secure and maintain during the entire Term and any extension or holdover of this Concession Agreement, insurance coverage for the Premises not less than the amounts and types listed on Form Gen 146 attached as Exhibit ___. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to City as approved in writing by the City Administrative Officer. Evidence of required insurance coverages shall be provided to City prior to the Execution Date of the Concession Agreement, in accordance with the Instructions and Information on Complying with City Insurance Requirements (Rev. 10/09) attached as Exhibit ___.

20.1.1. General Liability Insurance. Merchant shall provide and maintain commercial general liability insurance in an amount not less than One Million Dollars (\$1,000,000) Combined Single Limit per occurrence with a general aggregate of not less than Two Million Dollars (\$2,000,000). City, its boards, officers, agents and employees,

shall be included as additional insureds in all General Liability insurance required herein. Merchant shall also keep in force fire legal liability insurance coverage in the amount of One Hundred Thousand Dollars (\$100,000). At any time prior to the City's approval of any Extension Option under Article 8, the City may increase the amount of General Liability Insurance and other insurance required by this Section to a commercially reasonable amount that provides the City with full protection for any insurable loss.

20.1.2. Improvements or Alterations Insurance. Before any improvements, alterations, or construction work of any kind are performed by Merchant, Merchant shall obtain and maintain, at Merchant's expense, liability and worker's compensation insurance (if applicable) adequate to fully protect City as well as Merchant from and against any and all liability for death of or injury to any person or for loss or damage to property caused in or about or by reason of Merchant's construction. In addition, Merchant shall carry "Builder's All Risk insurance in an amount equal to the replacement cost of such Alterations during the course of construction.

20.1.3. Workers' Compensation and Employer's Liability. Merchant shall provide and maintain Workers' Compensation coverage in the amount required by statute and Employer's Liability coverage in an amount not less than One Million Dollars (\$1,000,000) each accident or disease.

20.1.4. Merchant's Property. City will not insure Merchant's equipment stored goods, other personal property, fixtures, or merchant improvements, nor such personal property owned by Merchant's invitees. City shall not be required to repair any damage to any personal property or trade fixtures installed in the Premises by Merchant caused by fire or other casualty, or to replace any such personal property or trade fixtures. Merchant may, at Merchant's sole option and expense, obtain physical damage insurance covering Merchant's equipment, stored goods, other personal property, fixtures or merchant improvements or obtain business interruption insurance.

20.1.5. Notice Of Reduction In Insurance. All insurance policies required under this Concession Agreement shall expressly provide that such insurance shall not be canceled or materially reduced in coverage or limits except after thirty (30) days written notice (ten (10) days for non-payment of premium) to City Administrative Officer, Risk Management, City Hall East, Room 1240, 200 North Main Street, Los Angeles, California 90012.

20.1.6. Default. If insurance is canceled, lapsed, or reduced below minimums required in this Article, City may consider this Concession Agreement to be in default and may terminate it. Termination shall occur at the expiration of a ten (10) day notice given in accordance with the provisions of the Code of Civil Procedure section 1162. At the termination of ten (10) days or sooner, the Merchant shall vacate the Premises and the Merchant shall have no right to possess or control the Premises or the operations conducted therein. If the Merchant does not vacate, City may utilize any and all court proceedings to obtain a right to possession.

20.1.7. Adjustment Of Insurance Levels. City may, from time to time during the Term or any extension or holdover of this Concession Agreement, applying generally accepted risk management principles, change the amounts and types of insurance required hereunder upon giving Merchant ninety (90) days prior written notice.

20.2. Waiver Of Subrogation. Each party hereto agrees to waive its rights of recovery against the other for any physical damage it may sustain to the extent that such damage is covered by valid and collectible property insurance. Each party will notify its respective insurers of such agreement. Further, each party agrees to waive in advance its insurer's rights of subrogation to the extent that its insurance policies so permit.

20.3 Indemnification. Except for the active negligence or willful misconduct of City, Merchant undertakes and agrees to defend, indemnify, and hold harmless City and any and all of City's boards, commissions, officers, agents, employees, assigns, and successors in interest and at the option of the City, defend by counsel satisfactory to the City, from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorneys' fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Merchant's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the acts, errors, omissions, or willful misconduct on the part of Merchant, contractors, subcontractors or invitees of Merchant, arising out of or relating to: (1) the use of the Monument and its facilities, (2) any repairs or alterations which Merchant may make upon the Premises, or (3) this Concession Agreement. Merchant's obligation to indemnify City and save City harmless shall include the retention and payment of reasonable legal counsel and investigative services and the payment of all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made in or has been made.

ARTICLE 21. DEFAULT

21.1. Default by Merchant. The occurrence of any one or more of the following events shall constitute an **Event of Default** of this Concession Agreement by Merchant:

21.1.1. Failure To Open. The failure by Merchant to open for operation within twenty-four (24) months after the Concession Agreement Commencement Date or within a time period further extended in writing by City, City may cancel this Concession Agreement upon written notice to Merchant of its failure to open and City's election to cancel (see Section 4.2, page 3, for continuous operation requirements). Merchant shall then be subject to all Concession Agreement cancellation penalties provided herein;

21.1.2. Failure To Pay Rent. The failure by Merchant to make any payment of Rent pursuant, but not limited, to Section 1.4 and Article 6, or any other payment required to be made by Merchant under this Concession Agreement, as and when due;

21.1.3. Abandonment. Subsequent to the commencement of Merchant's business operations, the abandonment of the Premises by Merchant, as defined in California Civil Code section 1951.3;

21.1.4. Unintended Use of Premises. The use of the Premises by Merchant for purposes other than those specified in Section 1.6 and Exhibit ___, or the failure by Merchant provide the goods and/or services as delineated in Section 1.6 and Exhibit ___;

21.1.5. Breach Of Concession Agreement Provisions. The failure by Merchant to observe or perform any of the covenants or provisions of this Concession Agreement to be performed by Merchant, other than as specified in or above, and where such breach can be cured, where such failure shall continue for a period of three (3) calendar days after written notice thereof from City to Merchant specifying the nature of such failure or such longer period as is reasonably necessary to remedy such default, provided that Merchant shall continuously and diligently pursue such remedy at all times until such default is cured. To the extent permitted by law, such three (3) day notice shall constitute the sole and exclusive notice required to be given to Merchant;

21.1.6 Insolvency. (a) the making by Merchant of any general arrangement or general assignment for the benefit of creditors; (b) Merchant becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Merchant, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of Merchant's assets located at the

Premises or of Merchant's interest in this Concession Agreement, where possession is not restored to Merchant within thirty (30) days; or (d) the attachment, execution or other judicial seizure of substantially all of Merchant's assets located at the Premises or of Merchant's interest in this Concession Agreement, where such seizure is not discharged within thirty (30) days. In the event that any provision of this Section is contrary to any applicable law, such provision shall be of no force or effect; or

21.1.7. False Statements. The discovery by City that any financial statement given to City by Merchant, or its successor in interest or by any guarantor of Merchant's obligation hereunder, including, without limitation, statements given pursuant to Section ___ (page 13), was knowingly and materially false.

21.2. Remedies. In the event of any Event of Default or breach of this Concession Agreement by Merchant, City may at any time thereafter, with or without notice or demand and without limiting City in the exercise of any right or remedy which City may have by reason of such default:

21.2.1. Termination Of Concession Agreement. City may terminate this Concession Agreement and recover possession of the Premises. Once City has terminated this Concession Agreement, Merchant shall immediately surrender possession of the Premises to City. In such event City shall be entitled to recover from Merchant: (1) the worth at time of award of damages of any unpaid Rent, expenses, or other sums due under this Concession Agreement that had been earned at the time of termination, to be computed by allowing interest at the rate set forth in Section 6.5.1 (page 13), but in no case greater than the maximum amount of interest permitted by law; (2) such amount as is necessary to compensate City for the detriment proximately caused by Merchant's failure to perform his obligations under this Concession Agreement, or which in the ordinary course things would be likely to result therefrom, including brokerage commissions and advertising expenses, expenses of remodeling the Premises for a new merchant (whether for the same or a different use), and any special concessions made to obtain a new merchant; (3) the worth at time of award of damages of the amount by which unpaid Rent which would have been earned between the time of the termination and the time of award exceeds the amount of unpaid Rent that Merchant proves could be reasonably avoided, to be computed by allowing interest at the rate set forth in Section 6.5.1 (page 13), but in no case greater than the maximum amount of interest permitted by law; (4) the worth at the time of award of damages of the amount by which the unpaid Rent for the balance of the Term of this Concession Agreement after the time of the award exceeds the amount of unpaid Rent that Merchant proves could reasonably have been avoided, to be computed by discounting that amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award plus one percent (1%); and (5) other amounts as may be permitted by law.

21.2.2. Continuation Of Concession Agreement. City has the remedy described in California Civil Code section 1951 (City may continue Concession Agreement in effect after Merchant's breach and abandonment and recover Rent as it becomes due, if Merchant has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if City does not elect to terminate this Concession Agreement on account of any Event of Default by Merchant, City shall be entitled to enforce all of City's rights and remedies under this Concession Agreement, including the right to recover the Rent as it becomes due.

21.2.3 Failure To Surrender Premises. If Merchant fails to surrender the Premises upon the termination of this Concession Agreement or should Merchant holdover beyond thirty (30) days following written notice to vacate, Merchant shall indemnify City for any liability or damages it may suffer as a result of City being unable to deliver the Premises to a new merchant in addition to any other liabilities accruing to City.

21.2.4. Other Remedies. Pursue any other remedy now or hereafter available to City under the laws or judicial decisions of California, include, but not be limited to, those rights as provided in California Civil Code section 1951.2, as amended. Unpaid installments of Rent and other unpaid monetary obligations of Merchant under the provisions of this Concession Agreement shall bear interest from the date due at the maximum rate then allowable by law. Enforcement of City's remedies shall not affect the rights of any bona fide conditional vendor, chattel mortgager, or other person having a security interest in Merchant's fixtures and equipment.

21.3. City's Cumulative Rights; No Waiver Of Default. Except where otherwise provided, all rights, options and remedies of City contained in this Concession Agreement shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and City shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Concession Agreement. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by City of Rent or other payments with knowledge of the breach of any of the provisions of this Concession Agreement by Merchant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, provision, or condition of this Concession Agreement shall not be construed as to waiver of any subsequent breach of the same covenant, provision, or condition. The consent or approval of City to any act by Merchant requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent or approval to any subsequent similar acts by Merchant.

21.4. Eminent Domain. If all or a portion of the Premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain or agreed purchase in lieu thereof, City shall have the option to either terminate this Concession Agreement as of the date when title to the Premises so purchased are taken, or reduce the Base Rent herein pro rata, in which case City is under no obligation to restore or reconstruct the Premises. Merchant may seek to claim damages, if any, to the extent such a claim is supported and consistent with the law. In the event that City relocates the business which occupies these Premises, City shall provide appropriate relocation assistance if required to pursuant to Section 22.632 of the City of Los Angeles Administrative Code and any subsequent amendments thereto.

21.5. Application Of Funds. Any payments received by City under any provisions of this Concession Agreement during the existence or continuance of any Event of Default (including payments made to City rather than Merchant due to the existence of an Event of Default) shall be applied to Merchant's obligations in the order which City may determine or as may be prescribed by the laws of the State of California, and the retention by City of any funds from Merchant which are due but are not sufficient to cure any existing monetary default (whether or not any notice of such default shall have been given) shall not cure such default but only reduce Merchant's debt in such amount, notwithstanding any assertion by Merchant to the contrary.

21.6. Right Of Re-Entry. If an Event of Default by Merchant has occurred and Merchant has abandoned the Premises, then City shall also have the right to enforce the provisions of California Civil Code sections 1980 through 1991. Merchant shall allow re-entry by City without hindrance, and City shall not be liable in damages or guilty of trespass. No re-entry or taking of possession of the Premises by City pursuant to this Section shall be construed as an election to terminate this Concession Agreement unless a written notice of such intention shall be given to Merchant or unless the termination hereof shall be decreed by a court of competent jurisdiction. For the purposes of this Article, Merchant's right to possession shall not be deemed to have terminated by efforts of City to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect City's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts which may be performed by City without terminating Merchant's right to possession.

21.7. Default By City. City shall not be in default unless City neglects or fails to perform or observe any of the covenants, provisions or conditions contained in this Concession Agreement on its part to be performed or observed within sixty (60) calendar days after written notice of default (or if more than sixty (60) calendar days shall be required because of the nature of the default, if City shall fail to commence work to cure the default within sixty (60) calendar days after notice and diligently pursue such work to completion).

21.8 Administrative Fees. Pursuant to the City Rules and Regulations attached as Exhibit __ and as may be amended from time to time by the Commission, the El Pueblo Department may provide written notice to Merchant of a violation of the use provisions and/or the Non-Encroachment Policy Regarding the Display of Merchandise. Consistent with the City Rules and Regulations, Merchant shall promptly pay to City the applicable service charge. Merchant acknowledges and agrees that such violations will cause City to incur costs and expenses not contemplated by this Concession Agreement, the exact amounts of which will be extremely difficult to ascertain, and that such service charge represents a fair estimate of the costs and expenses which City would incur having to pursue enforcement of the terms of the Concession Agreement. Merchant further agrees that such service charge shall neither constitute a waiver of Merchant's default with respect to such Concession Agreement violations, nor prevent City from exercising any other right or remedy available to City.

ARTICLE 22. MANDATORY CITY REQUIREMENTS

22.1. Standard Provisions for City Contracts. Attached hereto and incorporated by reference into this Concession Agreement is Exhibit __ entitled "Standard Provisions for City Contracts" ("**Standard Provisions**"). Throughout the Concession Agreement Term, Merchant shall comply with the Standard Provisions and applicable City Ordinances, and any amendments thereto. Any conflict between the provisions in the Articles of this Concession Agreement and the Standard Provisions shall be resolved in favor of the Articles of this Concession Agreement.

22.2. Merchant Evaluation. At the end of the Term of the Concession Agreement, the City will conduct an evaluation of the Merchant's performance. The City may also conduct reasonable annual evaluations of the Merchant's performance during the term of the Concession Agreement according to its Guidelines and Standards. (See Exhibit __ for further provisions.) As required by Section 10.39.2 of the Los Angeles Administrative Code, or a successor code section, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the Merchant assigns to the Concession Agreement. A Merchant who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final City evaluation and allowed 14 calendar days to respond. The response of Merchant may include measures taken by Merchant to address and resolve any issues associated with a rating of "Marginal" or "Unsatisfactory" and Merchant's response may include any relevant documentation. The City shall retain Merchant's response. Upon reasonable written notice and at Merchant's expense, City shall provide Merchant a copy of City files concerning the Merchant's Evaluations. The City will use the final City evaluation, and any response from the Merchant, to evaluate proposals and to conduct reference checks when awarding other service contracts.

22.3. Ordinance Language Governs. In the event of a discrepancy between this Concession Agreement or Exhibit and the applicable ordinance language, as amended, the language of the ordinance shall govern.

ARTICLE 23. MISCELLANEOUS PROVISIONS

23.1. Accord And Satisfaction. No payment by Merchant or receipt by City of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any

check or payment as Rent be deemed an accord and satisfaction and City may accept such check or payment without prejudice to City's right to recover the balance of such Rent or pursue any other remedy provided in this Concession Agreement. Merchant agrees that each of the foregoing covenants and agreements shall be applicable to any covenant or agreement either expressly contained in this Concession Agreement or imposed by any statute or at common law.

23.2. Adult Supervision. Merchant will maintain or cause to be available adult supervision adequate to supervise and control visitors to the Premises.

23.3. Approval For Displays. Merchant will secure approval from the Property Manager for all exhibits used on display in the Premises.

23.4. Binding Effect. The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

23.5. Brokers' Commissions. Merchant hereby agrees to indemnify and hold harmless City for any claims for brokers' commissions asserted by any broker making a claim based on its representation and/or alleged representation of Merchant.

23.6. Captions, Table Of Contents, And Index. The titles or captions of all Articles, Sections, or paragraphs, as well as the Table of Contents and the Index contained herein, are for convenience and reference only, are not intended to define or limit the scope of any provisions of this Concession Agreement, and shall have no effect on the interpretation of any provision of this Concession Agreement.

23.7 City's Right Of Entry. City reserves the right at all reasonable times and upon reasonable notice to Merchant to enter the Premises to: (i) inspect them; (ii) show the Premises to prospective purchasers, mortgagees or ground or underlying lessors, or, during the last twelve (12) months of the Concession Agreement Term, prospective Merchants; (iii) post notices of nonresponsibility; or (iv) alter, improve or repair the Premises, the building or the Monument if necessary to comply with current building codes or other applicable laws, or for structural alterations, repairs or improvements to the Building or Monument. Notwithstanding anything to the contrary contain in this Section, City may enter the Premises at any time to (A) perform services required of City; (B) take possession due to any breach of this Concession Agreement in the manner provided herein; and (C) perform any covenants of Merchant which Merchant fails to perform. Except as provided in Article of this Concession Agreement, City may make any such entries without the abatement of Rent and may take such steps as required to accomplish as expeditiously as reasonably possible and in a manner so as to cause as little interference to Merchant as reasonably possible. Merchant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Merchant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned thereby. For each of the above purposes, City shall at all times have a key with which to unlock all the doors in the Premises, excluding Merchant's vaults, safes and special security areas designated in advance by Merchant. Only authorized City personnel shall have access to the keys and the keys shall be kept in a secure location only accessible by an electronic lock that records the identity, date and time that someone gains access to the location of the keys. In an emergency, City shall have the right to use any means that City may deem proper to open the doors in and to the Premises. Any entry into the Premises by City in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises or an actual or constructive eviction of Merchant from any portion of the Premises. During the final month of the Term of this Concession Agreement, City may display thereon appropriate notices relating to leasing of the Premises in such manner as not to unreasonably interfere with Merchant's business.

23.8 Conflict Of Laws And Venue. This Concession Agreement shall be governed by and interpreted in accordance with the law of the State of California. Venue in any action arising

out of this Concession Agreement will be proper only in the County of Los Angeles, State of California.

23.9 Corporate Resolution. If Merchant is a corporation and the signatories for Merchant are not two officers of the corporation as specified in California Corporations Code Section 313, , or a successor code section, then prior to or contemporaneous with the execution of this Concession Agreement, Merchant shall provide to City a current copy of its corporate resolution depicting the names, titles and legal signatures of the officer or officers of the corporation authorized to execute legal documents, including this Concession Agreement, on behalf of Merchant. Within thirty (30) days after Merchant's receipt of City's written request, Merchant shall provide to City an updated corporate resolution depicting such names and legal signatures.

23.10 Covenants And Agreements. The failure of Merchant or City to insist in any instance on the strict keeping, observance or performance of any covenant or agreement contained in the Concession Agreement, or the exercise of any election contained in the Concession Agreement shall not be construed as a waiver or relinquishment for the future of such covenant or agreement, but the same shall continue and remain in full force and effect.

23.11. Days. All references in this Concession Agreement to less than ten (10) days shall mean business days; otherwise, "days" shall mean calendar days unless specifically modified herein to be "business" or "working" days. All references to "notice" shall mean written notice given in compliance with Article 2). All references, if any, to "month" or "months" shall be deemed to include the actual number of days in such actual month or months.

23.12. Exhibits - Incorporation In Concession Agreement. All exhibits referred to are attached to this Concession Agreement and incorporated by reference as though fully set forth in the body of the Concession Agreement.

23.13. Force Majeure. Except as otherwise provided in this Concession Agreement, whenever a day is established in this Concession Agreement on which, or a period of time, including a reasonable period of time, is designated within which, either party is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of disruption of service or brownouts from utilities not due to action or inaction of City, wars, insurrections, rebellions, civil disorder, acts of terrorism, declaration of national emergencies, acts of God, or other causes beyond such party's reasonable control (financial inability excepted) ("**Force Majeure**"); provided, however, that nothing contained in this Section shall excuse Merchant from the prompt payment of any Rent or other charge required of Merchant hereunder. Neither party shall be liable for, and in particular Merchant shall not be entitled to any abatement or reduction of Rent or right to terminate by reason of, any such delays or failures or other inability to provide services or access under this Concession Agreement due to Force Majeure. In the event a Force Majeure exists for more than thirty (30) continuous days, either party may elect to terminate the Concession Agreement and such termination shall not constitute a breach.

23.14. Memorandum Of Concession Agreement. A Memorandum of Concession Agreement, substantially in the form as that attached to this Concession Agreement as Exhibit ___ shall be completed and executed by both parties concurrently with the execution of this Concession Agreement. City may record such Memorandum of Concession Agreement. Merchant understands that this Concession Agreement may be considered a public document and, therefore, may be made available to members of the general public.

23.15. No Partnership Or Joint Venture. Nothing contained in this Concession Agreement shall be deemed or construed to create the relationship of principal and agent or of partnership or of joint venture or of any association between City and Merchant. Neither the

method of computation of Rent nor any other provision contained in this Concession Agreement, nor any acts of the parties hereto, shall be deemed to create any relationship between City and Merchant other than the relationship of Landlord and Merchant.

23.16. No Relocation Assistance. Merchant acknowledges that it is **not** entitled to relocation assistance or any other benefits under the California Relocation Assistance Act (Government Code section 7260, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C.A. § 4601, et seq), or any other provisions of law upon termination of this Concession Agreement except in the event of condemnation of Merchant's Concession Agreement hold interest. Merchant therefore waives any claim to such assistance or benefits. Notwithstanding the above, Merchant may seek relocation assistance if any is available pursuant to City Rules and Regulations as attached in Exhibit __, and as may be amended from time to time by the Commission, or as provided by the Los Angeles Administrative Code Section 22.632(b), as may be amended from time to time by City.

23.17. Partial Invalidity. If any provision or condition contained in this Concession Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Concession Agreement, or the application of such provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other provision and condition of this Concession Agreement shall be valid and enforceable to the fullest extent possible permitted by law.

23.18. Prior Agreement/Amendments. This Concession Agreement contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Concession Agreement, and no prior agreement or understanding, oral or written, expressed or implied, pertaining to any such matter shall be effective for any purpose. This Concession Agreement cannot be altered, changed, modified or added to, except as approved in writing by the City Council of City of Los Angeles and signed by the General Manager of the El Pueblo Department and by Merchant, or their successors in interest. The parties acknowledge that all prior agreements, representations and negotiations are deemed superseded by the execution of this Concession Agreement to the extent they are not incorporated herein.

23.19. Quiet Enjoyment. Upon conformance by Merchant with the covenants, provisions, and conditions of this Concession Agreement, Merchant shall peaceably and quietly hold and enjoy the Premises for the Term of this Concession Agreement without hindrance or interruption by City, or any other person or persons lawfully or equitably claiming by, through, or under City, subject, nevertheless, to the provisions and conditions of this Concession Agreement.

23.20. Remodeling Of the Monument. City reserves the right at any time or times during the Term of this Concession Agreement, to remodel, refurbish, alter, or expand all or any parts of the Monument.

23.21 Time. Time is of the essence with respect to the performance of every provision of this Concession Agreement in which time or performance is a factor.

23.22 Filming: Merchant acknowledges and agrees that City, in its sole discretion, may use the Monument to accommodate commercial filming at the Monument. Merchant agrees that commercial filming that involves use of the Monument will not affect Merchant's Rent obligations under Article 6. Merchant further agrees that any revenue generated by the commercial filming that involves use of the Monument will be payable exclusively to the City; Merchant will have no right to any filming revenue for the use of the Monument. Any commercial filming within the Premises or that materially impedes access to the Premises shall be consistent with City Rules and Regulations attached in Exhibit __, and as may be amended from time to time by the Commission.

IN WITNESS WHEREOF, the City of Los Angeles, a municipal corporation, acting by and through its El Pueblo de Los Angeles Historical Monument Authority Commission, owner herein, and _____, Merchant herein, have caused this Concession Agreement to be executed as of the date of the attestation by the City Clerk.

APPROVED AS TO FORM:
CARMEN A. TRUTANICH, City Attorney

By: _____
Deputy City Attorney

DATE: _____

ATTEST:
JUNE LAGMAY, City Clerk

By: _____
Deputy

DATE: _____

CITY:
CITY OF LOS ANGELES, a municipal corporation, acting by and through its EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT AUTHORITY COMMISSION

By: _____

DATE: _____

By: _____
Secretary to the Board of Commissioners

DATE: _____

MERCHANT: _____

By: _____
title

By: _____
title

DATE: _____

SITE PLAN FOR _____
OLVERA STREET CONCESSION
EXHIBIT A

FLOOR PLAN FOR _____
OLVERA STREET CONCESSION
EXHIBIT B



EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

RULES AND REGULATIONS
FOR OLVERA STREET CONCESSIONAIRES
EXHIBIT C

The following Rules and Regulations are established for Olvera Street and the Monument to make a pleasant, clean, safe and family-oriented environment to conduct a business. The Rules and Regulations are a part of the Concession Agreement and compliance is important. The Commission may amend these Rules and Regulations during open public meetings.

Concessionaires shall comply with all applicable laws, rules, regulations, and orders existing during the term of the concession agreement, including obtaining and maintaining all necessary permits, insurance and licenses.

Concessionaire acknowledges and warrants that it is or will make itself through its responsible concession managers, knowledgeable of all pertinent laws, rules, ordinances, regulations, or other requirements having the force of law affecting the operation of the concession facilities, including but not limited to laws affecting health and safety, hazardous materials, pest control activities, historic preservation, environmental impacts, and City building codes and regulations.

I. NOTICES:

All notices, payments, copies of insurance, etc., required to be filed with or given to EL PUEBLO shall be filed or given at the EL PUEBLO Property Management Office as identified in Article 1. Basic Provisions, Section 2.2. All decisions to be rendered by EL PUEBLO shall be made by its General Manager or his representative. All notices required to be filed or given to CONCESSIONAIRE shall be addressed to his/her home residence as indicated Article 1. Basic Provisions, Section 2.2.

II. DAYS AND HOURS OF OPERATIONS:

All concessions shall be operated at least six days each week. CONCESSIONAIRE shall declare his one closure day, if any, in writing to EL PUEBLO. Mondays or Tuesdays are considered to be the most appropriate closure days. In no instance are the concessions to be closed on weekends, holidays or during EL PUEBLO special events. Although CONCESSIONAIRE may hire employees, personal attention is also mandatory. Each individual named as CONCESSIONAIRE (or each manager, if CONCESSIONAIRE is a corporation) shall devote substantial and on-going personal ON-PREMISES attention to the operation of the business. (Concession Agreement, Article 4, Merchant's Conduct of Business, Item 4.3)

CONCESSIONAIRE shall operate his concession an adequate number of hours each day to meet public demand. EL PUEBLO may establish given hours and may vary said hours seasonally or otherwise.

III. APPEARANCE AND CONDUCT:

The following provisions apply to all CONCESSIONAIRES and their employees. Non-compliance by an employee shall be deemed non-compliance by the CONCESSIONAIRE.

- A. All CONCESSIONAIRE must maintain a neat and clean appearance at all times.
- B. Wearing of Mexican-style period costumes is required. Non-compatible clothing is prohibited.

- C. Courtesy shall be practiced at all times.
- D. Prices must be posted at all times for all merchandise.
- E. Cash register receipts shall be recorded at time of sale, in the presence of the customer, all receipts from sales or other transactions whether for cash or credit in a cash register or in cash registers having a cumulative total which shall be sealed in a manner approved by El Pueblo, and having such other features as required and approved by El Pueblo.
- F. Public complaints should be settled by CONCESSIONNAIRE as quickly and as amicably as possible. Merchandise exchanges and refunds are encouraged.
- G. The EL PUEBLO Administration is empowered to arbitrate all customer disputes and its decision shall be binding.
- H. CONCESSIONNAIRE shall conduct his business in a manner consistent with the objectives of a park atmosphere and "customer is always right" service. Aggressive selling is prohibited.
- I. CONCESSIONNAIRE will maintain or cause to be available adult supervision adequate to supervise and control visitors to the premises and shall not permit anyone not otherwise connected with the concession to be on the premises.
- J. Drinking of intoxicants by CONCESSIONNAIRES or employees during working hours is prohibited.
- K. Nothing is more important to the City of Los Angeles than the safety and security of its employees, customers, and visitors. El Pueblo is committed to maintaining El Pueblo free from violence or threats of violence. Threats, threatening behavior, or acts of violence against a CONCESSIONNAIRE, City employee, a customer, a visitor, or any other individual cannot and will not be tolerated. All reports of El Pueblo violence will be taken seriously and will be investigated promptly and thoroughly by the Administration.
- L. It is prohibited to harass and discriminate on the basis of race, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, and gender identity, source of income, or Vietnam era veteran's status, or other protected status under applicable law.

IV. MERCHANDISE:

CONCESSIONNAIRE will provide visitors with high-quality experience that exemplifies the vibrancy and conviviality of the historic ambiance of the City of Los Angeles' birthplace. Olvera Street is part of the Los Angeles story. In 1926, Christine Sterling's saved the Avila Adobe from demolition and started the first themed tourist destination in California, the Olvera Street Mexican Marketplace. The no-bid Concession Agreements were awarded to established 1999 Olvera Street concessionaires to preserve the ambiance of a Mexican Marketplace. To restore and protect the Mexican Marketplace, the Department will have the authority to approve the nature, type, and quality of merchandise to be offered by concessionaires on Olvera Street. All merchandise must support a Mexican-themed marketplace and the tradition that Christine Sterling instilled by creating opportunities for Mexican Artisans. A Mexican Artisan is defined as, a craftsman who continues to practice the tradition reflective of their religion, gender, occupation and recreation, region, ethnicity, age, and other ways that define as part of their heritage from generation to generation. Therefore, all CONCESSIONNAIRES will follow their individual Merchandise Plan as established by the Merchandise Policy for their Concession as approved by the General Manager and made a part of their concession agreement.

V. VENDING MACHINES AND INAPPROPRIATE EQUIPMENT

CONCESSIONAIRE will be allowed to operate existing Automated Teller Machines (ATMS) or cash dispenser machines in their Premises until ATM or cash dispenser machines installed by City on Monument property are operational. After the ATM or cash dispenser machines installed by City are operational, City will give CONCESSIONAIRE 30 days notice to remove all ATMs and cash dispenser machines from their Premises. Free standing mechanical, self operating or automatic vending machines, including but not limited to soda and water machines, arcade or game machines in, on, or about the Premises are not allowed and must be removed.

VI. NON ENCROACHMENT

Per the direction of El Pueblo de Los Angeles Historical Monument Commission Authority, the General Manager or City representative is directed to conduct regular inspections of the El Pueblo de Los Angeles Historical Monument (Monument) property to verify compliance with Encroachment Rules and Los Angeles Municipal Code (LAMC) Section 57.33.11 fire code requirements, to ensure park safety for visitors, businesses and staff. Should a business encroach and a violation occurs, a City representative will verbally request the business to correct the violation. If the business complies with the request, the Monument will take no further action. If a CONCESSIONAIRE continues to display merchandise in violation of the Non Encroachment Policy, the CONCESSIONAIRE shall promptly pay to the Department the applicable service charge consistent with the Non Encroachment Policy.

VII. PUESTO, STORE AND RESTAURANT MAINTENANCE REQUIREMENTS:

CONCESSIONAIRE shall be responsible for the cleanliness of their premises. EL PUEBLO shall regularly sweep and wash the brick surface of Olvera Street, but CONCESSIONAIRES shall also be responsible for sweeping adjacent sidewalks when necessary. Rubbish containers on Olvera Street shall be for the exclusive use of the public. CONCESSIONAIRES shall only use off-street containers, such as EL PUEBLO'S trash compactor.

VIII. FILMING:

El Pueblo Management shall not allow commercial filming, including but not limited to motion picture, television or commercial photography, in a Concessionaire's Premises.

IX. NO RELOCATION ASSISTANCE

CONCESSIONAIRE acknowledges that their business is not entitled to relocation assistance or any other benefits under the California Relocation Assistance Act. No form of relocation assistance is available to a Merchant other than what is authorized by City law at the time of the relocation

X. RESOURCE CONSERVATION:

- A. Environmental Conservation Program: Concessionaire shall set a positive example in waste management and environmental awareness that shall lead to preservation of the resources of the City. Accordingly, Concessionaire shall prepare and execute a program, subject to the prior written approval of the City, designed to reduce environmental impacts that result from concession operations. This program shall address, but not be limited to: solid waste management, including reduction, reuse and recycling; water and energy conservation, pest management, grease removal and disposal, hazardous materials handling and storage, and air quality. Specifically, the program must include the following:

1. Recycling and Beverage Container Programs: The Concessionaire shall implement a source reduction and recycling program designed to minimize concession and patron use of disposable products, per Public Contract Codes Sections 12161 and 12200 et seq. Reusable and recyclable products are preferred over "throwaways". Where disposable products are needed, products that have the least impact on the environment will be selected. No Styrofoam containers or other non-biodegradable containers are to be used or sold by Concessionaire. The use of "post-consumer" recycled products is encouraged wherever possible.

The Concessionaire shall participate fully in the California beverage container redemption/recycling program. Products to be recycled include, but are not limited to, paper, newsprint, cardboard, bimetal, plastics, aluminum and glass. At the start of each contract year, Concessionaire and City shall review items sold, and containers or utensils used or dispensed by Concessionaire, and, whenever possible, eliminate the use of non-returnable or non-recyclable containers or plastics.

2. Water and Energy Conservation: The Concessionaire shall implement water and energy conservation measures. As new technologies are developed, Concessionaire shall explore the possibility of integrating them into existing operations where there is potential for increased efficiency, reduced water or energy consumption, and/or reduced impacts on the environment.

XI. FIRE AND SAFETY PRECAUTIONS:

- A. ~~Fire extinguishers must be kept in all locations where required, be accessible and maintained in good repair.~~
- B. The storage or accumulation of combustible merchandise or materials is prohibited.
- C. EL PUEBLO may conduct periodic and unannounced inspections and compliance with its findings is required.
- D. Merchandise must be kept away from automatic sprinkler heads for a distance of at least 18" in all directions.
- E. Merchandise must not be hung from pipes that supply water to automatic sprinkler heads.
- F. Merchandise must be kept away from exposed light bulbs. (Such as sun shades hung by Puestos).
- G. CONCESSIONNAIRE must comply with instructions of authorized representatives of the City Fire Department.

XII. OTHER PROVISIONS:

- A. CONCESSIONNAIRES shall refrain from the use of personal radios and television sets for programs not compatible with Olvera Street objectives. Every effort shall be made to minimize objectionable noises. Volume of any electronic device shall be kept at such a level so as not to create discomfort to other merchants or the public. EL PUEBLO shall be the judge of the appropriate volume and location of such devices.
- B. CONCESSIONNAIRES are responsible for all necessary licenses and taxes pertaining to their businesses and records of same.
- C. CONCESSIONNAIRE shall pay any and all taxes levied by any legally constituted government agency.

- D. Retail prices established for the general public shall be the price charged to all. No commission or gratuity shall be paid to any person furnishing customers.
- E. No signs, names, place cards or advertising matter shall be inscribed, painted or affixed upon said premises, circulated or published without EL PUEBLO'S prior written consent.
- F. CONCESSIONNAIRE shall dismiss undesirable employees upon request of the El Pueblo General Manager.
- G. ONE STAFF PARKING space will be provided to the CONCESSIONNAIRE at a thirty-five percent (35%) discount off the then-prevailing rate in the facility (subject to change and as availability of the City parking lots). The additional rent payable for this parking permit includes the 10% surcharge imposed by the City of Los Angeles parking occupancy tax (Ordinance No. 165.949). Concessionaire will be billed monthly in advance for this parking. Public parking at the posted rates may be obtained in the Monument on a space available basis.

EXHIBIT C-1 NON ENCROACHMENT POLICY

Non-Encroachment is defined as the area of rented space or premises the Concessionaire is allowed to conduct business as described in the Concession Agreement. Encroachment is defined as entering or moving merchandise into an area beyond the usual or proper limits (defined rental space of the business or public footpaths).

Per the direction of El Pueblo de Los Angeles Historical Monument Commission Authority, the General Manager or City representative is directed to conduct regular inspections of the El Pueblo de Los Angeles Historical Monument (Monument) property to verify compliance with Encroachment Rules and Los Angeles Municipal Code (LAMC) Section 57.33.11 fire code requirements, to ensure park safety for visitors, businesses and staff.

Compliance with the Encroachment Rules ensure that visitors and shoppers can pass freely between shops and businesses in the public right of way and avoid potentially unsafe walkways and clearances. Most importantly, compliance ensures adequate ingress and egress for emergency personnel and evacuation of the public during an emergency.

East Side Olvera Street Businesses

- No merchandise may be hung or displayed more than eighteen inches (18") from the surface wall of any Puesto along an aisle facing Olvera Street per LAMC Section 57.33.11. No merchandise may block access to any doorway or stairway, or hang from surface walls of any building.
- No merchandise may be displayed in, on, or around planter area, fountains, or common areas.
- Tables, rack, poles, and similar items, may be displayed eighteen (18") inches from the walls facing Olvera Street, on both the east and west aisles. Racks and poles must be secured to prevent tipping over in the event of an emergency, and to prevent injury to the public. Racks and poles must be stored at the end of business each day.
- For those businesses not located at the end of a row, merchandise may be hung directly against the sidewalls, three (3') feet away from fire life safety equipment. Passage between the Puestos/businesses **must not** be impeded.
- For those businesses located at the end of a row, merchandise may be hung directly against sidewalls under the roof line, from the side accessible to the public.
- No soft canopies are permitted without prior written approval from El Pueblo's General Manager. Any approved soft canopy must be seven (7') feet high, and flame retardant as approved by LAMC Section 57.33.11.

Center Puestos

- No merchandise may be hung or displayed more than eighteen inches (18") from the east facing surface wall of any center business along Olvera Street. No merchandise may be hung or displayed more than twenty-four inches (24") from the west facing surface wall per LAMC Section 57.33.11.
- For those businesses not located at the end of a row, merchandise may be hung directly against the sidewalls, three (3') feet away from fire life safety equipment. Adequate room between puestos is required to permit safe passage.
- For those businesses located at the end of a row, merchandise may be hung directly against the sidewalls under the roof line, from the side accessible to the public.
- Tables, rack, poles, and similar items, may be displayed eighteen (18") inches from the walls facing Olvera Street, on both the east and west aisles. Racks and poles must be secured to prevent tipping over in the event of an emergency, and to prevent injury to the public. Racks and poles must be stored at the end of business each day.
- No merchandise may be displayed in, on, or around planter area, fountains, or common areas.

Western Olvera Street Businesses

No merchandise may be hung or displayed or block access to any doorway, railing or stairway, or hang from any surface wall of any building per LAMC Section 57.33.11.

No merchandise may be displayed in, on, or around planter area, fountains, or common areas.

Soft canopies are not permitted per LAMC Section 57.33.11.

Doors must fold flat against exterior walls and must not be left ajar or at an angle to display merchandise.

Production and Special Event Companies

Production companies, special event producers and others renting Monument facilities are subject to specific terms and conditions set-forth in executed contracts. The agreements delineate specific Monument areas paid for by these production and special event companies. If a company encroaches beyond the permitted area(s) staff will inform the company to comply and stay within the contracted "foot-print" to keep public footpaths clear and safe, or they will be charged additional rental fees and possibly cited by the Los Angeles Fire Department.

Additionally, any alterations to existing structures that includes nailing, screwing or painting of Monument property is strictly prohibited unless previously authorized by the Monument. Contracted companies are subject to an additional fine for each violation.

Violation Process:

Should a business encroach and a violation occurs, a City representative will verbally request the business to correct the violation. If the business complies with the request, the Monument will take no further action. If, however, the concessionaire/business does not comply with a request to correct the encroachment, ~~the concessionaire will receive a written warning notice to correct the encroachment violation.~~ The business owner will have five (5) days after receipt of the warning letter to correct the encroachment.

If the concessionaire does not correct the violation on or before the sixth (6th) day from receipt of the written warning, the department will issue a 2nd written notice of the violation and the business owner will be required to pay to the City an administrative fee for the cost to enforce the encroachment violation incident. The estimated administrative fee is one hundred dollars (\$100.00) per violation.

The business owner acknowledges and agrees that such enforcement of the encroachment will cause the City to incur costs and expenses, and the exact amounts of which, will be difficult to ascertain for the term of the concession agreement, and that such administrative fees represents a fair estimate of the costs and expenses the City would incur by reason of enforcement.

If the business/concessionaire fails to remove or adhere to the Encroachment Rules on the seventh (7th) day of the violation, a 3rd written notice to the business owner will be issued and the business owner will be required to pay an additional one hundred dollars (\$100.00) per each violation.

If by the tenth (10th) day, the business owner continues to be in violation of the Encroachment Rules, the business owner will be in violation of the Concession Agreement Section 18.2.1 and be charged for cost of such work to remove the merchandise or materials that are causing unsafe conditions.

EXHIBIT C-2
EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

MERCHANDISE POLICY FOR OLVERA STREET CONCESSIONS

It is the objective of the City of Los Angeles El Pueblo de Los Angeles Historical Monument Department (Department) to provide visitors with high-quality experience that exemplifies the vibrancy and conviviality of the historic ambiance of the City of Los Angeles' birthplace. It is the policy of the Department to approve the nature, type, and quality of merchandise to be offered by businesses on Olvera Street that support a Mexican-themed market and the tradition that Christine Sterling instilled by creating opportunities for Mexican Artisans. A Mexican Artisan is defined as, a craftsperson who continues to practice the tradition reflective of their religion, gender, occupation and recreation, region, ethnicity, age, and other ways that define them as learned from their family or community that has been part of their heritage over a long period of time over three or more generations.

All concession agreements for Olvera Street require a Merchandise Plan. The El Pueblo de Los Angeles Historical Monument Authority has authorized the General Manager to approve all Merchandise Plans to maintain diversity, quality and quantity of products and services. Olvera Street has a unique identity achieved through a combination of merchandise, presentation, ambience and services all working together. In this regard, the "one of a kind" businesses play a vital role in creating that sense of a unique historic district distinction.

Due to the uniqueness of each tradition, and the many layers of ethnicity, race and culture over centuries, it is impossible to create a comprehensive list for the term of the Concession Agreement for the next twenty years that name every product and service reflective of Mexican and Latin American folk-art. Therefore, Olvera Street Concessionaires can apply to the General Manager for the right to sell any new Mexican themed product or service not reflected in their Merchandise Plan on file with Property Management for the first twenty years of the Concession Agreement term. Each time a request for a new product or service is requested, the Concessionaire must include a validation statement to the General Manager outlining the origin of the product or service and a brief explanation as it how relates to Mexico or Latin America. The Property Management Division concession file will contain approvals for any addition or deletion of product as listed in the Merchandise Plan on file in 2011. If the Concession Agreement is renewed in 2041, a new Merchandise Plan will be required.

Priority will be given to products and services that foster awareness, understanding, and appreciation of Mexican products and services that interpret the traditions and culture of Mexico and Latin America.

Background:

The historic beginnings of Olvera Street as a Mexican Marketplace began after 1930. However, before 1930 the street had historic significance to the Gabrieleno Yang-na Village, the first Spanish settlement (1818-1822) in Los Angeles County, and for a short period rule under the country of Mexico (1822-1848). After 1848 through the 1920s the flow of history and contributions of Chinese, Italian, French, Jewish, African-Americans, and many other ethnic groups who settled in Los Angeles and are associated with the development of this great City as interpreted through our programs, exhibits and museums. Olvera Street is part of the Los Angeles story that starts with Christine Sterling's drive to save the Avila Adobe in 1926. By the 1920s the area today known as the Plaza and Olvera Street had suffered from decline due to the relocation of many businesses further south to the emerging new downtown business area. With

the help of Harry Chandler, publisher of the LOS ANGELES TIMES, and several other prominent business and professional leaders of the community, Ms. Sterling created a Mexican Marketplace on Olvera Street into a colorful landscape reminiscent of "Old Mexico" to reinvigorate the area into a lively Mexican-themed marketplace. She brought fiestas and Mexican traditions with the help of the Mexican-American community. Colorful handcrafted Mexican products were sold and artisan demonstrations created an opportunity for the visiting public to experience the Mexican culture. The Mexican Marketplace concept became a popular tourist destination peaking in the 1980s.

Merchandise Plans have been a requirement for all businesses on Olvera Street for over 50 years. The Merchandise Plans must be enforced by the Department to ensure Olvera Street is maintained as a viable example of a Mexican themed marketplace, forever preserving the market flavor and Mexican atmosphere and adjoining buildings envisioned by Christine Sterling. The Commission authorizes the General Manager to give exclusivity to businesses that offer hand-made goods that utilize artisan techniques in front of the public that demonstrate their unique craft. The Commission recognizes that single product/service authority, protects individual craftperson's intellectual property and promotes the vision Christine Sterling provided in the 1930s of Mexican Marketplace. Businesses that copy the product from authorized craftspersons and cast them as hand-made items to sell in their businesses will be in violation of the Merchandise Policy. The Merchandise Policy will be strictly enforced.

Today, tourists from around the world continue to visit Olvera Street to enjoy the Mexican Marketplace theme. However, some of the distinct characteristics of Christine Sterling's vision have been blurred by an overwhelming flood of retail goods not connected to Mexican arts or products. Several factors over the last 50 years have led to the decline in the Mexican Marketplace theme:

1. In 1964, the addition of several center puestos bifurcated the street and eliminated the open air walkway;
2. Many craftspeople and families from the 1930s sold their businesses in the early 1960s and 1970s to individuals that were not Mexican artisans (candlemaker, blacksmith, glass blower, newsprinter, furniture maker, confectioner, etc);
3. Merchandise plans that were in place during Christine Sterlings' management were not enforced after her death in 1964;
4. Items that are not Mexican themed or Mexican made are displayed more prominently than Mexican handcrafts; and
5. Business owners copy/compete to sell the same merchandise as their business neighbors—at reduced prices.

Individual Olvera Street Merchandise Plan Requirements:

The City is cognizant that every retailer is challenged with how to effectively plan and execute unique store-level assortments (mix) that match local consumer demand. However, research has shown and the success of the Mexican Marketplace from the 1930s to the 1980s indicate profit levels can be maintained through specialized mixed merchandise plans. The City recognizes there is a delicate balance that must be facilitated in order for each concession to retain a profit. The regulation and enforcement of a retail merchandising mix plan for all Olvera Street businesses will allow each concession to specialize in a store theme free of competition. The City will work with each business to intelligently build assortments of products that capture and target local and international customers and allow individual businesses to thrive. Businesses that desire to continue selling non Mexican items or non Latin themed items will be allowed to continue to sell only those items, any requests for additional non Mexican or non Latin themed items will be denied. Each Concessionaire will have 30 days to provide to the General Manager

an itemized list of products and services carried before June 1, 2011 and a Merchandise Plan that will become an Exhibit C in the Concession Agreement.

General Guidelines

There is value for businesses when there is a balanced mix of retail choices for customers. Olvera Street is located in an ideal setting. Positioned across from Union Station and the 101 Freeway, the gateway to the downtown business district, El Pueblo has some of the oldest remaining intact historic buildings in the City of Los Angeles — there is a particular appeal and character that visitors enjoy that sets this Mexican Marketplace apart from other cities. Thus, each concession will have a role in assuring this independent retail base will be preserved as a historic destination for the general public to enjoy and for businesses to profit. Therefore, the General Manager will ensure there is a balanced mix of retail opportunities for Olvera Street Concessionaires and that the following basic guidelines will be implemented by the Department:

1. A quantity of tenants by category of Mexican merchandise that reinforces a "Theme" for each unique category;
2. A merchandise theme that has one or more of the following factors: relevance to Mexico, location of the concession, contractual obligations, unique physical features, evolving usage, public policy decisions and economic forces, including quantities of existing space by type of use or merchandising category;
3. A critical mass of retail diversity that achieves its identity by the creation of adjacencies or, geographic points of concentration reflective of Mexico or South American merchandise (specifically handcrafted items), thereby causing Olvera Street to stand out in customers' minds as a distinct unique Mexican Marketplace that is not replicated anywhere else in the City of Los Angeles;
4. A unique identity achieved through a combination of merchandise, presentation, ambience, and service all working together, including packaging, shelving, bins, and counters of natural materials supporting the 1930s Mexican Marketplace theme. In this regard, the "one of a kind" businesses on Olvera Street will play a vital role in the Retail Merchandising Mix Plan which is essential in creating that sense of unique Mexican distinction for visitors;
5. A mix of local, regional, and national products that is consistent with the characteristics of Olvera Street's business personality; and
6. The contribution that each unique Olvera Street business can make not only by supporting the Mexican Marketplace theme to improve Olvera Street itself but also by creating a stronger message overall by offering a variety of experiences and shopper opportunities.

Elements of an Individualized Plan for Each Olvera Street Business

Olvera Street businesses are a vital component to the appearance and experience of an "Old Mexico" flavor for visitors. The Olvera Street concession program is an integration of combined efforts with the El Pueblo museums, educational programs, special events, docent activities and entertainment which contribute to the interpretation and span of time from American Indian, Spanish, and Mexican occupation to 1932 when David Alfaro Siqueiros painted the America Tropical mural on what is known today as the Italian Hall roof wall. Olvera Street Concessionaires must have, or be willing to, develop the special knowledge, experience, skills and abilities appropriate for a business that reflects a Mexican Marketplace theme. Therefore, each individual Olvera Street business will be required to submit and adhere to their plan as specified below:

1. A statement of the theme of your business and how the theme relates to a Mexican Marketplace or Latin American culture or an "OPT-OUT" Statement from the

Concessionaire indicating their desire to continue selling non Mexican items or non Latin themed items. The "OPT-OUT" statement be on file in the Property Management Division Concession file and the business will be audited monthly to ensure the business only sells those items on the inventory list. Any request for additional non Mexican or non Latin themed items will be denied by the General Manager.

2. List of all products, merchandise or services for your business. The following are acceptable categories of merchandise and products reflective of Mexican and Latin American cultures: wood/leather/metal furniture, toys, dolls, fine linens, weaver, painting, puppets, carving, stitching, sewing, lacing and beading, jewelry, pottery, silver work, leather work, tinsmithing, Huichol yarn pictures, Amate paper designs, masks, skeletons or calaveras, stamp design in the traditional ancient Mexico and Asian format, gourd designing, musical instruments, henna and body art, needlework, metal work, hammock making, Papel Picado, Ojo de Dios, Paper mache, Andean textile design, flowers, candy, bottled sauces, spices, herbs, bottled drinks from Mexico, novelty items that reflect Olvera Street, clothing, shoes/boots and purses, theatrical and dance wear, packaged food, paintings, kitchen tools and tableware, saddle blankets, hats, wall décor, lamps and shades, plants, cow skulls and mounted horns, animal hides, sporting goods, garden furniture and goods, wreaths, music, saddles, mandellas, baskets, bells, gourds, chile ristras, rugs, books, throws and pillows, horse headstalls/breastcollars/reins/whips, games, textiles, tile, fencing/gates, canes/walking sticks, photography, money clips/key chains, vests/jackets/belts, religious novelties).

**This list is not inclusive; businesses may submit items not listed above if they can document a connection to a Mexican or South American culture.*

3. Approval from the El Pueblo General Manager before a new product, merchandise or service is sold in order to maintain and enhance Olvera Street as a vital commercial hub and cultural destination in the downtown metropolitan area.
4. Prices posted on each item or printed signage above products, merchandise or service with lettering preapproved by the General Manager. All containers, shelving, bins and displays must be of natural material (woods, straw, basket, cloth, metal, paper, or rope) when in public sight. Presentation and décor should be displayed and portrayed in a manner keeping with a Mexican Marketplace theme.
5. Business owners and employees must be dressed in Mexican style clothing when open for business and in sight of the visiting public.
6. Merchandise must be "family friendly" and appropriate in a public park setting.

Merchandise Policy Violation Process:

Should a business sell an unauthorized product or service that is not approved by the General Manager or identified in their Merchandise Plan on file with the Property Management Division, a City representative will verbally request the business to correct the violation. If the business complies with the request, the Monument will take no further action. If, however, the concessionaire/business does not comply with a request to correct the sale of an unauthorized product or service, the concessionaire will receive a written warning notice to correct the violation. The business owner will have five (5) days after receipt of the warning letter to correct the sale of an unauthorized product or service.

If the concessionaire does not correct the violation on or before the sixth (6th) day from receipt of the written warning, the department will issue a 2nd written notice of the violation and the business owner will be required to pay to the City an administrative fee for the cost to enforce the violation incident. The estimated administrative fee is one hundred dollars (\$100.00) per violation.

The business owner acknowledges and agrees that such enforcement of the Olvera Street Merchandise Plan will cause the City to incur costs and expenses and jeopardize revenue for other businesses on Olvera Street, and the exact amounts of which, will be difficult to ascertain for the term of the concession agreement, and that such administrative fees represents a fair estimate of the costs and expenses the City would incur by reason of enforcement.

If the business/concessionaire fails to remove or adhere to the Merchandise Policy on the seventh (7th) day of the violation, a 3rd written notice to the business owner will be issued and the business owner will be required to pay an additional one hundred dollars (\$100.00) per each violation.

If by the tenth (10th) day, the business owner continues to be in violation of the Merchandise Policy, the business owner will be in violation of the Concession Agreement.

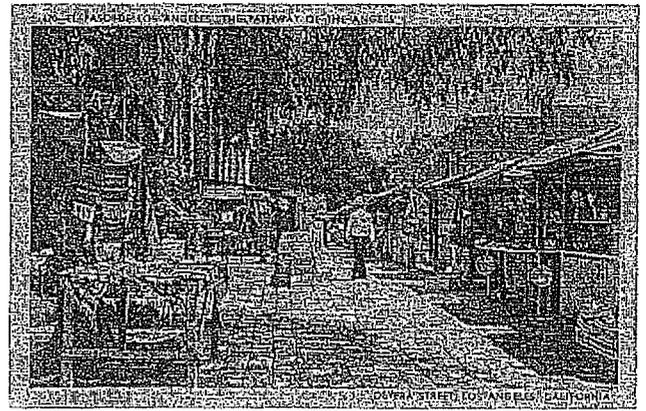
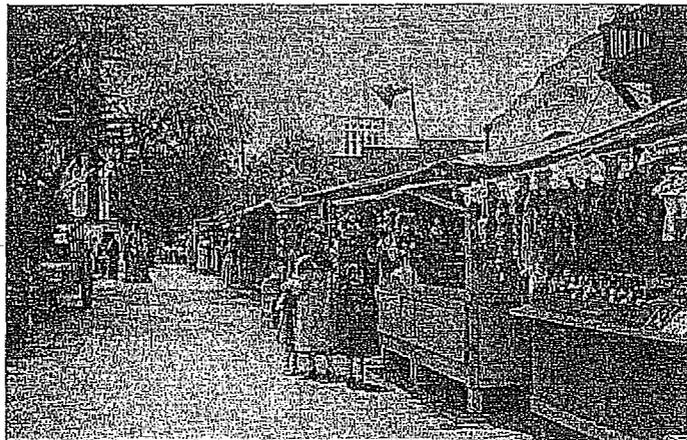


EXHIBIT D
ANNUAL CONCESSIONAIRE PERFORMANCE EVALUATION
STANDARDS AND GUIDELINES

At the start of each new concession agreement execution date or at the beginning of each calendar year, the Department will evaluate the performance of the entity. A concessionaire must meet all terms and conditions of the concession agreement under these categories to be rated in **COMPLIANCE**. Any deviation will result in a **NONCOMPLIANCE** rating. All other categories permit numerical ratings ranging from three to twenty points and fall within a scale of "EXCELLENT, SATISFACTORY, OR NEEDS IMPROVEMENT."

The rating for the overall evaluation shall be determined by the percentage score rating unless a concessionaire is rated **NONCOMPLIANCE** or **UNACCEPTABLE** in any category. The **NONCOMPLIANCE** or **UNACCEPTABLE** will result in the termination of the concession/contract and the end of the twenty year term (20).

The standard for the category ratings are as follows:

- An "Excellent" rating in a category shall be given when a concessionaire always meets and frequently exceeds the requirements of the agreement/contract obligation for that category.
- A "Satisfactory" rating in a category shall be given when the concessionaire consistently meets the requirements of the agreement/contract obligation for that category.
- A "Needs Improvement" rating in a category shall be given when the concessionaire is deficient in the minimum requirements of the agreement obligation for that category on more than one occasion or when the concessionaire fails to correct a deficiency after notification.

The following examples are meant to assist the rater in illustrating the differences in the rating scores:

"Excellent" – The agreement/contract requires the concessionaire/contractor's operating hours Tuesday through Sunday from 10: A.M. until 9:00 P.M., and closed on Mondays. The concessionaire was open daily from 10:00 A.M. until 10:00 P.M., one hour daily above and beyond the required operating hours.

"Satisfactory" – The concessionaire/contractor's was operating daily from 10: A.M. until 9:00 P.M and closed on Monday, and met the requirements as stated in the concession agreement.

"Needs Improvement" – The concessionaire was not open daily from 10: A.M. until 9:00 P.M. They were open from 8:00 AM to 3:00 PM Monday through Saturday. Concessionaire was notified in writing and given a notice to correct.

"Non Compliance/Unacceptable"- The concessionaire was not open daily from 10: A.M. until 9:00 P.M. They were open from 8:00 AM to 3:00 PM Monday through Saturday. Concessionaire was notified three times in writing and given a notice to correct. Concessionaire disregarded notice to correct and continues to not comply with their contractual requirements.

CONTRACTUAL OBLIGATIONS

This section covers all financial and operational aspects of the concession agreement.

Rental Payment -The rater must evaluate the concessionaire's payment record preceding year. The rental payments must be current and the correct amount. Rental payments are considered late after the 1st of every month.

Maintains a Register Journal/\$ Trail-Verify a cash register tape is used for all transactions according to the terms of the contract.

Bonds/Insurance-The rater must verify that all bond and insurance requirements are met as stipulated in the contract (i.e., performance bond, liability, automobile insurance, construction, payment bond, and fire insurance)

Compliance with Rules and Regulations-The rater verifies the concessionaire is adhering to Rules and Regulations as adopted by the Commission and the concession agreement. Any violation will result in a lower score.

Concessionaire Presence (or each manager, if a corporation) shall devote substantial and on-going personal ON-PREMISES attention to the operation of the business. (Per Article 4, Merchant's Conduct of Business, Item 4.3).

BUSINESS OPERATIONS

This section covers compliance with the concessionaire's the Rules and Regulations as stated in the concession agreement.

Operating Days and Hours-The rater verifies the concession has been open as stipulated in the Merchandise Plan.

Merchandise Policy-The rater verifies that goods and services for sale are authorized in the Merchandise Plan,

Appropriate Signage/Advertising -The rater evaluates the appropriateness of the signage for location, accuracy, professionalism, and maintenance and verifies prior approval by the General Manager?

Compliance with Non-Encroachment Policy- The rater verifies the concessionaire is adhering to Encroachment Rules, identified in Exhibit G). Any violation will result in a lower score. More than three violations and the concessionaire will receive a noncompliance/unacceptable score

MAINTENANCE

This Section covers the maintenance of the premises and adjacent areas in a clean, safe, wholesome, and sanitary condition, and in compliance with any and all laws, general rules, or regulations of any government authority during the term of the operating agreement/contract.

Maintenance Project Compliance-Rater determines if any repairs to the facility have been performed and verifies approval of the repairs or improvements by the General Manager. If a repair or improvement has not been preapproved, concessionaire may receive a noncompliance/unacceptable score.

Fire Safety Prevention-Rater checks fire extinguishers to see if they are visible and adequately marked, contain the proper chemical, and have been serviced annually. Look for evacuation routes posted in conspicuous locations, check fire exits for demarcation—free from debris and hazards. Make sure there are no explosives or hazardous goods, merchandise, or materials kept, stored, or sold in proper containers?

Utilities, Sewer, Water and Trash-Meters are kept free of litter and debris, uncluttered, and properly illuminated. Any outstanding reimbursement payments to the City for water, gas or electricity has been settled.

Interior/Exterior Cleanliness-Rater verifies there are no violations for garbage/trash containers (exterior), unclean doorways, walkways and graffiti.

After the evaluation, the rater reviews the score with the concessionaire. The rater then informs the concessionaire that a copy of the evaluation will be sent in the mail and within 14 days of receipt, the concessionaire is required to submit the signed form to El Pueblo de Los Angeles Historical Monument, 125 Paseo de la Plaza, Suite 300, Los Angeles, CA 90012, attention to the General Manager for processing.

If a dispute arises, the concessionaire may submit in writing their dispute. Final arbitration will be with the General Manager within 14 days of receipt of response. If the concessionaire fails to respond or turn in the completed evaluation, the evaluation will stand and be finalized with the signature of the General Manager.

ANNUAL CONCESSIONAIRE'S PERFORMANCE RATING



Business Address: _____

Date: _____

Business Name: _____

Type of Business: _____

CATEGORIES	Excellent	Satisfactory	Needs Improvement	Noncompliance Unacceptable	Compliance	Not Applicable	COMMENTS (Explain items which are rated excellent, needs improvement or noncompliance/unacceptable. Make recommendations for correction for needs improvement and noncompliance/unacceptable)
CONTRACTUAL OPERATIONS	Rental Payments Current	15	6	4	0		
	Maintains Register Journal/Trail						
	Bonds/Insurance Current						
	Compliance with Rules and Regulations (Exhibit F)						
	Concessionaire presence on premises	15	6	4	0		
ADHERING TO RULES AND REGULATIONS	Operating Days and Hours	15	10	5	0		
	Compliance with Merchandise Policy	15	10	5	0		
	Appropriate Signage/Advertising	10	5	3	0		
	Compliance with Non Enroachment Policy	20	11	7	0		
MAINTENANCE	Maintenance Project Compliance						
	Fire Safety Prevention						
	Utilities, Sewer, Water and Trash						
	Interior/Exterior Cleanliness	10	5	3	0		
TOTAL POINTS PER COLUMN							

Received from all Categories _____ Possible for Rated Categories _____ Percent Rating _____
 (_____ ÷ _____) x 100 = _____

Are there any Noncompliance or Unacceptable Ratings in any Category?
 Yes No

Rater's (City Staff) Name: _____ Title: _____ Date: _____

Rater Discussed Report with Concessionaire.
 Yes No

General Manager's Signature and Approval _____ Yes No

Primary Concessionaire's Signature _____ Title _____ Date _____

ANNUAL PERFORMANCE EVALUATION EXHIBIT D-1

EXHIBIT E
USE OF PREMISES
CONCESSIONAIRES'S MERCHANDISE PLAN

MERCHANDISING PLAN
"OPT-OUT" STATEMENT BY THE CONCESSIONAIRE

I, _____, the undersigned, under penalty of perjury, certify that my concession business located at _____ will not sell any merchandise or service not listed in my June 1, 2011 inventory statement provided to the Department and attached and verified by the City of Los Angeles on an ongoing basis. I desire to continue selling non Mexican items or non Latin themed items and understand that any requests for additional non Mexican or non Latin themed items will be denied.

DATE: _____

DATE: _____

CONCESSIONAIRE:

CONCESSIONAIRE:

By: _____

By: _____

INDIVIDUAL

INDIVIDUAL

FACILITY MAINTENANCE PROGRAM

EXHIBIT F

During the term of this contract at Concessionaire's own cost and expense, Concessionaire shall maintain and operate the Premises and areas in, on, or adjacent to a distance of not less than FIVE (5) feet, including personal property and equipment, in a clean, safe, wholesome, and sanitary condition free of trash, garbage, or obstructions of any kind. Concessionaire shall remedy without delay any defective, dangerous, or unsanitary conditions.

In the event that Concessionaire desires to make modifications, improvements, or additions to the Premises or any part of the Premises, including changes to structural design, required accessibility barrier removal work, landscape design, or interior or exterior fixtures, design, and/or furnishings, (collectively "Alteration(s)"), the approval in writing of City shall be obtained prior to the commencement of any Alterations. City shall dictate the plan approval process.

A. Housekeeping: Housekeeping activities are defined as all those activities concerned with keeping facilities clean, neat, and orderly, and includes, but is not limited to, mowing, raking, sweeping, vacuuming, mopping, stripping, waxing, dusting, wiping, washing, hosing, and other general care or cleaning of interior and exterior floors, walls, ceilings, doors, windows, facility fixtures, and all adjacent grounds and walks.

B. Maintenance and Repairs: Concessionaire shall maintain all concession facilities and personal property and equipment on the Premises in good condition and repair at Concessionaire's sole cost and expense at all times during the term of this contract. Such maintenance shall conform to City standards. For the purposes of this contract, the term "maintenance" is defined as all repair and preservation work necessary to maintain concession facilities and personal property and

equipment in a good City of repair, as well as to preserve them for their intended purpose for an optimum useful life.

Pest inspections shall be performed regularly. Concessionaire will remedy all pest infestations in a timely manner. Concessionaire shall provide to City copies of all pest inspection reports or other professional assessments of the condition of the facilities.

Should Concessionaire fail, neglect, or refuse to undertake and complete any required maintenance, City shall have the right to perform such maintenance or repairs for Concessionaire. In this event, Concessionaire shall promptly reimburse City for the cost thereof provided that City shall ~~first give Concessionaire ten (10) days written notice of its intention to~~ perform such maintenance or repairs. City shall not be obligated to make any repairs to or maintain any improvements on the Premises. Concessionaire hereby expressly waives the right to make repairs at the expense of City and the benefit of the provisions of Sections 18.2.1 relating thereto if any there be. City has made no representations respecting the condition of the Premises, except as specifically set forth in this contract.

C. Removal and Restoration. At the expiration or sooner termination of this contract, Concessionaire at its own expense shall remove all personal property brought onto the Premises by Concessionaire. Concessionaire, at Concessionaire's expense, shall restore and repair the Premises, and any of Concessionaire's improvements or fixtures remaining thereon, to a good, clean, safe, and fit condition, reasonable wear and tear excepted, and shall completely remedy all injuries to the Premises.



**MAINTENANCE PROJECT
CONCESSIONAIRE REQUEST FOR APPROVAL**

Name of Business _____ Date _____

Concessionaire's Name:

All requests must be submitted ten (10) days in advance as indicated in the Concession Agreement, Article 18 Maintenance and Housekeeping, Section 182.2 Merchant's Obligations

Maintenance Category: [Please check appropriate category(s)]

- | | | | |
|--|--|---|---|
| <input type="checkbox"/> Plumbing | <input type="checkbox"/> Exterior Painting | <input type="checkbox"/> Landscaping | <input type="checkbox"/> Termite Extermination |
| <input type="checkbox"/> Electrical | <input type="checkbox"/> Roofing | <input type="checkbox"/> Heating and Air Conditioning | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Interior Painting | <input type="checkbox"/> Carpentry | <input type="checkbox"/> Masonry | <input type="checkbox"/> Needs Dept. assistance |

Need Plans Yes No Proposed Start Date: _____ Estimated Cost: _____

Maintenance Project Description: _____

(Do not write below, El Pueblo Personnel only.)

Museum Director's Signature of Approval

Date

Property Manager's Signature of Approval

Date

Project Evaluation Form Attached: Yes _____ No _____

Proposal Denied: Yes _____ No _____

Reason for Denial:

General Manager's Signature of Approval

Date

(The General Manager must approve the Maintenance Project before the Concessionaire can start)

**CONCESSION AGREEMENT
AFFADAVIT FOR TIER ONE B PHASE-IN RENT
EXHIBIT G**

I, _____, the undersigned, under penalty of perjury, certify that my concession business located at _____ would not be profitable on an ongoing basis and on a commercially sustainable basis with a reasonable profitability from _____ 2011 to _____ 2012. I further certify that business revenues for the concession would not exceed expenses by 10% if I paid Tier One A rent as indicated in the Concession Agreement in Article 6, Rent 6.2.1. I understand that misrepresentation or falsification of this certification or the records or documents submitted to support the application will be grounds for rejection of the application and might subject the Concessionaire to civil and criminal liability.

CONCESSIONAIRE:

By: _____
Print Name

Signature

DATE: _____

County and State where signed: _____

EXHIBIT G-1
CERTIFICATION OF HARDSHIP

I, _____, the undersigned, under penalty of perjury, certify that my concession business located at _____ would not be profitable on an ongoing basis and on a commercially sustainable basis with a reasonable profitability from _____ 2011 to _____ 2012. I further certify that business revenues for the concession would not exceed expenses by 10% if I paid Tier One A rent as indicated in the Concession Agreement in Article 6, Rent 6.2.1. I understand that misrepresentation or falsification of this certification or the records or documents submitted to support the application will be grounds for rejection of the application and might subject the Concessionaire to civil and criminal liability.

CONCESSIONAIRE:

By: _____
Print Name

Signature

DATE: _____

County and State where signed: _____

**EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT
CONCESSION AGREEMENT
FINANCIAL HARDSHIP POLICY**

FINANCIAL HARDSHIP

- 1) **Who should apply?** -- Any Concessionaire who has signed the City-approved 2011 Olvera Street Concession Agreement and claims that paying Tier One A or Tier One B rent would cause them a financial hardship as defined in the Concession Agreement Article 6.
- 2) **In order to receive Tier Two Rent**, the Concessionaire shall submit to an audit by the City Controller using the protocol and criteria described in Article 6 of the Concession Agreement.
- 3) **Recommendation by the General Manager and Approval by the Commission** -- After the City Controller has audited all records and documents as described in the Concession Agreement in Article 6 and confirmed the Concessionaire is eligible for Tier Two Rent due to a lack of profitability (where revenues exceed expenses by less than 10%), the General Manager will recommend to the Commission for approval Hardship Application and reduction in rent.
- 4) **Other Supporting Documents** -- The Concessionaire applying for Tier Two hardship rent shall timely make available all records and documents requested by the City Controller. Some of the records that might be requested by the City Controller include, but are not limited to, sales tax reported to the state, any bank records into which deposits or withdrawals are made relating to the concession, disbursements, including invoices or receipts for all expenses, totaling receipts from receipt books and/or cash register tapes and tracing to deposit records and bank statements, certified daily ledgers maintained by a Concessionaire of cash or other receipts and/or paid expenses.

SEND YOUR COMPLETED CERTIFICATION OF FINANCIAL HARDSHIP TO:

Robert Andrade, General Manager
El Pueblo de Los Angeles Historical Monument
125 Paseo de la Plaza, Suite 400
Los Angeles, CA 90012

EXHIBIT H: INSURANCE REQUIREMENTS

for Contractors, Vendors, Lessees, and Permittees doing business with the City of Los Angeles

Name: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSL"). For Automobile Liability, split limits may be substituted if the total per occurrence equals or exceeds the CSL amount.

Limits _____

X Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL) WC Statutory
EL \$1,000,000

Waiver of Subrogation in favor of City Longshore & Harbor Workers
 Jones Act

X General Liability \$ 1,000,000

Products/Completed Operations Sexual Misconduct
 Premises and Operations Collapse & Underground
 Contractual Liability Fire Legal Liability \$100,000
 with 180 days rental interruption Independent Contractors

X Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work) \$ 1,000,000

X Professional Liability (Errors and Omissions) \$ 1,000,000

Discovery Period Twelve (12) months from completion of work or termination of contract

X Property Insurance (to cover replacement cost of building – as determined by insurance company) \$ Replacement Cost,
80% co-

Insurance

All Risk Coverage Boiler and Machinery
 Flood Builder's Risk Full value of construction costs
 Earthquake _____

Pollution Liability \$ 1,000,000

X Surety Bonds – from construction contractor for full value of the project 100% of contract price

Crime Insurance

Other: _____

**EXHIBIT I
STATE DEED**

K/W < - - - - -
2-12 Bd Accepts

1 When Recorded Mail To:

2 State Department of Parks and Recreation.
3 P. O. Box 942896
4 Sacramento, CA 94296-0001

5 Attn: Betty Paris, Acquisition Division

Space above for Recorder's Use

SSL-403

STATE OF CALIFORNIA

QUITCLAIM DEED

Pursuant to the provisions of Chapter 1358, Statutes of 1987, the
STATE OF CALIFORNIA, acting through its Director of General Services, hereby
quitclaims to CITY OF LOS ANGELES, all its right, title and interest in and to
the real property described in Exhibit A hereto, which Exhibit is incorporated
herein by this reference, in the County of Los Angeles, State of California.

EXCEPTING AND RESERVING to the State of California all mineral
deposits as defined in Section 6407 of the Public Resources Code below a depth
of 500 feet, without surface rights of entry.

This deed is subject to the following express conditions subsequent:

1. The property shall be known as El Pueblo de Los Angeles
Historic Monument and shall be used as a public park or monument.

2. The development and operation shall conform to the General Plan
for El Pueblo de Los Angeles State Historic Park adopted April 11, 1980
pursuant to Section 5002.2 of the Public Resources Code. The Plan may be
amended by the CITY in accordance with procedures for amendment set forth in
Article 8 (commencing with Section 65450) and Article 9 (commencing with

5408-7-901,904
5408-6-900

5408-8-905
5408-11-907,908

Form and Purpose
Checked by SMITH
Date FEB 8 1990

1 Section 6500) of Chapter 3 of Division 1 of Title 7 of the Government Code.
2 The CITY shall consider the development criteria of Section 5019.59 of the
3 Public Resources Code.

4
5 3. The City of Los Angeles shall operate, improve, maintain,
6 construct, remodel, and perform any and all necessary activities at the
7 Historic Monument in compliance with the U.S. Secretary of the Interior's
8 "Standards for Rehabilitation and Guidelines for Rehabilitating Historic
9 Structures".

10
11 4. The State of California shall be allowed, at the STATE'S
12 option, free occupancy of the existing STATE offices on the entire first and
13 second floors of the Hellman Quan Building, located at 128 Paseo De La Plaza,
14 Los Angeles, California (See Exhibit B, Sheet 1) incorporated herein by this
15 reference, with the exception of the CITY Archives Room on the second floor
16 (See Exhibit B, Sheet 2) together with four existing parking spaces located
17 along Sanchez Street. Upon termination of parking along Sanchez Street, the
18 CITY will provide four new parking spaces to be identified within future
19 parking Lot No. 2 located on the corner of Main Street and Macy Street.

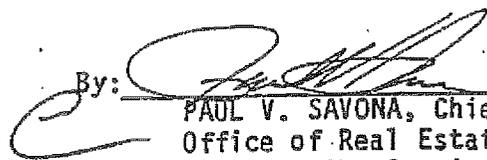
20
21 Should any of said express conditions be violated, the State of
22 California shall have the right to reenter and take possession of the real
23 property and upon such re-entry title thereto shall revert to the STATE.

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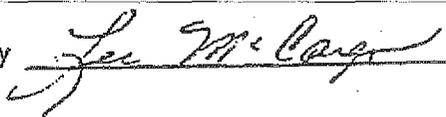
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IN WITNESS WHEREOF, The STATE has caused this Quitclaim Deed to be
executed this 27th day of October, 1988.

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
W. J. ANTHONY, DIRECTOR

By: 
PAUL V. SAVONA, Chief
Office of Real Estate
and Design Services

APPROVED:
DEPARTMENT OF PARKS AND RECREATION

By: 

Attachment

STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

} ss.

On this 1st day of November, 19 88, before me, the undersigned, a Notary Public in and for the State of California, personally appeared PAUL V. SAVONA

personally known to be or proved to me on the basis of satisfactory evidence to be the person who executed this instrument as Chief of the Office of Real Estate and Design Services, Department of General Services of the State of California, and acknowledged to me that the State of California executed it.

WITNESS my hand and official seal.



Eunice I. Matlock
EUNICE I. MATLOCK
NOTARY PUBLIC IN AND FOR THE STATE OF CALIFORNIA

STATE OF CALIFORNIA)

COUNTY OF SACRAMENTO)

) ss.

On this 27th day of October, in the year of 1988, before me, SUSAN P. HARRINGTON, a Notary Public in the State of California, duly commissioned and sworn, personally appeared Les McCargo, known to me to be the Deputy Director of Parks and Recreation of the State of California and acknowledged to me that he executed the within instrument in the name of and in behalf of the State of California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in said county, the day and year first written above.



Susan P. Harrington
Notary Public

EXHIBIT "A"

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All that real property situate in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

PARCEL 1

All those lands conveyed to the State of California by the McLaughlin Corporation by Corporation Grant Deed dated July 17, 1953 and recorded December 29, 1953 in Book 43478 at Page 430, Official Records of said County.

PARCEL 2

All those lands conveyed to the State of California by the Union Bank and Trust Company of Los Angeles, as Executor of the Estate of Constance D. Simpson, also known as Constance Doria Simpson, deceased, by Deed dated September 17, 1953 and recorded December 29, 1953 in Book 43481 at Page 359, Official Records of said County, and by Irving M. Walker, as Trustee, under the Will of Doria C. Lankershim, by Quitclaim Deed dated March 5, 1963 and recorded May 27, 1963 in Book D2043 at Page 496, Official Records of said County.

PARCEL 3

All those lands conveyed to the State of California by James A. Rimpau, Trustee, by Deed dated July 14, 1953 and recorded December 31, 1953 in Book 43498 at Page 295, Official Records of said County.

1 PARCEL 4

2

3 All those lands conveyed to the State of California by Los Nietos, Company, a
4 corporation, by Deed dated August 4, 1953 and recorded December 31, 1953 in
5 Book 43498 at Page 287, Official Records of said County and by Final Order of
6 Condemnation dated March 2, 1961 and recorded March 3, 1961 as Document
7 No. 4201 in Book D1143 at Page 905, Official Records of said County.

8

9 PARCEL 5

10

11 All those lands conveyed to the State of California by Mae N. Lombardi, et al.
12 by Deed dated November 4, 1953 and recorded February 1, 1954 in Book 43717 at
13 Page 437, Official Records of said County.

14

15 PARCEL 6

16

17 All those lands conveyed to the State of California by Quon How Shing by Deed
18 dated August 28, 1953 and recorded February 26, 1954 in Book 43939 at
19 Page 247, Official Records of said County.

20

21 PARCEL 7

22

23 All those lands conveyed to the State of California by Audette Marie Garnier
24 and Yvonne Garnier by Deed dated January 11, 1954 and recorded April 22, 1954
25 in Book 44389 at Page 74, Official Records of said County.

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1 PARCEL 8

2

3 All those lands conveyed to the State of California by Stella Anne Valla
4 Hamilton, et al. by Deed dated November 2, 1953 and recorded April 30, 1954 in
5 Book 44460 at Page 218, Official Records of said County and by Final Order of
6 Condemnation dated February 21, 1958 and recorded February 27, 1958 as
7 Document No. 3409 in Book D27 at Page 369, Official Records of said County.

8

9 PARCEL 9

10

11 All those lands conveyed to the State of California by G. Pagliano and Dora C.
12 Pagliano by Deed dated September 4, 1953 and recorded June 4, 1954 in
13 Book 44735 at Page 317, Official Records of said County, and by Anita
14 Brodrick, et al. by Quitclaim Deed dated April 21, 1958 and recorded
15 September 18, 1958 in Book D220 at Page 181, Official Records of said County.

16

17 PARCEL 10

18

19 All those lands conveyed to the State of California by Paul Mance and Amalia
20 Mance by Deed dated June 3, 1954 and recorded December 21, 1954 in Book 46434
21 at Page 81, Official Records of said County.

22

23 PARCEL 11

24

25 All those lands conveyed to the State of California by Title Insurance and
26 Trust Company by Grant Deed dated March 13, 1956 and recorded September 28,
27 1956 in Book 52429 at Page 437, Official Records of said County.

1 PARCEL 12

2

3 All those lands conveyed to the State of California by Final Order of
4 Condemnation dated November 24, 1958 and recorded November 28, 1958 as
5 Document No. 5617 in Book D289 at Page 777, Official Records of said County.

6

7 PARCEL 13

8

9 All those lands conveyed to the State of California by Final Order of
10 Condemnation dated December 22, 1958 and recorded December 23, 1958 as
11 Document No. 4426 in Book D313 at Page 894, Official Records of said County.

12

13 PARCEL 14

14

15 All those lands conveyed to the State of California by Virginia Nicolas Miles,
16 et al. by Deed dated September 4, 1958 and recorded January 26, 1959 in
17 Book D343 at Page 528, Official Records of said County.

18

19 PARCEL 15

20

21 All those lands conveyed to the State of California by Final Order of
22 Condemnation dated January 22, 1959 and recorded January 30, 1959 as Document
23 No. 4155 in Book D350 at Page 540, Official Records of said County.

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1 PARCEL 16

2

3 All those lands conveyed to the State of California by Dora C. Pagliano, et
4 al. by Quitclaim Deed dated February 10, 1958 and recorded February 17, 1959
5 in Book D367 at Page 644, Official Records of said County.

6

7 PARCEL 17

8

9 All those lands conveyed to the State of California by Justino Jimenez by Deed
10 dated December 3, 1958 and recorded February 20, 1959 in Book D372 at
11 Page 869, Official Records of said County.

12

13 PARCEL 18

14

15 All those lands conveyed to the State of California by Final Order of
16 Condemnation dated May 25, 1959 and recorded May 25, 1959 as Document No. 4400
17 in Book D479 at Page 210, Official Records of said County.

18

19 PARCEL 19

20

21 All those lands conveyed to the State of California by Final Order of
22 Condemnation dated July 17, 1959 and recorded July 20, 1959 as Document
23 No. 3818 in Book D542 at Page 155, Official Records of said County.

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1 PARCEL 20

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3 All those lands conveyed to the State of California by Louis Foix, et al. by
4 Deed dated May 14, 1959 and recorded August 17, 1959 in Book D573 at Page 537,
5 Official Records of said County.

6

7 PARCEL 21

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9 All those lands conveyed to the State of California by Rose Segale by Deed
10 dated June 16, 1959 and recorded September 24, 1959 in Book D612 at Page 293,
11 Official Records of said County.

12

13 PARCEL 22

14

15 All those lands conveyed to the State of California by the City of Los Angeles
16 by Grant Deed dated April 17, 1959 and recorded September 22, 1959 in
17 Book D609 at Page 712, Official Records of said County and by Quitclaim Deed
18 dated January 26, 1961 and recorded April 15, 1961 in Book D1178 at page 907,
19 Official Records of said County.

20

21 PARCEL 23

22

23 All right, title and interest to Sanchez Street between Arcadia Street and
24 Plaza Street and to Plaza Street between Main Street and Los Angeles Street
25 which the State of California may have acquired from Isabel J. Sepulveda Lugo,
26 et al. by unrecorded Quitclaim Deed dated October 10, 1954.

27 ---

1 PARCEL 24

2

3 All those lands conveyed to the State of California by the Los Angeles
4 Metropolitan Transit Authority by Grant Deed dated July 30, 1964 and recorded
5 October 1, 1964 in Book D2647 at Page 939, Official Records of said County,
6 and by Los Angeles Transit Lines by Quitclaim Deed dated June 1, 1955 and
7 recorded October 21, 1955 in Book 49303, at Page 341, Official Records of said
8 County.

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R/W No. 28001-514

State of California

TO

The City of Los Angeles

JOB TITLE Acquisition of El Pueblo de Los Angeles Historic Monument

NOT A STANDARD INSTRUMENT

Checked as to parties, marital status, dates, natures, acknowledgments and corporate

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within dead or grant to The City of Los Angeles, a municipal corporation, is hereby accepted under the authority of the City Council of The City of Los Angeles, pursuant to Ordinance No. 123655, approved January 23, 1963, and the grantee consents to the recordation thereof by its duly authorized officer.

Engineering Bureau of Right of Way and Land

By [Signature] TITLE OFFICER Title Officer.

Approved as to Authority FEB 8 1963 Engineering Bureau of Right of Way and Land

By [Signature] Authorized Officer TITLE OFFICER

By [Signature] TITLE OFFICER Principal Real Estate Agent.

Date: FEB 8 1963

Approved as to descriptions, 19.

ROBERT S. HORII City Engineer.

By Deputy.

Approved as to form, 19.

JAMES K. HAHN BURT PINES City Attorney.

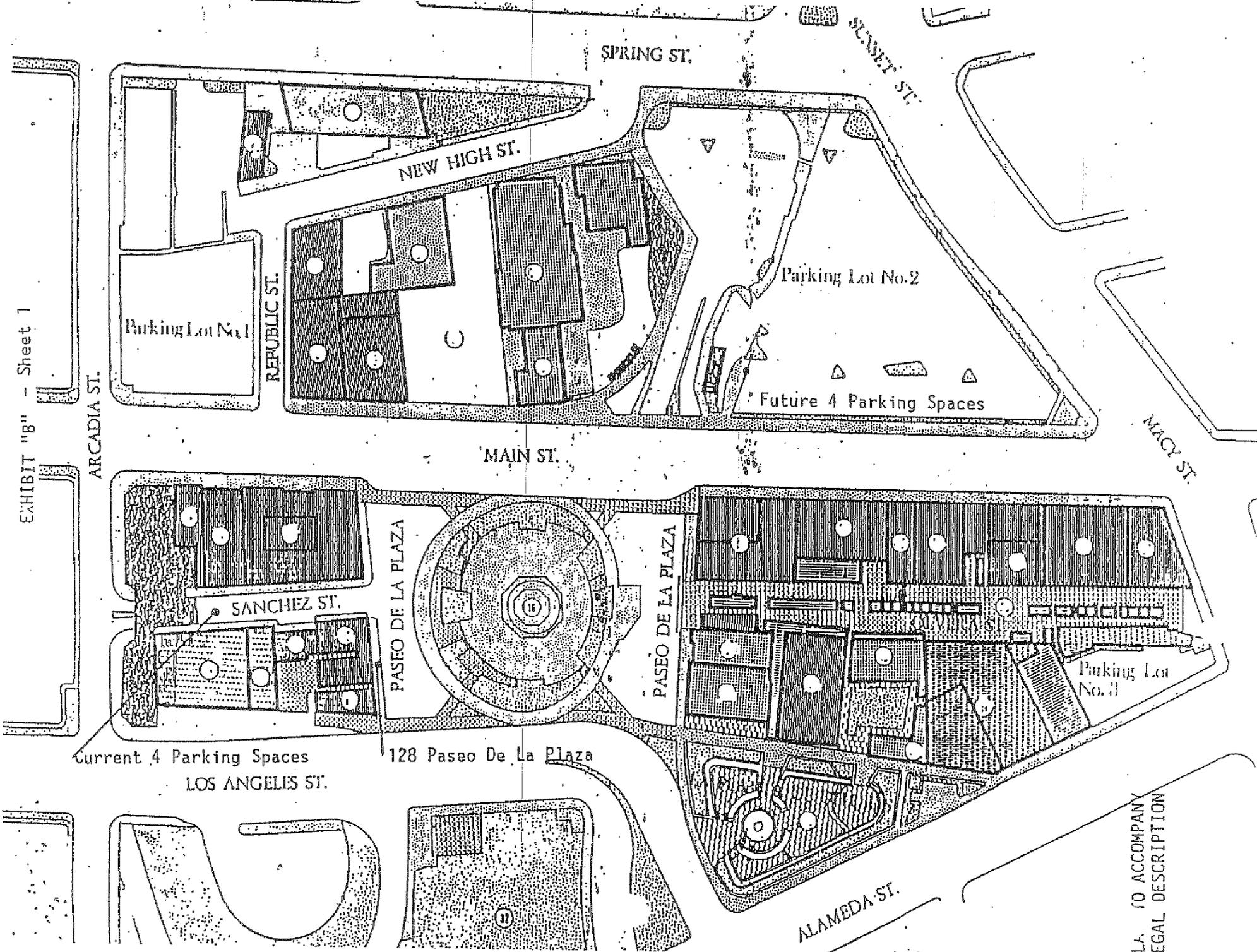
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When Recorded Return to Director Bureau of Right of Way and Land DEPARTMENT OF PUBLIC WORKS City of Los Angeles

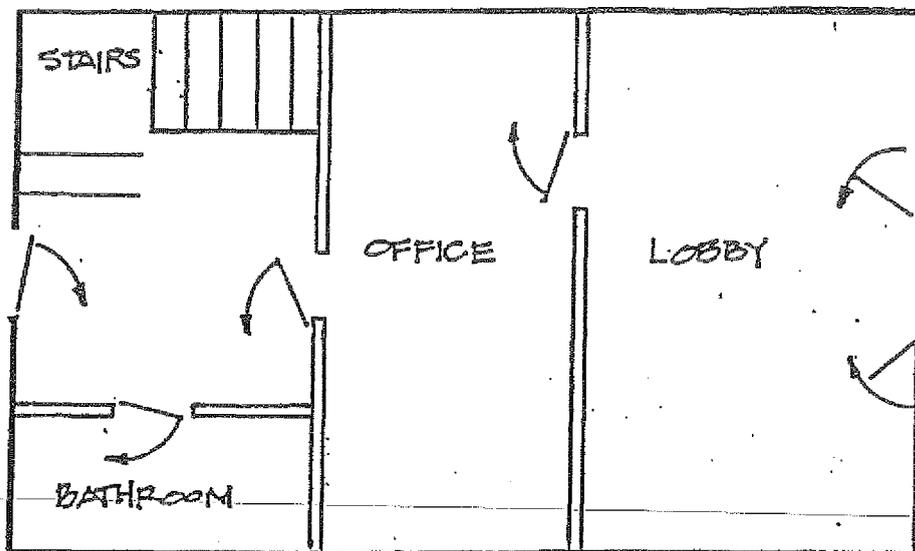
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Council File No.

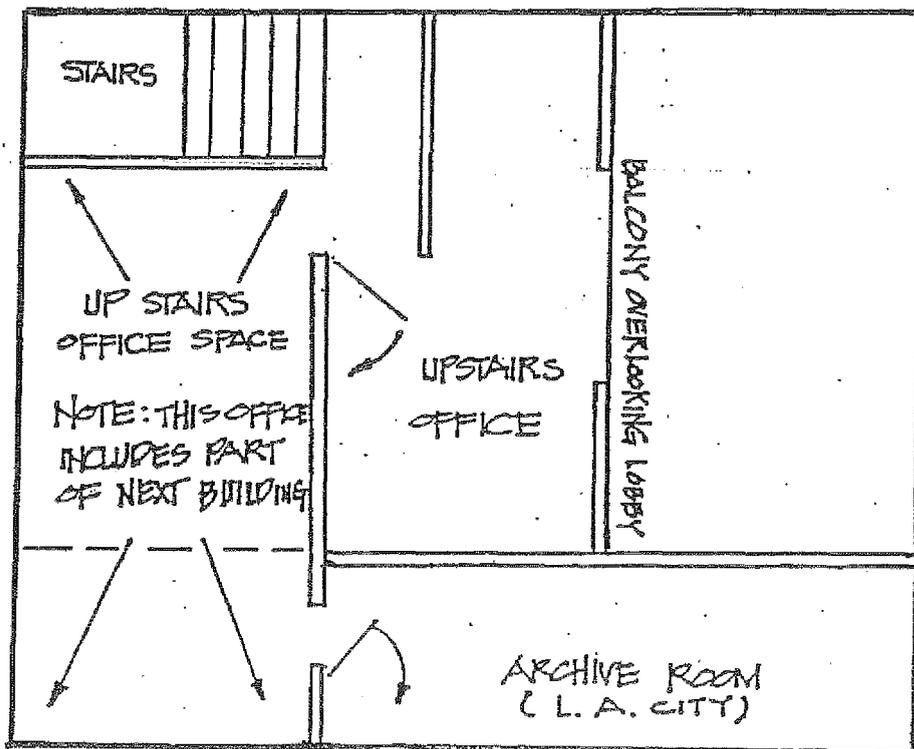


PLA TO ACCOMPANY
LEGAL DESCRIPTION

EXHIBIT "B"
Sheet 2



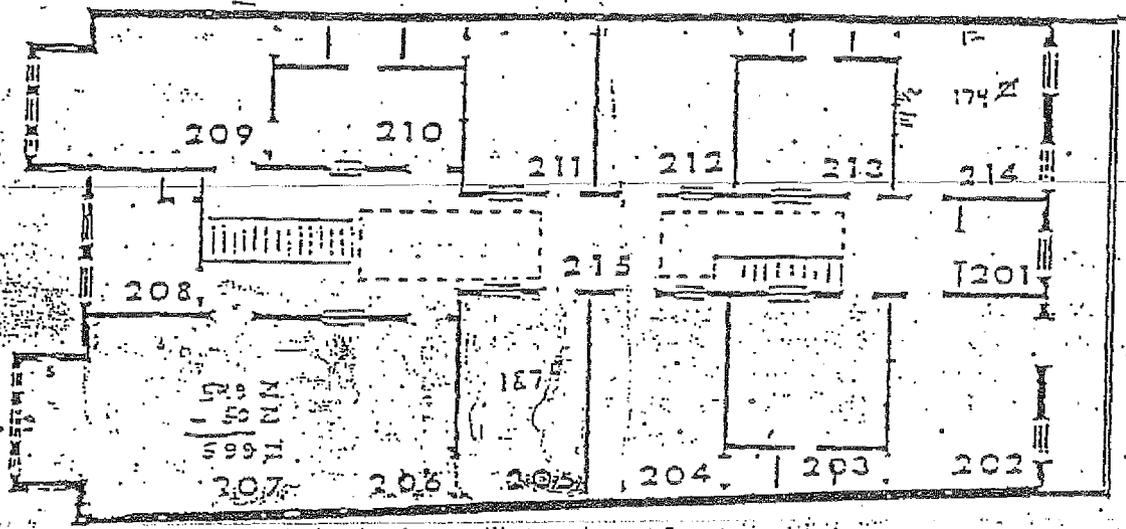
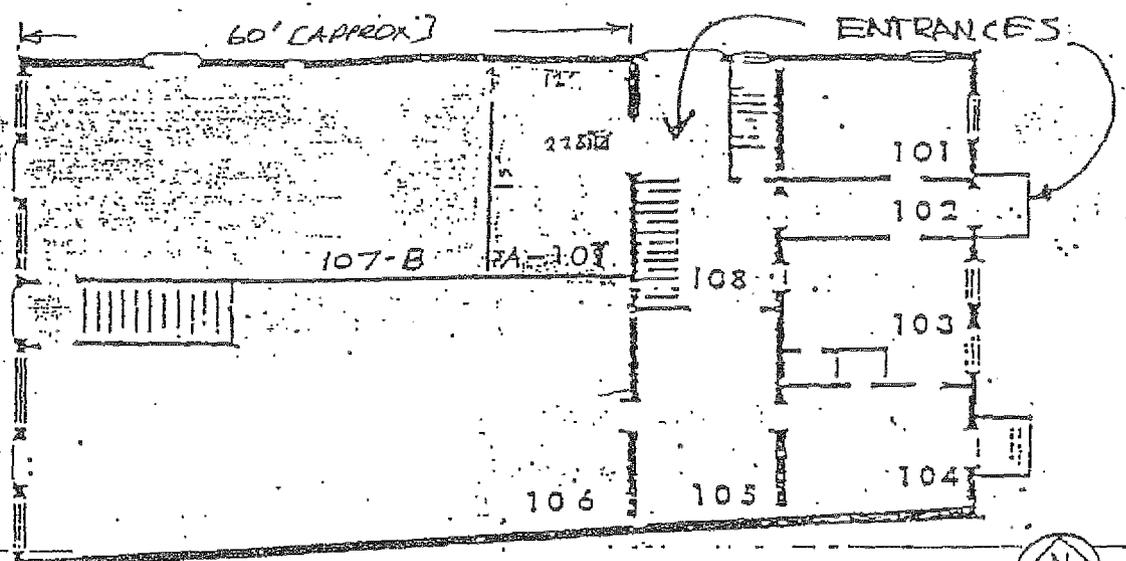
FIRST FLOOR



SECOND FLOOR

NORTH MAIN STREET

OLVERA STREET

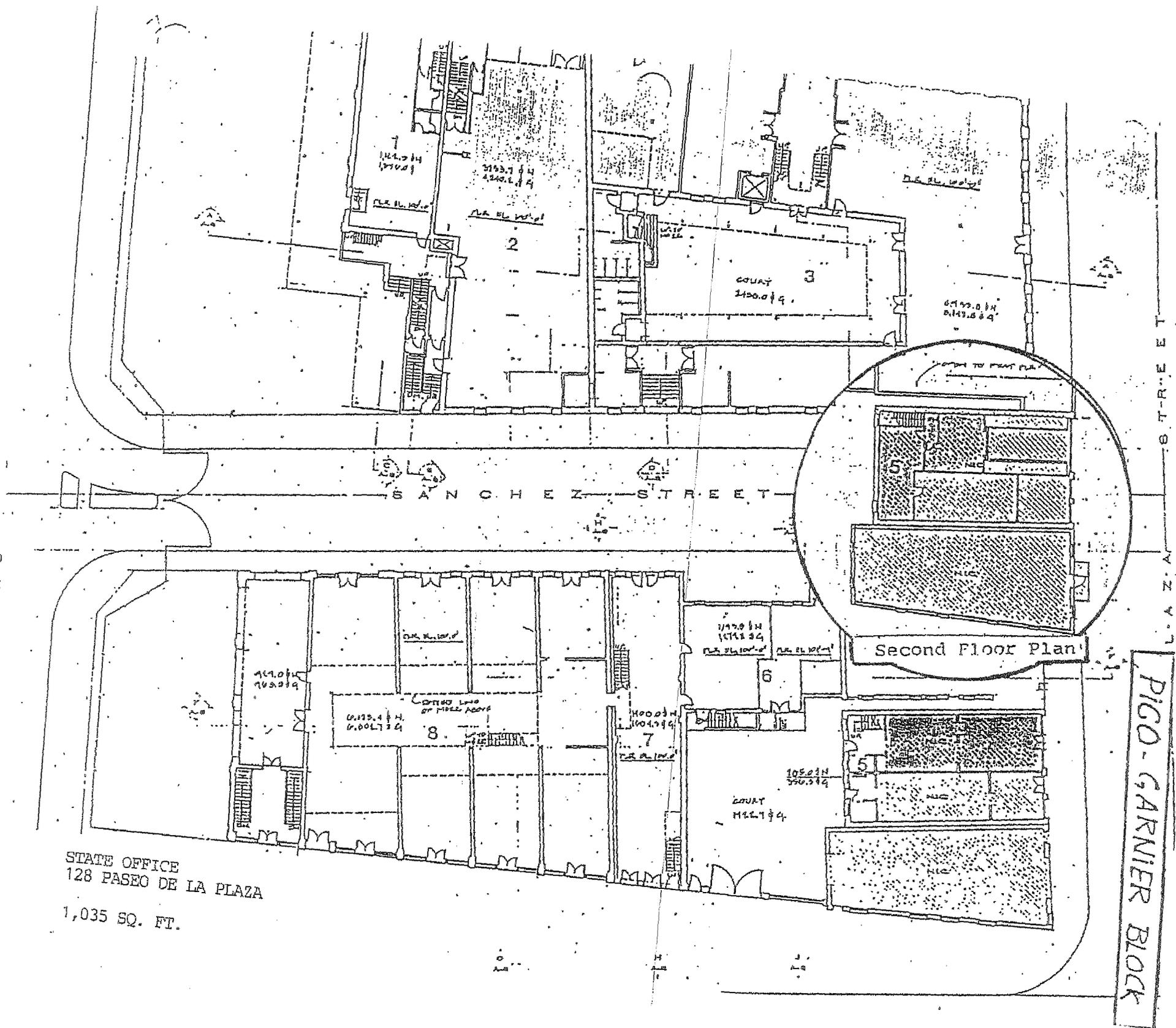


- 101 Display Room Exhibit
- 102 Hall
- 103 Kitchen (General Exhibit)
- 104 Kitchen (Display Room Exhibit)
- 105 Kitchen Exhibit
- 106 Visitation Center & Office
- 107 Display Room (General Store)
- 108 Warehouse Exhibit

- 201 Restroom Exhibit
- 202 Business Officer
- 203 Clerical
- 204 EPPA & Clerical
- 205 Boarding Room Exhibit
- 206 Gibbs Family Exhibit
- 207 Gibbs Family Exhibit
- 208 Director's Secretary
- 209 Park Director
- 210 Sequeiros Exhibit
- 211 Administrative Assis
- 212 Restrooms
- 213 Clerical
- 214 Accounting
- 215 Restored Hall

CITY OFFICES
OLVERA STREET

1,000 SQ. FT. (APPROX.)



STATE OFFICE
128 PASEO DE LA PLAZA

1,035 SQ. FT.

Second Floor Plan

PICO-GARNIER BLOCK

SANCHEZ STREET

PICO-GARNIER BLOCK

EXHIBIT J
CONCESSIONAIRE REQUIRED STANDARD PROVISION FORMS
