# AMENDED AND RESTATED LICENSE, LEASE AND OPERATIONS AGREEMENT

by and between

# CITY OF CHULA VISTA,

a chartered municipal corporation,

as "CITY"

and

### EASTON SPORTS DEVELOPMENT FOUNDATION,

a California nonprofit public benefit corporation

as "Lessee"

Dated as of: October 14, 2016

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# **EXHIBITS**

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EXHIBIT A-4 Legal Description of Premises	EXHIBIT A-2	Legal Description of the Property
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EXHIBIT D Premises Rules and Regulations	EXHIBIT D	Premises Rules and Regulations
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#### AMENDED AND RESTATED LICENSE, LEASE AND OPERATIONS AGREEMENT

THIS AMENDED AND RESTATED LICENSE, LEASE AND OPERATIONS AGREEMENT (the "<u>Lease</u>") is dated as of October 14, 2016, by and between the CITY OF CHULA VISTA, a chartered municipal corporation (hereinafter referred to as "<u>CITY</u>"), and EASTON SPORTS DEVELOPMENT FOUNDATION, a California nonprofit public benefit corporation ("<u>Lessee</u>" or "<u>Easton</u>").

#### RECITALS

- A. Lessee and the United States Olympic Committee, a congressionally chartered not-for-profit organization ("<u>USOC</u>") previously entered into a License, Lease and Operations Agreement dated June 13, 2012, as amended by a First Amendment to License, Lease and Operations Agreement dated November 9, 2012 ("<u>Prior Lease</u>") for the Premises (as defined below). Pursuant to the Prior Lease, Easton and the USOC have improved the Premises with the following improvements: an Archery Building and Archery Building Adjacent Improvements, New Archery Range #1, New Archery Range #2, Storage Building, Easton Housing and Easton Housing Adjacent Improvements.
- B. The CITY and the USOC have entered into a Core Agreement dated March 31, 2016 ("<u>Core Agreement</u>"), a copy of which is attached hereto as <u>Exhibit B</u>, and an Agreement of Transfer and Joint Escrow Instructions dated March 31, 2016 ("<u>Transfer Agreement</u>") whereby the USOC is going to transfer the Property (including the Premises) to the CITY for the future operation of an Olympic Training Site (as such term is defined in the Core Agreement).
- C. Pursuant to the Core Agreement and the Transfer Agreement, as of the Transfer Date (as defined below), the USOC will assign the Prior Lease to the CITY, subject to Easton's rights to approve such a transfer. Easton is agreeable to such a transfer provided the Prior Lease is concurrently restated and amended in its entirety by this Lease.
- D. Concurrently with the assignment of the Prior Lease to the CITY, Easton and the CITY shall amend and restate the Prior Lease in its entirety as set forth in this Lease, provided that such restatement and amendment shall not become effective until the transfer of the Premises to the CITY by the USOC.

NOW, THEREFORE, with reference to the foregoing Recitals and upon the terms and conditions contained herein, CITY and Lessee hereby agree as follows:

#### **DEFINITIONS**

As used in this Lease, the following defined terms have the meanings indicated:

"AAA" means the American Arbitration Association or its successor.

"Access Areas" means those areas designated for access to the Premises on the attached Exhibit A-3, and designated in the legend therein as Item "H."

- "ADA" means the Americans with Disabilities Act and all rules, regulations and guidelines promulgated in connection therewith.
  - "Additional Lessee Bed Day" has the meaning given to such term in Article 15.
  - "Agreement" shall have the meaning set forth in **Exhibit H** attached hereto.
- "Alterations" means any changes or modifications to the Improvements or Housing Improvements, as applicable, that are not (i) routine repairs done in the ordinary course of maintaining the Improvements or the Housing Improvements, as applicable, or (ii) improvements or installations which only replace existing improvements or equipment where a routine repair is no longer practical, including those repairs categorized as Capital Improvements.
- "<u>Arbitrator</u>" means the single proposed retired judge or attorney from AAA to decide the Dispute.
- "<u>Archery Building</u>" means a multi-purpose building of 43,874 square feet, and including an indoor archery range, training areas, storage areas, workshops, meeting rooms, offices.
- "<u>Archery Building Adjacent Improvements</u>" means those improvements immediately adjacent to the Archery Building, including without limitation, a parking lot, sidewalks, walkways and landscaping.
- "Archery Building Parking Area" has the meaning set forth in Section 1.3 of this Lease.
- "Archery Permitted Users" means any athlete, coach, staff, employee, invitee, licensee, contractor, vendor and other person approved by Lessee (or USAA as an invitee of Lessee) to have access to (i) any portion of the Premises, and (ii) subject to the provisions of Section 6, portions of the Training Facility other than the Premises. Archery Permitted Users may include Elite Athletes, Resident Athletes and/or school groups, youth groups, clubs, coaches and persons associated with Grassroots Archery Development Programs. CITY and Lessee acknowledge that certain Archery Permitted Users may also be designated or approved by the USOC for use of portions of the Training Facility other than the Premises pursuant to the USOC's rights under the Core Agreement.
- "<u>Assignee</u>" means each assignee, subtenant, licensee, mortgagee, pledgee or other person who receives an Assignment of this Lease.
  - "Assignment" means each of the transactions described in Section 16.1 of this Lease.
- "<u>Base Rent</u>" means the annual amount of rent Lessee is obligated to pay CITY under Section 3.1 of this Lease.
  - "Bed Day" shall mean the use of one bed in the Easton Housing for one day.
- "Business Day" means a day other than Saturday, Sunday or any day on which banks located in the State of California are authorized or obligated to close.

- "Capital Improvements" means repairs, improvements and equipment installation which are done in lieu of an ordinary repair when an ordinary repair is no longer practical and which under generally accepted accounting practices are classified as capital expenditures.
  - "CC&Rs" means the Declaration.
- "<u>CERCLA</u>" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq.
  - "CITY" has the meaning set forth in the preamble of this Lease.
  - "CITY Bed Days" has the meaning set forth in Section 15.2.4 of this Lease.
  - "CITY Event of Default" shall have meaning set forth in Section 17.4 of this Lease.
  - "City Notice of Operation" shall have the meaning set forth in Section 2.3 of this Lease.
- "<u>City Notice of Scheduling</u>" shall have the meaning set forth in <u>Section 15.2.5</u> of this Lease.
  - "Commencement Date" has the meaning set forth in Section 2.1.1 of this Lease.
  - "Compatible Additional Uses" has the meaning set forth in Section 5.1 of this Lease.
- "Compliance Obligation" means any and all orders, penalties, fines, administrative actions or other proceedings commenced by any governmental agency.
  - "Contribution Agreement" has the meaning set forth in Section 1.5 of this Lease.
  - "Core Agreement" has the meaning set forth in Recital B of this Lease.
- "<u>CPI</u>" means the Consumer Price Index for All Urban Consumers, U.S. CITY Average, all items (1982-84 = 100), not seasonally adjusted, published by the U.S. Department of Labor, Bureau of Labor Statistics, or if such index is no longer published, the U.S. Department of Labor's most comprehensive official index then in use that most nearly corresponds to the index named above.
  - "<u>Declaration</u>" has the meaning set forth in <u>Section 2.2</u> of this Lease.
- "<u>Demand</u>" means a written notice of demand to resolve a dispute or controversy that relates to this Lease, delivered by the party seeking arbitration to the other party to such dispute or controversy.
  - "EAS" has the meaning set forth in Section 22.24 of this Lease.
  - "Eastlake" has the meaning set forth in Section 2.2 of this Lease.

"<u>Easton Housing</u>" means the improvements on the Premises constructed for the purpose of housing users of the Premises and the Training Facility, consisting of 30 bedrooms which currently contain 47 beds.

"<u>Easton Housing Adjacent Improvements</u>" means those improvements immediately adjacent to the Easton Housing on the Premises, including without limitation, a parking lot, sidewalks, walkways, and landscaping.

"Effective Date" means the date upon which CITY and Lessee shall have delivered to each other a fully executed copy of this Lease, provided that the Effective Date shall not be deemed to occur notwithstanding the mutual execution and delivery of this Lease until the Transfer Date.

"Elite Athletes" means an athlete designated as such by the USOC or an NGB.

"EPA" means the United States Environmental Protection Agency.

"Event of Default" has the meaning set forth in Section 17.1 of this Lease.

"Exclusive Lessee Spaces" has the meaning set forth in Section 1.3 of this Lease.

"Existing Grassroots Program" shall have the meaning set forth in Section 6.7 of this Lease.

"Extension Term" has the meaning set forth in Section 2.3 of this Lease.

"Facility Rules and Regulations" has the meaning set forth in Section 6.1 of this Lease.

"Fencing" has the meaning set forth in Section 1.1 of this Lease.

"Foundation" has the meaning set forth in Section 2.2 of this Lease.

"GAAP" means generally accepted accounting principles.

"Grassroots Archery Development Programs" means archery programs in schools, youth programs, as well as programs not affiliated with an existing organization or entity, to train and develop archery athletes for future USAA archery teams, including, without limitation, high level archers not yet in any USAA resident archery training program.

"Hazardous Substances" shall mean and include any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, tobacco smoke, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time), as well as those elements or compounds which are contained in the lists of hazardous

substances or wastes now or hereafter adopted by the EPA or the lists of toxic pollutants designated now or hereafter by Congress or the EPA or which are defined as hazardous, toxic, pollutant, infectious or radioactive by CERCLA or any Superfund law or any Superlien law or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

"Housing Development Agreement" has the meaning set forth in Section 1.5 of this Lease.

"<u>Housing Improvements</u>" means the Easton Housing and the Easton Housing Adjacent Improvements.

"Housing Operating Expenses" has the meaning set forth in Section 15.4.2 of this Lease

"Housing Parking" shall have the meaning set forth in Section 15.5 of this Lease.

"Improvements" means the Archery Building, Storage Building and the Archery Building Adjacent Improvements.

"Incremental Services" means services available at the Training Facility such as Food Service, Weight Room and Sports Performance Facilities as specified in the Core Agreement, or other approved access to and use of the Training Facility expressly provided hereunder or other use provided under contract with the USOC or the Operator. Incremental Services shall not include ordinary and customary use of the Premises only.

"**Initial Term**" has the meaning set forth in Section 2.1.1 of this Lease.

"<u>Interest</u>" means interest, which for all purposes of this Lease shall equal the lesser of ten percent (10%) per annum or the maximum interest rate permitted by law, on any amounts not paid when due, from the due date through the date of payment.

"<u>Interior Alterations</u>" means any interior, non-structural alterations, additions or improvements to the Archery Building.

"International Athlete" shall have the meaning set forth in Section 6.2 of this Lease.

"Invitees" has the meaning set forth in Section 1.2 of this Lease.

"IRC" means the Internal Revenue Code of the United States (26 U.S.C.).

"Laws" has the meaning set forth in Section 8 of this Lease.

"<u>Lease</u>" means this Amended and Restated License, Lease and Operations Agreement by and between CITY and Lessee.

- "Lease Year" means the twelve-month period commencing on the first day of the month following the Commencement Date and ending on the last day of the month in which the Commencement Date occurs, and each successive twelve-month period thereafter during the Term.
  - "Lessee" has the meaning set forth in the Preamble.
  - "Lessee Bed Days" has the meaning set forth in Section 15.2.3 of this Lease.
- "<u>Lessee Party</u>" or "<u>Lessee's Parties</u>" means Lessee or any of Lessee's employees, agents, Easton Permitted Users, customers, visitors, invitees, licensees, contractors, assignees or subtenants.
- "<u>Lessee's Property</u>" means Lessee's personal property, fixtures, equipment, merchandise and inventory, including electronic data processing equipment.
  - "Lien" has the meaning set forth in Section 9.3.1 of this Lease.
  - "Maximum Bed Days" has the meaning set forth in Section 15.2.1 of this Lease.
- "New Archery Range #1" means the new archery range, as more particularly depicted and marked as "New Archery Range #1" on **Exhibit A-3** attached hereto, and designated in the legend therein as Item "C."
- "New Archery Range #2" means the archery range, as more particularly depicted and marked as "New Archery Range #2" on Exhibit A-3 attached hereto, and designated in the legend therein as Item "B."
- "<u>NGB</u>" means the amateur sports organization recognized as the national governing body by the USOC pursuant to the Ted Stevens Act, for any sport which is included on the program of the Olympic Games, Paralympic Games or Pan-American Games.
- "<u>Non-Terminating Party</u>" means, if either CITY or Lessee elects to terminate this Lease prior to the expiration of the Term, the party other than the party electing to terminate this Lease (i.e., the party that is not the Terminating Party).
  - "Notice of Termination" has the meaning set forth in Article 8 of this Lease.
  - "Official Records" means the Official Records of San Diego County, California.
  - "Operator" has the meaning set forth in Section 22.24 of this Lease.
  - "Operator Agreement" shall have the meaning set forth in Section 22.24 of this Lease.
- "<u>Outdoor Archery Improvements</u>" means New Archery Range #1 and the New Archery Range #2.
- "<u>Outdoor Area</u>" means the outdoor area as more particularly described in <u>Exhibit A-3</u> attached hereto.

- "Outdoor Range Lighting" means night lighting to permit night practice at the New Archery Range #1.
- "Parcel Map" means Parcel Map No. 21014 found in the San Diego County Recorder's office on December 10, 2012 as instrument No. 2012-0773388.
- "Permitted Capital Improvements" has the meaning set forth in Section 15.4.2(vii) of this Lease.
- "<u>Permitted Interior Alterations</u>" has the meaning set forth in <u>Section 10.3</u> of this Lease
  - "Permitted Use" has the meaning set forth in Section 5.1 of this Lease.
- "<u>Personalty</u>" means all trade fixtures, furniture, and personal property of Lessee (it being acknowledged and agreed that CITY shall have no obligation to provide any trade fixtures, furniture or personal property to Lessee or the Premises).
- "Persons" means any individual, corporation, partnership, firm, trust, joint venture, business association, syndicate, government or governmental organization or any other entity.
- "<u>Pre-existing Condition</u>" means any environmental condition, including the existence of Hazardous Substances, that existed as of the effective date of the Prior Lease on, under or at the Premises.
  - "Premises" means that portion of the Property described in Exhibit A-4 attached hereto.
  - "Prior Lease" has the meaning set forth in Recital A of this Agreement.
- "<u>Property</u>" means that certain real property located in the CITY of Chula Vista, County of San Diego, State of California, as more particularly depicted on <u>Exhibit A-1</u> attached hereto and legally described on <u>Exhibit A-2</u> attached hereto.
- "Qualified Athlete" mean those athletes and teams listed in the attached Exhibit I excluding any Resident Athlete in archery.
  - "Recommencement Notice" has the meaning set forth in Section 5.4 of this Lease.
  - "Related Entity Transferee" has the meaning set forth in Section 8(a) of this Lease.
- "<u>Released Additional Lessee Bed Days</u>" has the meaning set forth in <u>Section 15.3.2</u> of this Lease.
  - "Released Lessee Bed Days" has the meaning set forth in Section 15.3.2 of this Lease.
- "Rent" shall refer to the sum of the Base Rent plus any other amounts Lessee is required to pay CITY under this Lease.
  - "Replacement Cost" has the meaning set forth in Section 12.1.1 of this Lease.

- "<u>Resident Archery Athlete Bed Days</u>" has the meaning set forth in <u>Section 15.2.2</u> of this Lease.
  - "Resident Athlete" means an athlete designated as such by USOC or an NGB.
- "<u>Restoration</u>" means the repairing, restoration, replacement or rebuilding of the Improvements, Alteration, furniture, fixture, equipment or personal property.
  - "Revenue Share" has the meaning set forth in Section 15.4.2 of this Lease.
- "Rules and Regulations" shall mean the rules and regulations for the Premises attached to this Lease as Exhibit D.
  - "Scheduling Start Date" shall have the meaning set forth in Section 15.2.5 of this Lease.
  - "Service" shall have the meaning set forth in Exhibit H attached hereto.
- "Storage Building" means that approximate 800 square feet storage building located at the northwest end of New Archery Range #1.
- "<u>Subdivision Adjustment</u>" means one or more parcel maps, lot line adjustments, other subdivisions (as under the California Subdivision Map Act (California Government Code Sections 66410, et seq.) and all applicable local laws, ordinances and regulations promulgated pursuant thereto.
- "Subdivision Adjustment Restriction" has the meaning set forth in Section 21.1 of this Lease.
- "<u>Taking</u>" means any taking of or damage to all or any part of the Premises, Improvements, the Outdoor Area or the Training Facility, or any interest therein, because of the exercise of the power of eminent domain or inverse condemnation, whether by condemnation proceedings or otherwise, or any transfer of any part thereof, or any interest therein.
- "<u>Term</u>" shall mean the Initial Term as defined in <u>Section 2.1.1</u> of this Lease and any Extension Terms.
- "<u>Terminating Party</u>" means, if either CITY or Lessee elects to terminate this Lease prior to the expiration of the Term, the party electing to terminate this Lease.
  - "Termination Date" has the meaning set forth in Article 8 of this Lease.
- "<u>Termination Notice</u>" means a written notice of a Terminating Party's election to terminate this Lease.
  - "<u>Tier 1 Rate</u>" has the meaning set forth in <u>Section 6.2</u> of this Lease.
  - "Trademark Agreement" has the meaning set forth in Section 5.3 of this Lease.

- "<u>Training Facility</u>" means those facilities on the Property which are presently defined as the "Facilities" in the Core Agreement and all housing on the Property including, without limitation, the Easton Housing.
- "<u>Training Facility Parking Spaces</u>" has the meaning set forth in <u>Section 1.3</u> of this Lease.
- "<u>Training Facility Permitted User</u>" has the meaning set forth in <u>Section 6.2</u> of this Lease.
- "<u>Training Facility Use Form</u>" shall have the meaning set forth in <u>Section 6.1.1</u> of this Lease.
  - "<u>Transfer Agreement</u>" has the meaning set forth in <u>Recital B</u> of this Lease.
  - "Transfer Date" has the meaning given to such term under the Transfer Agreement.
- "<u>USAA</u>" means the National Archery Association of the United States, a Colorado non-profit corporation, and the NGB of the Olympic sport of archery as of the date of this Lease, known as National Archery Association ("<u>NAA</u>").
  - "<u>USAA Agreement</u>" has the meaning set forth in <u>Section 6.1.3</u> of this Lease.
- "<u>USOC</u>" means the United States Olympic Committee, a congressionally chartered not-for-profit organization.
- "<u>USOC Funded Resident Archers</u>" has the meaning set forth in <u>Section 15.2.2</u> of this Lease.
- "<u>West Soccer Field</u>" means the current west soccer field of the OTC, as more particularly described or set forth in **Exhibit A-3** attached hereto.

#### CONSTRUCTION OF CERTAIN TERMS AND PHRASES.

Unless the context of this Lease otherwise requires, (a) words of any gender include each other gender; (b) words using the singular or plural number also include the plural or singular number, respectively; (c) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Lease; and (d) the terms "Article" or "Section" refer to the specified Article or Section of this Lease. Whenever this Lease refers to a number of days, such number shall refer to calendar days unless Business Days are specified. All accounting terms used herein and not expressly defined herein shall have the meanings given to them under GAAP.

#### 1. LEASE.

1.1 PREMISES. Commencing on the Effective Date, CITY shall lease to Lessee the Premises, and Lessee shall lease from CITY the Premises on the terms and conditions set forth in this Lease (it being expressly understood and agreed by Lessee that notwithstanding such lease of the Premises to Lessee, Lessee's rights with respect to the Premises shall be non-exclusive in

certain respects as specifically provided herein and subject to certain scheduling and other procedures and restrictions, all as more particularly described in <a href="Article 6">Article 6</a> below). Additionally, CITY hereby grants to Lessee and its Invitees a non-exclusive license to the Access Areas designated on <a href="Exhibit B-3">Exhibit B-3</a> for purposes of access, ingress and egress to the Premises and to the Training Facility for the purpose of using the Incremental Services to the extent such Invitees have a right to Incremental Services as provided hereunder. Additionally, CITY grants to Lessee for the benefit of the Premises an easement or license over and across the Property for the following (a) to share the use of a reclaimed water line servicing the Premises and the balance of the Property; (b) for data and utility lines servicing the Premises (including, without limitation, the right to use CITY's multi-conduit fiber communication system and infrastructure associated therewith for data, television, Wi-Fi and telephone); and (c) to maintain fencing on a portion of the Property adjacent to New Archery Range #1 and New Archery Range #2 and a newly erected fence north of New Archery Range #1 and New Archery Range #2 ("Fencing"). The approximate locations of the easements referenced in subsections (b) and (c) of this Section 1.1 are set forth on Exhibit C attached hereto.

Lessee has heretofore occupied the Premises pursuant to the Prior Lease. The Premises are accepted by Lessee in "as is" condition and configuration. Lessee agrees that the Premises are in good order and satisfactory condition, and that there are no representations or warranties by CITY regarding the condition of the Premises or the Training Facility. Lessee's use of the Premises shall comply with the Rules and Regulations and the CC&Rs. Anything in this Lease to the contrary notwithstanding, CITY may amend or modify the Rules and Regulations at any time in its reasonable discretion so long as such amendments and/or modifications do not materially and adversely affect Lessee's use of the Premises and the Property and its rights or obligations under this Lease and further provided such amendments and modifications are non-discriminatory to Lessee and its Invitees.

- 1.2 ACCESS. CITY hereby grants Lessee the right to come and go from the Premises, as set forth in this <u>Section 1.2</u>. Lessee, its employees, contractors, agents, invitees, subtenants, and Archery Permitted Users (collectively, "<u>Invitees</u>") shall have the right to enter and exit the Premises from public streets and from the private streets within the Training Facility designated on <u>Exhibit B-3</u> attached hereto, but shall have no other right to cross or otherwise use any other portion of the Property except as specifically provided herein without CITY's prior consent, which CITY may withhold in its sole and absolute discretion determined in accordance with CITY's policies regarding other third-party users of the Property.
- 1.3 PARKING. Lessee and CITY acknowledge that the Premises contains thirty-eight (38) parking spaces adjacent to the Archery Building as shown on <a href="Exhibit F">Exhibit F</a> attached hereto ("Archery Building Parking Area"). Subject to the Rules and Regulations, and such other reasonable parking rules and regulations as CITY applies to other third party users of the Training Facility, Lessee and its Invitees shall have (i) the exclusive right to use up to twenty-five (25) parking spaces (which shall include one handicap space and one space designated for a low emission vehicle) ("Exclusive Lessee Spaces") adjacent to the Archery Building as such Exclusive Lessee Spaces are shown on <a href="Exhibit F">Exhibit F</a> attached hereto. Lessee shall also have the non-exclusive right to use the remainder of the parking spaces in the Archery Building Parking Area, provided the CITY may also use such spaces as needed for special events, programs or daily use upon written request to Lessee and Lessee's approval. CITY shall make all requests for

such use of such spaces in writing to Lessee and Lessee shall not unreasonably withhold, condition or delay its approval. In addition, Lessee may request the right to use, on a non-exclusive basis, subject to availability and CITY's prior written approval, all other parking areas within the Training Facility and designated as parking areas available to the public or other third party users ("<u>Training Facility Parking Spaces</u>") for special events and competitions. Lessee shall make all requests for such use of the Training Facility Parking Spaces in writing to CITY and CITY shall not unreasonably withhold, condition or delay its approval.

- NON-EXCLUSIVE USE. Anything in this Lease to the contrary notwithstanding, it is expressly understood and agreed that the designation or use from time to time of the Access Areas by Lessee and its Invitees shall not restrict CITY's use of such areas for such purposes as CITY shall determine in accordance with the terms and conditions hereof, provided however, such use by the CITY shall not materially and adversely interfere with the rights granted Lessee hereunder. CITY reserves the right to: (a) relocate, alter, improve or adjust the size of any improvements at the Training Facility (other than the Improvements on the Premises) from time to time, provided however that CITY shall use commercially reasonable efforts not to materially adversely affect Lessee's use of the Premises and its rights hereunder; (b) record covenants, conditions and restrictions affecting the Training Facility, including, without limitation, amendments to the existing Declaration, provided such do not materially and adversely affect Lessee's use of the Premises and its rights hereunder; (c) change the name of the Training Facility or any building, field or facility thereon other than the Improvements on the Premises and (d) affix reasonable signs and displays, other than on or in the Premises or the improvements thereon. Lessee shall not have the right to use any other portion of the Property (other than the Premises and the uses and rights granted under Sections 1.1, 1.2, 1.3 and Article 6 herein) except as expressly permitted herein by CITY in writing, in its sole discretion. Notwithstanding the foregoing, Lessee shall have the right to request additional access to the Property and/or the Training Facility and CITY agrees to reasonably consider same. Ultimately, whether or not such access is available, and the terms for such access shall be subject to negotiation and approval by CITY and Operator in their sole discretion.
- **1.5** TERMINATION OF PRIOR LEASE AND HOUSING DEVELOPMENT AGREEMENT. CITY and Lessee hereby agree that, on the Effective Date, the Prior Lease is terminated and amended and restated in its entirety by this Lease. In addition, the USOC and ESDF II entered into that certain Housing Development Agreement dated June 13, 2013 related to the Premises ("**Housing Development Agreement**") and that certain Contribution Agreement dated June 13, 2013 ("**Contribution Agreement**"). On the Effective Date, the Housing Development Agreement and Contribution Agreement shall be terminated by USOC and ESDF II and CITY shall have no rights thereunder.
- **2.** TERM OF LEASE; DELIVERY DATE; CONTINGENCIES.
  - **2.1** INITIAL TERM; CERTIFICATE.
- **2.1.1** The initial term of the Prior Lease commenced on December 23, 2015 (the "<u>Commencement Date</u>") and, unless sooner terminated or extended under the terms and conditions contained herein, the CITY and Lessee agree that this Lease shall continue thereafter until 11:59 p.m. (local time) on December 31, 2036 ("<u>Initial Term</u>").

- **2.2** DECLARATION. The parties hereby acknowledge and agree that the Property is currently subject to that certain Declaration of Covenants, Conditions and Restrictions between Eastlake Development Company, a California general partnership ("**Eastlake**"), and San Diego National Sports Training Foundation, a California not-for-profit corporation (the "**Foundation**"), recorded in the Official Records on January 19, 1995, as Instrument No. 1995-0025717, and amended by a First Amendment recorded in the Official Records on December 20, 2008 as Instrument No. 2008-0654302, a copy of which is attached hereto as **Exhibit G** (the "**Declaration**").
- RIGHT TO EXTEND TERM. Lessee shall have the right to extend the Term of 2.3 this Lease for two (2) successive additional periods of five (5) years each ("Extension Terms") provided that the following conditions are satisfied: (a) CITY has not delivered a City Notice of Operation (as defined below) to Lessee indicating that CITY is no longer operating the Property as an Olympic training site for Elite Athletes; (b) archery continues to be a sporting event in the Olympic, Paralympic or Pan American Games; (c) Lessee is not then in default under any of the material terms of this Lease (subject to all cure rights as provided herein); and (d) the original Lessee signing this Lease has not assigned its interests in this Lease to any person or party (other than as permitted pursuant to Article 16 below). Lessee shall exercise such extension right, if at all, by giving written notice of such extension to CITY not more than twelve (12) months but at least six (6) months prior to the expiration of the Initial Term of this Lease or the then-current Extension Term, as the case may be. The Extension Term shall be upon all of the same terms, covenants and conditions of this Lease then applicable. Notwithstanding anything to the contrary herein, in the event CITY determines that CITY is not operating the Property as an Olympic training site for Elite Athletes as described in subsection (a) above, CITY shall have the right to give Lessee notice of the occurrence of such event within thirty (30) days of such determination but in no event later than seven (7) months prior to the expiration of the Initial Term of this Lease or the then-current Extension Term ("City Notice of Operation").

#### **3.** RENT/REPAIR AND MAINTENANCE.

- 3.1 BASE RENT. Lessee covenants and agrees to pay CITY for the period from the Commencement Date through the Term of this Lease, as rent hereunder, an annual Base Rent of One and No/100 Dollar (\$1.00). CITY acknowledges that Lessee has fully paid all Base Rent for the Initial Term of this Lease. The Base Rent shall be payable, in advance, on the Commencement Date and on each anniversary of the Commencement Date during the Term and each of the Extension Terms, if applicable, at the following address: 276 Fourth Avenue, Chula Vista, CA 91910, or at such other address as CITY may from time to time designate in writing to Lessee. The Base Rent shall be payable without demand, notice, deduction or set-off except as expressly provided herein. Lessee may prepay the Base Rent for the entire Term or part of the Term at any time without penalty.
- 3.2 LESSEE REIMBURSEMENT OF CITY FOR SPECIAL EVENTS. If Lessee desires to hold a special event at the Premises or other portions of the Training Facility as permitted by the CITY pursuant to the terms and provisions of this Lease, it shall meet with the representatives of the CITY prior to such special event to discuss any and all additional services that may be required for such special event, such as trash, security or janitorial services. Following such meeting, if the CITY determines in its reasonable discretion that extra security

personnel, additional janitorial and trash removal services or other additional services are required, then Lessee shall, within thirty (30) days following receipt of invoice therefor, reimburse CITY for the actual costs incurred by CITY for such additional services, in addition to any other fees for Incremental Services pursuant to Section 6.2 of this Lease.

- CITY REIMBURSEMENTS. In order to provide Lessee partial reimbursement for all of the costs of Lessee in maintaining and repairing the Archery Building and the Archery Building Adjacent Improvements pursuant to Section 10.1 below, CITY agrees to pay Lessee One Hundred Thousand and No/100 Dollars (\$100,000) as increased annually by the lesser of: (a) increases in the CPI from the CPI nearest December 23, 2016 to the CPI nearest December 23 each year thereafter; or (b) five percent (5%) per annum. Such amount shall be paid annually in arrears beginning December 31, 2017, and each and every year thereafter on the anniversary date of the Commencement Date. If Lessee fails to maintain and/or repair the Improvements in accordance with the terms of this Agreement, after CITY has provided Lessee notice of such failure and opportunity to cure as provided in Section 17.2 below, (i) CITY and/or Operator shall have the right, but not the obligation, to perform such maintenance and/or repair work on behalf of Lessee, and (ii) if such work has been completed the payment to Lessee required by this Section 3.3 shall be reduced by the sum of (A) the amount necessary to perform the maintenance and repair work that Lessee failed to perform, and (B) any additional costs and expenses reasonably incurred by CITY and/or Operator in the course or remedying such failure by Lessee to perform the maintenance and/or repair work required under this Lease. In addition to self-help and reimbursement, as provided above, in the event Lessee fails to fulfill its maintenance obligations under this Section, CITY shall also have rights and remedies provided in Section 17.2 hereof provided that any dispute as to such maintenance and/or repair work shall be subject to arbitration pursuant to Section 22.22 of this Lease. To the extent necessary to exercise the rights set forth in favor of CITY and/or Operator under this Section 3.3, Lessee hereby assigns to CITY and Operator any rights and claims Lessee may have against any and all design professional, architects, engineers, general contractors, subcontractors or persons that provided similar services in connection with the construction of the Improvements.
- **3.4** INTEREST; LATE CHARGE. Each party covenants and agrees to pay to the other party, from time to time as provided in this Lease, Interest on any amounts due and not paid within thirty (30) days after such payment is due through the date of payment.

#### **4.** UTILITIES; RUBBISH REMOVAL.

- **4.1** UTILITIES. Lessee represents and warrants to the CITY that in connection with Lessee's construction of the Improvements and the Housing Improvements, Lessee has paid all sewer connection fees, tap fees and other utility connection and/or metering fees.
- **4.2** SERVICES/TAXES. From and after the Commencement Date, the following shall apply:
- **4.2.1** Except as provided below, the Premises and all improvements thereon shall be separately metered. Lessee and CITY shall cooperate and make commercially reasonable efforts to arrange for such separate metering and Lessee shall pay directly to the utility company for all gas, water, sewer and electricity to the Premises, subject to CITY's

obligation to pay for certain expenses for (i) the Easton Housing and the Easton Housing Adjacent Improvements as set forth in <a href="Article 15">Article 15</a> herein and (ii) the Outdoor Area and Outdoor Area Archery Improvements pursuant to <a href="Section 10.2">Section 10.2</a> below. CITY and Lessee acknowledge that the CITY and Lessee share a reclaimed water line that services the Premises and the balance of the Property. CITY and Lessee acknowledge that Lessee intends to use only de minimis amount of water from such reclaimed water line and, for that reason, it would be commercially impracticable, and neither CITY nor Lessee shall be under any obligation, to make efforts to separately meter CITY's and Lessee's use of the reclaimed water line.

- **4.2.2** Subject to any restrictions imposed by the USOC pursuant to the Core Agreement, Lessee shall have the right to designate its telecommunication providers. Lessee may only install such telecommunications and other office equipment as is reasonable for the Permitted Use. If any of Lessee's telecommunication equipment causes or requires CITY to perform any alterations or modifications to the Property to accommodate Lessee, Lessee shall be liable for the costs thereof. No telecommunications equipment, transmissions or receptions of Lessee shall interfere with the telecommunications equipment, transmissions or receptions of CITY or any other tenant, licensee or user of the Training Facility. Lessee shall not permit any telecommunications equipment providers to display signage, graphics or other branding affixed to the telecommunication equipment that are reasonable and customary). Lessee shall make payments for all telecommunication services, when due, directly to the appropriate provider.
- **4.2.3** In no event shall CITY be liable for damages, nor shall the Rent be reduced or abated, due to any failure of, or any interruption in or curtailment of any services to the Premises for reasons beyond the reasonable control of the CITY, or which are caused by emergency repairs or any other reason beyond the reasonable consent of the CITY; nor shall the temporary failure to furnish any such services, or any inconvenience suffered by Lessee as a result of CITY's maintenance or repairs, be construed as a constructive eviction of Lessee, or relieve Lessee from the duty of observing and performing the obligations of Lessee under this Lease.
- 4.2.4 Given the non-profit status of parties, CITY's ownership of the Premises and the limited duration and nature of Easton's uses thereof, the parties do not believe property or possessory interest taxes will be due and owing. Notwithstanding the foregoing, except as provided in Section 15.6 below, in the event that such taxes are imposed, Lessee shall pay (a) any and all possessory interest taxes, or similar taxes, imposed by a governmental authority based upon Lessee's lease of the Premises, and (b) increases to all real property taxes and assessments levied or assessed by, or becoming payable to any governmental authority, for or in respect of the Property as a result of the construction of the Improvements for the portion of each tax period included in the Term of this Lease. All such payments shall be made directly to the governmental authority charged with the collection thereof not less than ten (10) days prior to the last date on which the same may be paid without interest or penalty. Notwithstanding the above, Lessee and CITY acknowledge that Lessee may be entitled to an exemption for the payment of real property taxes, including without limitation, the possessory interest tax. In the event that such taxes are imposed, Lessee shall apply for and diligently pursue such exemption with the California State Board of Equalization and/or the San Diego County Assessor. CITY shall

cooperate, at no cost to CITY, with Lessee in all such applications. Lessee shall have the right, at Lessee's sole risk and cost, to contest the amount and/or the validity of the applicable real property taxes for the Premises by appropriate legal proceedings; provided, however, that said right shall be availed of by Lessee only upon condition that Lessee shall indemnify and hold CITY and the Premises harmless from any loss, cost or expense which arise from such contest and upon the further condition that Lessee shall take any and all action, including, but not limited to, the payment of any judgment or bonding requirement, so as to prevent the loss or forfeiture of the Premises or any part thereof. The foregoing shall not, however, be deemed or construed to relieve or modify Lessee's covenant to pay any real property taxes, possessory interest taxes or other taxes at the time and in the manner provided in this Lease. Upon the termination of such contest proceedings, Lessee shall promptly pay all real property taxes and other taxes, if any, then payable and the interest and penalties in connection therewith, and the charges accruing in such contest proceedings.

- **4.2.5** In addition to the foregoing, Lessee shall pay to CITY, within thirty (30) days after written demand therefor, Lessee's pro-rata share of all infrastructure bond assessments levied against the Property. For purposes hereof, Lessee's pro-rata share shall mean the percentage calculated by dividing the number of square feet of the Premises by the total square feet in the Property.
- **4.2.6** Except as provided in <u>Sections 4.2.4</u> and <u>4.2.5</u> herein, CITY shall pay all real property taxes and assessments actually levied or assessed against the Property.
- 4.3 TRASH REMOVAL. Lessee shall store all its trash and garbage within the interior of the Archery Building or at designated areas which have been approved by the CITY. No material shall be placed in the trash boxes or receptacles in violation of any law or ordinance governing such disposal. If the Storage Building, the Archery Building or the Archery Building Adjacent Improvements is or becomes infested with vermin or any other pests, Lessee shall forthwith, at Lessee expense, cause such improvements to be exterminated for such vermin or other pests from time to time and shall employ properly licensed exterminators for such work.

#### **5.** USE OF THE PREMISES.

Lessee shall use the Premises solely for the Permitted Use, and Lessee shall not use the Premises for any purpose that is prohibited under the CC&Rs. "Permitted Use" means (a) operating an archery training facility, Grassroots Archery Development Program, (b) other uses reasonably related to such archery training uses, including promotional events and competition events, and office use for (i) Lessee's private foundation staff, (ii) any NGB and/or (iii) any other sports related organization, and (c) any other uses permitted by the CITY in its reasonable discretion, provided that Lessee acknowledges that CITY shall have the right to disapprove of any such other proposed use if CITY determines that such use would compete with the CITY's or the Operator's (or either such party's tenants, invitees, contractors, vendors, or sponsors) other current or future activities at the Training Facility. At Lessee's request the parties shall meet and confer from time to time to explore other possible uses of the Premises not adverse to other uses at the Premises or the Training Facility ("Compatible Additional Uses"). Notwithstanding the

parties' obligation to meet and confer, the ultimate decision regarding Compatible Additional Uses shall be subject to CITY's prior approval in its reasonable discretion.

Lessee shall use the Premises only for the Permitted Use and for no other use or purpose whatsoever. Lessee shall not use or permit the use of the Premises for any purpose which is illegal, dangerous to persons or property or which, in CITY's reasonable opinion, unreasonably disturbs any other tenants or licensees of the Property or interferes with the operation of the Property. Lessee shall comply with all Laws, including the ADA, regarding the operation of Lessee's business and the use, condition, configuration and occupancy of the Premises and its improvements. Lessee, within 10 days after receipt, shall provide CITY with copies of any notices it receives regarding a violation or alleged violation of any Laws. Lessee shall comply with the Declaration and with the Rules and Regulations and the Facility Rules and Regulations (as defined below), provided such other reasonable rules and regulations do not materially and adversely affect Lessee's use of the Premises and its rights under this Lease. Lessee shall also cause its agents, contractors, subcontractors, employees, athletes and invitees to comply with all Rules and Regulations, the Declaration and the Facility Rules and Regulations. CITY shall not discriminate against Lessee in CITY's enforcement of the Rules and Regulations and Facility Rules and Regulations.

#### **5.2** SIGNAGE.

**5.2.1** Lessee has the right to install signs, graphics and displays within the interior of the Archery Building so long as and to the extent that such signs, graphics and displays are not discriminatory, offensive, do not compete with the CITY's sponsors or the USOC's sponsors, and do not result in a breach of CITY's obligations to the USOC under the Core Agreement or to any sponsors of the CITY for the Training Facility. Except for temporary hospitality banners for the purpose of welcoming incoming guests of Lessee, all exterior signs, graphics and displays of every kind located on the Premises shall be subject to CITY's prior written approval, which approval may be given or withheld in CITY's reasonable discretion, and shall be subject to all Laws and in compliance with the Core Agreement and the Rules and Regulations with respect to such signs, graphics and displays. The existing signage on the Premises as of the date of this Lease has been approved by CITY. Lessee may place signs on the interior and exterior of the Archery Building and Easton Housing recognizing donors of Lessee, it being expressly acknowledged and agreed that CITY shall have the right to limit (but not exclude), in its reasonable discretion, but on a non-discriminatory basis, the size of such signs on the exterior of the Archery Building and Easton Housing recognizing donors of Lessee. The parties agree that it shall be reasonable for CITY to disapprove any signs, graphics or displays that conflict with or could reasonably result in a breach of CITY's obligations to the USOC under the Core Agreement or to any sponsors of the Training Facility. Without limiting the foregoing, Lessee shall have no right to place any signs on any other portion of the Training Facility other than directional signs identifying the Archery Building, the Easton Housing, New Archery Range #1 and New Archery Range #2.

**5.2.2** Lessee shall use commercially reasonable efforts to avoid entering into agreements with sponsors that conflict with CITY's sponsors for the Training Facility or the USOC's sponsors or could reasonably cause CITY or USOC to be in breach of any agreements with such respective sponsors. Lessee shall not use Olympic marks, images or terminology or

the name of the USOC for advertising, promotions, fundraising or merchandise without USOC's prior consent, which consent may be withheld in USOC's sole and absolute discretion. Lessee shall not itself, and shall not permit any of Lessee's donors, sponsors, licensees, members, partners or vendors to imply a commercial association with USOC or the Training Facility unless the same are official USOC sponsors and such use or association has been approved by USOC. Without limiting the foregoing, CITY hereby grants a license to Lessee to use the name "City of Chula Vista Training Center," provided that Lessee shall provide a copy of the form of all advertising or other promotional materials in which such designation is used or will be used by Lessee.

- **5.3** USE OF OLYMPIC NAME. The parties hereby acknowledge and agree that USOC and Lessee have executed that certain Trademark License Agreement dated as of January 28, 2011 (the "<u>Trademark Agreement</u>"), pursuant to which Lessee is authorized to use the word "Olympic" in connection with Lessee's Grass Roots Archery Development Program in accordance with and as more particularly set forth in the Trademark Agreement.
- CESSATION OF OPERATIONS. If Lessee ceases to operate the Premises for the Permitted Use for a period in excess of nine (9) months, CITY and Operator will thereafter have the right, but not the obligation, to assume operation of the Premises for the Permitted Use until such time as Lessee delivers to CITY and Operator a written notice (the "Recommencement Notice") providing reasonable assurances to CITY and Operator that Lessee will recommence continuous operation of the Premises for the Permitted Use within thirty (30) days of the date of the Recommencement Notice. If Lessee does not recommence continuous operation of the Premises for the Permitted Use within such thirty (30) day period, CITY and Operator will have the right to assume operation of the Premises for the Permitted Use until such time that Lessee actually recommences continuous operation of the Premises for the Permitted Use. During any period of time that CITY and Operator assume operation of the Premises pursuant to this Section 5.4, all costs and expenses of operation incurred by the CITY and Operator shall be the sole responsibility of CITY and Operator and all revenue generated from the Premises during such period shall belong solely to the CITY and Operator. For the purposes of this Section 5.4, Lessee shall not be deemed to have ceased operations if (a) the Premises are closed for a period of time not more than eighteen (18) continuous months due to damage by fire or other casualty, taking by eminent domain or force majeure, or (b) the Premises are closed for a period of time of not more than twelve (12) continuous months due to alterations, renovation or repair (except to the extent that such alterations, renovations or repairs are caused by a fire, casualty, taking by eminent domain or force majeure, in which event the eighteen (18) month period set forth in subsection (a) of this paragraph shall apply).

#### **6.** OPERATION AND MANAGEMENT OF PREMISES.

#### 6.1 USERS

**6.1.1** Archery Permitted Users. Lessee and USAA shall provide to CITY a list of Archery Permitted Users whom Lessee and USAA intend to allow to use only the Premises. Such list need not include the names of each individual Archery Permitted User but shall include the names of any groups of Archery Permitted Users and the approximate number of Archery Permitted Users to be on the Premises during any given week. For all Archery Permitted Users

whom Lessee or USAA intend to have use of the Training Facility for Incremental Services who are not designated or approved by the USOC, Lessee or USAA shall submit a form to the CITY as soon as reasonably practicable before such intended use indicating the number of people, the number of days of use, the type of Incremental Services to be used, and any other information reasonably requested by the CITY or Operator ("Training Facility Use Form"). No later than five (5) days after receipt of such Training Facility Use Form, the CITY shall inform Lessee or USAA as to whether the Training Facility has capacity for such Archery Permitted Users on the dates requested and what level of Incremental Services are available for such Archery Permitted Users. The CITY shall use commercially reasonable efforts to accommodate the use of the Training Facility and the Incremental Services by the Archery Permitted Users designated in the Training Facility Use Form. For the avoidance of doubt, CITY's receipt of such list shall not obligate either CITY or Operator to evaluate, investigate or screen the Archery Permitted Users . All Archery Permitted Users shall be subject to the Rules and Regulations. In addition, provided CITY provides Lessee copies of all such materials, Lessee shall deliver to each Archery Permitted User a copy of all facility use guidelines, athlete codes of conduct, resident services rules and any other policies and procedures promulgated by CITY from time to time with respect to the use of the Property by Archery Permitted Users and other persons which the CITY approves to use the Property (collectively, the "Facility Rules and Regulations"). The Facility Rules and Regulations shall not materially and adversely affect Lessee's use of the Premises and its rights under this Lease and, further provided, such Facility Rules and Regulations shall not be discriminatory to Lessee and its Invitees. If Lessee becomes aware that any Archery Permitted User is not in compliance with the Facility Rules and Regulations, Lessee shall promptly report such non-compliance to CITY. CITY shall have the right to suspend or terminate access and/or privileges for any person (a) for whom CITY does not have an executed copy of the Facility Rules and Regulations on file, and/or (b) who violates the Facility Rules and Regulations. Notwithstanding anything to the contrary contained herein, CITY may amend or modify the Facility Rules and Regulations Guidelines at any time in CITY's reasonable discretion, provided that CITY uses commercially reasonable efforts to ensure that such modifications do not materially and adversely affect Lessee's use of the Premises or its rights hereunder and do not discriminate against Lessee or USAA. Without limiting the foregoing, all employees, coaches, staff and consultants hired by Lessee to work in or around the Premises including, but not limited to, Lessee's private foundation staff, shall be subject to background checks for the purpose of solely investigating such persons criminal background or immigration status (which shall be performed by CITY and/or Operator at Lessee's sole cost and expense) and prior approval by CITY, which may be withheld in CITY's sole and absolute discretion. No Archery Permitted User shall be charged any fee by CITY or Operator for use of only the Premises.

- **6.1.2** Resident Athletes. All Resident Athletes at the Property pursuant to arrangements with the USOC and/or USAA shall have the right to use the Property pursuant to USOC's rights under the Core Agreement.
- **6.1.3** <u>Use by USAA</u>. Lessee and USAA shall enter a separate agreement ("<u>USAA Agreement</u>") providing for USAA's use of the Premises in a form substantially the same as the one provided to the CITY prior to execution of this Lease. Lessee shall provide a fully executed copy of the USAA Agreement to CITY within sixty (60) days after the execution of this Lease by all parties.

- 6.2 INCREMENTAL SERVICES. Any Archery Permitted User designated on the Training Facility Use Form and whom the CITY is able to accommodate in accordance with Section 6.1 above, shall be referred to herein as a "Training Facility Permitted User." All costs and expenses for Incremental Services utilized by Training Facility Permitted Users shall be charged to the Training Facility Permitted User or, at CITY's option, to Lessee or USAA (unless the USOC is obligated to pay for such Training Facility Permitted User pursuant to the Core Agreement), at the following rate: the Tier 1 Rate (as defined below) applicable to the intended use. Lessee or USAA, as the case may be, shall pay any such expenses charged to it within thirty (30) days after receipt of an invoice therefor from CITY. As used in this Lease, the term "Tier 1 Rate" shall mean the CITY's and/or Operator's lowest rate charged to any and all third-party users of the Training Facility, not taking into account those rates charged directly to the USOC (which may be lower than the Tier 1 Rate), and subject to annual increases determined by CITY and Operator. The Tier 1 Rates for the 2017 calendar year is set forth in Exhibit J to this Lease. Notwithstanding the above, CITY and Lessee agree that with respect to any and all international athletes that are Archery Permitted Users representing a foreign country (each, an "International Athlete"), Lessee shall contract directly with such International Athlete for use of the Premises only, that CITY or the Operator shall contract directly with such International Athletes for use of portions of the Training Facility other than the Premises and that the CITY or Operator shall **not** be limited to charging such International Athletes the Tier 1 Rate.
- **6.3** NEW ARCHERY RANGE #1. Use of New Archery Range #1 shall be subject to the following:
- **6.3.1** Use of New Archery Range #1 shall be used exclusively by Lessee for archery training events and archery competition events with access for USAA Athletes as provided under the USAA Agreement.
- 6.3.2 Hours of operation for New Archery Range #1 shall allow for Lessee to use the range for night practice up until 11:00 p.m. local time if, and only if, the following conditions are satisfied: (a) the proposed lighting and night practice hours do not violate any local zoning, noise, sound or other restrictions or ordinances; and (b) the range is lit by Outdoor Range Lighting as follows: (i) the proposed lighting mechanism does not affect or disrupt other athletes or residents living and/or training at the Property, as reasonably determined by CITY; and (ii) the lighting is installed and working properly. Lessee shall pay, at its sole cost and expense, the cost of the lighting fixtures and installation of the Outdoor Range Lighting. Lessee currently contemplates outdoor range lighting utilizing individual spot light(s), of reasonable wattage, on each target and at each shooting position. Lessee shall maintain the mechanical components of the Outdoor Range Lighting including, but not limited to, light bulb replacement. Lessee will pay for electricity charges associated with such Outdoor Range Lighting.
- **6.4** NEW ARCHERY RANGE #2. Use of New Archery Range #2 shall be subject to the following:
- **6.4.1** Use of New Archery Range #2 shall be used primarily by Lessee for grassroots archery development programs and other archery training and competitions with access for USAA Athletes as provided under the USAA Agreement.

- **6.4.2** The CITY may use, free of charge, Archery Range #2 with the prior approval of Lessee, which shall not be unreasonably withheld, conditioned or delayed and subject to prior scheduling. Any use by the CITY or third party users designated by CITY shall not degrade or materially negatively affect the condition of new Archery Range #2.
- **6.4.3** Hours of operation for New Archery Range #2 shall allow for Lessee to use the range for practice until dark, unless target lighting is installed on New Archery Range #2, and, in such event, the hours of operation and use of such target lighting shall be subject to the same conditions as set forth in Section 6.3.2 above.
- **6.4.4** <u>STORAGE BUILDING</u>. Lessee shall have exclusive use of the Storage Building and Lessee may sublease, at its sole discretion, a portion of the Storage Building to NGBs, in accordance with the terms and conditions set forth in <u>Section 16.1</u> of this Lease.
- 6.5 ARCHERY BUILDING. Lessee shall have exclusive use of the Archery Building with access for USAA Athletes as provided under the USAA Agreement. CITY and/or Operator may use the meeting rooms in the Archery Buildings not more than two (2) times each month free of charge (except for reimbursement for reasonable and actual expenses of Lessee in providing such meeting rooms for CITY and/or Operator) for meetings with the prior written approval of Lessee, which shall not be unreasonably withheld, conditioned or delayed, and subject to prior scheduling or other priority uses as determined by Lessee in Lessee's sole discretion.

CITY and/or Operator may use the Archery Buildings for non-archery uses (such as for banquets) with the prior written approval of Lessee, which shall not be unreasonably withheld, conditioned or delayed. Such use by CITY and/or Operator shall be subject to prior scheduling or other priority uses as determined by Lessee in Lessee's sole discretion and shall be conditioned upon payment by CITY and/or Operator to Lessee of a preferred rate (to be reasonably determined by Lessee) for such use.

**6.6** WEST SOCCER FIELD. Use of the West Soccer Field shall be subject to the following (it being expressly acknowledged and agreed that the West Soccer Field is not included within the Premises):

CITY shall have complete control over use of the West Soccer Field. The Lessee, or USAA as an invitee of the Lessee, may use the West Soccer Field for special events free of charge with the prior written approval of CITY, which shall not be unreasonably withheld, conditioned or delayed, and shall be subject to prior scheduling or other priority uses in CITY's sole discretion. CITY will use commercially reasonable efforts to accommodate Lessee's requests to use the West Soccer Field for special events relating to archery, such as state, national or international archery competitions, seminars and training camps, some of which may require advance scheduling of longer than two (2) years. Notwithstanding anything to the contrary under this Lease, the parties do not intend USAA to be, and USAA shall not be deemed to be, a third-party beneficiary of this Section 6.6 or any other provision of this Lease.

**6.7** GRASSROOTS ARCHERY DEVELOPMENT PROGRAMS. Lessee, at its sole cost and expense, shall provide staff and funding to (a) develop and operate Grassroots Archery

Development Programs in the City of Chula Vista, at a minimum as currently provided ("<u>Existing Grassroots Program</u>") and (b) train non-Resident Athletes participating in such Grassroots Archery Development Programs with the goal of training athletes for future USAA archery teams. The Existing Grassroots Program involves programs at middle schools and high schools in the City of Chula Vista.

**6.8** VENDORS. Any and all vendors utilized by Lessee on the Premises shall comply with any and all restrictions of the USOC as specified in the Core Agreement.

#### **7.** POSSESSION; COVENANT OF QUIET ENJOYMENT.

- **7.1.1** Subject to the rights of the CITY as set forth in this Lease, sole possession of the Premises shall be delivered to Lessee on the Commencement Date free and clear of any other tenancies or rights of occupancy or use, and Lessee shall take possession as of such date.
- 7.1.2 CITY covenants that, subject to the limitations expressly set forth herein, Lessee, upon Lessee's timely payment of the Rent and performance of Lessee's covenants and obligations under this Lease, may quietly have, hold, and enjoy the Premises during the Term, without hindrance or interruption by CITY or anyone claiming by or through CITY, subject to CITY's right to enter upon the Premises as expressly provided herein, and subject to any rights CITY and/or Operator may have to operate the Easton Housing and the Easton Housing Adjacent Improvements pursuant to <a href="https://example.com/Article 15">Article 15</a> if this Lease.
- **8.** EARLY TERMINATION OPTION. Lessee may elect, in its sole and absolute discretion, to terminate the Lease if any of the following events occur: (i) the CITY has given Lessee a City Notice of Operation pursuant to Section 2.3 of this Lease; (ii) the CITY has failed to provide food service, weight room or sports performance services at the minimum levels set forth in the attached Exhibit E and such failure has not been cured within the cure period set forth in Section 17.4.1 of this Lease; or (iii) the number of Bed Days at the Training Facility and the Easton Housing (excluding Resident Archery Athlete Bed Days as defined in Section 15.2.2 below) during any continuous twenty-four (24) month period used by Qualified Athletes falls below an average of fifteen percent (15%) of the total available Bed Days during such period. CITY shall keep current and accurate records of the Bed Days used by Qualified Athletes at the Training Facility. Lessee may request such records and reasonable supporting documentation from CITY from time to time (which request may be made no more than four times per Lease Year) and CITY shall provide to Lessee copies of such records and documentation within fifteen (15) days of any such request.

If Lessee elects to terminate this Lease for one of the reasons set forth above in this Section 8, it shall deliver a notice to CITY ("Notice of Termination") of its intention to terminate this Lease, provided that prior to the delivery of any such Notice of Termination, Lessee and CITY shall meet and confer for thirty (30) days to determine what steps can be taken by CITY, if any, to cure the occurrence of the event or events giving rise to Lessee's right to terminate this Lease pursuant to this Section 8. Lessee shall include in such Notice of Termination the date specified for such termination, which date shall be no sooner than one hundred eighty (180) days after the delivery of the Notice of Termination to CITY

("<u>Termination Date</u>"). Upon such delivery of the Notice of Termination as provided hereinabove or as provided in <u>Section 11.6</u>, as the case may be, the following shall apply:

- (a) The CITY shall prior to the Termination Date convey fee title to the Premises (including all Improvements thereon) to Lessee and this Lease shall terminate as of the date of such conveyance. In such event, Lessee may, at its discretion, designate in writing an entity (in lieu of Lessee) related to Lessee as the transferee to which title to the Premises shall be conveyed (such designated related entity being referred to herein as the "Related Entity Transferee."
- **(b)** Lessee (and the Related Entity Transferee, if any) shall assume all risk that the Premises is subject to any re-entry rights in favor of Eastlake and/or the Foundation, and CITY shall have no liability to Lessee if Eastlake and/or the Foundation elect to exercise any such re-entry rights.
- (c) In order to carry out the conveyances described above, CITY and Lessee shall conduct a closing in which (1) CITY shall deliver to Lessee (or the Related Entity Transferee, as the case may be) and record in the Official Records a quitclaim deed conveying CITY's fee title interest in the Premises to Lessee (or the Related Entity Transferee, as the case may be) free and clear of all monetary liens and encumbrances except monetary liens and/or encumbrances (i) affecting the Premises as of the Effective Date, (ii) caused by Lessee, (iii) permitted by the terms of this Lease (including those shown on the Parcel Map and/or the Declaration, it being agreed that no monetary liens may be recorded against the Premises by CITY unless expressly consented to by Lessee), and (iv) expressly consented to by Lessee, and (2) the parties shall deliver to each other such other documents reasonably required in order to effect the conveyance of the Premises to Lessee (or the Related Entity Transferee, as the case may be).
- (d) Concurrently with the conveyance of fee title to the Premises to the Lessee as provided above, CITY shall also execute, acknowledge and record one or more easement and use agreements in commercially reasonable form to be mutually agreed upon by the CITY and Lessee acting in good faith for the following rights and easements: (i) those easements provided for or contemplated in the Parcel Map for the Premises; (ii) to share the use of a reclaimed water line servicing the Premises and the balance of the Property; (iii) for data and utility lines servicing the Premises (including, without limitation, the right to use CITY's multi-conduit fiber communication system and infrastructure associated therewith for data, television, Wi-Fi and telephone); and (iv) to maintain the Fencing.
- (e) Concurrently with the conveyance of fee title to the Premises to the Lessee as provided above, the Lessee shall reimburse the CITY for the unamortized cost of (i) any and all Capital Improvements made by the CITY or the Operator to the Housing Improvements which have not been fully amortized pursuant to Section 15.4.2(iii) below, and (ii) any and all Alterations performed at CITY's or Operator's sole cost that were approved by Lessee pursuant to Section 15.8 of this Lease.

#### 9. COMPLIANCE WITH LAW; LIENS AND ENCUMBRANCES.

COMPLIANCE WITH LAWS. Subject to the provisions of Section 9.3 hereof and subject to the CITY fulfilling its obligations hereunder, Lessee, at its sole cost and expense, shall comply with and cause the Improvements located on the Premises to comply with (a) all federal, state, local and other governmental statutes, laws, rules, orders, regulations or ordinances, now or hereafter, affecting the Improvements or any part thereof, or the use thereof, or any structural changes in the Improvements whether or not any such statutes, laws, rules, orders, regulations or ordinances which may hereafter be enacted involve a change of policy on the part of the governmental body enacting the same, (b) all rules, orders and regulations of the National Board of Fire Underwriters or other bodies exercising similar functions and responsibilities in connection with the prevention of fire or the correction of hazardous conditions which apply to the Improvements, (c) the requirements of all of Lessee's policies of public liability, fire and other insurance which at any time may be in force with respect to the Premises, and (d) the ADA. All or any one of the items enumerated in this Section 8, as amended or superseded from time to time, hereinafter referred to as "Laws." To the extent that the Housing Improvements failed to comply with any Laws as of the date of the issuance of a certificate of occupancy for the Housing Improvements, Lessee shall be responsible for bringing the Housing Improvements into compliance with the Laws at Lessee's sole cost and expense, provided that Lessee shall not have any other obligations with respect to causing the Housing Improvements to remain in compliance with the Laws.

#### **9.2** AGREEMENT RELATING TO HAZARDOUS SUBSTANCES.

- 9.2.1 Lessee hereby covenants that Lessee and its agents, employees and contractors will not generate, store, use, treat or dispose, nor suffer or permit the generation, storage, use, treatment or disposal, of any Hazardous Substances, on or at the Premises or the Training Facility or any part of the Improvements or the Housing Improvements, except for Hazardous Substances as are commonly legally used or stored (and in such amounts as are commonly legally used or stored) as a consequence of using the Premises for the Permitted Use, and so long as Lessee strictly complies or causes compliance with all laws, statutes, rules, orders, regulations, ordinances and decrees concerning the use or storage of such Hazardous Substances. CITY hereby covenants that CITY and its agents, employees and contractors, including Operator, will not generate, store, use, treat or dispose, nor suffer or permit the generation, storage, use, treatment or disposal, of any Hazardous Substances, on or at the Premises or any part of the Housing Improvements, except for Hazardous Substances as are commonly legally used or stored (and in such amounts as are commonly legally used or stored) as a consequence of operating the Housing Improvements as provided in Article 15 of this Lease, and so long as CITY strictly complies or causes compliance with all laws, statutes, rules, orders, regulations, ordinances and decrees concerning the use or storage of such Hazardous Substances.
- **9.2.2** Except with respect to Pre-Existing Conditions, Lessee hereby agrees to indemnify, protect, defend and hold harmless CITY and Operator from and against any and all Compliance Obligations, losses, liabilities, damages, claims, and any and all costs and expenses incurred by CITY and Operator, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release on or from, the Premises, the Training Facility, the Improvements or the Housing Improvements

of any Hazardous Substance, provided, however, that the foregoing indemnity is limited to matters arising as a result of or from (a) the presence of Hazardous Substances on, under or about the Premises, the Training Facility or other property as a result of the activities, or failure to act, in connection with the Premises or the Training Facility by Lessee or any Lessee Party and/or (b) from the violation of the covenants and agreements of Lessee contained in the preceding paragraph. The indemnity obligations set forth in this <u>Section 9.2</u> shall not include any consequential damages, including, without limitation, any loss of profits. Lessee shall have no obligation or responsibility for Pre-Existing Conditions and CITY hereby releases and discharges Lessee from any and all claims, liabilities and expenses related thereto.

9.2.3 This <u>Section 9.2</u> shall survive cancellation, termination or expiration of this Lease.

#### **9.3** LIENS AND ENCUMBRANCES.

- **9.3.1** Lessee shall not create or permit to be created or to remain, and shall promptly discharge or bond, at its sole cost and expense, any lien, encumbrance or charge (all or any one of which hereinafter referred to as "<u>Lien</u>") upon the Premises, the Training Facility or any part thereof or upon Lessee's interest in the Premises hereunder that arises from the use or occupancy of the Premises by Lessee or by reason of any labor, service or material furnished or claimed to have been furnished to or for the benefit of Lessee or by reason of any construction, repairs or demolition by or at the direction of Lessee of all or any part of the Improvements.
- 9.3.2 Notice is hereby given that CITY shall not be liable for the cost and expense of any labor, services or materials furnished or to be furnished with respect to the Premises or the Training Facility at or by the direction of Lessee or anyone occupying the Premises or any part thereof by, through or under Lessee and that no laborer's, mechanic's or materialman's or other lien for any such labor, service or materials shall attach to or affect the interest of CITY in and to the Premises or the Training Facility. Lessee shall provide at least five (5) days' prior written notice to CITY before any labor is performed, supplies furnished or services rendered on or at the Premises or the Training Facility (except in the event of an emergency that could cause bodily harm to a person on or damage to the Premises, in which event Lessee shall deliver written notice to CITY as soon as practicable), and CITY shall have the right to post on the Premises and/or the Training Facility notices of non-responsibility. Nothing contained in this Lease shall be deemed or construed in any way as constituting the consent or request of CITY, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any improvements or repairs to or of the Premises or any part thereof, nor as giving Lessee any right, power or authority on behalf of CITY to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any Lien against the Premises or any part thereof.
- **9.3.3** If Lessee fails to discharge or bond over any Lien or to comply with any Laws as required in <u>Section 9.3.1</u> hereinabove provided, and such failure continues for ten (10) Business Days after Lessee's receipt of written notice from CITY, CITY, without having to declare a default hereunder or giving Lessee additional notice pursuant to <u>Article 17</u> below, and without relieving Lessee of any liability hereunder, may, but shall not be obligated to, discharge

or pay such Lien (either by paying the amount claimed to be due or by procuring the discharge of such Lien by deposit or by bonding proceedings) or cause compliance with such Laws, and any amount so paid by CITY and all costs and expenses incurred by CITY in connection therewith shall constitute additional rent hereunder and shall be paid by Lessee to CITY within ten (10) days after receipt of written demand by CITY, with Interest thereon from the date incurred by CITY until paid.

#### **10.** REPAIRS AND ALTERATIONS.

10.1 MAINTENANCE AND REPAIR OF PREMISES, ARCHERY BUILDING AND ARCHERY BUILDING ADJACENT IMPROVEMENTS BY LESSEE. Lessee, at its cost, shall clean, maintain, preserve, repair and replace and keep the Archery Building, Storage Building, and the Archery Building Adjacent Improvements in good order, condition and repair, ordinary wear and tear, and damage by casualty or condemnation excepted. Such maintenance and repair shall include, without limitation, maintenance and repair of all structural and nonstructural components, trash areas, lighting, sidewalks, walkways, landscaping, gates and HVAC. In the event Lessee fails to maintain the Improvements, in accordance with the obligations under this Lease, which failure continues at the end of thirty (30) days following Lessee's receipt of written notice from CITY stating the nature of the failure, CITY shall have the right, but not the obligation, to perform such maintenance, repairs or refurbishing at Lessee's sole cost and expense (including a sum for overhead reasonably allocated for such work). Lessee shall maintain written records of maintenance and repairs, as required by any Laws, and shall use certified technicians to perform such maintenance and repairs, as so required. Lessee shall make available to the CITY for review copies of all service or maintenance contracts entered into by Lessee for the Archery Building and the Archery Building Adjacent Improvements within ten (10) days following CITY's request. Lessee and CITY hereby agree to cooperate in good faith to (i) mutually determine those service vendors to be retained by Lessee in connection with the performance of Lessee's obligations under this Section 10.1 (it being agreed that Lessee shall consider those service vendors recommended by CITY, but that Lessee shall be entitled to select service vendors of its choosing so long as such service vendors are reasonably acceptable to CITY), and (ii) agree upon operational and system integration procedures for the Archery Building and Archery Building Adjacent Improvements pertaining to, among other things, firelife safety communication systems, emergency response procedures, card access control system integration, security procedures and after-hours access.

ARCHERY IMPROVEMENTS. CITY does not warrant either expressly or impliedly the condition of the Premises or the Property, or fitness of the Premises or the Property for Lessee's intended use. Subject to Lessee's obligations to repair and maintain the Archery Building, the Archery Building Adjacent Improvements and the Storage Building set forth in Section 10.1 above, CITY shall be responsible for the maintenance and repair of the Training Facility, including without limitation, the Outdoor Area and Outdoor Area Archery Improvements in good order, condition and repair, including without limitation, maintenance, repair and replacement of all structural and nonstructural aspects of the Outdoor Area, roads, trash areas, lighting, sidewalks, walkways, irrigation systems, Fencing and gates, utilities (including the cost of any reclaimed water used for such), landscaping, sweeping and sanitary control. Notwithstanding the foregoing, if any such maintenance or repairs are caused by the negligence

or willful misconduct of Lessee, its employees, agents or contractors, then Lessee shall reimburse to CITY, as additional rent, the cost of all such maintenance and repairs within thirty (30) days after receipt of CITY's statement. CITY shall have a reasonable period of time to make repairs or maintenance to the Outdoor Area and Outdoor Area Archery Improvements; however, it is expressly understood and agreed that CITY shall not be liable for any consequential, punitive or other damage sustained by Lessee, or anyone claiming under Lessee, due to CITY's inability, delay or negligence in making such repairs, and CITY's liability with respect to any such repairs or maintenance shall be limited to the cost of such repairs or maintenance. Lessee hereby waives and releases any rights Lessee may have pursuant to Sections 1932, 1941 and 1942 of the California Civil Code or pursuant to any similar law, statute or ordinance now or hereafter in effect with respect to CITY's maintenance and repair obligations under this Lease.

ALTERATIONS. Lessee shall not have the right to make any Alterations to the Improvements, without CITY's prior consent, which consent may be withheld in CITY's reasonable discretion; provided, however, that Lessee shall have the right to make Interior Alterations to the Premises without first obtaining CITY's consent (the "Permitted Interior Alterations") if such Interior Alterations (a) do not affect or consist of any of the structural components of the Archery Building, (b) do not affect or consist of any of the systems and/or equipment of the Archery Building, (c) do not affect and cannot be seen from outside the Archery Building, and (d) do not cost more than \$100,000 in any one instance. Lessee shall deliver to CITY prior notice of any such Permitted Interior Alterations prior to the commencement thereof. Notwithstanding the foregoing and regardless of the cost of any Alterations, Lessee may not make any Alterations to the Improvements if such Alterations could have a material adverse impact on CITY, the Training Facility, any training conducted at the Training Facility or CITY's operation of the Training Facility, as determined in the reasonable discretion of the CITY. No Alterations to the Improvements shall reduce or impair the value of the Premises or in any way impair the structural integrity of the Improvements. All Alterations to the Improvements shall be conditioned upon Lessee's compliance with CITY's requirements in this Lease regarding construction of Alterations. If the CITY's prior consent is required as provided herein, Lessee shall submit plans and specifications to CITY with Lessee's request for approval and shall reimburse CITY for all costs which CITY may incur in connection with granting approval to Lessee for any such Alterations requiring consent, including any reasonable and actual costs or expenses which CITY may incur in electing to have outside architects and engineers review said matters not to exceed \$2,500 for each proposed Alteration that requires CITY's approval hereunder, plus if a CITY building permit is required, CITY's standard building permit and related fees. All Alterations to the Improvements shall be done at Lessee's expense and, if applicable, in strict accordance with all Laws. If any Alterations to the Improvements requested by Lessee trigger or give rise to a requirement that the Premises come into compliance with any Laws, Lessee shall be fully responsible for complying, at its sole cost and expense, with the same. Lessee shall file a notice of completion after completion of such work and provide CITY with a copy thereof. Lessee shall provide CITY with a set of "as-built" drawings for any Alterations to the Improvements.

#### 11. DAMAGE AND DESTRUCTION.

11.1 NOTICE. In the event of any damage to or destruction of all or any part of the Improvements or the Housing Improvements, Lessee will, promptly upon becoming aware of

such damage or destruction, give written notice thereof to CITY, which notice shall generally describe the nature and extent of such damage or destruction.

- 11.2 RESTORATION. Subject to the provisions set forth in Sections 11.3, 11.4, 11.5, 11.6, 11.7 and 11.8 herein, in the event of any damage to or destruction of all or any part of the Improvements, (a) Lessee shall promptly commence and shall thereafter diligently and continuously prosecute to completion the Restoration of said Improvements; and (b) to the extent required by Lessee, in its reasonable discretion, Lessee shall promptly commence and shall thereafter diligently and continuously prosecute to completion the Restoration of any furniture, fixtures, equipment or other personal property of Lessee. All such work by Lessee shall be undertaken as nearly as practicable to their value, architectural condition and character as existed immediately prior to such damage or destruction so as to permit resumption of the use of the Premises for the Permitted Use to as nearly the same degree as possible (pending completion of the Restoration).
- 11.3 APPLICATION OF PROCEEDS. Except as otherwise provided in this <u>Article 11</u>, insurance proceeds received on account of any damage to or destruction of the Improvements or any part thereof, shall be applied to pay for the cost of Restoration.
- 11.4 DAMAGE COVERED BY INSURANCE. Except as otherwise provided in this Article 11, if the Improvements shall be damaged by fire or other casualty which is covered by insurance required to be maintained by Lessee herein, Lessee shall with due diligence proceed with the Restoration.
- 11.5 UNINSURED CASUALTY. If the Improvements shall be damaged by fire or other casualty not covered (except for deductible amounts) by insurance required to be maintained by Lessee herein, then Lessee shall have the right, at Lessee's option, either (i) to repair such damage as soon as reasonably possible at Lessee's sole expense, or (ii) to give written notice to CITY within ninety (90) days after the date of the occurrence of such damage of Lessee's election to terminate this Lease as of the date of the occurrence of such damage. Notwithstanding the foregoing, if the cost to repair any uninsured casualty is less than \$250,000, then Lessee shall not have the right to terminate as provided above, and Lessee shall with due diligence proceed with the Restoration at Lessee's sole expense.
- Facility other than the Improvements is damaged or destroyed by fire or other casualty that prevents Lessee or the Easton Permitted Users from being able to gain access to the Premises, and reasonable substitute access cannot reasonably be provided within one hundred eighty (180) days after the date of such damage or destruction, or (ii) is not provided within two hundred seventy (270) days after the date of such damage or destruction, Lessee shall have the option to terminate this Lease by written notice to the CITY within a reasonable time after the date of such damage or destruction, in which event this Lease shall terminate upon the date of such notice and Rent and all other charges due hereunder shall be prorated to such day. In addition, if a substantial portion of the Training Facility other than the Improvements is damaged or destroyed by fire or other casualty and the CITY determines that it substantially interferes with CITY's ability to operate the Training Facility as a functional Training Facility and ceases operation of the Training Facility for a period of more than seven hundred twenty (720) days after the date of

such damage or destruction, then CITY shall have the right to terminate this Lease by written notice to the Lessee within a reasonable time after such seven hundred twenty (720) days, in which event this Lease shall terminate upon the date of such notice and Rent and all other charges due hereunder shall be prorated to such day. In such event, Lessee shall be deemed to have given a "Notice of Termination" as defined in <a href="Article 8">Article 8</a> above and the provisions of <a href="Article 8">Article 8</a> shall thereafter apply. In the event neither Lessee or CITY terminates this Lease pursuant to this <a href="Section 11.6">Section 11.6</a>, CITY shall diligently and continuously prosecute to completion the Restoration of the damaged areas of the Training Facility (other than the Improvements). In the event Lessee is prevented from having access to the Premises as provided above, then the Term of this Lease shall be extended for the same number of days as the Lessee is denied such access.

- Initial Term, unless Lessee elects to extend the Term as provided in Section 2.3, or the last year of any Extension Term unless Lessee has elected to extend the then-current Term for the next Extension Term, the Improvements are damaged by fire or other casualty and the estimated time to repair or restore the same exceeds one month, Lessee and CITY shall each have the option, exercisable by written notice to the other party within sixty (60) days after the date of such casualty to terminate this Lease effective as of the date of such casualty. In such event, CITY shall be entitled to the insurance proceeds attributable to the Improvements, Lessee shall be entitled to the insurance proceeds attributable to Lessee's Property, and Lessee shall surrender the Premises to CITY in a clean and sightly condition, free of any and all debris and free of damaged Improvements, provided, however, that, notwithstanding the foregoing, Lessee shall be entitled to a portion of insurance proceeds attributable to the Improvements to the extent necessary to pay for the reasonable and actual costs of removing all debris and the damaged Improvements. If neither Lessee nor CITY elects to terminate this Lease, then Lessee shall with due diligence cause such Restoration at its sole cost and expense.
- any part of the Outdoor Archery Improvements, to the extent covered (except for deductible amounts) by insurance maintained by CITY, CITY shall promptly commence and shall thereafter diligently and continuously prosecute to completion the Restoration of the Outdoor Archery Improvements. All such work by CITY shall be undertaken as nearly as practicable to their value, condition and character as existed immediately prior to such damage or destruction so as to permit resumption of the use of the Outdoor Archery Improvements to as nearly the same degree as possible (pending completion of the Restoration).

#### **12.** INSURANCE.

- **12.1** CLASSES OF INSURANCE FOR LESSEE. From and after the Effective Date, Lessee shall maintain insurance against the risks and hazards and with coverage in amounts not less than those specified as follows:
- 12.1.1 Property Insurance for the Improvements and Lessee's Property, against the risks customarily included under what is commonly referred to as "Special Form" (a.k.a. "All Risks") policies in an amount equal to 100% of the Replacement Cost of the Improvements and Lessee's Property (subject to reasonable deductibles). As used in this <u>Article 12</u>, the term "<u>Replacement Cost</u>" shall mean the replacement cost agreed to by CITY and its insurer or

Lessee and its insurer, as the case may be, in the insurance policies required by <u>Sections 12.1</u> and <u>12.4</u>, respectively. In the event there are no such insurance policies or such policies do not contain a determination of Replacement Cost, then Replacement Cost shall be determined by other reasonable and appropriate means.

- 12.1.2 Commercial general liability insurance (including, but not limited to, coverage for any construction on or about the Premises) with a minimum of not less than One Million and No/100 Dollars (\$1,000,000) per occurrence and Two Million and No/100 Dollars (\$2,000,000) aggregate, providing coverage for, among other things, bodily injury and property damage (including, without limitation, for sports spectators and participants), blanket contractual liability for both oral and written contracts, premises and operations, personal and advertising injury, and products/completed operations with an endorsement commonly referred to as "Additional Insured-Managers or Lessors of Premises Endorsement" (or its equivalent). Said coverage will include the deletion of the exclusion for explosion, collapse or underground hazard, provide for separation of insureds, and include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease.
- **12.1.3** Commercial automobile liability insurance having a combined single limit of not less than One Million and No/100 Dollars (\$1,000,000) per occurrence and insuring Lessee against liability for claims arising out of ownership, maintenance, or use of any owned, hired, borrowed or non-owned automobiles.
- **12.1.4** Workers' compensation insurance having limits not less than those required by applicable state statute and federal statute and covering all persons employed by Lessee in the conduct of its operations at the Premises (including the all states endorsement and, if applicable, the volunteers endorsement), together with employer's liability insurance coverage in the amount of at least One Million and No/100 Dollars (\$1,000,000) each accident for bodily injury by accident, One Million and No/100 Dollars (\$1,000,000) policy limit by disease, and One Million and No/100 Dollars (\$1,000,000) each employee for bodily injury by disease.
- 12.1.5 Umbrella liability insurance on an occurrence basis, with minimum limits of not less than Ten Million and No/100 Dollars (\$10,000,000) aggregate limit, in excess of and following the form of the underlying insurance described in Sections 12.1.2 and 12.1.3 which is at least as broad as each and every area of the underlying policies. Such umbrella liability insurance shall be effective at all times as the primary policies, blanket contractual liability, application of primary policy aggregates, and shall provide that if the underlying aggregate is exhausted, the excess coverage will drop down as primary insurance. The amounts of insurance required in Sections 12.1.2, 12.1.3 and 12.1.5 of this Lease may be satisfied by purchasing coverage for the limits specified or by any combination of underlying and umbrella limits, so long as the total amount of insurance is not less than the limits specified in each of Sections 12.1.2 and 12.1.3 above when added to the limit specified in this Section 12.1.5.
- **12.1.6** Any other forms of insurance CITY may require from time to time, in form and amounts and for insurance risks against which a prudent tenant or licensee of comparable size and in a comparable business would protect itself.

- **12.2** REQUIREMENTS FOR LESSEE'S POLICIES. All insurance required under Section 12.1 hereof shall be written by companies of recognized financial standing with a rating of at least A-:VII as issued by A.M. Best Company, Inc. (or if a rating of A.M. Best Company Inc. is no longer available, a similar rating from a similar or successor service), or otherwise acceptable to CITY which are authorized to do insurance business in the State of California, and shall expressly provide that no cancellation of such policies shall be effective until at least ten (10) days after receipt by CITY and Lessee of written notice thereof. The policies identified in Sections 12.1.1, 12.1.2 and 12.1.3 of this Lease shall name CITY and EAS (or EAS's successor as Operator of the Training Facility) either as an additional insured or loss payee to the extent of Lessee's indemnification obligations hereunder. Lessee may obtain the insurance required hereunder by endorsement on its blanket insurance policies, provided that said policies fulfill the requirements of this Section 12.2. Lessee shall be entitled to carry deductibles in connection with the foregoing coverage up to \$50,000 Dollars, from time to time.
- 12.3 CERTIFICATES. A certificate(s) of insurance for all insurance required to be maintained by Lessee hereunder in a form reasonably acceptable to CITY and additional insured and loss payee endorsements for "Managers or Lessors of Premises" (or equivalent in form reasonably acceptable to CITY), shall be delivered to CITY no later than seven (7) days prior to the date of Lessee's entry onto the Premises, and with respect to renewal or replacement policies, not less than ten (10) days prior to expiration of the policy being renewed or replaced. In the event that Lessee fails to obtain, maintain or renew any insurance provided for in this Article 12 or to pay the premiums therefor, or to deliver to CITY any of such certificates, and such failure continues for ten (10) days after Lessee's receipt of written notice from CITY, CITY may, but shall not be obligated to, procure such insurance, pay the premiums therefor or obtain such certificates, and any costs or expenses incurred by CITY for such purposes shall be additional rent hereunder and shall be immediately paid by Lessee to CITY within ten (10) days after receipt of written demand by CITY. All liability, property damage or other casualty policies required of Lessee shall be written as primary policies, not contributing with or secondary to coverage which CITY may carry.
- **12.4** INSURANCE FOR CITY. Commencing on the Effective Date and continuing throughout the Lease Term, CITY shall maintain the following insurance:
- (a) commercial general liability insurance on the Training Facility with limits of not less than One Million and No/100 Dollars (\$1,000,000) per occurrence and Two Million and No/100 Dollars (\$2,000,000) aggregate, with umbrella/excess coverage of at least Five Million and No/100 Dollars (\$5,000,000).
- **(b)** Property Insurance for the Easton Housing and Easton Housing Adjacent Improvements , including all personal property and furnishing therein against the risks customarily included under what is commonly referred to as "Special Form" (a.k.a. "All Risks") policies in an amount equal to 100% of the Replacement Cost of the Housing Improvements (subject to reasonable deductibles).
- (c) All insurance required under <u>Section 12.4(b)</u> hereof shall be written by companies of recognized financial standing with a rating of at least A-:VII as issued by A.M. Best Company, Inc. (or if a rating of A.M. Best Company Inc. is no longer available, a

similar rating from a similar or successor service), or otherwise acceptable to Lessee which are authorized to do insurance business in the State of California, and shall expressly provide that no cancellation of such policies shall be effective until at least ten (10) days after receipt by CITY and Lessee of written notice thereof. The policies identified in Section 12.1.1 above shall name Lessee either as an additional insured or loss payee to the extent of CITY's indemnification obligations hereunder. Lessee may obtain the insurance required hereunder by endorsement on its blanket insurance policies, provided that said policies fulfill the requirements of this Section 12.4.

- (d) A certificate(s) of insurance for all insurance required to be maintained by CITY hereunder in a form reasonably acceptable to Lessee shall be delivered to Lessee no later than seven (7) days after the date of this Lease and with respect to renewal or replacement policies, not less than ten (10) days prior to expiration of the policy being renewed or replaced.
- WAIVER OF SUBROGATION. CITY and Lessee shall each cause to be 12.5 included in all policies of property insurance coverage obtained by them with respect to the Premises and the Property, and Lessee shall cause to be included in its policies of workers' compensation coverage, a waiver by the insurer of all right of subrogation against the other and the directors, officers, volunteers, partners, representatives, agents and employees of the other in connection with any loss or damage thereby insured against. Any additional premium for such waiver shall be paid by the party carrying such insurance. To the fullest extent permitted by law, CITY and Lessee each waives all right of recovery against the other (and any officers, directors, partners, employees, volunteers, agents, and representatives of the other) for, and agrees to release the other (and any officers, directors, partners, employees, volunteers, agents, and representatives of the other) from liability for, loss or damage to the extent such loss or damage is covered by valid and collectible insurance in effect at the time of such loss or damage (it being acknowledged and agreed that a party's failure to maintain the insurance required to be maintained by such party under this Lease shall not act to extinguish the waiver and release described above in this sentence). If the release of either party, as set forth in the immediately preceding sentence, should contravene any law with respect to exculpatory agreements, the liability of the party in question shall be deemed not released but shall be secondary to the liability of the other's insurer. For purposes of the foregoing waivers, any under-insurance, deductibles, retention, co-insurance or self-insurance maintained by the waiving party shall be treated as insurance proceeds to the same extent as though paid to the waiving party by a thirdparty insurer.

## **13.** INDEMNIFICATION.

13.1 INDEMNIFICATION BY LESSEE. Except to the extent caused by the negligence or willful misconduct of CITY or its agents (including, without limitation, Operator), employees or contractors or CITY's material breach of this Lease, Lessee covenants and agrees to pay, defend, indemnify and save harmless CITY and Operator from and against any and all liability, loss, damage, cost, expense, causes of action, suits, claims, demands or judgments of any nature whatsoever (including reasonable attorneys' and expert witness fees), to the extent arising from (a) the negligence or intentional misconduct of Lessee or its agents, employees or contractors, and (b) the activities or things done by or for Lessee or any Lessee Party on, to or

from the Premises. If any action or proceeding should be brought against CITY or Operator based upon any such claim and if Lessee, upon notice from CITY or Operator (as applicable), shall cause such action or proceeding to be defended at Lessee's expense by counsel reasonably satisfactory to CITY or Operator (as applicable), Lessee shall not be required to indemnify CITY or Operator for additional attorneys' fees and expenses incurred by CITY and/or Operator in connection with such action or proceeding. This indemnity does not apply to the extent of the negligence or intentional acts or omissions of CITY, its officers, agents (including, without limitation, Operator), contractors, or employees or CITY's breach of this Lease. The obligations of Lessee under this Section 13.1 shall commence to accrue on the Effective Date and with respect to any such matters occurring prior to the termination of this Lease, shall survive any termination of this Lease.

INDEMNIFICATION BY CITY. Except to the extent caused by the negligence or willful misconduct of Lessee or any Lessee Party or Lessee's material breach of this Lease, CITY covenants and agrees to pay, defend, indemnify and save harmless Lessee from and against any and all liability, loss, damage, cost, expense, causes of action, suits, claims, demands or judgments of any nature whatsoever (including reasonable attorneys' and expert witness fees) to the extent arising from (a) the negligence or intentional misconduct of CITY, the Operator or their agents, employees or contractors, and (b) the activities or things done by or for CITY or Operator or any of their officers, agents, contractors, or employees on, to or from the Premises. If any action or proceeding should be brought against Lessee based upon any such claim and if CITY, upon notice from Lessee, shall cause such action or proceeding to be defended at CITY's expense by counsel reasonably satisfactory to Lessee, CITY shall not be required to indemnify Lessee for additional attorneys' fees and expenses incurred by Lessee in connection with such action or proceeding. This indemnity does not apply to the extent of the negligence or intentional acts or omissions of Lessee or any Lessee Party. The obligations of CITY under this Section 13.2 shall commence to accrue on the Effective Date and with respect to any such matters occurring prior to the termination of this Lease, shall survive any termination of this Lease or Lessee's breach of this Lease.

## 14. OWNERSHIP AND SURRENDER OF IMPROVEMENTS.

OWNERSHIP AND SURRENDER OF IMPROVEMENTS, HOUSING 14.1 IMPROVEMENTS AND LESSEE'S PERSONALTY. Fee title to the Improvements and the Housing Improvements shall be the property of and owned by CITY; provided, however, that pursuant to the terms and provisions of this Lease, Lessee's use, maintenance, insurance and other rights and obligations with respect to the Improvements shall otherwise be as though Lessee owns the Improvements. CITY shall retain all rights to depreciation deductions and tax credits arising from its ownership of the Improvements and the Housing Improvements. Except as expressly provided otherwise in this Lease, Lessee shall not remove any Improvements or Housing Improvements from the Premises, nor waste, destroy or modify (other than the modifications expressly permitted in Section 10.3 of this Lease) any Improvements or Housing Improvements. Lessee acknowledges that CITY's fee title interest in and to the Premises, and therefore, Lessee's use of the Premises, are subject to: (a) the effect of the Declaration and all other covenants, conditions, restrictions, easements, mortgages or deeds of trust, any ground lease of record, any rights-of-way of record, non-disturbance agreements, and any other matters or documents now or hereafter of record; (b) the effect of any zoning, building or other land-use

laws of the CITY, county and state where the Premises is located; and (c) general and special taxes not delinquent. Lessee shall own all of its personal property and inventory before, during and after the Term

14.2 SURRENDER. Except upon a termination under Article 8 or Section 11.6 above, in which event this Section 14.2 shall not be applicable, upon the expiration or earlier termination of this Lease, Lessee shall (a) peaceably quit and surrender the Premises, the Improvements, the Housing Improvements, and any and all machinery and equipment which is part of the Archery Building constructed, or installed by Lessee thereon (other than personal property, trade fixtures and furniture of Lessee) which is necessary to the operation of the Premises for the Permitted Use to CITY in good order and condition (except as expressly provided otherwise in this Lease), ordinary wear and tear and damage caused by casualty excepted, and (b) at CITY's election in its sole and absolute discretion, cause any of the construction documents to be assigned to CITY at no cost or expense to CITY. Lessee shall have the right, but not the obligation, within thirty (30) days after termination or expiration of this Lease to remove from the Premises all Personalty. Lessee shall promptly repair, at its sole cost and expense, any damage to the Premises or to the Improvements and/or the Housing Improvements caused by such removal.

## **15.** EASTON HOUSING.

## **15.1** OPERATION AND MAINTENANCE.

- (a) CITY shall act as the sole and exclusive manager of the Easton Housing and Lessee shall not enter into any other agreement with respect to operation or management of the Easton Housing without the prior written approval of CITY. CITY shall have the right to enter into agreements with one or more third parties, including without limitation, Operator, with respect to the operation and management of the Easton Housing, provided, however, CITY shall not have the right to place signs, markings or banners on the Easton Housing (except for temporary hospitality banners for the purpose of welcoming incoming guests of CITY or Operator) or grant any sponsor rights with respect to the Easton Housing.
- (b) CITY, at its expense, shall clean, maintain, preserve, repair and replace and keep the Easton Housing and Easton Housing Adjacent Improvements in good order, condition and repair, ordinary wear and tear and damage by casualty or condemnation excepted. Such maintenance and repair shall include, without limitation, cleaning, replacement, utility costs, operational costs and maintenance and repair of all structural and nonstructural components, trash areas, lighting, sidewalks, walkways, the roof, landscaping, gates and HVAC of the Easton Housing Adjacent Improvements, including installing any Capital Improvements required to maintain the Easton Housing and Easton Housing Adjacent Improvements in good condition and repair. In the event CITY fails to maintain the Easton Housing and Easton Housing Adjacent Improvements in accordance with the obligations under this Lease, which failure continues at the end of thirty (30) days following CITY's receipt of written notice from Lessee stating the nature of the failure (or such longer period as may be reasonably required for CITY to complete required maintenance, repairs or refurbishing that cannot be reasonably completed within such 30-day period), Lessee shall have the right, but not the obligation, to

perform such maintenance, repairs or refurbishing at CITY's sole cost and expense (including a sum for overhead reasonably allocated for such work). To the extent that use of such utilities servicing the Easton Housing and Easton Housing Adjacent Improvements cannot be separately metered, all expenses arising from the use of such utilities shall be equitably allocated between the CITY and Lessee in accordance with their respective obligations to pay for such utilities as provided in this Lease to approximate as closely as possible the actual use of such utilities for (i) the Easton Housing and Easton Housing Adjacent Improvements; (ii) the Archery Building and Archery Building Adjacent Improvements; and (iii) the Outdoor Area and the Outdoor Area Archery Improvements, as reasonably determined by Lessee. As part of the CITY's obligation to maintain the Easton Housing, CITY shall also maintain and, as necessary, replace the furnishings in the Easton Housing in good condition and repair and in a manner consistent with the other housing units at the Training Facility. All expenses of the CITY to maintain the Easton Housing and Easton Housing Adjacent Improvements shall be referred to herein as the "Housing **Operating Expenses.**" The Housing Operating Expenses shall also include (x) employee wages and benefits who perform work in connection with the Easton Housing and Easton Housing Adjacent Improvements, provided that the wages and benefits of any employee who does not devote substantially all of his or her time to the Easton Housing shall be reasonably prorated to reflect time spent on operating and managing the Easton Housing vis-à-vis time spent on matters unrelated to operating and managing the Easton Housing, and (y) a reasonable share of administrative expenses and overhead for CITY and/or Operator (which such expenses shall be reasonably prorated to reflect expenses related to the Easton Housing and vis-à-vis expenses unrelated to the Easton Housing), provided such amount does not exceed a reasonable percentage of the total of all other Housing Operating Expenses in any calendar year. CITY shall maintain written records of its maintenance and repairs of the Easton Housing and Easton Housing Adjacent Improvements as and to the extent required by applicable law and shall use certified technicians to perform such maintenance and repairs to the extent reasonably required. If Lessee delivers to CITY a Notice of Termination (as defined in and pursuant to Section 8 herein), then CITY shall thereafter make available to Lessee for review copies of all service and maintenance contracts entered into by CITY for the Easton Housing and Easton Housing Adjacent Improvements within ten (10) days following Lessee's request therefor.

## **15.2** USE OF ARCHERY HOUSING.

15.2.1 CITY and Lessee acknowledge that the Easton Housing contains forty-seven (47) beds. Assuming most years contain 365 days, the CITY and Lessee agree that if each bed in the Easton Housing was utilized all 365 days there is a maximum number of 17,155 Bed Days that can be utilized during any year ("Maximum Bed Days"). Notwithstanding the above, CITY and Lessee acknowledge that as to a certain number of rooms in the Easton Housing there may be a total of an additional thirteen (13) beds added to increase the total number of Bed Days by 4,745, which could increase the Maximum Bed Days to 21,900. Lessee hereby grants CITY the right to add such additional beds and related furnishing at CITY's sole cost.

15.2.2 Pursuant to the Core Agreement with the USOC, CITY and Lessee acknowledge that certain Resident Athletes of archery funded by the USOC shall have a right to use a certain number of beds per day in the Training Facility (the "<u>USOC Funded Resident Archers</u>"). CITY agrees that the USOC Funded Resident Archers shall have the right to use such beds only in the Easton Housing throughout each year of the Lease at no cost or charge to

Lessee ("Resident Archery Athlete Bed Days") unless Lessee, USAA and CITY specifically agree that the Resident Archery Athlete Bed Days need not be located only in the Easton Housing. Such number of Resident Archery Athlete Bed Days per year is currently 5,840, but could change from year to year. CITY shall be solely responsible for any and all costs and expenses related to such use by Resident Archery Athlete Bed Days and shall collect reimbursement for such expenses from the USAA or the USOC for use of such Resident Archery Athlete Bed Days. In the event that the rate for a Bed Day in the Easton Housing is higher than the rate charged for a bed day in the balance of the Training Facility beds, the cost charged by CITY and/or Operator for use by the USOC Funded Resident Archers of the Resident Archery Athlete Bed Days in the Easton Housing in any Lease Year shall not exceed the lowest rate charged for a bed day in the balance of the Training Facility beds; provided, however, such rate protection shall only apply to the first 7,300 Resident Archery Athlete Bed Days in any Lease Year.

15.2.3 Subject to Section 15.3.1 below, Lessee, at no charge, shall have a right to use beds in the Easton Housing and/or Training Facility, for the purpose of housing any athlete, who is not a Resident Athlete designated by USAA or the USOC, or coaches and staff, for a total of 3,650 Bed Days each Lease Year ("Lessee Bed Days"). Subject to the scheduling requirements set forth in Section 15.3.1 below, such 3,650 Bed Days may be utilized by Lessee in multiple combinations of variable amounts and for various time periods depending on the needs of Lessee. For example, one week Lessee may need a total of 20 beds for a total number of 140 Bed Days that week (7 x 20) and another week Lessee may only need 5 beds for a total of 35 Bed Days (7 x 5).

15.2.4 The balance of the total Bed Days not used for Resident Archery Athlete Bed Days or Lessee Bed Days, which may consist of up to 12,410 Bed Days if additional beds are added to the Easton Housing by the CITY, may be utilized by the CITY for use by third parties designated by CITY ("CITY Bed Days"), including, without limitation, for rental to such third parties.

**15.2.5** In addition to the Lessee Bed Days, Lessee shall have the right to schedule additional bed days ("Additional Lessee Bed Days") at the Easton Housing or in the balance of the Training Facility in connection with special events and competitions to be held at the Premises. Lessee may exercise such right to schedule Additional Lessee Bed Days at any time beginning three hundred eighty (380) days ("Scheduling Start Date") prior to the date that such special event or competition will take place. Lessee shall pay CITY for such Additional Lessee Bed Days at the Tier 1 Rate set forth in the attached **Exhibit J**, subject to annual increases determined by CITY and Operator. CITY shall use commercially reasonable efforts to make such Additional Lessee Bed Days available to Lessee and provided Lessee schedules such Additional Lessee Bed Days not less than three hundred sixty-five (365) days prior to the date of such special event or competition, CITY shall make such Additional Lessee Bed Days available for Lessee unless CITY has previously scheduled an event which makes such Additional Lessee Bed Days unavailable for such days requested. Notwithstanding the above, CITY shall give notice to Lessee prior to the Scheduling Start Date if it receives a request to book beds for an event during the next twelve (12) month period ("City Notice of Scheduling") and, thereafter Lessee shall have five (5) Business Days after receipt of City Notice of Scheduling to book Additional Lessee Bed Days during such twelve (12) month period prior to CITY booking such

beds for such event. CITY shall use reasonable efforts to have as many of the Additional Lessee Bed Days in the Easton Housing as possible before using the other beds in the Training Facility to fulfill the Additional Lessee Bed Days. Notwithstanding the above, Lessee shall not have the right to schedule more than two hundred fifty (250) Additional Lessee Bed Days in any Lease Year, taking into account all Additional Lessee Bed Days scheduled at any location in the Training Facility (including, without, limitation, in the Easton Housing).

## **15.3** SCHEDULING LESSEE BED DAYS.

Housing. Lessee may exercise its right to schedule use of the Lessee Bed Days at any time beginning three hundred eighty (380) days prior to the date of requested use. Provided Lessee schedules such Lessee Bed Days not less than three hundred sixty five (365) days prior to the date of requested use, CITY shall make such Lessee Bed Days available for Lessee in the Easton Housing. If Lessee seeks to schedule the Lessee Bed Days after a date which is three hundred sixty five (365) days prior to the date of requested use, CITY shall use commercially reasonable efforts to provide such Lessee Bed Days to Lessee based on availability of beds that have not been scheduled, provided, however, if beds in the Easton Housing are already scheduled for such days requested by Lessee, CITY shall make such Lessee Bed Days available in other beds in the Training Facility.

**15.3.2** For any Lessee Bed Days that Lessee has previously scheduled but desires to cancel the scheduled use of ("Released Lessee Bed Days"), Lessee shall notify CITY of such cancellation in writing and such Released Lessee Bed Days may be used by CITY (including, without limitation, to rent to third parties), provided, however, if CITY later uses such Released Lessee Bed Days in the same Lease Year as previously scheduled by Lessee, Lessee shall be given a credit for such Released Lessee Bed Day such that it may be rescheduled again by Lessee in the same Lease Year. Except for such credit, Lessee shall not be entitled to any payment or other form of compensation for the Released Lessee Bed Days, whether or not used by CITY. For any Additional Lessee Bed Days that Lessee has previously scheduled but desires to cancel the scheduled use of ("Released Additional Lessee Bed Days"), Lessee shall notify CITY of such cancellation in writing and provided Lessee has given CITY such notice of cancellation more than six (6) months prior to the date scheduled for such use, Lessee shall not be charged for such Released Additional Lessee Bed Days and shall retain its rights to use such Released Additional Lessee Bed Days at such other time in the same Lease Year. In addition to the foregoing, Additional Lessee Bed Days scheduled by Lessee pursuant to Section 15.2.5 above may be cancelled no later than thirty (30) days prior to the day scheduled for use and in such event Lessee will not be charged for such Released Additional Bed Days. Cancellation of Additional Lessee Bed Days after such time shall not relieve Lessee of its obligation to pay in full for the scheduled Additional Lessee Bed Days.

**15.3.3** CITY shall use commercially reasonable efforts to allow persons selected by Lessee to use Lessee Bed Days to room together if practicable and desired by Lessee.

# **15.4** REVENUES FROM OPERATION OF EASTON HOUSING.

- **15.4.1** Subject to <u>Section 15.4.2</u> below, any revenue generated from the rental of Bed Days by CITY to any party, including Lessee, USOC, USAA, any NGB, or any third party, shall be retained by CITY.
- **15.4.2** Notwithstanding the above, Lessee shall be entitled to a "Revenue Share." As used herein, the "**Revenue Share**" shall mean 20% of the Net Operating Revenue generated by CITY from the rental of Bed Days in the Easton Housing. Net Operating Revenue shall mean all gross revenues received by CITY or Operator from the rental of Bed Days in the Easton Housing excluding (a) insurance proceeds, and (b) condemnation awards and/or compensation, less all Housing Operating Expenses of CITY in performing its obligations pursuant to Section 15.1(b) above. Notwithstanding the above, the Housing Operating Expenses shall not include, or be limited by, the following in any Lease Year:
- (i) the cost of any items for which CITY or Operator is reimbursed by insurance or condemnation awards;
- (ii) depreciation, interest on debt or amortization payments on any mortgage or deed to secure debt, other than with respect to debt incurred to finance Capital Improvements related to the Housing Improvements;
- (iii) the cost of the installation and acquisition of Capital Improvements, except that the cost of the installation and acquisition of a Capital Improvement shall be included in the Housing Operating Expenses to the extent that such cost is amortized over the useful life of the Capital Improvements (as reasonably determined by CITY in accordance with standard real estate accounting practices, consistently applied).

The Revenue Share shall be payable by CITY to Lessee no later than ninety (90) days after the end of each Lease Year. Upon Lessee's request, CITY shall provide Lessee with reasonable supporting documentation evidencing the amount and calculation of the Revenue Share.

- 15.5 ACCESS TO EASTON HOUSING; PARKING. Lessee and CITY acknowledge that there are fourteen (14) parking spaces adjacent to the Easton Housing as shown on **Exhibit F** attached hereto ("**Housing Parking**"). CITY shall have the exclusive right to use the Housing Parking and Lessee hereby grants CITY and its invitees reasonable ingress and egress rights over the Premises for the purpose of accessing the Housing Parking. In addition, any third parties renting beds at the Easton Housing, or otherwise entitled to use beds at the Easton Housing pursuant to this Lease, shall have parking rights in the parking area immediately adjacent to the Easton Housing.
- 15.6 REAL PROPERTY TAXES. CITY and Lessee acknowledge that while the Housing Improvements are located on the Premises, the CITY owns the Housing Improvements and is exclusively responsible for the management of the Housing Improvements and that Lessee only has certain limited rights to use a certain number of Bed Days as set forth in this <u>Article 15</u>. Accordingly, the CITY and Lessee believe that the Housing Improvements should be exempt from any real property taxes as a result of the CITY's tax exempt status as a chartered municipal corporation. Should any real property taxes or assessments (including possessory interest taxes)

be assessed against the Housing Improvements, the CITY and Easton shall cooperate with one another and work together to file any necessary appeals and/or applications to contest the amount or validity of such taxes and seek any applicable exemptions or reductions in such taxes and assessments. Notwithstanding such efforts, should real property taxes and/or assessments be ultimately assessed against the Housing Improvements, the parties shall each be responsible for an equitable share of such taxes and assessments based on their proportional use of the Housing Improvements, provided that in no event shall Lessee be responsible for an amount greater than twenty percent (20%) of any such taxes and assessments.

**15.7** CASUALTY. Except as provided below, in the event of any damage to or destruction of all or any part of the Housing Improvements, (a) CITY shall promptly commence and shall thereafter diligently and continuously prosecute to completion the Restoration of said Housing Improvements; and (b) promptly commence and shall thereafter diligently and continuously prosecute to completion the Restoration of any furniture, fixtures, equipment or other personal property of in the Housing Improvements. All such work by CITY shall be undertaken as nearly as practicable to their value, architectural condition and character as existed immediately prior to such damage or destruction. Except as otherwise provided below, insurance proceeds received on account of any damage to or destruction of the Housing Improvements or any part thereof, shall be applied to pay for the cost of Restoration. Notwithstanding the foregoing, if the Housing Improvements shall be damaged by a casualty not covered by insurance required to be maintained by CITY herein (excepting any amounts not covered due to applicable deductibles), then CITY shall have the right, at CITY's option, either (i) to repair such damage as soon as reasonably possible at CITY's sole expense, or (ii) to give written notice to Lessee within ninety (90) days after the date of the occurrence of such damage of CITY's election not to repair such damage, and in such event, Lessee, may, at Lessee's option, elect to repair such damage as soon as reasonably possible at Lessee's sole expense. Notwithstanding the foregoing, if the cost to repair any uninsured casualty is less than \$125,000, then CITY shall not have the right to not repair such damage as provided above, and CITY shall with due diligence proceed with the Restoration at CITY's expense, which such expenses shall be considered Housing Operating Expenses.

ALTERATIONS. Neither the CITY nor Lessee shall perform any Alterations to the Easton Housing or Easton Housing Adjacent Improvements without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. No such Alterations shall reduce or impair the value of the Premises or in any way impair the structural integrity of the Housing Improvements. The party who desires to perform the Alterations shall submit to the other party for approval the plans and specifications for such Alterations and shall reimburse such other party for all costs which such party may incur in connection with granting approval for any such Alterations requiring consent, including any reasonable and actual costs or expenses which such party may incur in electing to have outside architects and engineers review said matters not to exceed \$2,500 for each proposed Alteration that requires approval hereunder. The party desiring to build such Alteration shall also pay the cost of building permits and related fees unless waived by the CITY. Subject to Section 8(e) of this Lease, all Alterations to the Housing Improvements shall be done at the sole expense of the party seeking to make the Alterations and in strict accordance with all Laws, provided, however, that if the CITY proposes one or more Alterations that CITY believes would increase the revenue generated by the Easton Housing, and Lessee approves such Alteration(s), then Lessee

shall exercise its reasonable discretion in determining whether Lessee agrees that such Alternation(s) would increase the revenue generated by the Easton Housing, and if Lessee does so agree, then the costs of such Alteration(s) shall qualify as Housing Operating Expenses for the purpose of determining the Revenue Share pursuant to Section 15.4.2 above. If Lessee performs such Alterations, Lessee shall file a notice of completion after completion of all Alterations and shall provide CITY with a copy thereof together with a set of "as-built" drawings for any Alterations pursuant to this paragraph.

## **16.** ASSIGNMENT.

- NO ASSIGNMENT WITHOUT PRIOR CONSENT. Except as expressly provided in this Section 16.1, neither this Lease nor the interest of Lessee in this Lease or in the Premises, or any part thereof, shall be sold, assigned, licensed, subleased or otherwise transferred by Lessee, by operation of law or otherwise, without the prior written consent of CITY, which consent may be withheld in CITY's sole and absolute discretion; provided, however, with respect to (i) a proposed sublease of the Storage Building or the office space in the Archery Building to a NGB, or (ii) a proposed sublease of less than twenty percent (20%) of the Premises for other allowed uses of the Premises that are not competitive with other CITY/Operator existing or proposed at the Training Facility, CITY may not unreasonably withhold its consent. Notwithstanding the foregoing, (a) Lessee may assign this Lease to ESDF II (or a successor foundation to Lessee or ESDF II) without CITY's consent so long as Lessee delivers prior written notice of such assignment to CITY and Operator at least fifteen (15) days prior to the date of the proposed assignment and CITY is then reasonably satisfactory as to the structure, net worth and liquidity of ESDF II (or such assignee) and upon such assignment, Lessee shall be released from all obligations and liabilities under this Lease arising from and after the effective date of such Assignment, and (b) Lessee may sublease the Storage Building or the office space in the Improvements to a NGB, provided that in each such case, Lessee delivers prior written notice of such sublease to CITY and Operator at least fifteen (15) days prior to the date of the proposed sublease. Any permitted Assignee of Lessee's rights hereunder shall expressly assume all Lessee's obligations hereunder. Any permitted sublease of the Improvements shall be subject and subordinate to the terms and conditions of this Lease and shall not release Lessee from any of its duties or obligations under this Lease.
- or sublease shall apply only to the specific transaction thereby authorized and shall not relieve Lessee or any approved successor of Lessee from the requirement of obtaining the prior written consent of CITY to any further assignment. Notwithstanding any provision of this Lease, no consent or any action of any kind or nature by CITY, and no assignment or sublease permitted by CITY, shall in any circumstance be deemed a waiver or a release of Lessee from the performance by Lessee of its covenants, duties and obligations hereunder (except for an Assignment to ESDF II, or successor foundation to Lessee or ESDF II, pursuant to Section 16.1). Upon an Event of Default by Lessee, CITY may, without waiving any rights or remedies, collect fees or rent owed Lessee directly from the Assignee, subtenant or occupant and apply the net amount collected to the Rent herein reserved and apportion any excess fees or rent so collected in accordance with the terms of the preceding sentence. Such acceptance of Rent shall in no event be deemed to imply that CITY is approving an Assignee that CITY has not approved in writing pursuant to the requirements of this Article 16.

16.3 LIMITATION ON CITY'S TRANSFER AND MORTGAGE RIGHTS. Notwithstanding anything in this Lease to the contrary, CITY may not mortgage, assign, sell or otherwise transfer the interest of CITY in the Premises without the prior consent of Lessee; provided, however, that CITY may, without obtaining Lessee's consent, assign, sell or otherwise transfer the interest of CITY in the Premises to any affiliate of CITY (which shall include any person or entity which controls, is controlled by or under common control with CITY), provided such entity maintains the real property tax exempt status that the CITY has. Nothing in the foregoing shall limit CITY's right to mortgage, assign, sell or otherwise transfer the interest of CITY in all or any portion of the Training Facility which is not the Premises.

# **17.** DEFAULT.

- **17.1** LESSEE EVENTS OF DEFAULT. The occurrence of any of the following acts, events or conditions shall constitute an "<u>Event of Default</u>" under this Lease. All notices given pursuant to this <u>Section 17.1</u> shall be in lieu of, not in addition to, any notice required by California Code of Civil Procedure Section 1161, et seq.:
- 17.1.1 Any Rent or any other sum of money payable under this Lease is not paid when due and such failure shall continue within ten (10) days after the time periods provided for in this Lease (or if no time period is expressly provided, then Lessee shall have a period of ten (10) days after Lessee's receipt of written notice of the required payment);
- 17.1.2 The failure or refusal of Lessee, at any time during the Term, to fulfill or perform any other covenant, agreement or obligation of Lessee hereunder if such failure or refusal shall continue without correction for a period of sixty (60) consecutive calendar days from and after Lessee's receipt of written notice thereof, provided that if such covenant, agreement or obligation shall be of such nature that it can be fulfilled or performed and if Lessee in good faith commences to fulfill or perform same, within said sixty (60) day period, but due to the nature of same, it could not be reasonably fulfilled or performed, within said sixty (60) day period exercising due diligence, an Event of Default shall not be deemed to have occurred if Lessee is then diligently pursuing the fulfillment or performance of the covenant, agreement or obligation and shall thereafter continuously and diligently proceed therewith until completion;
- 17.1.3 The initiation of any proceeding whereupon the estate or interest of Lessee in the Premises, or any portion thereof, or in this Lease is levied upon or attached if such proceeding is not vacated, discharged or bonded within ninety (90) days after the date of such levy or attachment;
- 17.1.4 The entry of any decree or order for relief by a court having jurisdiction in the Premises in respect of Lessee in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of Lessee or for any substantial part of the assets of Lessee, or the entry of any decree or order with respect to winding-up or liquidation of the affairs of Lessee, if any such decree or order continues unstayed and in effect for a period of sixty (60) consecutive days;

- 17.1.5 The commencement by Lessee of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by Lessee to the appointment of or possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of Lessee or for any substantial part of the assets of Lessee, or any assignment made by Lessee for the benefit of creditors; and
- 17.1.6 The making of any material misrepresentation or omission by Lessee or any successor in interest of Lessee in any materials delivered by or on behalf of Lessee to CITY or CITY's lender pursuant to this Lease.
- 17.2 REMEDIES. Upon the occurrence of an Event of Default, CITY shall give written notice to Lessee, which notice shall set forth the nature of the default. If such default has not been cured within thirty (30) days of Lessee's receipt of such notice, then CITY may declare this Lease terminated upon written notice of same to Lessee, in which case the license created hereby, and all other rights in favor of Lessee, shall be revoked without further action by any person. The termination of this Lease shall not impair the ability of CITY to pursue any other remedy or right permitted by law or in equity or by this Lease, including, but not limited to, the following:
- 17.2.1 CITY, with or without terminating this Lease, may perform, correct or repair any condition which shall constitute a failure on Lessee's part to keep, observe, perform, satisfy, or abide by any term, condition, covenant, agreement, or obligation of this Lease, and Lessee shall fully reimburse and compensate CITY and Operator within thirty (30) days after receipt of demand for all costs and expenses incurred by CITY and Operator in such performance, correction or repair, including, without limitation, accrued Interest as provided in the next sentence. All sums so expended to cure Lessee's default shall accrue Interest from a date which is thirty (30) days from receipt of invoice by Lessee until date of payment at the rate specified in Section 3.3 of this Lease.
- 17.2.2 CITY, with or without terminating this Lease, may pursuant to appropriate legal proceedings remove from the Premises and the Improvements all Personalty belonging to or placed on the Premises by, at the direction of, or with consent of Lessee. Any such removal by CITY shall not of itself constitute a revocation or termination of this Lease by CITY.
- 17.2.3 CITY may immediately or at any time thereafter terminate this Lease, and this Lease shall be deemed to have been terminated upon receipt by Lessee of written notice of such termination. Upon such termination, CITY and Operator may recover from Lessee any other amount necessary to compensate CITY and Operator for all the detriment proximately caused by Lessee's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom, including, but not limited to: attorneys' fees; brokers' commissions; the costs of refurbishment, alterations, renovation and repair of the Premises; and removal (including the repair of any damage caused by such removal) and storage (or disposal) of Lessee's personal property, equipment, fixtures, Alterations, and any other items which Lessee is required under this Lease to remove but does not remove. Notwithstanding the foregoing, pursuant to Section 17.5 below, Lessee shall not be liable to CITY or Operator for lost profits or other consequential damages under this Section 17.2.3.

- 17.2.4 Each right and remedy of CITY provided for herein or now or hereafter existing at law, in equity, by statute or otherwise shall be cumulative and shall not preclude CITY from exercising any other rights or remedies provided for in this Lease or now or hereafter existing at law or in equity, by statute or otherwise. No payment by Lessee of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment as Rent shall be deemed an accord and satisfaction of full payment of Rent; and CITY may accept such payment without prejudice to CITY's right to recover the balance of such Rent or to pursue other remedies.
- 17.3 GENERAL. No failure or delay on the part of CITY or Lessee in exercising any rights under any provision of this Lease shall operate as a waiver of any rights of such party hereunder, at law or in equity or under any other provisions of this Lease, nor shall any waiver of an Event of Default on one occasion operate as a waiver of any subsequent Event of Default or of any other Event of Default. No express waiver shall affect any condition, covenant, rule, or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated. The exercise by CITY or Lessee of any one or more of the rights and remedies provided in this Lease shall not prevent the subsequent exercise by CITY or Lessee of any one or more of the other rights and remedies herein provided. All remedies provided for in this Lease are cumulative and may, at the election of CITY or Lessee (as the case may be), be exercised alternatively, successively, or in any other manner and are in addition to any other rights provided for or allowed by law or in equity; provided, however, that exercise of the remedy provided in Section 17.2.3 hereof shall result in the termination of this Lease and shall therefore preclude the exercise of any remedy requiring the continuation of this Lease.
- **17.4** CITY DEFAULT. The occurrence of any of the following acts, events or conditions shall constitute a "<u>CITY Event of Default</u>" under this Lease:
- 17.4.1 In the event CITY fails to perform any of its obligations under this Lease, and such failure continues for sixty (60) days after written notice from Lessee (or if such obligation cannot be cured within sixty (60) days, then after such period of time as reasonably necessary to cure so long as CITY has commenced such cure within said 60-day period and diligently prosecutes the same to completion); and
- 17.4.2 Upon the occurrence of a CITY Event of Default, Lessee shall have the option to pursue any and all remedies available at law or in equity or as set forth in this Lease. Each right and remedy of Lessee provided for in this Lease shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease except as otherwise limited by this Lease, and the exercise or the beginning of the exercise by Lessee of one or more of the rights or remedies provided for in this Lease, except as otherwise limited by this Lease, shall not preclude the simultaneous or later exercise by Lessee of any or all other rights or remedies provided for in this Lease, except as otherwise limited by this Lease.
- 17.5 LIMITATION ON CONSEQUENTIAL DAMAGES. Notwithstanding anything to the contrary contained in this Lease, nothing in this Lease shall impose any obligation on CITY or Lessee to be responsible or liable for, and each hereby releases the other from all liability for, lost profits or other consequential damages.

## **18.** CONDEMNATION.

**18.1** TAKING. If there is any Taking before or during the Term hereof, the rights and obligations of the parties with respect to such Taking shall be as provided in this <u>Article 18</u>.

# **18.2** TAKING OF PREMISES OR PROPERTY.

- (a) If there is a Taking of any portion of the Premises or the Improvements so that Lessee reasonably concludes that the Premises or Improvements, as affected by such Taking, cannot be used and operated substantially similar to the manner and extent to which it was used and operated prior to such Taking, then Lessee shall have the right to terminate this Lease.
- **(b)** If there is a Taking of that portion of the Premises consisting of the Outdoor Archery Area, Lessee may elect to terminate this Lease, provided however, if it does not elect to do so, then such portion of the Premises subject to the Taking shall be deleted from this Lease, and this Lease shall continue for the remainder of the Premises.
- (c) Any such termination shall not benefit such condemning authority and shall be without prejudice to the rights of either CITY or Lessee to recover just and adequate compensation from the condemning authority as provided herein. In the event any party desires to terminate this Lease as a result of a Taking pursuant to each party's respective rights under this Section 18.2, such party must send a notice of termination within sixty (60) days following receipt of the final, nonappealable determination of such Taking.
- **18.3** EFFECTIVE TERMINATION DATE. If this Lease is terminated in accordance with the provisions of <u>Section 18.2</u>, such termination shall become effective as of the earlier of (i) the date on which Lessee substantially vacates the Premises; or (ii) the date physical possession of the condemned portion is taken, whichever shall occur first. Rent shall be accounted for as between CITY and Lessee as of the effective date of such termination.
- **18.4** REPAIR AND RESTORATION OF THE PREMISES OR TRAINING FACILITY.
- **18.4.1** If this Lease is not terminated in accordance with the provisions of <u>Section 18.2(a)</u>, then Lessee, at its sole cost and expense, shall promptly construct, repair and/or restore, where possible, the portion of the Improvements to the same quality so that they can be used in a substantially similar manner to which they were used prior to the Taking.
- **18.4.2** If this Lease is not terminated in accordance with the provisions of Sections 18.2(b), then CITY, at its sole cost and expense (which may include the use of any award of compensation for the Taking), shall promptly construct, repair and/or restore, if feasible, those portions of the Outdoor Area and Outdoor Archery Improvements to substantially the same quality and function as existed prior to the Taking.
- **18.5** AWARDS. The award of compensation for any such Taking (including any award relating to the Improvements) shall be divided as follows: all awards for the Outdoor Archery and Outdoor Archery Improvements shall belong to and be the property of CITY, and

all awards for the Archery Building, Archery Building Adjacent Improvements, Storage Building, Easton Housing and Easton Housing Adjacent Improvements, shall belong to Lessee. Lessee shall also be entitled to recover from the condemning authority such compensation as may be separately awarded by the condemning authority to Lessee or recoverable from the condemning authority by Lessee in its own right for the loss of value to Lessee's business and the leasehold bonus value, and for the Taking of real property, trade fixtures and equipment owned by Lessee (meaning, in the case of equipment, personal property, whether or not attached to real property, which may be removed without injury to the Premises), and for the expense of removing and relocating them and for other consequential damages.

- 19. BROKERAGE PROVISIONS. CITY and Lessee represent and warrant to each other that no broker, commission agent, real estate agent or salesman has participated in the negotiation of this Lease, its procurement or in the procurement of CITY or Lessee and each shall indemnify, defend and hold harmless the other from any claims, liabilities or suits by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with such party with regard to this leasing transaction. The terms of this <a href="https://example.com/Article 19">Article 19</a> shall survive any termination of this Lease.
- **20.** CITY'S LIEN. CITY hereby waives and covenants to waive any landlord's lien or similar lien it might have in any of Lessee's personal property. Although such waiver shall be automatic and self-operative without the necessity of any further instrument, CITY hereby agrees to execute promptly such further instruments as may be reasonably required by Lessee or Lessee's lender to evidence such waiver.

## **21.** FURTHER DEVELOPMENT OF PROPERTY.

FURTHER SUBDIVISION ADJUSTMENT. CITY may, at CITY's option and in its sole and absolute discretion, elect to process and record in the Official Records, a Subdivision Adjustment in order to permit the further development of the Training Facility; provided, however, that CITY shall not be permitted to thereafter process and record in the Official Records any Subdivision Adjustment which alters the boundaries of the Premises (the "Subdivision Adjustment Restriction"). Subject to the Subdivision Adjustment Restriction, no Subdivision Adjustment shall be subject to Lessee's consent or approval and Lessee shall have no right to object to or oppose any Subdivision Adjustment. Subject to the Subdivision Adjustment Restriction, Lessee agrees to execute and deliver, within ten (10) Business Days after request by CITY and in the form reasonably requested by CITY, any documents requested by CITY in connection with any such Subdivision Adjustment and/or development of the Training Facility, including, without limitation, grants of easements and other covenants and restrictions over the Property or the Premises deemed necessary by CITY or any applicable governmental authorities for the performance of development of the Training Facility, as well as any documents needed to conform this Lease to the circumstances resulting from a subdivision and any maps in connection therewith, provided Lessee shall not be required to incur any material undue burden or material diminution of Lessee's rights under this Lease in connection therewith. Lessee acknowledges that from time to time CITY may seek new entitlements or amendments to any specific or general plan, zoning or other existing entitlements for the Training Facility (except for the Premises) or other real property owned or leased by CITY in the vicinity of the Training Facility, which may include, without limitation, the right to construct additional improvements on the Property beyond that which is permitted as of the date of this Lease. Lessee agrees that it will not oppose any such entitlements or amendments and will support and cooperate with CITY in such regard provided that the proposed entitlements or amendments do not materially and adversely affect Lessee's rights under this Lease or Lessee's ongoing use of the Premises and then such entitlements and amendments must not materially interfere with the Improvements as so constructed.

- MULTIPLE OWNERSHIP. Subject to the limitations set forth in Section 16.3 of this Lease, following any Subdivision Adjustment, CITY, at its option and in its sole discretion, may enter into agreements with third parties to sell or lease portions of the Training Facility and, thereafter, may enter into agreements with such parties or, with respect to real property in the Training Facility owned by CITY, enter into declarations encumbering such property to provide (i) for reciprocal rights of access, use, enjoyment and/or maintenance of the Premises and surrounding properties, and (ii) for any other matter which CITY reasonably deems necessary provided such agreements or declarations do not materially and adversely burden or affect the Premises or the use and operation of the Premises. Lessee agrees that this Lease shall be subordinate to any such agreement, and agrees to execute and deliver within ten (10) days after request by CITY, and in the form reasonably requested by CITY, any additional documents designated by CITY to further evidence the subordination of this Lease to such agreement, provided Lessee shall not be required to incur any material undue burden or material diminution of Lessee's rights under this Lease as a result thereof, and in all events, Lessee's possession and rights under this Lease shall not be disturbed by any party to such agreement or upon a default under any such agreements.
- 21.3 CONSTRUCTION OF PROPERTY. Lessee acknowledges that portions of the Property may be under construction during Lessee's use of the Premises, and that such construction may result in levels of noise, dust, and obstruction of access, which are in excess of that present in a fully constructed project. Lessee hereby waives any and all Rent offsets, abatements, deductions or claims of constructive eviction that may arise in connection with such construction

## **22.** MISCELLANEOUS.

- 22.1 NO WAIVER. Except as otherwise expressly provided in this Lease, failure of either party to insist upon the strict performance by the other of any term, condition or covenant on the other's part to be performed pursuant to the terms of this Lease or to exercise any option, right, power, or remedy contained in this Lease shall not be or be deemed to be a waiver of such performance or relinquishment of such right now or at any time subsequent hereto. The receipt by CITY of any Rent required to be paid by Lessee hereunder with knowledge of any Event of Default by Lessee shall not be or be deemed to be a waiver of such Event of Default. Except as otherwise expressly provided in this Lease, no waiver by either party of any provision of this Lease shall be or be deemed to have been made unless expressed in writing and signed by such party.
- 22.2 ESTOPPEL CERTIFICATES. Within ten (10) Business Days following written request of either party, the other party shall execute, acknowledge and deliver to the requesting party and to any lender of or prospective purchaser from CITY, a written certificate certifying to

such party's then-current, actual knowledge and without investigation or inquiry (a) that this Lease is unmodified and in full force and effect (if true) (or if there have been modifications, that this Lease is in full force and effect as modified (if true), and stating the modifications), (b) the date to which Rent payable by Lessee hereunder have been paid, and (c) that no notice has been received or given by either party of any Event of Default by Lessee hereunder which has not been cured, except as to any Event of Default specified in said certificate, and (d) such other factual matters reasonably related to this Lease requested by the requesting party.

as provided below or in cases of fraud by CITY, Lessee shall look solely to the right, title and interest of CITY in the Property for the collection of any judgment (or other judicial process) requiring the payment of money by CITY to Lessee in the event of any default or breach by CITY with respect to any of the terms, covenants and conditions of this Lease to be observed or performed by CITY; and no other assets of CITY, its members or shareholders shall be subject to levy, execution or other procedures for the satisfaction of Lessee's remedies. Notwithstanding the above, to the extent CITY's right, title and interest in the Property is insufficient to satisfy a judgment (or other judicial process) requiring the payment of money by CITY to Lessee in the event of any default or breach by CITY, Lessee may look to other assets of CITY in addition to the Property in an amount not to exceed Five Hundred Thousand and No/100 Dollars (\$500,000) in order to satisfy such judgment.

## **22.4** SUBORDINATION.

**22.4.1** Subject to the limitations set forth in Section 16.3 hereof (i.e., CITY may not mortgage, assign, sell or otherwise transfer the interest of CITY in the Premises without the prior consent of Lessee), and any provision, term or condition of this Lease which is or which may appear to be to the contrary notwithstanding, CITY shall, at all times and from time to time after the date of this Lease, have the express right, power and privilege of pledging, conveying, assigning or mortgaging CITY's fee simple title in and to the Property, for the purpose of obtaining financing, credit, or as security for any financing or extension of credit, provided only that the person or entity accepting such pledge, conveyance, assignment or mortgage as security shall take subject to the rights of Lessee under this Lease, and Lessee, in the event of any foreclosure or deed in lieu of foreclosure or other final conveyance and transfer of CITY's interest as aforesaid, shall recognize and attorn to the grantee thereof as "CITY" under this Lease. Notwithstanding the above, CITY shall not record any deed of trust or mortgage against the Premises and the Lessee shall have no obligation to attorn to any party unless (i) Lessee has approved of such deed of trust or mortgage pursuant to the provisions of Section 16.3 hereof, and (ii) the CITY and any such third party holding such mortgage or deed of trust enters into an agreement with the Lessee, in a commercially reasonable form, agreeing that Lessee's leasehold interest and Lessee's right to occupy the Premises shall not be disturbed upon any foreclosure or transfer of the CITY's interest in the Premises to a third party Likewise, and to similar effect, CITY, at all times and from time to time after the date of this Lease, shall have the express right, power and privilege of assigning CITY's interest in this Lease or in the Rent to be paid hereunder. Subject to Section 16.3 of this Lease, Lessee agrees that this Lease shall be subordinate to any mortgage, deed of trust, or other lien hereinafter placed upon the Premises or the Training Facility as a whole by CITY. Subject to the foregoing, Lessee shall execute such

documents as may be reasonably required to render Lessee's interest hereunder subordinate to the lien of any such mortgage or deed of trust.

- **22.4.2** CITY hereby represents and warrants that the Premises is not subject to any mortgage, deed of trust, ground lease or security interest that is superior to this Lease, except for the right of termination and re-entry of Eastlake Development Company, a California general partnership, and San Diego National Sports Training Foundation, a California not-for-profit corporation, and their respective successors in interest under the (a) Declaration, (b) Grant Deed recorded in the Official Records on January 19, 1995, as Instrument No. 1995 0025716; and (c) Grant Deed recorded in the Official Records on September 1, 1995, as Instrument No. 1995 0389093.
- 22.5 SEVERABILITY. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate applicable law and shall be limited to the extent necessary to render this Lease valid and enforceable. If any term, provision or covenant of this Lease or the application thereof to any person or circumstance shall be held to be invalid, illegal or unenforceable by a court of last resort having jurisdiction in the Premises, the validity of the remainder of this Lease shall not be affected, this Lease shall not terminate, and there shall be substituted for such illegal, invalid or unenforceable provision a like provision which is legal, valid and enforceable within the limits established by such court's final opinion and which most nearly accomplishes and reflects the original intention of the parties.
- NOTICES, DEMANDS AND OTHER INSTRUMENTS. All notices, demands, requests, consents, approvals and other communications submitted, desired, necessary, required or permitted to be given pursuant to the terms of this Lease shall be in writing and delivered by (a) personal delivery (including, without limitation, delivery by messenger, Federal Express, express mail or other similar courier service which confirms delivery in writing), (b) certified mail, postage prepaid, return receipt requested, (c) fax machine, or (d) email; provided, however, that any notice given by the means described in subsections (c) or (d) of this Section 22.6 shall concurrently be followed by a "hard" copy of the same delivered by one of the means of delivery described in subsections (a) or (b) of this Section 22.6. Notice shall be deemed delivered (i) when actually delivered or refused, if given pursuant to subsections (a) or (b) of this Section 22.6, (ii) at the time and on the date of machine transmittal, as verified by the send verification on sending party's machine, if given pursuant to subsection (c) of this Section 22.6, and (iii) at the time and on the date of email transmittal, as verified by the sender's email transmission software, if given pursuant to subsection (d) of this Section 22.6. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, demand, request or other communication.

Notices shall be addressed to the parties as set forth below:

To CITY: City of Chula Vista

276 Fourth Avenue Chula Vista, CA 91910 Attn: Deputy City Manager

E-mail: kbacon@chulavistaca.gov

With a copy to: City Attorney

276 Fourth Avenue Chula Vista, CA 91910

E-mail: ggoogins@chulavistaca.gov

With a copy to: Thomas W. Turner, Jr., Esq.

Procopio, Cory, Hargreaves & Savitch LLP

525 B Street, Suite 2200 San Diego, CA 92101

E-mail: tom.turner@procopio.com

To Operator: Elite Athlete Services LLC

3900 Lomaland Drive San Diego, CA 92106 Attn: Dr. Joe Watkins

E-mail: pointlomatrust@pointloma.edu

With a copy to: Manatt, Phelps & Phillips, LLP

11355 W. Olympic Blvd. Los Angeles, CA 90064 Attn: Keith Allen-Niesen, Esq.

E-mail: KAllen-Niesen@manatt.com

To Lessee: Easton Sports Development Foundation

Executive Director - Easton Foundations

15026 Oxnard Street Van Nuys, CA 91411 Facsimile: (818) 994-3889 Telephone: (818) 901-0127 E-mail: csawyer@esdf.org

Easton Sports Development Foundation

Director – Archery Complex US Olympic Training Center

2800 Olympic Parkway, Bldg. 2000

Chula Vista, CA 91915 E-mail: kchia@esdf.org

With a copy to: Edward F. Whittler, Esq.

Peterson & Price, APC 530 B Street, Suite 1800 San Diego, CA 92101 Facsimile: (619) 234-0361 Telephone: (619) 234-4786 E-mail: efw@petersonprice.com or at such other address(es) in the United States as CITY or Lessee may from time to time designate by like notice. Additionally, Lessee agrees to send to USOC (at the address set forth in the Core Agreement) and to Operator (at the address set forth in the Housing Operations Agreement) copies of all notices required or permitted to be given pursuant to this Lease.

- **22.7** SUCCESSORS AND ASSIGNS. Each and every covenant, term, condition and obligation contained in this Lease shall apply to and be binding upon and inure to the benefit or detriment of the respective legal representatives, heirs, successors and permitted assigns of CITY and Lessee. Whenever reference to the parties hereto is made in this Lease, such reference shall be deemed to include the legal representatives, successors, heirs and permitted assigns of said party the same as if in each case expressed.
- **22.8** HEADINGS. The headings to the various Articles and Sections of this Lease have been inserted for purposes of reference only and shall not limit or define or otherwise affect the express terms and provisions of this Lease.
- **22.9** COUNTERPARTS. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one instrument.
- **22.10** ENTIRE AGREEMENT; AMENDMENTS; INTEGRATION. All prior representations, promises, understandings and agreements, whether oral or written, are superseded by and merged into this Lease. No modification or amendment of this Lease (including, without limitation, a mutual agreement to terminate this Lease) shall be binding upon CITY and Lessee, or either, unless in writing fully executed by CITY and Lessee, and approved in writing by Operator. All Exhibits referenced herein and attached hereto are incorporated into this Lease.
- **22.11** ALL GENDERS AND NUMBERS INCLUDED. Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Lease, it shall equally apply to, extend to, and include the other.
  - **22.12** TIME OF ESSENCE. Time is declared to be of the essence of this Lease.
- **22.13** MEMORANDUM OF LEASE. CITY and Lessee hereby agree that neither this Lease nor any short form hereof shall be recorded in the property records.
- **22.14** APPROVAL AND INSPECTION RIGHTS. Lessee expressly acknowledges and agrees that CITY has the right, but not the duty, at any time, to enter upon the Premises and the Improvements and any portion thereof to determine to CITY's satisfaction whether the terms, covenants and conditions of this Lease, including Lessee's performance obligations, are being kept and observed, provided such entry does not materially interfere with Lessee's operation at the Premises.
- **22.15** FAILURE TO SURRENDER. Except as otherwise provided in <u>Article 8</u>, If Lessee fails to surrender the Premises within sixty (60) days after the termination of this Lease, then Lessee shall, in addition to any other liabilities to CITY accruing therefrom, indemnify and hold CITY harmless from any loss or liability resulting from such failure, but excluding any special or consequential damages. This Section 22.15 shall survive termination of this Lease.

- **22.16** CORPORATE AUTHORITY. Lessee and CITY each represent and warrant to the other that it has the authority to enter into this Lease, and perform all of the terms herein provided to be performed, as applicable.
- **22.17** RELATIONSHIP OF THE PARTIES. Nothing contained herein shall be deemed or construed by the parties hereto, or any third party, as creating the relationship of principal and agent or a partnership or joint venture between the parties hereto, it being understood and agreed that neither the method of computation of fees nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of lessor and lessee.
- **22.18** SURVIVAL. All obligations of Lessee or CITY which by their nature involve performance after the end of the Term, or which cannot be ascertained to have been performed until after the end of the term of this Lease, shall survive the expiration or sooner termination of this Lease.
- **22.19** ATTORNEYS' FEES. If either CITY or Lessee should prevail in any litigation, arbitration or other legal proceeding instituted by or against the other related to this Lease, the prevailing party, as determined by the court, arbitrator or the like, shall receive from the non-prevailing party all costs and reasonable attorneys' fees incurred in such litigation, arbitration or proceeding, including costs on appeal, as determined by the court, arbitrator or the like.
- **22.20** JOINT AND SEVERAL. If more than one individual or entity is identified as Lessee in this Lease, each individual or entity executing this Lease shall be jointly and severally responsible and liable for each of the covenants, obligations and liabilities arising under or in connection with this Lease.
- **22.21** GOVERNING LAW. This Lease shall, in all respects, be governed, construed, applied, and enforced in accordance with the laws of the State of California.
- 22.22 ARBITRATION OF DISPUTES. IN THE EVENT OF A DISPUTE BETWEEN CITY AND LESSEE UNDER THIS LEASE, CITY AND LESSEE AGREE THAT SUCH DISPUTE SHALL BE SETTLED BY BINDING ARBITRATION IN ACCORDANCE WITH THE ARBITRATION PROCEDURES SET FORTH ON Exhibit H ATTACHED HERETO. BY EXECUTING THIS LEASE, CITY AND LESSEE ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THIS LEASE DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND CITY AND LESSEE ARE GIVING UP ANY RIGHTS THEY MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. BY EXECUTING THIS LEASE, CITY AND LESSEE ARE GIVING UP THEIR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL WITH RESPECT TO DISPUTES ARISING IN CONNECTION WITH THIS LEASE, EXCEPT TO THE EXTENT SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE ARBITRATION OF DISPUTES PROVISIONS SET FORTH ON **Exhibit H** ATTACHED HERETO. IF EITHER CITY OR LESSEE REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEING TO SUCH PROVISIONS, SUCH PARTY MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. EACH OF CITY'S AND LESSEE'S AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

EACH OF CITY AND LESSEE ACKNOWLEDGES AND AGREES THAT SUCH PARTY HAS READ AND UNDERSTANDS THE FOREGOING AND AGREES TO SUBMIT DISPUTES ARISING OUT OF THIS LEASE TO NEUTRAL ARBITRATION.

- 22.23 COMPLIANCE WITH CORE AGREEMENT. The parties acknowledge and agree that all provisions, terms, obligations and rights under this Lease are subject and subordinate to the rights of the USOC under the Core Agreement. To the extent that there is a conflict between the terms and conditions of this Lease and the terms and conditions of the Core Agreement, the terms and conditions of the Core Agreement shall govern and control. Notwithstanding any provision of this Lease to the contrary, Lessee shall not do, cause or allow any action in violation of the Core Agreement. Any amendment or modification to the Core Agreement that materially and adversely affects the rights or obligations of Lessee under this Lease shall not be binding on Lessee and shall have no force or effect upon Lessee's rights or obligations under this Lease.
- 22.24 OPERATOR. The CITY may from time to time (a) delegate any or all of its obligations under this Lease, and/or (b) assign any or all of its rights under this Lease, to a third party operator ("Operator"). Except for matters with respect to which CITY gives Easton prior written notice to the contrary, all approval rights in favor of CITY under this Lease shall be deemed to require the approval of both the CITY and Operator. The current Operator is Elite Athlete Services LLC, a California limited liability company ("EAS") pursuant to that certain Facility Operations Agreement by and between the CITY and EAS dated April 21, 2016 ("Operator Agreement"). Pursuant to the terms and conditions of the Operator Agreement, EAS shall serve as the exclusive operator of the Training Facility. As used herein, the term Operator shall refer to EAS or its successor operator, as designated by CITY from time to time. Except for matters with respect to which CITY gives Easton prior written notice to the contrary, Easton shall have the right to rely on Operator as CITY's authorized representative and agent with respect to all matters under this Lease, without the need to obtain separate approval or authorization with respect to any given action, provided, however, that this Lease may not be amended without written consent of the CITY obtained directly from the CITY. In the event that EAS at any time ceases to be the Operator under this Lease for any reason, EAS shall not have any liability under this Lease with respect to any events or occurrences first arising after the date that EAS ceases to be the Operator under this Lease, except to the extent actually caused by EAS
- **22.25** TRANSFER AGREEMENT/EFFECTIVE DATE. No party shall have any obligations under this Lease in the event that the Property is not transferred to CITY pursuant to the Transfer Agreement. If the Property is not transferred to CITY pursuant to the Transfer Agreement by July 1, 2017, this Lease shall be deemed to be null and void.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, CITY and Lessee have executed this Lease as of the date first set forth above.

CITY:
City of Chula Vista, a chartered municipal corporation
By: Printed Name: Its:
Approved as to from:
Glen R. Googins , City Attorney
Attest:
By:Its:
LESSEE:
EASTON SPORTS DEVELOPMENT FOUNDATION, a California nonprofit public benefit corporation
By: Name: Greg Easton Title: President

# EXHIBIT A-1 DEPICTION OF THE PROPERTY



# Exhibit A-2

# **LEGAL DESCRIPTION OF THE PROPERTY**

[Attached as the immediately following page(s)]

#### LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CHULA VISTA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A1: APN 643-040-25

PARCEL 2 OF <u>PARCEL MAP NO. 21014</u>, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 10, 2012 AS INSTRUMENT NO. <u>2012-0773388</u> OF OFFICIAL RECORDS.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST IN ALL OIL, GAS, AND MINERALS OWNED BY GRANTOR 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND, AS RESERVED IN THAT CERTAIN DEED RECORDED FEBRUARY 16, 1994 AS FILE NO. 1994-0104492, OFFICIAL RECORDS.

PARCEL A2: APN 643-040-26, 27 AND 28

PARCELS 1, 2 AND 3 OF <u>PARCEL MAP NO. 21116</u>, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 13, 2014 AS INSTRUMENT NO. 2014-099767 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM AN UNDIVIDED ½ INTEREST IN ALL OIL, GAS AND MINERALS OWNED BY GRANTOR 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND, AS RESERVED BY WESTERN SALT COMPANY, BY DEED RECORDED FEBRUARY 16, 1994 AS INSTRUMENT NO. 94-0104492 OF OFFICIAL RECORDS.

PARCEL B: (PORTION 643-040-02 AND PORTION 643-040-03)

A LEASE FOR OLYMPIC TRAINING FACILITIES LOCATED IN THE LOWER OTAY LAKE AREA IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY TERMINUS OF THE CENTER LINE OF WUESTE ROAD DESIGNATED AS NORTH 46°33'30' EAST 200.32 FEET AS SHOWN ON PARCEL MAP 16318 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING THE BEGINNING OF A TANGENT 400.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE NORTHEASTERLY AND NORTHERLY ALONG THE CENTER LINE OF SAID WUESTE ROAD A DISTANCE OF 314.55 FEET, THROUGH A CENTRAL ANGLE OF 45°03'24" TO THE TRUE POINT OF BEGINNING; THENCE LEAVING THE CENTER LINE OF SAID ROAD NORTH 84°19'16" EAST 113.55 FEET TO A TANGENT 75.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 153.01 FEET, THROUGH A CENTRAL ANGLE OF 116°53'16"; THENCE SOUTH 21°12'32" WEST 462.90 FEET; THENCE SOUTH 68°50'31" EAST 341.35 FEET; THENCE NORTH 53°01'11" EAST 207.80 FEET; THENCE NORTH 29°27'13" EAST 97.62 FEET; THENCE NORTH 49°18'16" WEST 131.89 FEET; THENCE NORTH 35°11'51" WEST 137.06 FEET; THENCE NORTH 69°22'16" WEST 131.39 FEET; THENCE NORTH 21°12'32" EAST 182.34 FEET TO A TANGENT 105.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE WESTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 214.21 FEET, THROUGH A CENTRAL ANGLE OF 116°53'16"; THENCE SOUTH 84°19'16" WEST 221.92 FEET TO A POINT ON A 400.00 FOOT RADIUS CURVE CONCAVE WESTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 77°08'25" EAST, SAID CURVE ALSO BEING THE CENTER LINE OF WUESTE ROAD AS

# (Continued)

SHOWN ON SAID PARCEL MAP; THENCE SOUTHERLY ALONG THE ARC OF SAID CENTER LINE A DISTANCE OF 100.26 FEET, THROUGH A CENTRAL ANGLE OF  $14^{\circ}21'41"$  TO THE TRUE POINT OF BEGINNING.

# Exhibit A-3

# **SITE PLAN**

[Attached as the immediately following page(s)]

# **EXHIBIT A-3**

# **SITE PLAN**

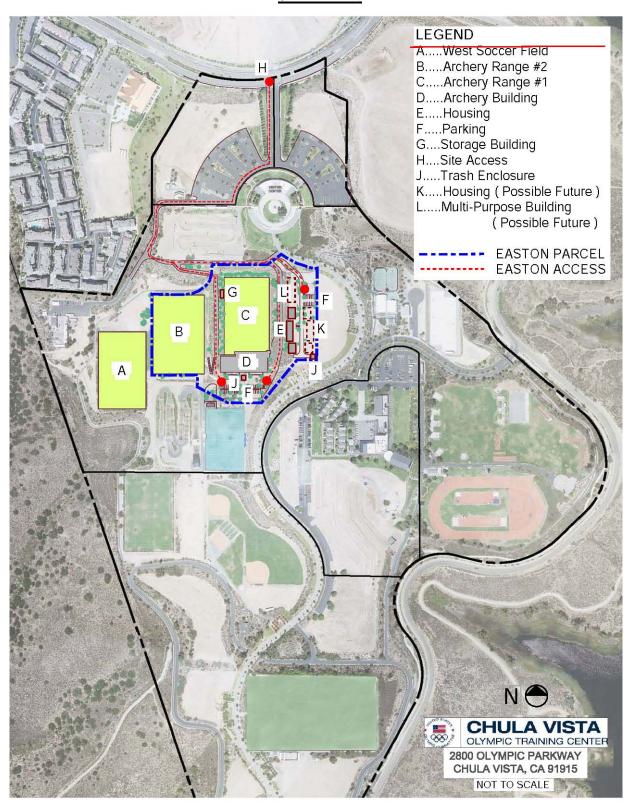
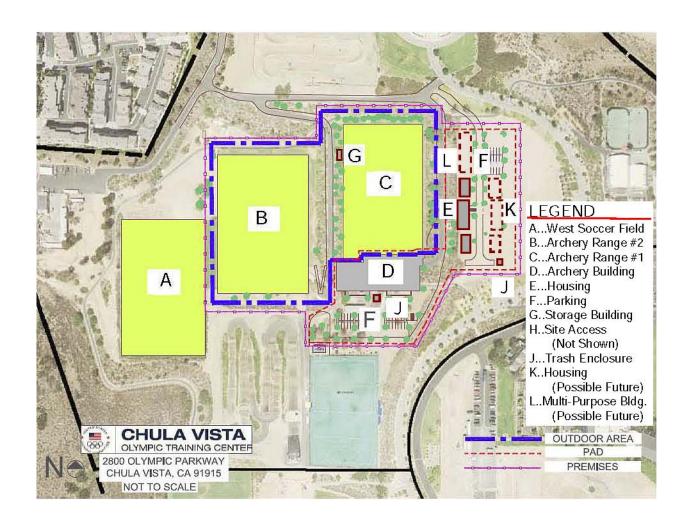


EXHIBIT A-3



## Exhibit A-4

# LEGAL DESCRIPTION OF PREMISES

THE LAND REFERRED TO HEREIN BELOW SITUATED IN THE CITY OF CHULA VISTA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

APN 643-040-25

PARCEL 2 OF PARCEL MAP NO. 21014, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDED OF SAN DIEGO COUNTY, DECEMBER 10, 2012 AS INSTRUMENT NO. 2012-0773388 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM AN UNDIVIDED ½ INTEREST IN ALL OIL, GAS, AND MINERALS OWNED BY GRANTOR 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND, AS RESERVED IN THAT CERTAIN DEED RECORDED FEBRUARY 16, 1994 AS FILE NO. 1994-0104492, OFFICIAL RECORDS.

# Exhibit B

# **CORE AGREEMENT**

[Attached as the immediately following page(s)]

City Atty ACN: 16026 FINAL

# **CORE AGREEMENT**

THIS CORE AGREEMENT (the "Core Agreement") is made effective as of this \_\_\_\_, day of March, 2016 (the "Effective Date") between the UNITED STATES OLYMPIC COMMITTEE, a federally chartered not-for-profit corporation ("USOC") and the CITY OF CHULA VISTA, a chartered municipal corporation ("CV").

# <u>WITNESSETH:</u>

WHEREAS, pursuant to the terms of that certain Agreement of Property Transfer and Joint Escrow Instructions entered into by the parties concurrently herewith (the "Transfer Agreement"), USOC has agreed to transfer to CV all of USOC's right, title and interest in and:

(a) to that certain real property located at 2800 Olympic Avenue, Chula Vista, California, as more particularly described in the Transfer Agreement (the "Property"); and (b) certain improvements and facilities on the Property dedicated to the training of elite athletes, which includes all those facilities described on Exhibit B attached hereto (collectively, the "Facilities"). The Property and the Facilities have been commonly known, and operated, as the Chula Vista Olympic Training Center. However, from and after the Transfer Date, Property and Facilities are expected to be known and operated as the Chula Vista Elite Athlete Training Center. Accordingly, the Property and the Facilities are sometimes collectively referred to herein as the "CVTC";

WHEREAS, as more specifically provided in the Transfer Agreement, the transfer of the Property and the Facilities comprising the CVTC from USOC to CV is scheduled to occur by on or about December 31, 2016 (the date upon which such transfer of the Property and the Facilities actually occurs being referred to herein as "Transfer Date");

WHEREAS, the parties have determined it to be in their mutual best interests to enter into an agreement relating to operations of the CVTC from and after the Transfer Date including, among other things: (i) the maintenance and operations of the CVTC and the standards for same, consistent with what is necessary and appropriate for the successful training and support of elite athletes (the "Elite Athlete Standards"), as such Elite Athlete Standards are set forth in Exhibit C attached hereto; (ii) USOC's Minimum Usage Commitment, as further defined and described in Section 4 below; and (iii) certain other agreements relating to the operational and maintenance standards and obligations for certain portions of the CVTC;

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

Transfer Date and shall terminate on December 31, 2020 (the "Initial Term") unless sooner terminated as provided in Section 14 hereof (it being expressly understood, however, that the provisions of Section 2(A) below shall be effective and apply prior to the commencement of the Initial Term during the period from and after the Effective Date); provided, however, that commencing no later than eighteen (18) months prior to the expiration of the Initial Term, USOC and CV shall meet and confer to negotiate on whether and on what terms the parties may extend the Initial Term. The Initial Term, as may be extended, shall sometimes be referred to herein as the "Term" or the "Term of this Agreement". Upon the expiration or earlier termination of this Agreement, the parties shall promptly execute, acknowledge and deliver such documentation as is necessary to remove from the Official Records of San Diego County that certain Memorandum of Core Agreement which was recorded on or about the Transfer Date.

# 2. Transfer Agreement, Interim Agreement and Responsibility for CVTC Operations after the Transfer Date.

A. On or about the Effective Date hereof, the parties have entered into the Transfer Agreement. In the event of the termination of the Transfer Agreement for any reason (other than the occurrence of the Closing thereunder), this Agreement shall automatically terminate and be of no further force or effect, without further action of the parties.

В. From and after the Effective Date and until the Transfer Date (the "Transition Period"), USOC and CV will cooperate and take reasonable actions to implement a smooth and efficient transition of operations for the CVTC from USOC to CV and/or CV's designated Third Party Operator. Without limiting the foregoing and to the same end, during the period from the Effective Date until April 15, 2016, USOC and CV shall negotiate in good faith a written agreement (the "Interim Agreement") on terms satisfactory to USOC and CV, and which shall provide (and which shall be more particularly negotiated and set forth in the Interim Agreement) that (i) CV and the Third Party Operator (as defined below) shall have reasonable access to the CVTC prior to the Transfer Date, (ii) CV and the Third Party Operator shall develop an operational/business plan with respect to the use and operation of the CVTC consistent with this Agreement, and shall reasonably consider any recommendations made by USOC in connection therewith, (iii) USOC will provide reasonable access to CV and the Third Party Operator to the reservation system for the Facilities to begin bookings for 2017, (iv) USOC shall provide CV and its Third Party Operator with reasonable access to CVTC employee records as and to the extent deemed appropriate and lawful by USOC (with the understanding that all such employee information disclosed by USOC to CV shall be governed by the Existing Confidentiality Agreement, as defined below), (v) subject to availability as determined by USOC,

USOC shall provide reasonably acceptable office space for CV and its Third Party Operator's transitional operations on the CVTC, at no cost to CV, (vi) USOC shall discuss appropriate terms and conditions for the assignment to CV of the interest of USOC under that certain Lease, License and Operation Agreement dated June 13, 2012 with Easton Sports Development Foundation ("Easton"), as amended, and related housing agreement or, in the alternative, prepare a plan of implementation for Easton's independent operation within the CVTC, and (vii) USOC and City shall discuss and develop appropriate terms to minimize potential adverse impacts on athletes in training arising from the construction of athlete housing at the CVTC as contemplated under the Developer Contract (as defined in the Transfer Agreement) and appropriate action if construction is commenced by the transfer of the CVTC to City is not completed. To the extent either party deems it necessary or appropriate to implement additional activities during the Transition Period warranting such an agreement, the parties agree to exercise good faith efforts to negotiate mutually agreeable terms for such agreement(s) and to execute and implement same in a timely manner. The parties acknowledge that any conduct contemplated by this Section by CV, its designated Third Party Operator, and/or any third party working with or on behalf of either of them, during the Transition Period and before execution of the Interim Agreement, shall be covered by CV's indemnity obligations for the benefit of USOC under Section 12.B of this Agreement.

C. From and after the Transfer Date, the CVTC shall be renamed and operated by CV as the "Chula Vista Elite Athlete Training Center" subject to the terms of this Agreement.

# 3. <u>USOC's Continued Operation/Control of Certain Facilities.</u>

A. <u>Sport Performance Facilities</u>. Pursuant to the following provisions of this <u>Section 3A</u>, during the Term of this Agreement, CV hereby grants to USOC, at no charge, the

exclusive right to occupy and use, and USOC shall continue to provide staffing for and operate at USOC's sole cost (under its existing contract with the University of California San Diego or otherwise), the following Facilities: (i) the Sports Medicine Clinic (identified as "Building L" on the site plan attached hereto as Exhibit A-2); (ii) the Sport Physiology Lab that is located within the "Boathouse" (which Sport Physiology Lab is identified as "Building J" on the site plan attached hereto as Exhibit A-2); and (iii) the USOC Sport Performance office spaces (identified as "Building M" and "Building D" on the site plan attached hereto as Exhibit A-2), it being expressly acknowledged that the buildings described in clauses (i) through (iii) hereinabove were, immediately prior to the Effective Date, used and occupied by the Sports Technologist, Sports Physiologist, Sports Dietitian, Sport Psychophysiologist, and USOC staff. The buildings described in clauses (i) through (iv) hereinabove are sometimes collectively referred to herein as the "Sport Performance Facilities". All furniture, fixtures, supplies and equipment within the Sports Performance Facilities (including all sports medicine equipment) (collectively, the "Sport Performance Facilities Equipment") shall be and remain the sole property of USOC and CV shall have no rights or interest therein. Except as otherwise provided hereinbelow, CV shall, at CV's sole cost and expense (subject to reimbursement by USOC with respect to clause (C) hereinbelow), repair, maintain and replace (as and to the extent necessary as reasonably determined by CV), (A) the structural components and the systems and equipment of the Sport Performance Facilities, including the mechanical, electrical, heating and cooling systems (but excluding the Sport Performance Facilities Equipment), (B) the exterior walls, the roof, the gutters, the foundations, the windows, the downspouts of the Sport Performance Facilities, and (C) the interior of the Sports Performance Facilities (including the interior paint, signage and directories, interior lighting, carpeting and flooring) and the surface areas immediately

surrounding the Sport Performance Facilities, and CV shall, at CV's sole cost and expense, keep such portions of the Sport Performance Facilities in good order and condition and otherwise in accordance with the standards in place at the CVTC as of the Effective Date; provided, however, that USOC shall reimburse CV for the reasonable, competitively priced costs actually incurred and paid for by CV in connection with the performance of its maintenance, repair and replacement obligations under clause (C) hereinabove. CV's repair and maintenance obligations shall include, without limitation, the obligation to (1) maintain preventative maintenance contracts on all such portions of the Sports Performance Facilities or an acceptable preventative maintenance program consistent with current best practices, and (2) provide janitorial and other cleaning services necessary to keep the Sport Performance Facilities in a clean and sightly condition throughout the Term of this Agreement. In addition, CV shall provide, at CV's sole cost and expense (subject to reimbursement as provided hereinbelow), all utilities required by USOC in connection with USOC's use and occupancy of the Sport Performance Facilities, including, without limitation, the provision of water, gas, electricity, heating, ventilation and airconditioning and trash removal; provided, however, that USOC shall reimburse CV for the reasonable, competitively priced costs actually incurred and paid for by CV in connection with the performance of such services. All services must be performed at a cost that is reasonable and competitively priced, and a condition to USOC's obligation to so reimburse CV for any costs under this Section 3(A) shall be USOC's receipt of invoices, paid receipts or such other evidence of such costs as USOC may reasonably require demonstrating the cost of such services as a prorated portion of a larger maintenance contract. The costs for which USOC is required to reimburse CV under this Section 3(A) shall be credited against, and deducted from, the Minimum Usage Commitment (as defined below), and USOC shall have no obligation to make any out-of-

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pocket reimbursements to CV under this Section 3(A) unless and until the Minimum Usage Commitment for the year in question is exhausted. If CV fails to timely and/or properly perform its obligations under this Section 3A, and such failure continues for a period of ten (10) business days after delivery by USOC of written notice of such failure (except that no such notice shall be required in case of emergency), then USOC shall have the right to perform such obligation on CV's behalf, and CV shall, within thirty (30) days after receipt of invoice therefor, reimburse USOC for the costs incurred by USOC in connection with the performance of such obligation, together with a ten percent (10%) administrative fee. If CV fails to so reimburse USOC within such 30 day period, then without limiting USOC's rights and remedies under this Agreement, at law and/or in equity, USOC shall have the right to offset such amount against the Minimum Annual Payment next due and payable under this Agreement. USOC shall be responsible, at USOC's sole cost, for the maintenance, repairs and replacement (as deemed necessary by USOC) of all Sport Performance Facilities Equipment. In addition, if USOC elects, in USOC's discretion, to cause to be performed any capital upgrades (as opposed to replacements) in or to the Sports Performance Facilities, then such capital upgrades shall be performed by USOC at USOC's sole cost and expense, and in connection therewith, CV hereby agrees that USOC shall have the right, with prior consultations with CV, but without CV's consent, to perform alterations, additions and improvements in and to the Sport Performance Facilities that USOC deems necessary or desirable and consistent with the Elite Athlete Standards. Except as otherwise set forth in this Section 3A, no payments by USOC under this Section 3A shall be offset against the Minimum Annual Payment due and payable under this Agreement. The parties hereby agree that USOC's access to the Sport Performance Facilities shall be exclusive, for use only by USOC and USOC-approved NGB contractors and employees delivering services to USOC and USOC-

approved NGB designated athletes and programs; provided, however, USOC may, to the extent there is availability of such facilities, make the Sports Performance Facilities available to NGB designated athletes and programs at no charge, and for non-NGB designated athletes and programs at a reasonable expense and CV shall reserve the right to provide similar services elsewhere within the CVTC.

- shall have priority access to dorm rooms 421, 422, 423, 424 in the Facility identified on as "Building 400" on Exhibit A attached hereto (collectively, the "High Altitude Dorm Rooms"), together with priority access to the corresponding altitude controls for the High Altitude Dorm Rooms. For purposes of determining USOC's Minimum Usage Commitment pursuant to Section 4 below, the High Altitude Dorm Rooms will be included as four (4) of the total USOC reserved beds, or the equivalent of one thousand four hundred and sixty (1,460) on-complex user days of USOC's Minimum Usage Commitment. USOC shall have priority access to the reservations of the High Altitude Dorm Rooms in accordance with the Operations Plan.

  Consistent with CV's overall maintenance obligations, CV will be responsible, at its sole cost and expense, for any damage caused as a result of any such third party usage of the High Altitude Dorm Rooms (and/or any of the altitude settings and controls).
- C. Weight Room and Track & Field Office. During the Term of this

  Agreement, USOC shall have priority access to the Track & Field Office and the Weight Room

  (identified as "Building C" on the site plan attached hereto as **Exhibit A-2**) pursuant to a system to be provided for in the Operations Plan. CV shall be responsible for maintaining the equipment and contents in the Weight Room. The parties shall meet and confer as necessary to address any requested replacement of and/or upgrades to the equipment and contents in the Weight Room. To

the extent such replacement and/or upgrades are mutually agreed, they shall be purchased and implemented by CV. With respect to such items that are not mutually agreed, USOC may purchase same at its expense, and CV shall implement same.

D. <u>NGB Offices</u>. CV shall utilize its good faith effort to provide areas on CVTC for NGB offices. If trailers are deemed necessary, the parties shall meet and confer with respect to mutually agreeable areas to locate such trailers.

## 4. USOC Use of CVTC; Modifications or Sale.

Minimum Usage Commitment. Throughout the Term of this Agreement A. (as may be extended), on the terms and conditions provided for herein, CV shall make available to USOC, and USOC shall use commercially reasonable efforts to make use of (herein, the "Minimum Usage Commitment") (either by directly arranging for such use or facilitating such arrangements by USOC's recognized National Governing Bodies ("NGBs")) by "qualified" elite athletes, coaches and trainers (which for purposes hereof, shall mean any athletes, coaches and/or trainers that USOC selects or identifies from time to time as "elite" in USOC's discretion), the applicable amounts of "full access" described in Exhibit C attached hereto, the operations plan attached hereto as Exhibit E (the "Operations Plan"), and Exhibit F attached hereto to (i) the housing complex at the CVTC identified as "Athlete Housing" on the site plan attached hereto as Exhibit A-2, (ii) the CVTC "Core" facilities and services listed on Exhibit B attached hereto, and/or (iii) the corresponding "specialized" facilities and services necessary to support related sports disciplines listed on Exhibit B attached hereto. The following matters pertaining to USOC's Minimum Usage Commitment are set forth, in and shall be governed by, in **Exhibit C** attached hereto, the Operations Plan and Exhibit F attached hereto: (A) the process for reservation of beds; (B) the negotiated amount and definition of "full access" to beds, Facilities

and services; (C) the definition of "qualified" elite athletes/trainers; (D) terms for USOC assignment of such resident/access rights; (E) terms for USOC acquisition of Facility usage above and beyond the Minimum Usage Commitment; and (F) a process for the reallocation by CV of unused facilities and services (which may include relief to USOC against the Minimum Usage Commitment). USOC shall, during the term, track and calculate USOC's usage for purposes of determining as and when the Minimum Usage Commitment for each year during the Term has been exhausted and shall deliver to CV a quarterly written report showing USOC's calculation of usage for the year in question and the amount of the Minimum Usage Commitment remaining, if any, for the year in question.

B. Modifications or Transfer of CVTC. CV shall consult with USOC prior to any proposed material modifications to or disposition of all or any portion of the CVTC facilities in order to ensure that no such modification(s) or disposition(s) will have a material adverse impact on CV's obligation to maintain the CVTC in a manner consistent with Elite Athlete Standards, and any other material obligation City has under the Agreement. If CV makes any material modification to the CVTC during the Term of this Agreement (as may be extended) that reduces (i) the quality of all or any portion of the CVTC below Elite Athlete Standards and/or (ii) USOC's access to the CVTC below its Minimum Usage Commitment, then in addition to any other rights and remedies available to USOC under this Agreement, at law and/or in equity, USOC shall have the right to reduce its Minimum Annual Payment proportionately. If and to the extent such reduction is material, then in addition to any other rights and remedies available to USOC under this Agreement, USOC shall also have the right, at USOC's election, to terminate its Minimum Annual Payment and its Minimum Usage Commitment entirely; provided, however, that if USOC so terminates its Minimum Annual Payment and its Minimum Usage Commitment

entirely, (A) USOC shall continue to have the right to use the CVTC for the remainder of the Term in accordance with CV's then current standard fees and use schedules and protocols, but without the obligation to pay the Minimum Annual Payment or comply with the Minimum Usage Commitment (and any pre-paid Minimum Annual Payment shall be applied towards, and credited against, such standard fees), and (B) if and to the extent any special events were scheduled by USOC at the CVTC as of such termination date, and such special event is scheduled to occur on a date that is after such termination date, USOC shall have the right to nonetheless hold such special event at the scheduled date and time in accordance with CV's then current standard fees and use schedules and protocols, but without the obligation to pay the Minimum Annual Payment or comply with the Minimum Usage Commitment (and any pre-paid Minimum Annual Payment shall be applied towards, and credited against, such standard fees). In addition, if CV sells, conveys or otherwise transfers any portion of the CVTC to a third party prior to the end of calendar year 2025 on terms that would eliminate, or otherwise materially reduce, USOC access to all or any portion of the CVTC, then USOC shall similarly have the right to proportionately reduce or terminate its Minimum Annual Payment and its Minimum Usage Commitment obligations under this Agreement. In addition, if any such sale, conveyance or transfer occurs prior to the end of calendar year 2025, then within thirty (30) days after the consummation of such sale, conveyance or transfer, CV shall pay to USOC a percentage of the gross proceeds received from any such sale, conveyance or transfer in accordance with the following schedule:

Year of Sale	USOC Percentage of Gross Proceeds
2017	90%
2018	85%
2019	80%
2020	75%
2021	50%

2022	50%
2023	50%
2024	50%
2025	50%

5. Consideration: Minimum Annual Payment. In consideration of the granting by CV of the use of the CVTC by USOC hereunder, USOC shall pay to CV a minimum annual payment (the "Minimum Annual Payment") of \$3,000,000.00 per year during the Initial Term, which Minimum Annual Payment shall be applied as a credit against the use by USOC of the CVTC at the rates and on the terms set forth on **Exhibit F** attached hereto (it being expressly acknowledged and agreed however that if the use by USOC of the CVTC pursuant to the rates set forth on Exhibit F attached hereto results in an exhaustion of the entire amount of the Minimum Annual Payment for the applicable year in question, USOC shall be permitted to continue to use the CVTC at the rates and on the terms set forth on Exhibit F attached hereto, and shall pay such rates to CV). The Minimum Annual Payment shall be made in four (4) equal payments as follows (with the Minimum Annual Payment being prorated for any partial year): (1) On January 1 of each year of the Initial Term - \$750,000 (for the period January 1 to March 31); (2) On April 1 of each year of the Initial Term - \$750,000 (for the period April 1 to June 30); (3) On July 1 of each year of the Initial Term - \$750,000 (for the period July 1 to September 30); and (4) On October 1 of each year of the Initial Term - \$750,000 (for the period of October 1 to December 31). The user rates and types that the parties anticipate will make up the Minimum Annual Payments are described in Exhibit F attached hereto.

# 6. CV Use of CVTC; Maintenance and Operation of CVTC.

A. <u>CV Use of CVTC</u>. During the Term of this Agreement, CV may maintain, operate and provide to third party users portions of the CVTC and/or CVTC related services (expressly excluding those portions of the CVTC and/or CVTC services (i) which are for the

exclusive use of USOC pursuant to this Agreement, and/or (ii) necessary to support elite athlete use in a manner at least consistent with the Minimum Usage Commitment) on such terms and conditions as CV deems appropriate, in CV's sole discretion (herein, the "CVTC Discretionary Operations"); provided, however, that CV shall abide by, and perform under, the terms and provisions of the following key leases, licenses and occupancy agreements assumed by CV in connection with the transfer of the Property to CV: (i) to the extent the same is assumed by CV on the Transfer Date, that certain License, Lease and Operations Agreement and related housing agreement as previously amended and as it may be further amended prior to the Transfer Date, with Easton; and (ii) that certain Lease executed as of August 17, 1992 by and between the City of San Diego and the San Diego Sports Federation, as amended and assigned, commonly known as The Boat House Lease. CV hereby agrees to timely and properly perform all of its obligations under such assumed leases, licenses and occupancy agreements. Notwithstanding the foregoing, if USOC notifies CV that CV's CVTC Discretionary Operations are causing adverse impacts to elite athlete use (as determined by USOC), CV shall meet and confer with USOC in order to attempt to mitigate and/or eliminate such adverse impacts. USOC and CV hereby agree that it is in USOC's and CV's mutual interest that the CVTC continue to provide world class facilities, services and support for elite athletes, and accordingly, each party shall act diligently and in good faith to attempt to mitigate and/or eliminate such adverse impacts. If, following such efforts, the parties are unable to mitigate and/or eliminate such adverse impacts, then the matter shall be subject to the dispute resolution procedures set forth in Section 31 below.

B. <u>Maintenance and Operations of CVTC</u>. Except as otherwise expressly provided in this Agreement, during the Term of this Agreement, CV shall maintain and operate the CVTC in accordance with the provisions of <u>Exhibit C</u> attached hereto, the Operations Plan

and <u>Exhibit F</u> attached hereto, and otherwise in accordance with the terms and provisions of this Agreement.

- 7. <u>City Operation of Retail Stores</u>. During the Term of this Agreement, CV may, at its sole expense, operate (or arrange for a third party to operate) retail venues at the CVTC as CV reasonably determines. All retail sales of USOC-branded items shall be subject to the reasonable conditions established by USOC regarding sale of USOC-branded items.
- 8. <u>Utilities</u>. During the Term of this Agreement, CV shall provide, without charge to USOC, all utility services at the CVTC in connection with the Elite Athlete Standards, excluding telephone, required for USOC's ordinary use hereunder to the extent now being provided. In addition, CV shall provide the information technology services described in Section 6 of Exhibit C hereof in accordance with the Elite Athlete Standards.
- 9. <u>Waste Disposal</u>. During the Term of this Agreement, CV shall, at its sole cost and expense (subject to <u>Section 3A</u> above), be responsible for the collection and disposal, to the extent reasonable and ordinary, of all trash, garbage and other waste material at the CVTC.

  USOC shall be responsible for arranging and paying for the appropriate collection and disposal of any medical waste generated at the Sports Performance Facilities.

## 10. Admission to CVTC.

- A. During the Term of this Agreement, CV shall be solely responsible for the establishment and implementation of policies and regulations governing admission to the CVTC, and for all ticket policies and price schedules during USOC and NGB training and events or PSO (as defined below) training and events.
- B. Official USOC, NGB and PSO personnel, including athletes training or participating in competitions, shall be issued identification cards by USOC, and such persons,

when carrying such identification cards on their person, shall be admitted to the CVTC for the purpose specified on the identification card only and no other. CV shall use commercially reasonable efforts to utilize the same identification card and participant management/reservation system that USOC used for the CVTC immediately prior to the Effective Date.

C. Nothing in this <u>Section 10</u> shall preclude the use of such identification cards by the named holders thereof for admission as spectators to NGB or PSO events and activities to the extent seats and space are available related to their sporting events.

## 11. Annual Review Regarding NGBs and PSOs.

A. USOC may, each year during the Term of this Agreement, conduct an annual review to determine whether or not the needs of those NGBs and PSOs who use the CVTC and who are provided CVTC services are being met. In conducting this review, USOC shall obtain input from the NGBs and PSOs through the use of a survey. The survey shall not only inquire as to the sufficiency of the CVTC and services, but shall also inquire as to possible remedies to resolve any issues that may be raised. The survey and any responses to the survey shall be provided to CV and CV shall meet and confer with USOC regarding same; provided, however, that the parties acknowledge and agree that survey results shall not create a binding obligation on CV to modify operations. The parties agree that the input results considered in this review will be treated as confidential information hereunder, except that this information may be shared with any standing advisory bodies operated by or for either party.

# 12. Indemnification.

A. During the Term of this Agreement, USOC hereby agrees to protect, indemnify, defend and hold harmless CV, its sponsors, officers, and employees (collectively, the "Indemnitees") from any and all claims, causes of action, demands, losses, damages, costs or

judgments and expenses (including reasonable attorneys' fees) of whatever nature against them individually or by reason of, based upon, relating to or arising out of (i) the use and occupancy of the CVTC by the USOC, its agents, employees, invitees and permitees (ii) a breach or claimed breach in connection with USOC's obligations under this Agreement, and/or (iii) the negligence or willful misconduct of USOC, and including all claims or causes of action seeking contribution and/or apportionment of responsibility under the laws of the State of California, unless such claims, causes of action, demands, costs or judgments arise in whole or in part from the negligence or willful misconduct of the Indemnitees under this Agreement.

- B. During the Term of this Agreement, CV agrees to protect, indemnify, defend and hold harmless USOC and its respective officers, volunteers, employees, agents, servants, affiliates, sponsors, NGBs of various participating sports, representatives and assigns (collectively, the "USOC Indemnitees"), harmless of and from any and all claims, causes of action, demands, losses, damages, costs or judgments and expenses (including reasonable attorneys' fees) of any kind or nature whatsoever, by reason of, based upon, relating to or arising out of the use, operation, maintenance, repair and/or ownership of the Property and/or the CVTC, and unless such claims, causes of action, demands, losses, damages, costs or judgments and expenses arise in whole or in part from the negligence or willful misconduct of USOC or the USOC Indemnitees and/or individuals operating under its auspices in connection with activities under this Agreement or the breach or claimed breach of USOC's obligations under this Agreement or the use or occupancy of the CVTC by the USOC or the USOC Indemnitees and their respective agents, employees, invitees and permitees.
- C. During the Term of this Agreement, each party agrees to provide notice to the other as soon as is practicable, preferably within ten (10) working days, of any event likely to

give rise to or, if unexpected, which has already given rise to a claim or liability under this Section 12. The indemnifying party shall possess the right to defend and/or settle such a claim and shall be entitled to cooperation from the indemnified party in doing so. To the degree practicable and reasonable, the indemnified party shall be informed of any settlement prior to its conclusion. Upon notice of any claim, demand or action relating to CV's indemnity, CV agrees to adjust, settle or defend the same at the sole cost of CV.

- D. Each party hereby waives any and every right or cause of action for the events which occur or accrue during the Term of this Agreement for any and all loss of, or damage to, any of its property (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom said other party may be responsible), which loss or damage is covered by valid and collectible fire, extended coverage, "All Risk" or similar policies covering real property, personal property or business interruption insurance policies, to the extent that such loss or damage is recovered under such insurance. The provisions of this waiver shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Agreement with respect to any loss or damage to property of the parties hereto. Written notice of the terms of the waiver provided herein shall be given to the insurance carriers that provide the coverage required by this Agreement, and such insurance shall be properly endorsed, if necessary, to prevent the invalidation of coverage by reason of such waivers.
- E. The provisions of this <u>Section 12</u> shall survive the expiration or earlier termination of this Agreement.

## 13. Insurance.

A. During the Term of this Agreement, USOC shall be responsible for providing, or shall cause to be provided for itself, its sponsors and agents, as warranted, at its sole

cost and expense, during the entire period of this Agreement policies of insurance for the purpose of protecting its property and interests in the CVTC as they may exist. Such insurance shall include, but not necessarily be limited to:

- (i) Commercial General Liability Insurance with minimum limits per occurrence of Two Million Dollars (\$2,000,000) and general aggregate limits of not less than Five Million Dollars (\$5,000,000), including inter alia coverage for bodily injury, property damage, product liability/completed operations, and participant legal liability. The policy(ies) shall contain provisions designating CV as Additional Insured party as its interest may appear.
- Facilities Equipment and any Excluded Personal Property (as defined in the Transfer Agreement) (but only to the extent the same remain at the CVTC after the Transfer Date) covering all risks of loss or physical damage appropriate with the nature of such personal property for the replacement cost of such property. The policy(ies) of insurance shall be maintained in a form and with deductibles as are consistent with the operational and risk management policies of USOC for its locations and operations.
- (iii) Workers Compensation Insurance providing coverage for all USOC employees at CVTC which shall provide minimum limits not less than required by statute in the State of California and minimum Employer Liability limits of One Hundred Thousand Dollars (\$100,000) Each Accident, Five Hundred Thousand Dollars (\$500,000) by Disease, and One Hundred Thousand (\$100,000) Dollars by Disease-Each Employee.
- B. CV shall be responsible for providing, or shall cause to be provided by its affiliates, sponsors and assigns, as warranted, during the Term of this Agreement policies of insurance for the purpose of protecting its property and interests in CVTC as they may exist;

provided, however, that CV may self-insure with respect to all such insurance. Such insurance shall include, but not necessarily be limited to:

- (i) Commercial General Liability Insurance with minimum limits per occurrence of Two Million Dollars (\$2,000,000) and general aggregate limits of not less than Five Million Dollars (\$5,000,000), including inter alia coverage for bodily injury, property damage, product liability/completed operations, and participant legal liability provisions like those in the insurance maintained by USOC. The policy(ies) shall contain a provision designating USOC, Sponsors and Participants (as those used in the insurance maintained by the USOC) as Additional Insured as their interests may appear. In the event CV carries a policy of self-insurance or self-insured retention, the CV agrees to indemnify USOC to the extent that USOC would have been covered by the insurance described above without the self-insured element.
- (ii) Property and Contents Insurance for the Facilities and all personal property on the CVTC other than the property described in Section 13(A)(ii) above covering all risks of loss or physical damage appropriate with the nature of the Facilities for not less than the agreed upon value of such property. The policy(ies) of insurance shall be maintained in a form and with deductibles as are consistent with the operational and risk management policies of CV.
- (iii) Workers Compensation Insurance providing coverage for all CV and contracted employees at the Facility, if any, which shall provide minimum limits not less than required by statute in the State of California and minimum Employer Liability limits of One Hundred Thousand Dollars (\$100,000) Each Accident, Five Hundred Thousand Dollars (\$500,000) By Disease, and One Hundred Thousand (\$100,000) Dollars by Disease-Each Employee.

- C. Each party shall be designated as a Certificate Holder and additional insured with respect to all policies of insurance required under this Section with the exception of Worker's Compensation Insurance. Certificates of Insurance, giving evidence that each of the requirements of this article have been met, shall be provided by the insurance company (ies) to the respective Certificate Holder. For the USOC, certificates shall be directed to the USOC General Counsel and to the USOC Controller, for CV certificates shall be directed to CV's Risk Manager. All such certificates shall be updated annually.
- D. Commercial General Liability and Property Insurance policies shall contain a provision requiring not less than thirty (30) days written notice to the respective Certificate Holder.
- E. Except to the extent such matters are self-insured, each insurance policy required by this <u>Section 13</u> shall be secured from a company authorized to write insurance in the State of California. Such company(ies) shall possess a rating of A- VIII or better from A.M. Best or a comparable rating from another recognized rating service in the event that the insurer is not rated by Best. State-operated insurance pools for Workers Compensation shall be exempt from this provision.
- F. In the event that a building is damaged by fire or other casualty such that operations cannot be continued until rebuilt or repaired, both parties agree that this Agreement will remain in force, as practicable, and that both parties will work together to see that insurance proceeds are used fully to restore operations as quickly as possible.
- G. USOC and CV intend that their respective property loss risks shall be borne by reasonable insurance carriers to the extent above provided, and USOC and CV hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a

property loss to the extent that such coverage is agreed to be provided hereunder. The parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The parties agree that their respective insurance policies are now, or shall be, endorsed such that the waiver of subrogation shall not affect the right of the insured to recover thereunder, so long as no material additional premium is charged therefor.

- 14. <u>Termination</u>. This Agreement shall terminate on the expiration of the Term of this Agreement (as may be extended) unless earlier terminated (a) in writing, on mutual agreement of the parties and upon mutually agreeable terms, or (b) as otherwise expressly provided in this Agreement.
- 15. <u>USOC Events of Default</u>. The occurrence of any of the following acts, events or conditions, shall constitute an "Event of Default" by USOC under this Agreement:
- A. Any Minimum Annual Payment or other sum of money payable under this Agreement is not paid when due and such failure shall continue within thirty (30) days after the time periods provided for in this Agreement (or if no time period is expressly provided, then USOC shall have a period of thirty (30) days after USOC's receipt of written notice of the required payment);
- B. The failure or refusal of USOC, at any time during the Term, to fulfill or perform any other material covenant, agreement or obligation of USOC hereunder if such failure or refusal shall continue without correction for a period of sixty (60) consecutive calendar days from and after USOC's receipt of written notice thereof, provided that if such covenant, agreement or obligation shall be of such nature that it can be fulfilled or performed and if USOC

in good faith commences to fulfill or perform same within said sixty (60) day period, but due to the nature of same it could not be reasonably fulfilled or performed within said sixty (60) day period exercising due diligence, an Event of Default shall not be deemed to have occurred if USOC is then diligently pursuing the fulfillment or performance of the covenant, agreement or obligation and shall thereafter continuously and diligently proceed therewith until completion.

- Default by USOC, CV shall have the option to (i) immediately terminate this Agreement, and/or (ii) pursue any and all remedies available at law or in equity, including an action for monetary damages. Each right and remedy of CV provided for in this Agreement shall be cumulative and shall be in addition to every other right or remedy provided for in this Agreement except as otherwise limited by this Agreement, and the exercise or the beginning of the exercise by CV of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by CV of any or all other rights or remedies provided for in this Agreement.
- 17. <u>CV Event of Default</u>. The occurrence of any of the following acts, events or conditions shall constitute a "<u>CV Event of Default</u>" under this Agreement:
- A. Any sum of money payable under this Agreement is not paid when due and such failure shall continue within thirty (30) days after the time periods provided for in this Agreement (or if no time period is expressly provided, then CV shall have a period of thirty (30) days after CV's receipt of written notice of the required payment);
- B. In the event CV fails to perform any other material covenant, agreement or obligation under this Agreement, and such failure continues for sixty (60) days after written notice from USOC (or if such obligation cannot be cured within sixty (60) days, then after such

period of time as reasonably necessary to cure so long as CV has commenced such cure within said 60-period and diligently prosecutes the same to completion).

- 18. Remedies for CV Event of Default. Upon the occurrence of a CV Event of Default, USOC shall have the option to (i) immediately terminate this Agreement, and/or (ii) pursue any and all remedies available at law or in equity, including an action for monetary damages. Each right and remedy of USOC provided for in this Agreement shall be cumulative and shall be in addition to every other right or remedy provided for in this Agreement except as otherwise limited by this Agreement, and the exercise or the beginning of the exercise by USOC of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by USOC of any or all other rights or remedies provided for in this Agreement.
- 19. <u>Limitation on Consequential Damages</u>. Notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement shall impose any obligation on USOC or CV to be responsible or liable for, and each hereby releases the other from all liability for, lost profits or other consequential damages.
- 20. <u>Amendments</u>. This Agreement may be amended at any time upon mutual consent and agreement of the parties in writing.
- 21. Entire Agreement. This Agreement constitutes the entire agreement of the parties, and replaces any and all prior agreements or understandings by either of them or between them, whether written or oral, relating in any way to the subject matter of this Agreement.
- Assignments. This Agreement shall be final and binding upon and shall inure to the benefit of the parties and their successors, representatives, licensees and assigns. This Agreement may not, however, be assigned by either party without the prior written approval of

the other party which consent may be granted or withheld in such party's sole and absolute discretion. Notwithstanding the foregoing to the contrary, CV shall have the right to assign all or a portion of its duties hereunder to a non-profit entity formed by CV for such purpose, and/or to a qualified Third Party Operator (as defined below), in all cases subject to USOC's prior written approval, which shall not be unreasonably withheld, conditioned or delayed. USOC hereby approves Point Loma Trust, or a wholly owned subsidiary thereof, as the initial Third Party Operator. As used herein, the term "Third Party Operator" shall mean an independent third party which shall, under the Operator Agreement, administer the day-to-day maintenance and operations of the CVTC. CV may delegate any and all of its rights and obligations under this Agreement to such Third Party Operator; provided, however, that in no event shall CV be released from its primary liability for its obligations hereunder without the prior written consent of USOC. The Third Party Operator will not have any right to place signage or other promotional materials bearing its own name, or the name of any affiliated entity, on-site at the CVTC. Finally, and without limiting the foregoing, CV will ensure that its Third Party Operator maintains a direct means of athlete representation (i.e., elite athletes who have used CVTC facilities at some point within the preceding four years) in its management structure (e.g., an athlete representative on the Third Party Operator facility management entity Board of Directors (or its equivalent), or an advisory panel made up of athletes).

- 23. <u>Separability</u>. The invalidity or illegality of any part of this Agreement shall not affect the validity or force of any other part hereof.
- 24. <u>Applicable Laws</u>. This Agreement is to be considered to have been made in the State of California, and is subject to the laws of the State of California.

## 25. Contacts.

- A. CV's City Manager shall designate in writing from time to time CV personnel to serve as official contact representatives of CV and its affiliates for the purposes of this Agreement.
- B. The USOC Chief Executive Officer shall designate in writing from time to time USOC personnel to serve as the official contact representatives of the USOC and its affiliates for the purposes of this Agreement.
- 26. Relationship of Parties. The parties are acting herein as independent contractors and independent employers. Nothing herein contained shall create or be construed as to creating a partnership, joint venture or agency relationship between CV and USOC, and neither party shall have the authority to bind the other in any respect.
- 27. Administration of Agreement. The parties agree to meet annually, in the spring, throughout the Term of this Agreement at a time and place to be mutually agreed upon, to review the administration of this Agreement. In preparation for such meeting, the parties shall solicit and meet and confer regarding any and all input from NGBs and/or PSOs which are designated as primary users of the CVTC.
- 28. Olympic Marks and Sponsors. The parties acknowledge and agree that during the Term of this Agreement, CV intends to operate the CVTC as a USOC "Olympic and Paralympic Training Site" and that the USOC supports that intention. The terms in this Section 28 (i) shall only apply during the Term of this Agreement, and (ii) describe the means by which the USOC will grant to CV the necessary rights and opportunities to use the "Training Site Designation" as that term is defined below. No other transfer of rights to Olympic marks is contemplated. As CV operates the CVTC, "Olympic Training Site" status will be one element of

the CVTC, not its entirety. As such, and subject to the terms hereof, CV will be free to pursue sponsorship and event opportunities for the CVTC so long as it always ensures that no such sponsorship or event suggests any relationship between the USOC and any entity that is not a USOC sponsor. The parties will cooperate reasonably throughout the Term of this Agreement to implement the following terms in light of the foregoing principles.

- A. <u>USOC Sole Owner of Olympic Marks</u>. CV acknowledges that USOC is the sole owner of all Olympic and Paralympic-related marks, names, designs, logos, symbols, emblems, designations, indicia, and terminology (collectively, "<u>Olympic Marks</u>"), including but not limited to the Training Site Designation. As used herein, "<u>Training Site Designation</u>" shall mean the designations as set forth in <u>Exhibit H</u> attached hereto. Except as specifically set forth in this <u>Section 28</u>, this Agreement does not grant to CV any right to use any Olympic Marks.
- B. Grants of Rights to Training Site Designation. USOC hereby grants to CV a non-exclusive right and license to use the Training Site Designation and to refer to the fact that the CVTC is a "U.S. Olympic and Paralympic Training Site" subject to the terms and conditions, as set forth in, this Agreement. Where USOC prior approval is required, USOC agrees to exercise its discretion reasonably and agrees to use reasonable efforts to ensure that all requests for approval are processed promptly. All rights in and to Olympic Marks (including but not limited to the Training Site Designation) not specifically granted to CV herein are reserved by USOC.
- C. <u>Use of Training Site Designation with Name of the Facility</u>. All uses by CV of the Training Site Designation must be as a standalone designation, combined only with the name of the CVTC, and not combined with any other name or mark. CV's initial name for the CVTC shall be the "Chula Vista Elite Athlete Training Center." City shall have the right to

change the name in its discretion provided that the name does not include reference to any Olympic mark, name, or other terminology, and the inclusion of any third-party mark or name must be approved by the USOC. In all cases where the Training Site Designation is used in proximity to the name of the CVTC, such use must be secondary, meaning that the use of the Training Site Designation is less prominent than the CVTC name.

D. Standards for the Training Site Designation Use. USOC has delivered to CV written standards for the use of the Training Site Designation in that certain booklet entitled "U.S. Olympic and Paralympic Training Sites Resource Booklet 2015" ("TSD Usage Standards") attached hereto with Exhibit H. CV hereby agrees that CV shall comply with, and shall cause the Third Party Operator to comply with, the TSD Usage Standards at all times during the Term of this Agreement. USOC will have the right to supplement or change these TSD Usage Standards from time to time with written notice to CV and consultations regarding a reasonable transition period from the old to the revised standard(s). USOC agrees that such changes will not impose an undue burden on CV to modify or replace any existing materials incorporating the Training Site Designation. CV may use the Training Site Designation in collateral print and electronic materials that identify or promote the CVTC provided that CV first obtains USOC's prior approval of the appearance of the same. Once USOC approval is obtained, CV may use approved materials in other forms and contexts, provided, however, in no event shall any materials containing the Training Site Designation be used in any way in connection with or proximity to any third party mark. CV must receive USOC's prior written approval prior to conducting any fundraising activities that reference association with the Training Site or that use the Training Site Designation, or that otherwise imply a connection with USOC, the U.S. Olympic and/or Paralympic Team, and/or Olympic Marks.

E. Signage. Prior to the Transfer Date, USOC shall remove, at USOC's cost, the existing public-facing Olympic Training Center signage at the CVTC (it being agreed that CV shall have no right to do so). USOC and CV will mutually agree on the appropriate locations for the Training Site Designation usage at the CVTC. CV will be solely responsible for the fabrication of the elements and installation of the signage for the CVTC which contain the Training Site Designation and which are affixed to the signs, billboards and similar structures at the Training Site (the "Sign Faces"). The Sign Faces will be fabricated to the specifications reasonably established by USOC and CV at the sole cost and expense of CV. CV agrees to repair, operate, and maintain the signs, billboards and other similar structures so that the Training Site Designation will always be displayed in accordance with this Agreement. CV may display outside of the CVTC banners or flags bearing an Olympic Mark designated by USOC ("Olympic Mark Banners/Flags"), provided that, (i) no such Olympic Mark Banners/Flags may be larger than the United States or State flag, and (ii) any Olympic Mark Banners/Flags must be displayed within reasonably proximity of a CVTC or a City of Chula Vista flag or flags, and in such event (a) such Olympic Mark Banners/Flags shall be no larger than such CVTC or City of Chula Vista flag or flags, and (b) such Olympic Mark Banners/Flags shall not be in greater numbers than such CVTC or City of Chula Vista flag or flags. The parties acknowledge and agree that, as of the date of this Agreement, there exist certain signs and other installations at the CVTC that depict one or more Olympic marks not licensed to CV hereunder (the "Residual Marks"). The parties will cooperate reasonably to address each such Residual Mark as appropriate under the terms hereof. Consistent with the terms hereof, CV will remove and/or cover each such Residual Mark as instructed by USOC. In general, it is the intent of the parties to remove and/or cover Residual Marks that appear in publically viewable locations (e.g., exterior building features), and

consider allowing them to remain where they appear in restricted areas (e.g., within dorms or cafeterias), provided always that no non-USOC Sponsor third party mark or designation is ever used in connection with, or in proximity to, any such Residual Mark.

- F. Third Party Use. CV will have no right to permit use of the Training Site Designation or any other Olympic Marks by any third party without USOC's prior written consent. On a case-by-case basis, USOC will review requests for, and may approve in its sole discretion, the use of the Training Site Designation by entities that sponsor USOC and secure certain rights to, among other things, the Olympic and Paralympic Marks (the "USOC" **Sponsors**"). CV may submit to USOC requests for use of the Training Site Designation in connection with on-site sponsor recognition or for use by third parties, which requests will be reviewed by USOC on a case-by-case basis and approved or not approved by USOC in its sole discretion. Without limiting the foregoing, CV may authorize its own service providers for the CVTC to exercise CV usage rights hereunder on CV's behalf, solely to the extent necessary for such third parties to provide CVTC services to CV; in all such cases, CV will be fully responsible and liable for such third parties' actions as though they were carried out by CV itself. In all such cases, CV will be fully responsible and liable for such third parties' actions as though they were carried out by CV itself. Without limiting the generality of the foregoing, CV will be responsible for relevant submissions to the USOC, and for ensuring that in all cases it is clear that it is CV and the CVTC, not the third party service provider, that has a relationship with the USOC.
- G. Naming and Sponsorship of Facilities or Events. CV may offer naming and/or sponsorship rights for the CVTC and/or its facilities, including but not limited to signage related thereto, and special events held at the CVTC provided that (1) CV agrees to consult with

USOC in advance to give USOC Sponsors first opportunity for same, and (2) CV ensures that no association of any kind will occur between USOC, the U.S. Olympic Team, the Training Site Designation, or the Olympic Marks, on the one hand, and such third party, on the other hand. Such actions may include, without limitation substantial changes to the nature and location of previously installed signage or other materials, or the temporary covering of same for special events, and (ii) agreements with third party sponsors that specify prohibited conduct and active City enforcement of same.

- H. Sharing of Sponsorship Information and Cooperation. USOC will ensure that a current list of USOC Sponsors is kept on its website, <a href="www.teamusa.com">www.teamusa.com</a>. CV will keep USOC informed with respect to all sponsorship agreements into which CV intends to enter in relation to the CVTC, irrespective of the type or nature of those sponsorship agreements. Without limiting the generality of the foregoing, CV must notify USOC in writing prior to entering into any sponsorship agreement for the CVTC with a third party that is not a USOC Sponsor.
- I. CV to Encourage Sale and Use of USOC Products and Sponsors. In any merchandise retail sales outlet operated at the CVTC (including temporary merchandise kiosks), CV agrees to encourage the inclusion of the sale of USOC Products, should USOC, in its sole discretion, request such sale of USOC Products. As used herein, "USOC Products" shall mean goods offered for sale and authorized by USOC to bear the Olympic Marks. Further CV will use reasonable efforts to use, and to encourage its concessionaires and other vendors to use, the appropriate Designated Products of USOC Sponsors in the operation of the CVTC, provided that the pricing and other terms upon which such Designated Products provided are competitive and otherwise reasonably acceptable to CV (or the applicable concessionaire or vendor). As used

herein, "Designated Products" shall mean products of USOC Sponsors that fall within their USOC sponsorship categories.

- J. <u>Sale of Goods and Training Site Designation</u>. CV may create Training Site Designation-branded goods for sale or distribution free of charge provided that any use of the Training Site Designation is consistent with TSD Usage Standards, and CV uses a USOC premium fulfillment and/or merchandise licensee. USOC will provide a then-current list of its premium fulfillment and merchandise licensees upon request.
- K. <u>Video Production</u>. CV will ensure that any non-news related media or video production company permitted to include any Olympic Mark, including without limitation the Training Site Designation, in any content featuring the CVTC in any way, enters into a signed USOC on-location agreement before engaging in any filming or other recording.
- L. Other Proposed Uses of Marks or non-USOC Sponsors. Any proposed use by CV of the Training Center Designation not covered by the provisions of this Section, above, shall be subject to USOC's prior written approval, on a case by case basis, in USOC's sole discretion.
- M. <u>CV Violations a Material Breach</u> CV's failure to strictly comply with its obligations under this <u>Section 28</u>, shall constitute a material breach hereunder which, unless cured as provided in <u>Section 17.B</u>, shall constitute a CV "<u>Event of Default</u>" under <u>Section 18</u>, entitling USOC to all remedies therein specified. At USOC's option any CV pattern of non-compliance may also be treated as a "dispute" between the parties subject to the dispute resolution provisions of Section 30.
- N. <u>Consideration of Sponsorship Opportunities</u>. USOC agrees to (i) reasonably consider proposals by CV to bring in potential new sponsors for the CVTC, (ii)

introduce CV to USOC's existing sponsors as and to the extent USOC deems such introduction appropriate in its sole and absolute discretion, and (iii) introduce CV to other parties for the purposes of facilitating business relationships between CV and such third parties in connection with the use of the Property, to the extent USOC deems such introduction is appropriate in its sole and absolute discretion.

- O. Additional Training Site Designations. If USOC contemplates adding Olympic training site designated-facilities for other sports within Southern California, USOC will provide CV with an opportunity to make a proposal to USOC conduct of such sports activities at the CVTC (it being expressly understood and agreed that the foregoing shall not apply with respect to any other facilities owned or operated by USOC that are not designated as an Olympic training site). For purposes of this Section, "Southern California" shall mean the area bordered by the northernmost boundaries of San Luis Obispo, Kern and San Bernardino Counties in the north, the U.S. Border with Mexico in the south, the Pacific Ocean in the west, and the easternmost boundaries of San Bernardino, Riverside and Imperial Counties where said counties border with the states of Nevada and Arizona, in the east.
- 29. Athlete Safety. CV will at all times during the Term publish, broadly communicate and include in applicable agreements with third parties, including NGB's, the minimum standards for athlete safety at U.S. Olympic and Paralympic Training Sites set forth in Exhibit I hereto, as USOC may update such Exhibit from time to time with prior written notice to the CV. The parties recognize that the standards set forth in Exhibit I are minimum standards. Each of USOC and CV shall be responsible for the compliance of their own employees, contractors and agents with the athlete safety standards.

- 30. Non-Discrimination Policy, Inclusiveness. CV will adopt and strictly enforce as to all its employees, contractors, agents, operators and vendors a non-discrimination policy which governs all facets of CVTC operation, which policy will include terms at least as stringent and comprehensive as those set out in <a href="Exhibit J">Exhibit J</a> attached hereto, incorporated and made a part hereof by reference. Further, CV will, and will require its Third Party Operator to, proactively seek to create an environment of inclusion at the CVTC, including without limitation by offering a means by which CVTC athletes, coaches, and other users may provide feedback regarding inclusion and discrimination. USOC shall be responsible for the adoption and application of such non-discrimination policy with respect to their respective employees, contractors and agents. Without limiting the foregoing, all parties will be responsible for their own adoption and employment of policies complying with applicable laws, including, with regard to staff employed in the State of California, with the California Fair Employment and Housing Act.
- 31. <u>Dispute Resolution</u>. The parties intend to provide the highest level of service to the athletes and others encompassed within the Minimum Usage Commitment and Elite Athlete Standards. In that spirit, every effort shall be made to avoid conflicts and disputes. If a conflict or dispute arises in relationship to CVTC operations, all efforts will be used to immediately resolve such conflict or dispute on an amicable basis. If the parties cannot immediately arrive at a resolution of such conflict or dispute, the following dispute resolution procedure shall be followed:
- (i) USOC's designated program leader and the CV representative responsible for the venue in question shall meet and use all best efforts to resolve the issue in the best interest of the applicable program and athletes involved and all other applicable considerations, and with the least amount of disruption possible to the applicable program. It is

the mutual hope of the parties that the individuals involved at this stage will resolve most conflicts.

(ii) In the event that the dispute or conflict cannot be resolved by the process previously described, then such dispute or conflict shall be promptly submitted to a representative designated by USOC (the "First USOC Resolution Representative") and a representative designated by CV (the "CV Resolution Representative") for resolution. The foregoing shall be accomplished by the complaining party submitting, in writing, a brief and specific summary of the dispute, as well as the relief sought. It is not the intent of the parties that such document be technical in nature, but rather that such document be an aid in providing prompt, fair and impartial relief with the least degree of disruption possible to the program. The First USOC Resolution Representative and the CV Resolution Representative will use their best efforts to comply with the spirit of the dispute resolution process set forth in this Section 29 in providing the fairest possible resolution.

(iii) In the event that neither of the above-referenced steps results in the resolution of such dispute, a designated USOC individual (the "Second USOC Resolution Representative") (different from the First USOC Resolution Representative) and the CV City Manager shall have such dispute or conflict promptly submitted to them by the First USOC Resolution Representative and the CV Resolution Representative with the written complaint and written reviews of the First USOC Resolution Representative's and the CV Resolution Representative's attempts to resolve, as well as their reasons for not being able to resolve, the issues. The Second USOC Resolution Representative and the President of the CV City Council shall (A) confer, by telephone if necessary, or in person if possible, and (B) resolve the issue. If necessary, this final resolution process shall incorporate personal input by the complaining party

and the appropriate responding official. The parties understand that some such disputes or conflicts may not be of an immediate nature relating only to one specific activity, but rather to an accumulation of conflicts or disputes or to a process or rule. In such event, the Second USOC Resolution Representative and the President of the CV City Council will use all best efforts to see that the issue is permanently and amicably resolved in the best interest of the athletes and the program(s) involved.

(iv) IN THE EVENT THAT THE STEPS SET FORTH IN SECTION 29(iii) DOES NOT RESULT IN THE RESOLUTION OF SUCH DISPUTE, USOC AND CV AGREE THAT SUCH DISPUTE SHALL BE SETTLED BY FINAL AND BINDING ARBITRATION IN ACCORDANCE WITH THE ARBITRATION PROCEDURES SET FORTH ON EXHIBIT G ATTACHED HERETO. BY EXECUTING THIS AGREEMENT, USOC AND CV ARE AGREEING TO HAVE ANY SUCH DISPUTE ARISING OUT OF THIS AGREEMENT THAT HAS NOT BEEN RESOLVED PURSUANT TO THE FOREGOING PROVISIONS OF THIS SECTION 29(i) THROUGH (iii) ABOVE DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND USOC AND CV ARE GIVING UP ANY RIGHTS THEY MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY EXECUTING THIS AGREEMENT, USOC AND CV ARE GIVING UP THEIR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL WITH RESPECT TO DISPUTES ARISING IN CONNECTION WITH THIS AGREEMENT, EXCEPT TO THE EXTENT SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE ARBITRATION OF DISPUTES PROVISION SET FORTH ON EXHIBIT G ATTACHED HERETO. IF EITHER USOC OR CV REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEING TO SUCH PROVISIONS, SUCH PARTY MAY BE COMPELLED TO

ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. EACH OF USOC'S AND CV'S AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. EACH OF USOC AND CV ACKNOWLEDGES AND AGREES THAT SUCH PARTY HAS READ AND UNDERSTANDS THE FOREGOING AND AGREES TO SUBMIT DISPUTES ARISING OUT OF THIS AGREEMENT TO NEUTRAL ARBITRATION.

32. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including by means of professional messenger service or reputable air express service utilizing receipts), and shall be deemed received upon the date of receipt thereof if received prior to 5:00 p.m. of the recipient's business day, and if not so received, shall be deemed received upon the following business day.

To USOC: Chief of Paralympic Sport and NGB Organizational

Development, United States Olympic Committee

One Olympic Plaza

Colorado Springs, CO 80909

With a copy to: General Counsel

United States Olympic Committee

One Olympic Plaza

Colorado Springs, CO 80909

With a copy to: Allen Matkins Leck Gamble Mallory & Natsis LLP

515 S. Figueroa Street, 9<sup>th</sup> Floor Los Angeles, California 90071

Attn: David B. Stone

To CV: City of Chula Vista

276 Fourth Avenue Chula Vista, CA 91910

Attn: Deputy City Manager

With a copy to: City Attorney

276 Fourth Avenue Chula Vista, CA 91910

1029358.03/LA 319061-00002/3-17-16/dbs/dbs DOCS 2411491.12 With a copy to:

Thomas W. Turner, Jr., Esq.

Procopio, Cory, Hargreaves & Savitch

525 B Street, Suite 2200 San Diego, CA 92101

Notice of change of address shall be given by written notice in the manner detailed in this Section 30.

- 33. <u>Waivers</u>. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.
- Professional Fees. In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions on the part of the other party arising out of this Agreement, then in that event the prevailing party shall be entitled to have and recover of and from the other party all costs and expenses of the action or suit and any appeals therefrom, and enforcement of any judgment in connection therewith, including actual attorneys' fees, accounting and engineering fees, and any other professional fees resulting therefrom.
  - 35. Time of Essence. Time is declared to be of the essence of this Agreement.
- 36. <u>Confidentiality</u>. The parties agree that all materials and information exchanged in connection herewith, will be subject to the terms of the August 13, 2014 Confidentiality

  Agreement between the parties (the "<u>Existing Confidentiality Agreement</u>"), as if such terms were recited herein.
- 37. **Authority**. Each party represents and warrants to the other that the execution, delivery and performance of this Agreement by such party has been duly authorized by the

requisite action on the part of such party and no other authorization or consent is required therefor.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

# **EXHIBIT A-1**

# **Legal Description of Property**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CHULA VISTA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A1: APN 643-040-25

PARCEL 2 OF PARCEL MAP NO. 21014, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 10, 2012 AS INSTRUMENT NO. 2012-0773388 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST IN ALL OIL, GAS, AND MINERALS OWNED BY GRANTOR 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND, AS RESERVED IN THAT CERTAIN DEED RECORDED FEBRUARY 16, 1994 AS FILE NO. 1994-0104492, OFFICIAL RECORDS.

PARCEL A2: APN 643-040-26, 27 AND 28

PARCELS 1, 2 AND 3 OF PARCEL MAP NO. 21116, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 13, 2014 AS INSTRUMENT NO. 2014-099767 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM AN UNDIVIDED ½ INTEREST IN ALL OIL, GAS AND MINERALS OWNED BY GRANTOR 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND, AS RESERVED BY WESTERN SALT COMPANY, BY DEED RECORDED FEBRUARY 16, 1994 AS INSTRUMENT NO. 94-0104492 OF OFFICIAL RECORDS.

PARCEL B: (PORTION 643-040-02 AND PORTION 643-040-03)

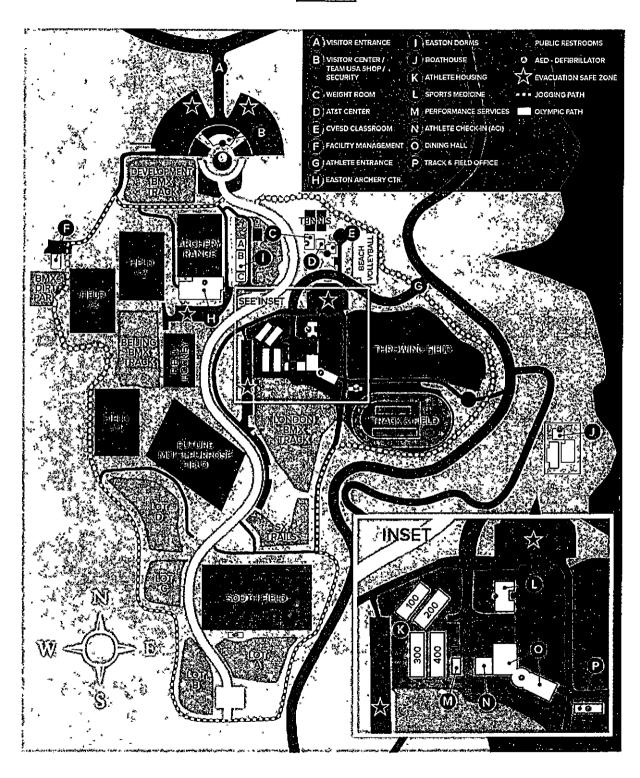
A LEASE FOR OLYMPIC TRAINING FACILITIES LOCATED IN THE LOWER OTAY LAKE AREA IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY TERMINUS OF THE CENTER LINE OF WUESTE ROAD DESIGNATED AS NORTH 46°33'30' EAST 200.32 FEET AS SHOWN ON PARCEL MAP 16318 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING THE BEGINNING OF A TANGENT 400.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE NORTHEASTERLY AND NORTHERLY ALONG THE CENTER LINE OF SAID WUESTE ROAD A DISTANCE OF

314.55 FEET, THROUGH A CENTRAL ANGLE OF 45°03'24" TO THE TRUE POINT OF BEGINNING: THENCE LEAVING THE CENTER LINE OF SAID ROAD NORTH 84°19'16" EAST 113.55 FEET TO A TANGENT 75.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 153.01 FEET, THROUGH A CENTRAL ANGLE OF 116°53'16"; THENCE SOUTH 21°12'32" WEST 462.90 FEET; THENCE SOUTH 68°50'31" EAST 341.35 FEET; THENCE NORTH 53°01'11" EAST 207.80 FEET; THENCE NORTH 29°27'13" EAST 97.62 FEET: THENCE NORTH 49°18'16" WEST 131.89 FEET: THENCE NORTH 35°11'51" WEST 137.06 FEET; THENCE NORTH 69°22'16" WEST 131.39 FEET; THENCE NORTH 21°12'32" EAST 182.34 FEET TO A TANGENT 105.00 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY: THENCE WESTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 214.21 FEET, THROUGH A CENTRAL ANGLE OF 116°53'16"; THENCE SOUTH 84°19'16" WEST 221.92 FEET TO A POINT ON A 400.00 FOOT RADIUS CURVE CONCAVE WESTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 77°08'25" EAST, SAID CURVE ALSO BEING THE CENTER LINE OF WUESTE ROAD AS PRELIMINARY REPORT SHOWN ON SAID PARCEL MAP; THENCE SOUTHERLY ALONG THE ARC OF SAID CENTER LINE A DISTANCE OF 100.26 FEET, THROUGH A CENTRAL ANGLE OF 14°21'41" TO THE TRUE POINT OF BEGINNING.

#### **EXHIBIT A-2**

## Site Plan



#### **EXHIBIT B**

## **Description of Certain CVTC Facilities**

- Boathouse
- Lower Otay Lake access
- London supercross track
- Beijing supercross track
- Development BMX track
- Supercross trails
- BMX dirt park
- Track and field complex: 400 meter track, eight long-jump pits, and two pole vault runways
- Throwing field: eleven hammer and discus cages, four shot put rings, and two javelin runways
- Field hockey complex: turf field hockey pitch and video tower
- Beach volleyball courts: includes six beach volleyball courts and nets
- Tennis complex: two tennis courts and hitting wall
- Cycling criterium: .9 mile cycling asphalt loop
- AT&T Athlete Connections Center: athlete lounge area, includes televisions, gaming devices, furniture, and all other items including in facility
- Field #2, Field #3, Field #4: natural grass multi-purpose fields
- Future multi-purpose field: natural grass multi-purpose field
- South field: natural grass multi-purpose field
- Athlete check-in building
- Dining hall
- Visitor Center
- Weight Room
- Track and Field Office

#### EXHIBIT C

The parties intend that the primary purpose for the CVTC is USOC-sanctioned athletic training and competitive programs intended to develop, train, and qualify United States athletes for participation in Olympic, Paralympic, Pan American Games, and Parapan American Games, whether such training and competitive programs are conducted under the auspices of the USOC, its recognized NGBs, PSOs, or other partners (collectively the "USOC Training and Competition Needs"). With that intention in mind, the parties agree that the following characteristics compose the minimum Elite Athlete Standards:

- 1. <u>Minimum Operating Hours</u>. CV will always provide USOC and its programs the first right of access and use of the CVTC for USOC Training and Competition Needs that are reserved in accordance with this Agreement. Subject to the terms and conditions of <u>Exhibits E and F</u>, CVTC must be available when requested by and reserved for USOC athletes and programs training at the CVTC, including through the process described in <u>Exhibit F</u> attached to the Agreement. At a minimum, for USOC athletes and programs, access to training areas and facilities must be available every day from 6:00 am to 10:00 pm local time, and access to the dining hall must be available from 7:00 am to 8:30 pm local time.
- 2. <u>Capital Improvements</u>. Except as set forth in Section 3.A of the Agreement, CV will be responsible for capital improvements, if any, made to the Property and the facilities, including as necessary to ensure that the Property and facilities are at all times configured to effectively serve USOC training and competition Needs. CV will consider in good faith any USOC training and competition needs-related improvements suggested by the USOC or a related party that would enhance the capacity of the CVTC to provide the highest quality facilities and services to elite Olympic and Paralympic athletes, but is not compelled to make them. CV will make best efforts to keep the USOC apprised of all planned or intended improvements in order to give all parties an opportunity to review them.
- 3. <u>Food Service</u>. CV agrees to operate the CVTC dining hall and food service in a manner that is at least equivalent to the USOC practices, policies and procedures in place at the time of execution of this Agreement, including the following:
- 3.1. Compliance with all applicable federal, state, and local food, allergen, and health safety codes.
- 3.2. Monthly meetings with USOC sport dietitians to approve and discuss menus and nutrition information.
- 3.3. Compliance with the USOC Performance-Based Menu and Guidelines, as they may be amended over time ("<u>Guidelines</u>"). A copy of the existing Guidelines is attached to the Agreement as <u>Exhibit D</u>.
- 3.4. Food labeling system, which includes nutrient analysis and nutritional facts for all menu items, and labeling for key food allergens (dairy, gluten, nuts, and eggs).
- 3.5. Nutrition education exhibits in the dining hall (e.g., table tents and other visuals), and nutrition education for the dining hall staff.

- 3.6. Systematic menu planning that includes a 4-6 week cycle menu that varies seasonally and allows for daily and weekly variety. This should be built upon the Guidelines.
- 3.7. Systematic review of the dining hall provisions, which includes resident athlete satisfaction surveys, user satisfaction surveys, and an annual review by the USOC sport dietitians of the food services provided based on the Guidelines.

CV will also consider in good faith all USOC recommendations for retention of key food services staff that best understand the athletes and CVTC food needs.

- 4. Condition of Facilities and Property. Throughout the Term of the Agreement, CV agrees to maintain the Property and Facilities in the physical condition that the Property and Facilities were in as of the Effective Date, reasonable wear and tear excepted, in accordance with high industry standards. Such standards shall include compliance with: (i) all applicable federal, state and local laws and regulations; (ii) all standards and regulations set by the International Sport Federations (IFs) that are recognized by the International Olympic Committee (IOC) for sport venues including, but not limited to, the soccer and rugby fields, athletic track, athletic throwing fields, beach volleyball courts, archery ranges, BMX cycling tracks, field hockey pitches, and tennis courts; (iii) all applicable codes including the International Fire Code (IFC) and International Building Codes (IBC) for fire-life-safety policies and procedures; (iv) all applicable laws and codes set by the federal, state, city, and local governments that relate to food safety, ADA compliance, health, general safety, building, machinery, equipment, mechanical and other structural and facility matters; and (v) USOC standards and practices modeled after the APPA: Leadership in Educational Facilities (APPA) and the International Facilities Management Association (IFMA) standards. The USOC Facilities Management Division may review, in person, the condition of the Property and Facilities one (1) or two (2) times per calendar year during the Term. If any areas or practices within the Property or Facilities are found not to meet the standards in this Section 4, those areas or practices must be promptly addressed by CV and corrected at CV's expense. USOC represents and warrants to CV that, as of the Effective Date, the CVTC complies with all standards set forth in this Section 4.
- 5. <u>Security</u>. CV shall provide security at the CVTC on terms substantially equivalent to or greater than the level of service and performance set out in the existing USOC-Securitas contract in place as of the Effective Date. In addition, CV shall employ at least one full-time security manager to oversee the CVTC Security program, security equipment, and security vendor staff on-site. USOC represents that the current security system includes the following:
- 5.1. <u>Security Stations</u>. At least three (3) CVTC security posts filled on a 24/7/365 basis. The positions may be filled through the security vendor contract. The three (3) security posts include:
  - (a) ECP (Entry Control Point) Stationed at the ECP (building G in Exhibit A), responsible for monitoring traffic, cameras, and alarm monitor;
  - (b) Mobile Patrol Responsible for routinely roaming the property and facilities, first responder to incidents, and lockouts; and

- (c) Visitor Center Kiosk Stationed at the Visitor Center entrance (identified as "Building B" on the site plan attached to the Agreement as **Exhibit A-2**), responsible for monitoring the public access point and the building and parking lot security.
- 5.2. <u>Security Equipment</u>. CV agrees to maintain and monitor the activities procured through the following equipment:
  - (a) Compatible access control system providing access control, system control and monitors who enters and exits an area; the system observes and annunciates any unauthorized use. The system provides enhanced access control so that system users can be easily identified, entry is allowed only at given times and a record of system activity is kept in an historical journal;
  - (b) Surveillance Cameras 23 dome and fixed cameras throughout the site are monitored and controlled from ECP and Command center; and
    - (c) D6600 system Fire and Water flow alarms.

The USOC Security Division may review, in person, the security of the Property one (1) or two (2) times per calendar year during the Term. If any practices are found not to meet the minimum standards set out in this <u>Section 5</u>, those practices must be promptly addressed by CV and corrected at CV's expense.

- 6. <u>Information Technology</u>. CV shall maintain, with at least the level of performance and availability in place as of the Effective Date, information technology infrastructure and systems throughout the Facilities, including without limitation:
- 6.1. Internet, Wi-Fi connection, phone services and TV services in the athlete dorms identified as "Buildings 100, 200, 300, and 400" on the site plan attached to the Agreement as Exhibit A-2;
- 6.2. Dedicated and secure internet network connection at the sports medicine clinic for the transmission of medical files and other confidential files that fall under HIPAA regulations; and
- 6.3. Internet capabilities for the USOC staff that will office and work in the Sport Performance Facilities and the other Facilities at CVTC.
- 6.4. USOC shall reimburse CV for the reasonable, competitively priced costs actually incurred and paid for by CV in connection with the performance and provision of the services described in Sections 6.2 and 6.3 above. All services must be performed and provided at a cost that is reasonable and competitively priced, and a condition to USOC's obligation to so reimburse CV for any costs under this Section 6.4 shall be USOC's receipt of invoices, paid receipts or such other evidence of such costs as USOC may reasonably require demonstrating the cost of such services as a prorated portion of a larger contract. The costs for which USOC is required to reimburse CV under this Section 6.4 shall be credited against, and deducted from, the Minimum Usage Commitment, and USOC shall have no obligation to make any out-of-pocket

for the year in question is exhausted.				
		-		

reimbursements to CV under this Section 6.4 unless and until the Minimum Usage Commitment

#### **EXHIBIT D**

#### USOC PERFORMANCE BASED MENU AND GUIDELINES

The following are the menu requirements and nutrient guidelines for performance-based menus, and the USOC represents and warrants to CV that as of the Effective Date of this Agreement, these requirements and guidelines are currently complied with at the CVTC.

#### Menu Requirements

CV agrees to use its best effort to ensure that the items listed below "Breakfast" and "Lunch/Dinner" are available and offered to USOC requested programs and users daily from 7:00 am to 8:00 pm:

#### BREAKFAST

Hot breakfast items should be available daily from 7:00 am to 10:30 am.

- Breads & Condiments
  - Sliced, white option
  - Sliced, whole-grain/whole-meal option (> 2 grams of fiber per slice).
  - English muffin options
  - · Bagel options
  - Specialty tea breads and muffins
  - Gluten-free/friendly (upon request)
- Eggs/Omelets
  - Whole, whites, egg substitute (whole, scrambled, hard-boiled, omelet)
  - Cheese (regular, low fat)
  - Meat option (< 30% total fat, < 10% saturated fat)
  - Vegetables (peppers, tomato, onions, mushrooms, spinach)
- Dry cereals
  - 4-6 options
    - high-fiber options (>4g fiber per serving)
    - gluten-free/friendly
    - granola / muesli
    - low-fiber option (<1g fiber per serving)</li>
- Hot cereals
  - Oatmeal, grits, gluten-free and/or cream of wheat
- Fruit fresh, and ideally seasonal
  - Berries, grapes, kiwi, and/or melon
  - Grab and Go whole fruits i.e. apples, bananas, oranges and seasonal items
- Condiments
  - brown sugar, cinnamon, honey, dried fruit, nuts, maple syrup
  - butter, margarine, low-fat cream cheese, peanut butter, 100% fruit jam
- Milk
  - Skim or/and 1% milk
  - 2% or/and whole milk
  - 1-2% chocolate milk

- Soy milk
- Almond milk or/and rice milk (upon request)
- Yogurts (< 5g of fat per serve)
  - Plain or vanilla
  - Fruit option
  - Parfait (fruit, muesli and yogurt)

#### LUNCH & DINNER

Hot lunch options should be available from 11:00 am to 2:00 pm. Hot dinner options should be available from 5:30 pm to 8:00 pm.

- Salad Bar:
  - o A variety of leafy greens such as lettuce, kale and spinach
  - o Specialty salad/s
  - o Fresh, seasonal and colorful vegetables (i.e. red, green, yellow)
  - o Fresh, seasonal fruits
  - o Dried fruit (raisins, cranberries, apricots)
  - o Salad dressing options
    - 2 regular, full fat options
    - 1 lower fat option (<30% total fat, <10% saturated fat)
    - 1 fat-free option
    - Olive oil, variety of vinegars, lemon juice, soy sauce
  - Nut and/or seed varieties (sunflower seeds, almonds, walnuts, crushed flax seeds, etc.)
- Soup:
  - o 1-2 soup options: 1 heartier and 1 low sodium (less than 250 milligrams of sodium per serving) provided 3 times per week.
- Sandwich Bar
  - o A variety of sliced bread (1 whole grain, 1 white choice)
  - o Sliced lean meat options
    - "lean options" (< 10g total fat, < 4.5 g saturated fat, <95 mg cholesterol per 100g serving)</p>
  - o 2 or more sliced cheese options
  - o 1 protein-salad options (egg salad, tuna salad, crab salad, chicken salad,
  - o 1 vegetarian protein option (hummus, 1% cottage cheese, nut butters, tofu)
  - o Condiments (mayonnaise, mustard, ketchup, jam, honey, guacamole)
  - Sliced vegetables (tomato, red onions, cucumbers, sun-dried tomatoes, pickles, lettuce)
- Recovery Bar (30+gram of carbohydrates, 20-25g protein and <5-8g fat per serve)
  - o Fruit / vegetable smoothie
  - o Chocolate soy milk or non-dairy smoothie option
  - o 1-2 dried or fresh anti-oxidant fruit options (fresh/dried berries, citrus fruit)
  - o Homemade recovery bars, muffins, breads
  - o Potential sponsored recovery bar (upon request)
  - o Yogurt parfait
  - o Trail mix

- Hot Line
  - o 3 protein options (< 30% fat, < 10% saturated fat, grilled, seared and baked)
    - o 1 red-meat option (beef or game meat)
    - o 1 white-meat and/or fish option
    - o 1 meatless option (vegetarian)
  - o Carbohydrate options (half provided as whole grains)
    - o Pasta option (gluten-friendly available upon request)
    - o Gluten-friendly option
    - o Other
  - o Vegetable options (colorful)
    - o 1 red, orange, yellow and green option
- Grill Station (to order)
  - o Burgers beef, turkey, vegetables, gluten free
  - o Chicken breast
  - o Roasted vegetables
  - o French fries and sweet potato (baked)
  - o Grilled sandwiches
  - Specialty Dinner Item
- Action / Fusion Station (Lunch)
  - o Specialty, international food station
- Dessert
  - o 1 full-fat desert option
  - o 1 seasonal mixed fruit option available seasonally
  - o I low-fat frozen option (ice cream, yogurt, or sorbet) with topping choices
  - o Yogurt
  - o Variety of cookies, muffins, bars, puddings, Jell-O or pies.
- Beverages
  - o Water
  - o Skim milk and/or 1% milk
  - o 2% and/or whole milk
  - o 1-2% chocolate milk
  - o Flavored lactose alternative milk (chocolate or vanilla)
  - o Sports Beverage (7-5% carbohydrate and electrolyte)
  - o 100% fruit juices/ mixtures
  - o Coffee (no other ingredients added)
  - o Tea
  - o Carbonated beverages (2 regular/2 diet sponsor product)

#### **Nutrient Guidelines**

- Ensure foods provided are in nutrient-dense forms.
  - Nutrient-dense foods provide vitamins, minerals, and other nutrients that have positive health effects with relatively few calories. Nutrient-dense foods retain naturally occurring components such as fiber and minimize or exclude added salt, sugars, solid fats and refined grains.
- Include low fat items in the menu by providing foods naturally low in fat and using oils and solid fats in reduced amounts during food preparation.

- Athletes aged 19 years and older should consume 20-30% of their daily diet in fats. Certain weight class and aesthetic sports require a diet containing 30-50g of fat per day. This can be provided via fat-free or low fat (1%, 2%, part skim) dairy products, salad dressings, sauces and lean meats (<30% fat, <10% saturated fats).
- Increase monounsaturated and polyunsaturated fats and decrease saturated fats to 10% of calories and trans-fats to as low as possible.
   Fats are categorized as being saturated, monounsaturated or polyunsaturated. Trans- fats are unsaturated fats that are naturally found in some foods but are generally formed during food processing; they are not essential to the diet. Most fats with a high percentage of saturated or trans-fats are solid at room temperature. Unsaturated fats are usually liquid at room temperature. Oils that are rich in monounsaturated fats include canola, olive, and safflower oils. Polyunsaturated fats include soy bean, corn and grape seed.
- Provide a menu that caters for sodium intake less than 2,300mg per day by purchasing low-sodium products, preparing meals low in sodium and utilizing fresh foods. Sodium is found in a wide variety of foods. Most sodium comes from salt added during food processing to help retain moisture, enhance flavor, cure meats and mask off-flavors. Athletes who are heavy sodium sweaters, are un-acclimatized to high temperatures or are extremely physically active in the heat can obtain their higher requirements of sodium through adding salt to their meals.
- Provide at least half of all grains as whole grains.
   Whole grains provide a source of nutrients such as iron, magnesium, B-vitamins and dietary fiber. The refining of whole grains involves a process that results in the loss of these vitamins, minerals, and fiber. They can also be high in solid fats and added sugars. Enriched refined grain products can however have a positive effect on providing additional vitamin and minerals such as calcium and vitamin D.
- Provide a variety of colorful, fresh and seasonal vegetables and fruits.

  Adults should consume at least 5 serves of vegetables (1 serve = 1 cup raw, ½ cup cooked) and 2 fruits (1 serve = 1 cup, 1 medium size or 2 small fruits). These food items are rich in folate, vitamin A, C and K, potassium, magnesium and fiber.
- Provide a balanced variety of protein foods that are lower in saturated fats.
  Protein foods include seafood (fish and shellfish), meat, poultry, eggs, legumes, soy products, nuts and seeds. The fats in meat, poultry and eggs are considered solid fats while the fats in seafood, nuts and seeds are considered oils. Seafood contributes a range of nutrients, notably the omega-3 fatty acids, eicosapentaenoic acid (EPA) and docosahexaenoic acid (DHA). Eight ounces of a variety of fish sources is recommended per week per person. Where possible serve wild fish; and raw or roasted but salt-free nuts and seeds. Reduce meat and poultry raised with rBGH and antibiotics and where possible provide free-range, local, and organic products; and provide a variety of legumes (beans, lentils and peas), with organic soy products.
- Additional athlete requirements include iron rich foods, calcium products rich in
  probiotics, food sources rich in Vitamin D and sports products to aid performance.
  The provision of iron rich products (heme iron), a variety of calcium rich foods including
  those naturally rich in probiotics; natural sources or fortified products with vitamin D and
  sport products that delay on the onset of fatigue during training such as sport drink and
  aid the recovery process such as low fat chocolate milk, smoothies and a recovery bar are
  all required to help optimize the athletes performance.

•	Cater for Athletes with Food Allergies and Intolerances. Ensure each main meal includes food items that are gluten friendly; ensure all food labels have the 4-8 main types of allergies identified; and ensure lactose alternative milk products are available all day for athletes.

#### EXHIBIT E

#### **OPERATIONS PLAN**

The following Operations Plan applies to the 60 bed reservations and any additional USOC usage of the Facilities and beds above the 60 bed reservations referenced in **Exhibit F**.

#### 1. Definition of Full Access

- a. A user that has full access is equivalent to an On-Complex User referenced in Exhibit F.
- b. The 60 beds identified in **Exhibit F** under **Annual Guaranteed User Days** shall be considered full access users.
- c. Any additional USOC On-Complex User reservations that are included in the Minimum Usage Commitment or are above the Minimum Usage Commitment will receive full access.

#### 2. Access to Weight Room

- a. USOC will include access to the Weight Room in the reservation requests.
- b. Weight Room access will be granted based on the User Types in the reservation and the Rates set forth in Exhibit F.

#### 3. Access to Track and Field Office

- a. Priority access to Track and Field Office access will be determined by the USOC and provided to designated National Governing Bodies (NGBs) and their constituents.
- b. The USOC will provide to CV a list of the USOC designated NGBs on an annual basis, and the USOC will notify CV if the list changes at any time throughout the year or the term of the Agreement.
- c. Non-USOC designated individuals may access the Track and Field Office, provided that it is not reserved or fully occupied by the USOC designated NGBs.

#### 4. Access to High Altitude Dorm Rooms

- a. If the high altitude dorm rooms are not reserved by the USOC, CV may reallocate these rooms to third party users. As stated under Section 3B of the Agreement, CV will be responsible, at its sole cost and expense, for any damage caused as a result of any such third party usage of the High Altitude Dorm Rooms (and/or any of the altitude settings and controls).
- 5. <u>Elite.</u> The USOC will determine which Individuals are elite athletes for its purposes. An elite athlete is one that the USOC is willing to fund through its Minimum Usage Commitment or fund above the Minimum Usage Commitment. The elite athletes identified by the USOC will align with the USOC High Performance Planning/Resource Allocation Process.
- 6. Reservation Process. As to all Facilities, CV will provide the USOC with first priority in reserving the Facilities hereunder for its Minimum Usage Commitment. With respect to all usage above the Minimum Usage Commitment, USOC and CV shall have concurrent rights to booking.

- a. The rates for all USOC usage, whether included in the Minimum Usage Commitment or above and beyond the Minimum Usage Commitment will be consistent with the User Types and Rates set forth under Exhibit F.
- b. Requests for all USOC usage during the first and second quarter of 2017 shall be submitted by USOC to CV by July 1, 2016, and by September 16, 2016 for usage during the third and fourth quarters of 2017. Following 2016, requests for all USOC usage during the first and second quarter of each year shall be submitted by USOC to CV by June 1 of the immediately preceding year, and by August 1 for usage during the third and fourth quarters of each year. USOC will designate which resources are allocated to which programs when requests are submitted. The reservations will include the start and end dates of the program, program name, total number of Individuals, Individual user types, number of meals, venues, weight room needs, meeting rooms and other resources requested. For bookings applicable to time periods after 2017, the parties will meet and confer to determine appropriate earlier submission dates for usage by USOC.
- c. CV will confirm all USOC reservations with the designated USOC within thirty (30) days after the date of the request therefore. By confirming the reservation, the USOC agrees to fund the reservation, and CV guarantees that the program will have the necessary facilities reserved for the specified number of users and on the specified dates.
- d. CV is responsible for tracking the USOC's actual program usage against the Minimum Usage Commitment. CV will provide to USOC a monthly report of actual usage based on the month and year-to-date programing.
- e. Prior to confirming the reservation CV will notify USOC of any reservation or usage that will be above and beyond the Minimum Usage Commitment. CV will invoice the USOC for such programs that go above the Minimum Usage Commitment following the conclusion of the program. Each invoice shall include the number of users, type of user, number of days for each user, facilities used, number of meals, and any other relevant documentation to support the invoiced amount. USOC shall make payment within thirty (30) days after the date of such invoice.
- 7. Program Changes and Cancellations. As to each Facilities reservation hereunder, USOC may cancel the reservation and/or change the number of Individuals in the reservation or the duration of the reservation at any time up to 30 days prior to the first day of the subject reservation. If a reservation is cancelled at least 90 days prior to the scheduled start date, the value of the reserved inventory will be fully credited back to the USOC for use during the same year. If a reservation is cancelled between 30 and 90 days prior to the scheduled start date, one-half of the value of the reserved inventory will be credited back to the USOC for use during the same year. If a reservation is cancelled less than 30 days prior to the scheduled start date, the USOC shall receive no credit therefor. Credits obtained by the USOC pursuant to such cancellations, to the extent not used during the same calendar year, shall no longer apply.
- 8. Reallocation by CV of Unused Facilities. Subject to the provisions of Section 6 of this Operations Plan, After the USOC's usage and reservation needs have been fulfilled in accordance with the above requirements, CV has the right to book the unused Facilities to third party users.

#### **EXHIBIT F**

#### MINIMUM USAGE COMMITMENT - RATES AND NATURE OF INVENTORY

- 1. General. USOC's Minimum Annual Payment will include CVTC programming for the USOC Training and Competition Needs. Programming includes, but is not limited to, resident and short-term programs, camps, events, facility-use programs, coaching programs, dining hall access, and training specials. For USOC-requested users and programs, CV agrees that the Property and Facilities, including without limitation the sport and training venues, will be made available and accessible at the rates mentioned below and at appropriate times, including at least the availability normally accorded them by USOC at the time of execution of this Agreement. Any sharing of USOC-reserved Facilities (e.g., soccer fields, athletic track, throwing fields, etc.) with a non-USOC program or user must be agreed upon by the USOC before being permitted by CV.
- 2. <u>User Types and Rates</u>. The rates and user types below will apply to all USOC-requested CVTC programming, and shall include the Annual Guaranteed User Days, as defined and set forth in Section 3 below. For the purposes of this <u>Exhibit F</u>, an "Individual" is an athlete, coach, or other program participant, and a "Day" is a twenty-four hour unit of time that begins and ends at 12:00 am.
  - A. On-Complex User \$90 per Day per Individual
    - a. This includes housing (bed, restroom and shared living space) in the CVTC dorms, unlimited access and meals in the dining room, access to designated training facilities/venues, and access to the Weight Room facilities. Dorm rooms can only be shared by athletes of the same gender, excluding coaches. Coaches and athletes may not be placed in the same room.
  - B. Off-Complex with Meals User \$45 per Day per Individual
    - a. This includes unlimited access and meals in the dining room, access to training facilities/venues, and access to the Weight Room facilities.
  - C. Facility Use Only User \$15 per Day per Individual
    - a. Includes access to a specified training facility or venue and access to Weight Room facilities.
  - D. Meals \$10 per meal per Individual
    - a. This includes any meal not included in 2A or 2B above.

To the extent that actual costs to CV materially exceed the rates set forth herein, the parties agree to meet and confer to address the possibility of an equitable adjustment of such rates.

With respect to all usage above the Minimum Usage Commitment, USOC and CV shall have concurrent rights to booking.

- 3. <u>Annual Guaranteed User Days</u>. CV will provide at least the following inventory to the USOC in exchange for all or a portion of the Minimum Annual Payment (collectively, the "<u>Annual Guaranteed User Days</u>"):
  - A. 60 beds for 365 Days, i.e., the equivalent of 21,900 On-Complex User Days.

- B. The remainder of the Minimum Annual Payment may consist of a variation of the Individual user Days and types at the rates described above, as notified to CV by the USOC in its discretion; provided, however, that CV shall have priority access to book the remaining On-Complex User Days above 60, provided that to the extent CV does not exercise such priority, said On-Complex User Days will be available to the USOC at the \$90 per Day rate until the Minimum Annual Payment has been fulfilled. After the Minimum Annual Payment has been fulfilled by USOC through CVTC programming, the rates for said On-Complex User Days will be available to USOC at a preferred rate to be negotiated by the parties.
- 4. Sport Performance Services. Services provided by USOC using the Sport Performance Facilities, including but not limited to medical coverage, clinic access, and access to sports psychologists, dietitians, and physiologists, will be for USOC Training and Competition Needs programs only. Access to these services and the Sport Performance Facilities will be only for USOC Training and Competition Needs programs. USOC may grant exceptions to this restriction via written notice, at its sole discretion pursuant to Section 3A of the Agreement.

#### EXHIBIT G

#### ARBITRATION OF DISPUTES

ANY DISPUTE OR CONTROVERSY THAT RELATES TO THE AGREEMENT (REFERRED TO IN THIS EXHIBIT G AS THE "AGREEMENT") THAT HAS NOT BEEN OTHERWISE RESOLVED PURSUANT TO SECTIONS 29(i) THROUGH (iv) OF THE AGREEMENT SHALL BE SUBMITTED TO AND SETTLED BY ARBITRATION BEFORE THE AMERICAN ARBITRATION ASSOCIATION OR ITS SUCCESSOR (THE "SERVICE") IN ACCORDANCE WITH THE USUAL RULES, REGULATIONS AND PROCEDURES OF THE SERVICE APPLICABLE TO ANY COMMERCIAL DISPUTE OR CONTROVERSY, SUBJECT TO THE FOLLOWING PROVISIONS:

- (A) THE PARTY SEEKING ARBITRATION SHALL DELIVER A WRITTEN NOTICE OF DEMAND TO RESOLVE DISPUTE (THE "DEMAND") TO THE OTHER PARTY TO SUCH DISPUTE AND TO THE SERVICE. THE DEMAND SHALL INCLUDE A BRIEF STATEMENT OF THE CONTROVERSY OR DISPUTE AND THE NAME OF THE SINGLE PROPOSED RETIRED JUDGE OR ATTORNEY FROM THE SERVICE TO DECIDE THE DISPUTE ("ARBITRATOR"). WITHIN TEN (10) DAYS AFTER THE EFFECTIVE DATE OF THE DEMAND, THE OTHER PARTY AGAINST WHOM A DEMAND IS MADE SHALL DELIVER A WRITTEN RESPONSE TO THE DEMANDING PARTY AND THE SERVICE. SUCH RESPONSE SHALL INCLUDE A BRIEF STATEMENT OF THE CONTROVERSY OR DISPUTE, AND SHALL ALSO STATE WHETHER SUCH PARTY AGREES TO THE ARBITRATOR CHOSEN BY THE DEMANDING PARTY. IN THE EVENT THE PARTIES CANNOT AGREE UPON AN ARBITRATOR, THEN THE SERVICE SHALL SELECT AND NAME A SINGLE ARBITRATOR TO CONDUCT THE HEARING.
- (B) THE LOCALE OF THE ARBITRATION SHALL BE IN SAN DIEGO COUNTY, CALIFORNIA, UNLESS OTHERWISE AGREED TO BY THE PARTIES IN WRITING.
- (C) IN THE EVENT THE SERVICE IS NO LONGER IN BUSINESS AND THERE IS NO COMPARABLE SUCCESSOR, THEN THE PARTIES SHALL AGREE UPON ANOTHER ARBITRATOR. IF THE PARTIES CANNOT AGREE UPON ANOTHER ARBITRATOR, THEN A SINGLE NEUTRAL ARBITRATOR SHALL BE APPOINTED PURSUANT TO SECTION 1281.6 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.
- (D) THERE SHALL BE NO RIGHT TO DISCOVERY EXCEPT BY STIPULATION OF THE PARTIES OR PURSUANT TO THE DISCRETION OF THE SERVICE BUT IN NO EVENT SHALL SUCH DISCOVERY EXCEED ONE EXCHANGE OF DOCUMENT REQUESTS AND TWO DEPOSITIONS.
- (E) THE ARBITRATOR'S POWERS SHALL BE LIMITED AS FOLLOWS: (i) THE ARBITRATOR SHALL FOLLOW THE SUBSTANTIVE LAWS OF THE STATE OF CALIFORNIA, NOT INCLUDING RULES OF EVIDENCE, AND THE ARBITRATOR'S DECISION SHALL BE SUBJECT TO REVIEW THEREON AS WOULD THE DECISION OF

THE SUPERIOR COURT OF THE STATE OF CALIFORNIA SITTING WITHOUT A JURY, (ii) THE ARBITRATOR SHALL NOT CONSIDER ANYTHING OUTSIDE THE RECORD UNLESS NOTICE IS GIVEN TO ALL PARTIES WITH THE OPPORTUNITY TO RESPOND TO SUCH MATTERS, (iii) THE ARBITRATOR SHALL HAVE NO POWER TO MODIFY ANY OF THE PROVISIONS OF THE AGREEMENT AND THE ARBITRATOR'S JURISDICTION IS LIMITED ACCORDINGLY, (iv) THE ARBITRATOR SHALL PREPARE AND SERVE A WRITTEN DECISION WHICH DETERMINES THE DISPUTE, CONTROVERSY, OR CLAIM AND WHICH DESIGNATES THE PARTY AGAINST WHOSE POSITION THE DECISION IS RENDERED, AND (v) JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

- (F) THE COSTS OF THE RESOLUTION SHALL BE DIVIDED EQUALLY BETWEEN ALL OF THE PARTIES TO SUCH ARBITRATION PROCEEDING, PROVIDED, HOWEVER, THAT SUCH COSTS, ALONG WITH ALL OTHER COSTS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND/OR EXPERT WITNESS FEES, SHALL BE SUBJECT TO AWARD, IN FULL OR IN PART, BY THE ARBITRATOR, IN THE ARBITRATOR'S DISCRETION, TO THE PREVAILING PARTY. UNLESS THE ARBITRATOR SO AWARDS ATTORNEYS' FEES, EACH PARTY SHALL BE RESPONSIBLE FOR SUCH PARTY'S OWN ATTORNEYS' FEES.
- (G) TO THE EXTENT POSSIBLE, THE ARBITRATION HEARING SHALL BE CONDUCTED ON CONSECUTIVE DAYS, EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS, UNTIL THE COMPLETION OF THE PROCEEDING.

	(H)	IN CONNI	ECTION WI	TH ANY A	RBITRA1	TON PROC	CEEDING	S	
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INITIALS OF USOC

INITIALS OF CV

#### EXHIBIT H

#### **Training Site Designation**





# U.S. OLYMPIC TRAINING SITE

**EXHIBIT H** 

Training Site
Designation
-1-



# U.S. PARALYMPIC TRAINING SITE



# U.S. PARALYMPIC TRAINING SITE

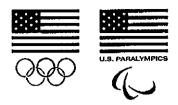




U.S. OLYMPIC AND PARALYMPIC TRAINING SITE

EXHIBIT H

Training Site Designation



# U.S. OLYMPIC AND PARALYMPIC TRAINING SITE

USOC to provide composite Training Site Designation and name of facility.

**EXHIBIT H** 

#### EXHIBIT I

Minimum Standards for Athlete Safety at U.S. Olympic and Paralympic Training Sites

The United States Olympic Committee requires that the Local Operator for each U.S. Olympic and Paralympic Training Site adopt an athlete safety program that includes, at a minimum, the following components:

#### 1. Prohibited Conduct

A policy which prohibits and defines the following misconduct:

- ✓ Bullying
- √ Hazing
- ✓ Harassment (including sexual harassment)
- ✓ Emotional Misconduct
- ✓ Physical Misconduct
- ✓ Sexual Misconduct (including child sexual abuse)

The policy shall apply to (1) Training Site employees; and (2) individuals the Training Site formally authorizes, approves or appoints (a) to a position of authority over, or (b) to have frequent contact with, athletes.

#### Comment(s):

(a) Prohibited misconduct shall include, without limitation:

Romantic or sexual relationships, which began during the sport relationship, between athletes or other participants and those individuals (i) with direct supervisory or evaluative control, or (ii) are in a position of power and trust over the athlete or other participant. Except in circumstances where no imbalance of power exists, coaches have this direct supervisory or evaluative control and are in a position of power and trust over those athletes or participants they coach.

The prohibition on romantic or sexual relationships does not include those relationships where it can be demonstrated that there is no imbalance of power. For example, this prohibition does not apply to a pre-existing relationship between two spouses or life partners. For factors that may be relevant to determining whether an imbalance of power exists, consult the USOC's Athlete Protection Policy.

(b) Local Operators are not required to prohibit misconduct as specifically categorized above. For example, a Local Operator may prohibit sexual harassment as "harassment," "sexual harassment," or under some other category or definition.

We recommend that Local Operators define each particular type of misconduct in their athlete safety policies, however, Local Operators are free to use the definitions set forth in the USOC's

Athlete Protection Policy, found in the USOC's SafeSport Policies at http://www.teamusa.org/About-the-USOC/Organization/Legal/Governance-Documents.aspx.

#### 2. Criminal Background Checks

Each Training Site shall require criminal background checks for those individuals it formally authorizes, approves or appoints (a) to a position of authority over, or (b) to have frequent contact with, athletes. For purposes of clarification, a Training Site is considered to formally authorize, approve or appoint an individual in instances where the Training Site has control over the appointment process.

#### 3. Education & Training

Beginning January 1, 2015 each Training Site shall require education and training concerning the key elements of their safety program for those individuals it formally authorizes, approves or appoints (a) to a position of authority over, or (b) to have frequent contact with, athletes. Before January 1, 2015 each Training Site shall offer and encourage the same.

#### 4. Reporting

Each Training Site shall establish a procedure for reporting misconduct.

#### 5. Enforcement

- a. Each Training Site shall have a grievance process, which is materially free of bias and conflicts of interest, to address allegations of misconduct following the report or complaint of misconduct which has not been adjudicated under a criminal background check.
- b. In cases where the Ted Stevens Act applies, each Training Site shall comply with the Act's requirements.
- c. The grievance process, whether by policy or operation of law, shall include the opportunity for review by a disinterested individual or body.

#### 6. Other

- a. These minimum standards may be amended from time to time by the USOC.
- b. In implementing an athlete safety program, Training Sites shall be guided by the principle that supporting the health and safety of its athletes is a key element of its managerial capabilities.
- c. Failure to meet the minimum standards as set forth in this policy may result in disciplinary action by the USOC including, without limitation, the termination of the Training Site Designation.

d.	Exceptions to these minimum standards based on the organizational structure of the Training Site may be granted by the USOC on a case-by-case basis where appropriate, provided that such exceptions do not materially endanger athletes.			

#### EXHIBIT J

"The enjoyment of the rights and freedoms set forth in the Olympic Charter shall be secured without discrimination of any kind, such as race, color, sex, sexual orientation, language, religion, political or other opinion, national or social origin, property, birth or other status." Olympic Charter, Fundamental Principles of Olympism 6.

CV is dedicated to the principles of equal employment opportunity in any and all terms, conditions or privileges of employment including hiring, promotions, termination, training and compensation. This includes the CVTC.

CV does not discriminates against applicants or employees on the basis of age, race, sex, color, religion, national origin, disability, veteran status, sexual orientation, gender identity or expression, genetic information; or any other status protected by federal, state or local law, and expects that this will continue once ownership is transferred. These protections apply equally at the CVTC as to all applicants, employees, athletes, and other guests.

CV strongly opposes harassment in the workplace, whether sexual or on any other basis. Harassment of employees, applicants, or third parties (including athletes) by other employees or third parties is prohibited. Additionally, employees are strictly prohibited from harassing athletes residing or training at CV-provided or sponsored premises. These protections apply at the CVTC.

CV will promptly, discreetly, and thoroughly investigate reports of discrimination or harassment, as appropriate under the circumstances. CV will share CVTC-related investigation information as appropriate with the USOC and other affected sport organizations utilizing the CVTC in a timely and collaborative manner.

CV also takes appropriate action related to any nonemployee, such as a visitor, contractor or customer, who subjects an employee or athlete to discrimination in the workplace.

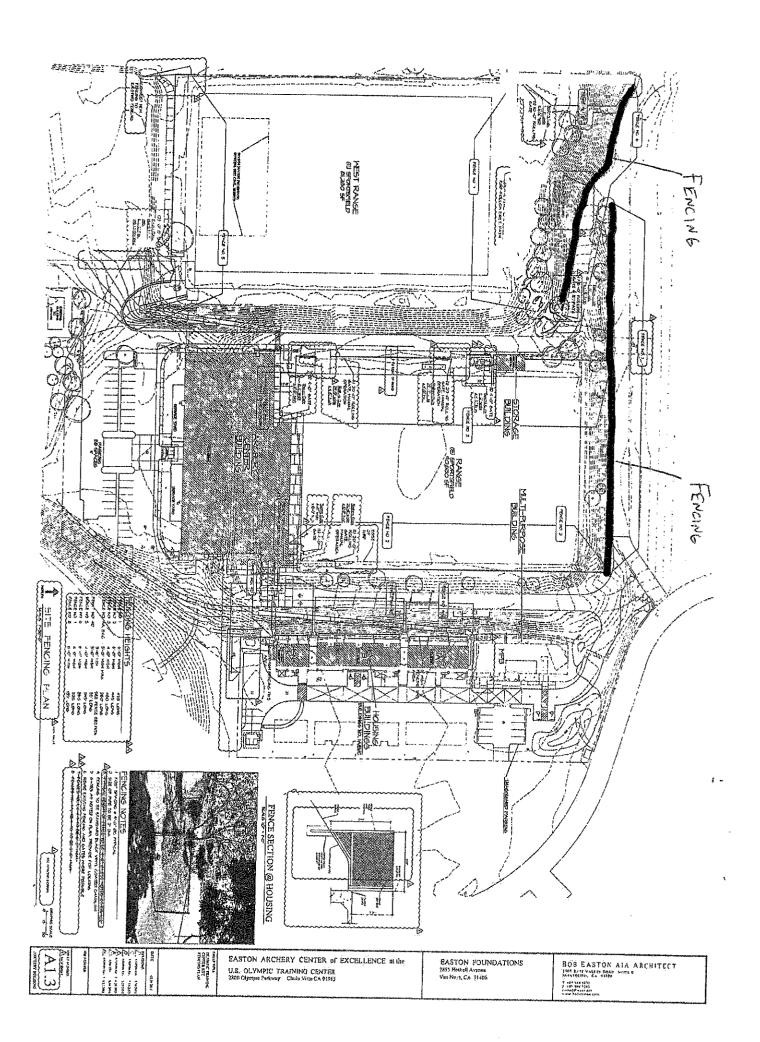
CV does not tolerate retaliation against anyone who complains of discrimination or harassment, who assists in an investigation of a complaint of discrimination, or who provides information in connection with any such complaint. Retaliatory action or behaviors may subject the offending employee to disciplinary actions, up to and including termination of employment.

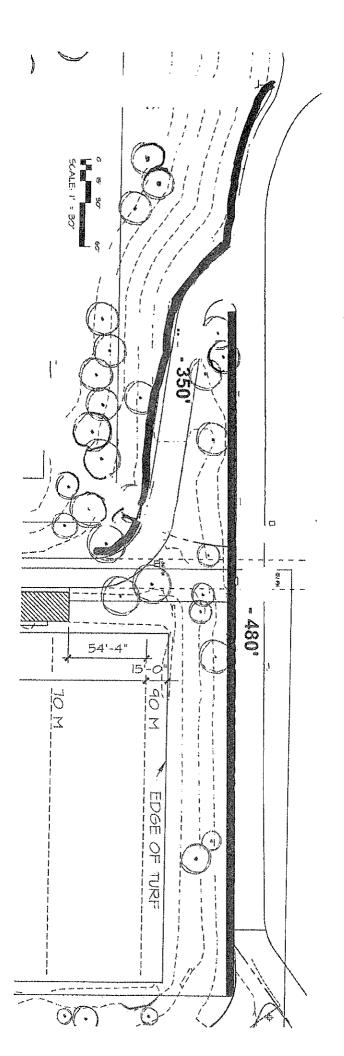
#### **Exhibit C**

## **EASEMENTS**

[Attached as the immediately following page(s)]

As to the data and utility easements, the parties acknowledge that such easements shall be in the current location where such data and utility lines servicing the Premises currently exist. Within 60 days after the Effective Date the parties shall supplement this Lease with an exhibit showing the exact locations of such easements.





# (INCLUDES GATES)

#### Exhibit D

#### PREMISES RULES AND REGULATIONS

Lessee shall faithfully observe and comply with the following Premises Rules and Regulations ("Rules and Regulations"). CITY shall not be responsible to Lessee for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants, licensees or occupants of the Training Facility.

- 1. Lessee shall not alter any lock or install any new or additional locks or bolts on any doors, gates or windows of the Premises without obtaining CITY's prior written consent. All re-keying or new locks or bolts must be consistent with the master keying system for the Premises. Lessee shall bear the cost of any lock changes or repairs required by Lessee. Two keys or electronic key cards will be furnished by CITY for the Premises.
- 2. All doors or gates opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises, unless electrical hold backs have been installed.
- 3. Lessee, its employees and agents must be sure that the doors or gates to the Premises are securely closed and locked when leaving the Premises if it is after the normal hours of operation for the Premises. Any tenant, licensee or occupant, and its respective employees, agents or any other persons entering or leaving the Premises at any time when it is so locked, or any time when it is considered to be after normal business hours for the Premises, may be required to sign the Premises register when so doing. Access to the Premises may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Premises. The CITY and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Premises of any person. In case of invasion, mob, riot, public excitement, or other commotion, CITY reserves the right to prevent access to the Premises and/or the Training Facility during the continuance of same by any means it deems appropriate for the safety and protection of life and property.
- 4. CITY shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into or onto the Premises. Safes and other heavy objects shall, if considered necessary by CITY, stand on supports of such thickness as is necessary to properly distribute the weight. CITY will not be responsible for loss of or damage to any such safe or property in any case. All damage done to any part of the Premises, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility of Lessee and any expense of said damage or injury shall be borne by Lessee.
- 5. Lessee shall not disturb, solicit, or canvass any occupant of the Training Facility and shall cooperate with CITY or CITY's agents to prevent same.
- 6. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein.

- 7. Except for vending machines intended for the sole use of Lessee's employees and invitees, no vending machine or machines of any description other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of CITY.
- 8. Lessee shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to CITY or other occupants of the Premises by reason of noise, odors, or vibrations, or interfere in any way with other tenant, licensee or occupant or those having business therein.
- 9. Lessee shall not bring into or keep within the Archery Building or the Premises any animals or birds, except for service animals.
- 10. No cooking shall be done or permitted by any tenant, licensee or occupant on the Premises, nor shall the Premises be used for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, toaster ovens, coffee makers and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages, provided that such use is in accordance with all applicable federal, state and CITY laws, codes, ordinances, rules and regulations, and does not cause odors which are objectionable to CITY.
- 11. CITY reserves the right to exclude or expel from the Premises and the Training Facility any person who, in the judgment of CITY, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the Rules and Regulations.
- 12. Lessee, its employees and agents shall not loiter in the entrances or corridors, nor in any way obstruct, the sidewalks, lobby, halls, stairways or elevators in such a way as to create a safety hazard or block ingress and egress to the Archery Building, and shall use the same only as a means of ingress and egress for the Premises.
- 13. Lessee shall store all its trash and garbage within the interior of the Premises or in areas approved by the CITY. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the CITY in which the Archery Building is located without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as CITY shall designate.
- 14. Lessee shall cooperate with CITY's trash recycling programs and the orderly sorting of trash materials to facilitate such programs.
- 15. Lessee shall comply with all safety, fire protection and evacuation procedures and regulations established by CITY or any governmental agency.
- 16. Lessee shall assume any and all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed, when the Premises are not occupied.

- 17. CITY may waive any one or more of these Rules and Regulations for the benefit of any particular tenant, licensee or occupant, but no such waiver by CITY shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, licensee or occupant, nor prevent CITY from thereafter enforcing any such Rules and Regulations against any or all tenants, licensee or occupants of the Premises.
- 18. The washing and/or detailing of vehicles or, the installation of windshields, radios, telephones in or general work on, automobiles shall not be allowed on the Training Facility, except by concessionaires of CITY, or for the installation of windshields due to sports related damage while on the Property.
- 19. Lessee must comply with requests by the CITY concerning the informing of their employees of items of importance to the CITY.
- 20. Lessee shall comply with any non-smoking policy of the Training Facility and all ordinances regarding smoking adopted by any applicable governmental authority. There is no smoking permitted in any of the buildings comprising the Training Facility.

#### Exhibit E

# FOOD SERVICE, WEIGHT ROOM SERVICE, AND SPORTS PERFORMANCE SERVICES MINIMUM LEVELS

#### FOOD SERVICE

CITY agrees to operate the CVTC dining hall and food service in accordance with the following:

- Compliance with all applicable federal, state, and local food, allergen, and health safety codes.
- Monthly meetings with sport dietitians to approve and discuss menus and nutrition information.
- Food labeling system, which includes nutrient analysis and nutritional facts for all menu items, and labeling for key food allergens (e.g., dairy, gluten, nuts, and eggs).
- Nutrition education exhibits in the dining hall (e.g., table tents and other visuals), and nutrition education for the dining hall staff.

In addition, CITY agrees to ensure that the following nutrient guidelines are satisfied at all times:

- Ensure foods provided are in nutrient-dense forms.
   Nutrient-dense foods provide vitamins, minerals, and other nutrients that have positive health effects with relatively few calories. Nutrient-dense foods retain naturally occurring components such as fiber and minimize or exclude added salt, sugars, solid fats and refined grains.
- Include low fat items in the menu by providing foods naturally low in fat and using oils and solid fats in reduced amounts during food preparation.
- Increase monounsaturated and polyunsaturated fats and decrease saturated fats to 10% of calories and trans-fats to as low as possible.
- Provide a menu that caters for sodium intake less than 2,300 mg per day by purchasing low-sodium products, preparing meals low in sodium and utilizing fresh foods.
- Provide at least half of all grains as whole grains.
- Provide a variety of colorful, fresh and seasonal vegetables and fruits.
- Provide a balanced variety of protein foods that are lower in saturated fats.
- Provide iron rich foods, calcium products rich in probiotics, food sources rich in Vitamin D and sports products to aid performance.
- Ensure each main meal includes food items that are gluten friendly; ensure all food labels have the 4-8 main types of allergies identified; and ensure lactose alternative milk products are available all day for athletes.

Food service shall be provided for breakfast, lunch and dinner for a period of not less than two (2) hours for each meal.

#### WEIGHT ROOM SERVICE

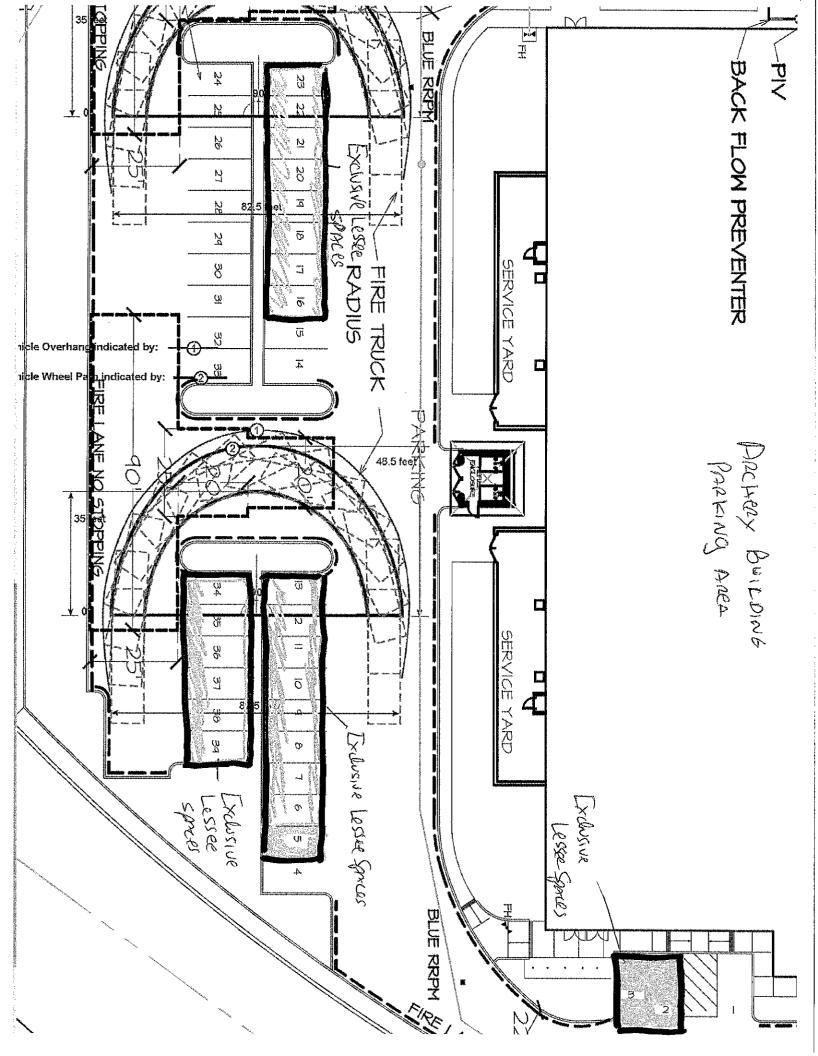
CITY shall provide weight room services substantially similar to the weight room services and hours offered at the Training Facility as of the Effective Date.

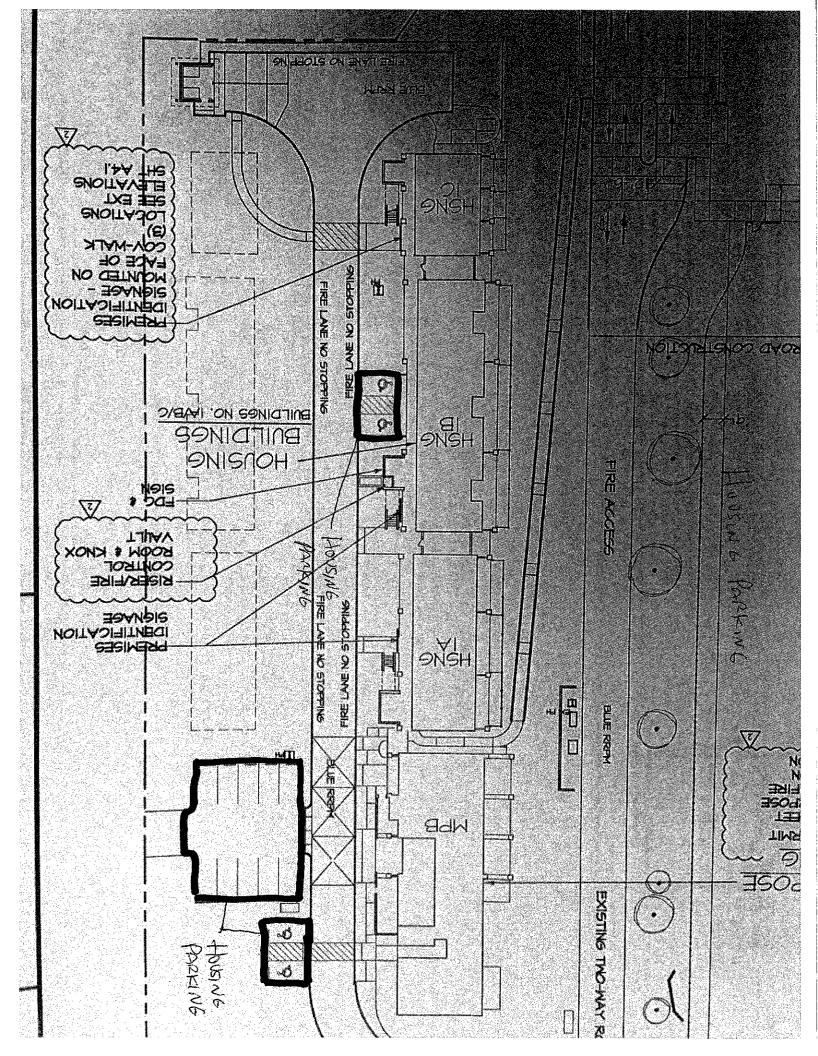
#### SPORTS PERFORMANCE SERVICES

The term "sports performance services," as used in <u>Section 8</u> of this Lease, shall mean the services offered by the Sports Performance Facility (as such term is defined in the Core Agreement) as long as such Sports Performance Facility is operated by the USOC. If the USOC no longer operates the Sports Performance Facility, then the term "sports performance services" as used in <u>Section 8</u> of this Lease shall mean the following services to reasonably meet the needs of archery athletes: (i) medical coverage, (ii) clinic access, and (iii) access to sports psychologists, dietitians, and physiologists.

# Exhibit F

# **PREMISES PARKING AREA**





# Exhibit G

## **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

[Attached as the immediately following page(s)]

U. 4

THE REPORT OF THE PROPERTY OF

PACORDED REQUEST OF FIRST AMERICAN TITLE SUBDIVIBION MAPPING DEPARTMENT

RECORDING REQUESTED BY:

First American Title Insurance Co.

WHEN RECORDED MAIL TO:

Robert J. Bell, Esq. Luce, Forward, Hamilton & Scripps 600 West Broadway, Suite 2600 San Diego, CA 92101

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DUC # 1995-0025717
19-JAN-1995 03=07 PM
OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDS

OFFICIAL RECORDS

SAN DIEGO COUNTY RECORDER'S OFFICE
GRECORY SHITH, COUNTY RECORDER

RF: 27.00 FEES: 73.00

AF: 45.00

NF: 1.00

Above Space for Recorder's Use

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## DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration of Covenants, Conditions and Restrictions (the "Declaration") is executed, to be effective upon its recordation, between EASTLAKE DEVELOPMENT COMPANY, a California general partnership, (the "Company") and San Diego National Sports Training Foundation, a California not-for-profit corporation (the "Foundation").

#### RECITALS

- A. This Declaration is made with reference to the facts set forth herein.
- B. The Company is the owner of that certain real property situated in the County of San Diego, California, described in Exhibit "A" attached hereto and incorporated herein (the "Property"). The Property is a portion of the larger master planned community situated in the County of San Diego and City of Chula Vista known as "Eastlake Development" ("Eastlake Project").
- C. The Foundation is acquiring the Property from the Company pursuant to a grant deed from the Company to the Foundation recorded concurrently herewith (the "Grant Deed"). The Foundation intends to develop the first phase of the Property and transfer the Property to the United States Olympic Committee ("USOC"). In connection with such acquisition, the Foundation has represented to the Company that it is acquiring the Property for development in accordance with the covenants, conditions, rights, restrictions and limitations set forth in this Declaration, and the Company is conveying the Property to the Foundation on the basis of the Foundation's continuing compliance with such restrictions. The Foundation has agreed with the Company that the Foundation will develop and use the Property in accordance with this Declaration.

NOW, THEREFORE, the parties agree as set forth below.

10/27/94

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#### ARTICLE 1

#### DEFINITIONS

Except as otherwise expressly provided herein, the following words and phrases, when used herein, shall have the meanings set forth below.

- 1.1 Applications. The term "Applications" shall mean and refer to all requests and applications for governmental approvals and permits made or to be made by the Foundation in connection with the Foundation's development of the Property.
- 1.2 <u>Benefitted Party</u>. The term "Benefitted Party" shall mean the Company and the Foundation to the extent it has any rights hereunder after the USOC acquires title to the Property.
- 1.3 Benefitted Property. The term "Benefitted Property" shall mean that certain real property described in Exhibit "B" attached hereto and incorporated herein for such period of time as record ownership is in the Company.
- 1.4 <u>City</u>. The term "City" shall mean and refer to the City of Chula Vista.
- 1.5 Company. The term "the Company" shall mean and refer collectively to Eastlake Development Company, a California general partnership, including but not limited to, the Company's successors and assigns as to all or substantially all of the Company's assets by sale, merger or consolidation if such successors and assigns are expressly named as successor to the Company in a document executed by the Company or a successor pursuant to Section 7.3, recorded in the Office of the County Recorder of San Diego County assigning the rights and duties of the Company to such successor with such successor Company accepting and assuming the assignment of such rights and duties.
- 1.6 County. The term "County" shall mean and refer to San Diego County, California.
- 1.7 <u>Development Plans</u>. The term "Development Plans" shall mean and refer to the plans and specifications and other documents required to be delivered to the Company for approval pursuant to the provisions of Section 3.2 of this Declaration.
- 1.8 <u>Hazardous Substances</u>. The term "Hazardous Substances" shall mean and refer to any substances, materials and wastes which are regulated under an applicable local, state, or federal law, or which are classified as hazardous or toxic under federal, state or local laws or regulations.

- 1.9 Improvements. The term "Improvements" shall mean buildings, outbuildings, underground installations, structures, slope and grading alterations, roads, curbs, gutters, storm drains, utilities, driveways, parking areas, fences, screening walls and barriers, retaining walls, stairs, decks, windbreaks, plantings; planted trees and shrubs, sidewalks, poles, signs, loading areas, docks and all other structures, land development and landscaping improvements of every type and kind.
- 1.10 Olympic Sporting Events. The term "Olympic Sporting Events" shall mean and refer to those events recognized by the International Olympic Committee as official competitive events of the Olympic Games sponsored by the International Olympic Committee.
- 1.11 <u>USOC</u>. The term "USOC" shall mean and refer to that body, and any of its representatives, known as the United States Olympic Committee as sanctioned by the International Olympic Committee.

# ARTICLE 2

# REQUIRED APPROVALS AND PERMITS

Government Approvals and Permits. The Foundation shall obtain, at its sole expense, all City, County and other governmental approvals which may from time to time be required for the Foundation's development and use of the Property. At all times, the Foundation's development and use of the Property shall be in compliance with all ordinances, laws and regulations relating to the Property and the Foundation'S development and use thereof.

#### ARTICLE 3

# APPROVAL OF DEVELOPMENT PLANS

- right to approve or disapprove of any Improvements which are within fifty (50) feet of the northern boundary of the Property running between Wueste Road and the boundary of Rancho Otay as shown on Parcel Map 16318 (the "Impact Area") so long as the property adjacent to the Impact Area is Benefitted Property or the Company holds an option to purchase that property. Prior to commencing any excavation, grading, or the construction of any other Improvements on the Impact Area, the Foundation shall submit its Development Plans for the Impact Area to the Company for review and approval in accordance with the provisions of this Declaration.
- 3.2 <u>Development Plans</u>. Before the Foundation commences and/or performs any excavation, grading or site improvement of the Impact Area, or the construction or installation of any structures, landscaping or other Improvements thereon, the Foundation shall prepare, submit to the Company and obtain the Company's written

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approval of four (4) copies of each of the following (collectively called the "Development Plans"):

- a. Site plans, elevation plans, and conceptual grading plans, if any;
  - Description of materials to be used in fencing;
- c. Landscaping plans and landscape irrigation plans;
  - d. The Foundation's sign program.

The Foundation shall also submit to the Company (for its information and files only) as soon as available, a copy of all grading plans and improvement plans as approved by the City.

- 3.2.1 <u>Detail Required</u>. The Company may require such reasonable detail in the Development Plans submitted for its review and approval as it deems necessary or proper. The Company may postpone its approval of any Development Plans submitted until it has received and had an opportunity to review all required materials.
- approve Development Plans submitted for its approval if in the Company's reasonable judgment, the improvement work contemplated therein is not incompatible with the development of other property owned or developed by the Company surrounding the Property. The Company may condition its approval upon the Poundation's agreement to make such changes therein as the Company deems appropriate.
- 3.3 Review and Approval procedures. Initial submittals of all Applications, Development Plans or other documents or items to be submitted as provided in the Development Documents (collectively, the "Submitted Materials") shall be reviewed and approved or disapproved by the Company within fifteen (15) calendar days of the Company's receipt thereof. If the Company fails to respond within fifteen (15) calendar days, it shall be deemed approved.

#### ARTICLE 4

#### LAND USE

4.1 For Use As Olympic Training Center and Related Facilities. Except as expressly provided elsewhere herein, for a period from the date of recordation of the Declaration in the official Records of San Diego County until December 31, 2011, the Property shall not be used for any other purpose other than (1) training in Olympic Sporting Events or other similar athletic events and sporting events, excluding professional-for-profit

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sports teams as a primary use; (ii) other uses reasonably related to such athletic training, including without limitation, educational, exhibit or recreational uses; touring and a visitors center (the "Visitors Center"); gift shops; athlete housing, athlete dining hall facilities; offices for the USOC and administrative offices for National Governing Bodies which do not exceed 1200 square feet in size for any single National Governing Body; concession stands; restaurants and snack shops which are not freestanding buildings and which either are designed for visitors to the Olympic Training Center (as defined below) and used during usual hours of operations of the Visitors Center or used by the athletes using the Olympic Training Center; medical treatment, physical therapy and rehabilitation facilities for use by bona fide athletes who are eligible to use the Olympic Training Center as determined by the USOC and for emergency purposes for visitors to the Olympic Training Center, and medical research and development primarily related to the use of the Property for athletic and sporting events; fundraising; and sports related camps. Additionally, that portion of the Property designated on Exhibit "C" as the "Restaurant Pad" may be used as a free standing restaurant provided that (a) such restaurant is only designed for athletes and visitors to the Olympic Training Center and used during usual hours of operation for the Visitors Center at the Olympic Training Center; (b) all signage for the restaurant shall be consistent with the sign criteria and signage actually used for all other structures and facilities within the Olympic Training Center; (c) no drive through or other similar facilities or improvements are constructed; and (d) no parking shall be adjacent to the restaurant, except for such normal parking utilized for the Visitors Center. Athletic training, equestrian, archery, firearms, shooting or any other events or activities which may present a potential hazard shall be conducted in a safe and controlled ma

4.2 Continuous Operation. For a period from the date of recordation of this Declaration until December 31, 2011, the Foundation, or its successor in interest, shall continuously use the Property for the purposes specified in this Declaration and shall continuously operate a center ("Olympic Training Center") for training in Olympic Sporting Events or other similar athletic or sporting events and shall use or cause to be used various portions of the facilities of such Olympic Training Center for at least 200 days per year. Notwithstanding the foregoing, neither the Foundation nor its successor-in-interest shall be in violation of this provision (i) in the event that such use is suspended in connection with alterations, additions, improvements, expansions, remodeling or renovation of the facilities, or as a result of damage or destruction of improvements to the Property and any related off-site improvements, or as a result of the effect of any law, governmental regulations or order, or (ii) while the Foundation is constructing the Olympic Training Center pending conveyance of title of the Property to the USOC or (iii) the time

the USOC is starting up operations during the first one hundred eighty (180) days after conveyance of title to the USOC.

- events to Section 4.8, for a period from the date of recordation of this Declaration until December 31, 2011, the Property shall not be used for industrial or hotel uses or be used for retail or commercial activity which is not reasonably related to training in Olympic Sporting Events or other similar athletic events and sporting events or as permitted under Section 4.1 above. Notwithstanding the foregoing, the Foundation and the USOC may engage in fund-raising activities of any sort, and other competitive uses permitted pursuant to Section 4.1 so long as the same are ancillary to use of the Property as an Olympic Training Center.
- 4.4 No Hazardous Substances. No Hazardous Substances of any type shall be used, allowed on, in or under the Property at any time in a manner which violates any pertinent law or regulation.
- 4.5 No Temporary Structure. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on the Property at any time as a residence either temporarily or permanently.
- 4.6 No Dumping. The Property shall not be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

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- 4.7 No Offensive Activity. No noxious or offensive activity shall be carried on upon the Property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Notwithstanding the foregoing, nothing herein shall prevent use of the Property as an Olympic Training Center, and operation of a Visitors Center and other reasonably related facilities in connection therewith.
- 4.8 Open Space Requirement. If, following ten (10) years from the date this Declaration is recorded in the Official Records of the County, the use of the Property is changed from that set forth in Section 4.1 above, at least One Hundred (100) contiguous acres located within the Property, net of any roads, shall be and remain open space and shall be irrevocably offered to the City of Chula Vista for public park purposes prior to the construction of any further improvements on any portion of the Property.

#### ARTICLE 5

## REMEDIES

- 5.1 Enforcement of Restrictions. The covenants, conditions and restrictions of this Declaration shall be subject to the additional provisions set forth below.
- 5.2 General Purpose and Constructive Notice. The terms and conditions of this Declaration shall run and pass with each and every portion of the Property and shall be binding upon the Foundation, its successive owners and assigns, and shall benefit the Benefitted Party and the Benefitted Property. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every restriction, provision, covenant, condition, right and limitation contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquired an interest in the Property.
- 5.3 Default and General Remedies. If the Foundation breaches, violates or fails to perform or satisfy any of the terms of this Declaration (a "Default"), and that Default has not been cured by the Foundation or its lender, if any, within thirty (30) days after the Company gives written notice to the Foundation and its lender to do so, the Company may, at its sole option and discration, enforce any one or more of the following remedies or any other rights or remedies to which the Company is entitled by law or equity, whether or not set forth herein. If, however, the Default is of a type which cannot reasonably be cured within thirty (30) days, the Company shall withhold action against the Foundation as long as the Company continues to receive evidence that the Foundation (a) commenced the curative process immediately upon notice, and (b) diligently continues to pursue curing the Default. All remedies provided herein or by law or equity shall be cumulative and not exclusive, including, but not limited to, the following:
  - for declaratory relief to determine the enforceability of any of the terms of this Declaration.
  - b. Equity. The Foundation acknowledges that its Dofault may cause the Company to suffer material injury or damage not compensable in money and that the Company shall be entitled to bring an action in equity or otherwise for specific performance to enforce compliance with the terms of this Declaration, or bring an action for an injunction to enjoin the continuance of any such breach or violation thereof.

- after the date of recordation of this Declaration, in the event of a Default under Sections 4.1., 4.2 or 4.3, or in the event of a Default under Sections 4.1., 4.2 or 4.3, or in the event of a Default under Section 4.8 during the entire term of this Declaration, which Default remains uncured after any applicable cure period, the Company shall have the power to terminate all right, title and interest in the Property of the Foundation, (or the USOC, after conveyance thereto) and their respective assigns and successors, in the manner provided by law for the exercise of this power of termination, (and, in the case of a Default pursuant to section 4.8, without paying any compensation for any buildings or other improvements or betterments that may then be upon said premises, and without making any compensation or incurring any liability for damages or losses of any kind), and thereupon have and enjoy forever all of the Property. In such event of termination, the restrictions set forth herein shall no longer have any force or effect and the Declaration shall terminate. The Foundation, its assigns or successors shall thereupon immediately surrender possession of the Property and shall forfeit all rights.
  - (ii) For a period from the date ten (10) years after the date of recordation of this Declaration until December 31, 2011 in the event of a Default under Sections 4.1., 4.2 or 4.3, which Default remains uncured after any applicable cure period, and after the conveyance of the Property to the USOC, the Foundation, its assigns, and successors, shall have the power to terminate all right, title and interest in the Property of the USOC, and their respective assigns and successors, in the manner provided by law for the exercise of this power of termination, (and, without paying any compensation for any buildings or other improvements or betterments that may then be upon said premises, and without making any compensation or incurring any liability for damages or losses of any kind), and thereupon have and enjoy forever all of the Property. In such event, the restrictions set forth in Sections 4.1, 4.2 and 4.3 shall not be applicable to the Foundation or its successor's use of the Property but all other provisions of this Declaration shall be applicable and binding. The USOC, its assigns or successors shall surrender possession of the Property and shall forfeit all rights.
    - (iii) In the event of Default under Sections 4.1, 4.2 or 4.3, such reentry upon the Property as described in Paragraphs (i) and (ii) above shall, along with injunctive relief and specific enforcement, be the only remedies of the Company or Foundation and the Foundation's successors and assigns, and the Company and Foundation hereby waive any and all other rights or remedies they may otherwise have at law or in equity except the right of reentry, injunctive relief, and specific enforcement of this Declaration. In no such event, however, shall a party be entitled to monetary damages from the USOC or the Foundation except for attorneys' fees and costs which may be awarded under Section 7.12 below. Notwithstanding anything to the contrary herein, no default by the

Foundation prior to the date of conveyance of the Property to the USOC shall affect the right, title or interest of the USOC in the Property after recordation of the deed conveying title to the USOC.

#### ARTICLE 6

# TERM OF DECLARATION

of the Company, the Foundation and the USOC, or as otherwise specifically provided herein, the restrictions of Sections 4.1, 4.2 and 4.3 shall continue for a period lasting from recordation of this Declaration until December 31, 2011 and the remainder of this Declaration, including the covenants, conditions and restrictions contained herein, shall continue to be effective for 30 years after the date of recordation of this Declaration.

Notwithstanding anything to the contrary herein, in the event that the Improvements described on Exhibit D are not completed on or before December 31, 2001 for any reason whatsoever whether or not beyond the Company's control, the restrictions set forth in Sections 4.1, 4.2 and 4.3 shall be of no further force or effect. The Company shall execute any documents or instruments reasonably necessary to evidence removal of such restrictions within ten (10) days after the USOC's written request therefor.

6.2 <u>Quitclaim Deed</u>. The Company and the Foundation, respectively, shall deliver to the USOC a quitclaim deed of all right, title and interest in and to the Property if their respective rights under this Declaration terminate. Following such termination, the quitclaim deed shall be delivered to the USOC within thirty (30) days following its written request for such delivery.

#### ARTICLE 7

# GENERAL PROVISIONS

- 7.1 Waiver. Neither party's waiver of a Default by the other party hereunder nor any delay or failure to enforce any of the terms of this Declaration shall be a waiver of or shall affect a Default other than as specified in such waiver. A party's consent to or approval of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary the approving party's consent to or approval of any subsequent similar acts by the other party.
- 7.2 <u>Rights of Lenders</u>. No breach or violation of the terms of this Declaration shall defeat or render invalid the lien of any mortgage, deed of trust or similar instruments securing a loan made in good faith and for value concerning the development or permanent financing of the Property or any portion thereof; provided,

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however, that this Declaration and all provisions hereof shall be binding upon and effective against any subsequent owner of the Property or portion thereof whose title is acquired by foreclosure, trustee's sale, or other remedies provided in such mortgage or deed of trust, but such subsequent owners shall take title free and clear of any of the Foundation's violations of the terms of this Declaration that occurred before such transfer of title or occupancy.

- 7.3 Assignment by The Company. The Company may assign its rights hereunder including its power of termination and right of re-entry under Section 5.3c, at any time without the Foundation's consent to any person or entity to whom the Company may elect, provided all of the rights are assigned and provided an instrument showing such assignment is recorded in the official records of San Diego County. Absent such assignment, no other person except the Foundation shall have any rights or interest under this Declaration.
- 7.4 Termination or Amendment. The terms of this Declaration may be validly terminated, amended, modified or extended only by a written instrument duly executed and acknowledged by the Company, the Foundation and USOC (or their successors and assigns) to that effect; provided, however, that after December 31, 2011, any such action may be taken without the consent of the Foundation.
- 7.5 Covenants Running with the Land. The provisions of this Declaration are covenants running with the land and equitable servitudes, as the case may be, and shall be binding during the term upon all persons acquiring an interest in the Property and shall benefit the Benefitted Party and the Benefitted Property. The powers of termination and rights of re-entry under Section 5.3 are personal to the Company and the Foundation, respectively, and are not appurtenant to the Benefitted Property but are in gross.
- 7.6 <u>Captions</u>. The captions used herein are for convenience only, are not part of this Declaration, and do not in any way limit or amplify the scope or intent of the terms and provisions hereof.
- 7.7 <u>Invalidity of a Provision</u>. If a court of competent jurisdiction adjudges any provision of this Declaration to be illegal or unenforceable for any reason, that ruling shall, to the maximum extent permitted by law, in no way affect any other provision of this Declaration, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Declaration as a whole.
- 7.8 Notice. Any notice to be given or other document to be delivered by any party to the other or others hereunder, may be delivered in person to an officer of any party, or may be deposited in the United States mail, duly certified or registered, return

receipt requested, with postage prepaid, or by Federal Express or other similar overnight delivery service or by facsimile machine and addressed to the party for whom intended, as follows:

To the Company at its business office:

EastLake Development Company 900 Lane Avenue, Suite 100 Chula Vista, CA 92013 Attn: Paul Nieto

With a Copy to:

Luce, Forward, Hamilton & Scripps 600 W. Broadway, Suite 2600 San Diego, CA 92101 Attn: Robert J. Bell, Esq.

To the Foundation at its business office:

San Diego National Sports Training Foundation 1904 Hotel Circle North San Diego, CA 92108 Attn: , Executive Director

With a copy to:

Peterson and Price 530 B Street, Suite 2300 San Diego, CA 92101 Attn: Edward F. Whittler, Esq.

To the USOC at its business office:

United States Olympic Committee 1750 East Boulder Street Colorado Springs, CO 80909-5760 Attn: Tom Wilkinson, Assistant Executive Director

With a copy to:

Hogan & Hartson 1 Tabor Center, Suite 1500 1200 17th Street Denver, CO 80202 Attn: Donis G. Walker, Esq.

Any party hereto may from time to time, by written notice to the other, designate a different address which shall be substituted for the one above specified. Unless otherwise specifically provided for herein, all notices, demands or other communications given

hereunder shall be in writing and shall be deemed to have been duly given and received (i) upon personal delivery or (ii) as of the third business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth above, (iii) the immediately succeeding business day after deposit with Federal Express or other equivalent overnight delivery system or (iv) upon delivery if transmitted by facsimile machine.

- 7.9 Further Assurances. Each of the parties shall execute and deliver such additional papers, documents and other assurances, and shall do such acts and things as are reasonably necessary in connection with the performance of its obligations hereunder and to carry out the intent of the parties.
- 7.10 Time of Essence. Time is of the essence in the performance of each provision of this Declaration where time is an element. Any reference in this Declaration to time for Performance of obligations or to elapsed time shall mean consecutive calendar days, months or years, as applicable, unless otherwise explicitly indicated herein.
- 7.11 Attorneys' Fees. If any action or proceeding is instituted to interpret or enforce any provision of this Declaration by the Company, the Foundation and/or the USOC, the prevailing party shall be entitled to recover such amounts as the court may judge to be reasonable as costs incurred in such action, including, without limitation, court costs and attorneys fees.
- 7.12 Exhibits. The exhibits attached hereto are incorporated herein by reference.
- 7.13 Separate Representation. As a material consideration and inducement to the Company to enter into the transaction contemplated by this Declaration, the Foundation acknowledges and agrees that (i) the Foundation is not relying upon any legal advice from the Company or any of its employees; (ii) the Company has recommended that the Foundation obtain separate legal counsel; (iii) the terms and contents of this Declaration have been fully understood by the Foundation; and (iv) at no time will the Foundation deny the enforceability of any provision of this Declaration upon the basis that it did not have separate legal

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counsel or that it did not understand any term of condition of any such document.

The parties have executed this Declaration as of the dates set forth below.

#### EASTLAKE:

! # EASTLAKE DEVELOPMENT COMPANY, a California general partnership comprised of corporations

By: BOSWELL PROPERTIES, INC., a California corporation, General Partner

By: Jaul Hith

By: TULAGO COMPANY, a California corporation, General Partner

By: Land fith

FOUNDATION:

SAN DIEGO NATIONAL SPORTS TRAINING FOUNDATION, a California corporation

By: Mad M Chooley

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# Exhibits

A		Description of the Property
В	-	Description of the Benefitted Property
c	-	Restaurant Pad
D	_	Improvements

# EXHIBIT A

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Parcel 1 of Parcel Map No. 16318, in the City of Chula Vista, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County, December 6, 1990 as File No. 90-652175, of Official Records.

EXCEPTING THEREFROM an undivided 1/2 interest in all oil, gas and minerals 500 feet or more below the surface of said land, but without the right of entry on the surface of said land, as reserved by Western Salt Company, by deed recorded February 16, 1994 as File No. 1994-0104492, of Official Records.

EXHIBIT A

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#### EXHIBIT B

## LEGAL DESCRIPTION OF BENEFITTED PROPERTIES

#### Parcel 1:

Parcels 1, 3 and 5, inclusive of Parcel Map No. 16858 in the City of Chula Vista, County of San Diego, State of California, filed in the office of the County Recorder of San Diego County on May 28, 1992, as Document No. 1992-0324556 of Official Records (commonly known as Village Center South, consisting of approximately 3.9 acres).

#### Parcel 2:

The remainder parcel of Parcel Map 16878, in the City of Chula Vista, County of San Diego, State of California, filed in the office of the County Recorder of San Diego County June 22, 1992 as file No. 1992-0384869 of Official Records (commonly known as Village Center North, consisting of approximately 39.3 acres).

And at such time as EastLake Development Company, or its successors or assigns, acquires record title to either of the following parcels which are currently owned by Western Salt Company, the parcels or any portion so acquired shall become part of the Benefitted Property.

#### Parcel 3:

That portion of Rancho Janal, in the County of San Diego, State of California, according to patent and map thereof recorded in Book 1, Page 89 et seq. of patents in the Office of the County Recorder of San Diego County, lying within Section 1, Township 18 south, range 1 west, San Bernardino base and meridian, and lying westerly of the westerly line of Wueste Road as shown on Road Survey No. 831, and lying northerly of the northerly line of Parcel 1 of Parcel Map No. 16318, in the City of Chula Vista, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County, December 6, 1990 as File No. 90-652175 of Official Records (consisting of approximately 339 acres).

#### Parcel 4:

That portion of Rancho Janal, in the County of San Diego, State of California, according to the patent and map thereof recorded in Book 1, Page 89 et seq. of patents in the Office of the County Recorder of San Diego County, lying within Section 36, Township 17 south, range 1 west, San Bernardino base and meridian, and lying southerly of the southerly line of Otay Lakes Road, as shown on Road Survey No. 558, and lying southwesterly and westerly line of Wueste Road as shown on Road Survey No. 831 (consisting of approximately 57.6 acres).

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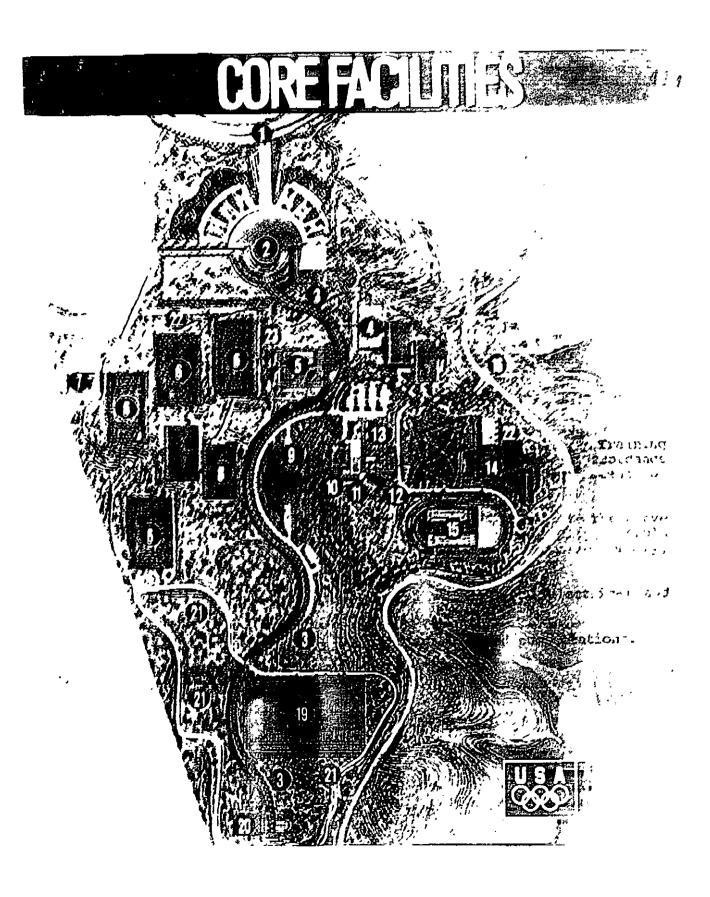


EXHIBIT -

# EXHIBIT D

411

- A. ORANGE AVENUE IMPROVEMENTS SHALL CONSIST OF THE FOLLOWING:
  - A paved roadway from Hunte Parkway to Wueste Road at the location and in accordance with the plans attached hereto and all requirements of the City of Chula Vista.
  - The following utilities within or adjacent to the above described roadway in accordance with all City of Chula Vista, Pacific Bell, San Diego Gas & Electric Company, and Otay Water District requirements:

Utility Service Lines for gas, phone, electrical and cable television.

Sewer Service Line plus any required pump stations.

Water Service Lines.

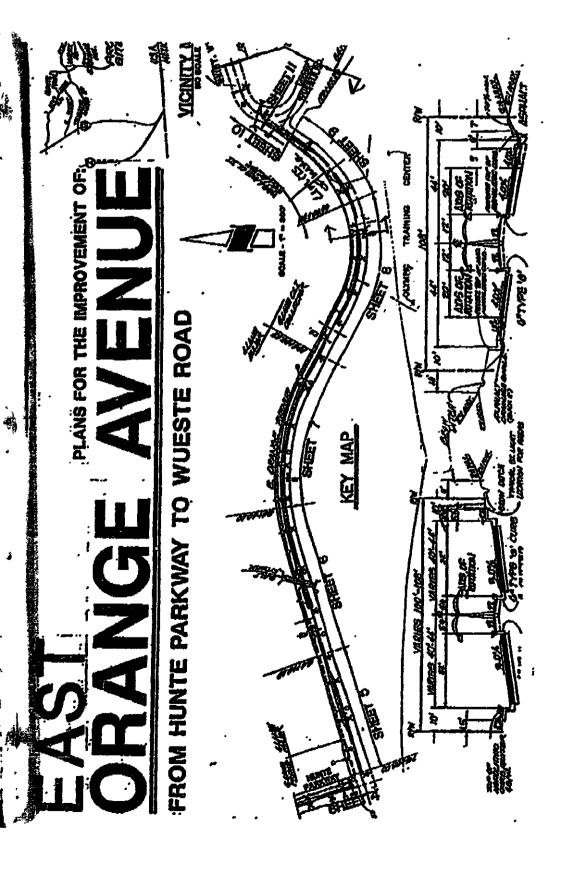
- B. BASTERN ORANGE AVENUE IMPROVEMENTS SHALL CONSIST OF THE FOLLOWING:
  - A paved roadway from the entrance to the Olympic Training Center to Wueste Road at the location and in accordance with the plans attached hereto and all requirements of the City of Chula Vista.
  - 2. The following utilities within or adjacent to the above described roadway in accordance with all City of Chula Vista, Pacific Bell, San Diego Gas & Electric Company, and Otay Water District requirements:

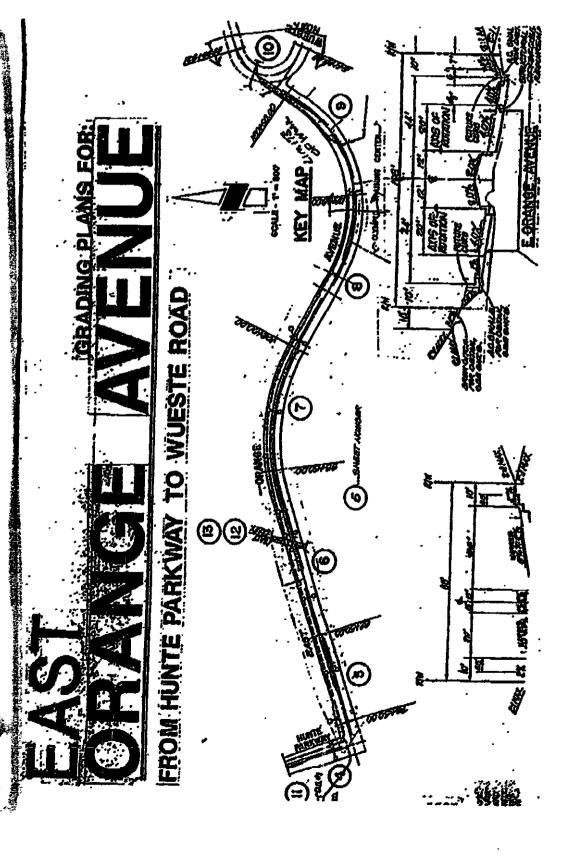
Utility Service Lines for gas, phone, electrical and cable television.

Sewer Service Line plus any required pump stations.

Water Service Lines.

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417

State of California ) County of San Diego )

On October 31, 1994 before me, a notary public in and for said state, personally appeared DAVID M. ARMSTRONG personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

signature Hima V. Linay

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A STATE OF THE STA	GLORIA V GRAY
	COMM # 994606
	Natary Public - California
1. 1. 1. 1. 1. 1.	CAN CIFGO COUNTY
	Ay Conin Expires MAY 14, 1997
\$	THE RESERVE THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN THE PERSON NAMED IN THE PERSON NAMED IN THE PERSON NAMED IN THE PERSON NAMED

	CAPACITY	CLAIMED	BY	SIGNER:
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 INDIVIDUAL	<u>x</u>	CORPORATE-EXECUTIVE DIRECTOR
 partner(s)		OFFICER(S) (TITLE)
 ATTORNEY-IN-FACT SUBSCRIBING WITNESS		Trustee(s)  Guardian/conservator
 OTHER:		

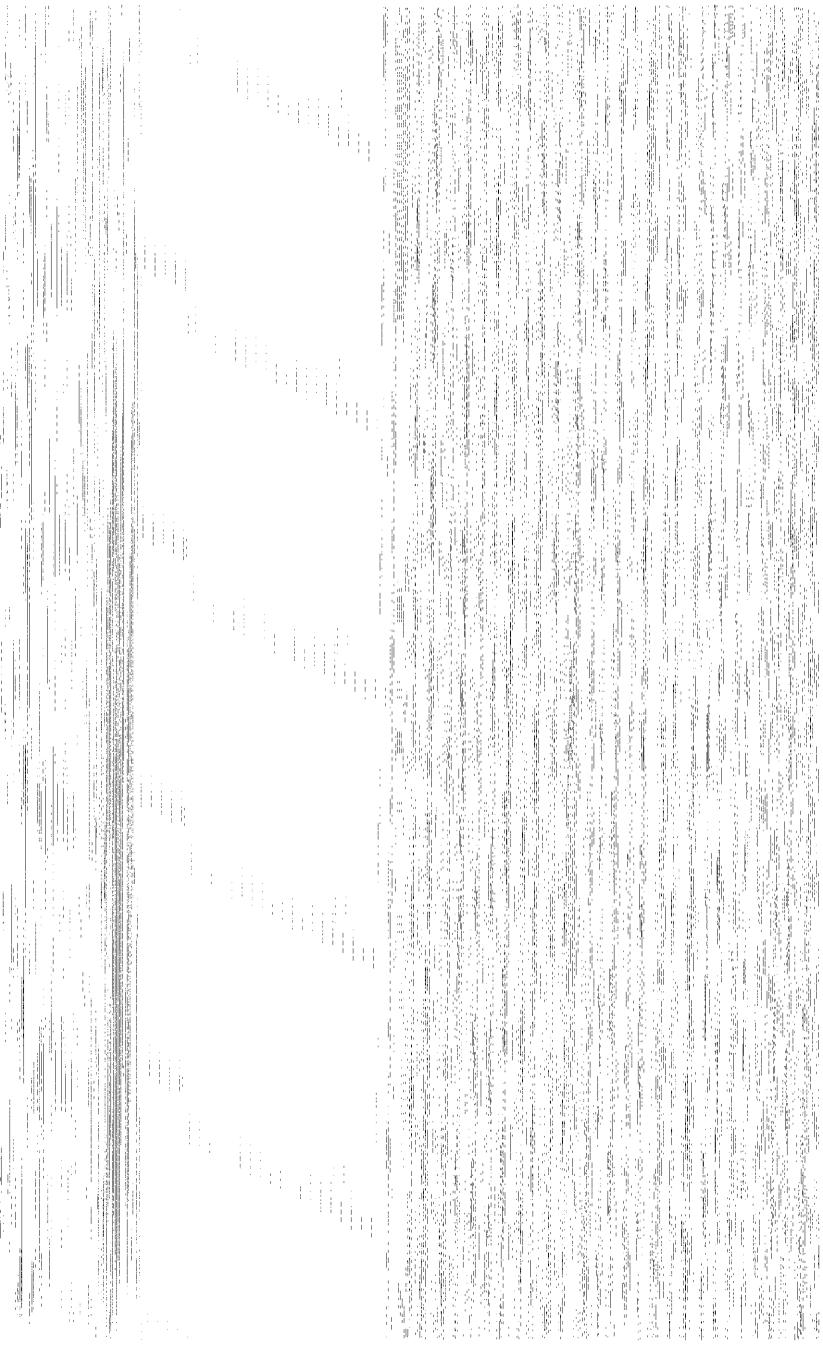
SIGNER IS REPRESENTING: (NAME OF PERSONS(S) OR ENTITY(S)): SAN DIEGO NATIONAL SPORTS TRAINING FOUNDATION

Title or Type of Document: Declaration of Covenants, Conditions and
Restrictions

Number of Pages: 22 Date of Document: undated Signer(s) Other Than Named Above: Eastlake Development Company

man en la la procession <del>de la company de la</del>

State of California ) County of San Diego )	318
on 100.4,1994 before me, a not state, personally appeared faul Nietz	ary public in and for said and Robert L. fryder
personally known to me (er proved satisfactory evidence) to be the person subscribed to the within instrument and she/they executed the same in capacity(ies), and that by his/her/thinstrument the person(s), or the entity person(s) acted, executed the instrument	n(s) whose name(s) <del>is</del> /are acknowledged to me that <del>he/ bis/her/their</del> authorized neir signature(s) on the
WITNESS my hand and official seal.  Signature <u>Ailvana</u> C. Bnayell	SILVANA C. BRAZELL  SILVANA C. BRAZELL  MOTAN DIEGO COUNTY  My Commission Expires  FEBRUARY 12, 1998
CAPACITY CLAIMED BY SIGNER:	
INDIVIDUAL	CORPORATE
PARTNER(S)	OFFICER(S) <u>Vicepresident</u> (TITLE)
ATTORNEY-IN-FACT	TRUSTEE(S)
SUBSCRIBING WITNESS	GUARDIAN/CONSERVATOR
OTHER: authorized	
signer is representing; (name of person entity(s)) Boowel troperties, Inc	IS(S) OR
Title or Type of Document  Number of Pages  Signer(s) Other Than Named Above	ocument



# CHICAGO TITLE COMPANY

10P

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO: 100N

United States Olympic Committee One Olympic Plaza Colorado Springs, CO 80909

Attn: General Counsel

DOC# 2008-0654302

DEC 26, 2008

8:00 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
GREGORY J. SMITH, COUNTY RECORDER
FEES: 37.00

PAGES:

10



(Space Above For Recorder's Use)

# AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

462

This AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Amendment") is made as of the \_\_\_\_\_\_ day of \_\_\_\_\_\_, 2008, by and among The EastLake Company, LLC a California limited liability company formerly known as Eastlake Development Company, a California general partnership ("Eastlake"), San Diego National Sports Training Foundation, a California not-for-profit corporation ("Foundation"), and the United States Olympic Committee, a congressionally chartered not-for-profit organization ("USOC").

- A. USOC is the owner of the real property (the "Property") described on Exhibit A attached hereto and incorporated herein by this reference.
- B. Eastlake and the Foundation are the original parties to that certain Declaration of Covenants, Conditions and Restrictions (the "<u>Declaration</u>") affecting the Property, which Declaration was recorded in the Official Records of San Diego County, California on January 19, 1995, as Instrument No. 1995-0025717.
- C. Pursuant to <u>Section 7.4</u> of the Declaration, the Declaration may be amended by a written instrument executed by Eastlake, Foundation and USOC. Eastlake, Foundation and USOC desire to amend the Declaration in order to facilitate development of the Property for use as an Olympic Training Center and uses relating to athletic training upon the terms and conditions set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Eastlake, Foundation and USOC hereby agree as follows:

- 1. <u>Capitalized Terms</u>. All capitalized terms not otherwise specifically defined in this Amendment shall have the meanings ascribed to such terms in the Declaration.
- 2. <u>Approval of Development Plans</u>. Eastlake hereby waives any and all of its rights under the Declaration to approve or disapprove any Improvements proposed within the Impact

ACCOMMODATION RECORDING

15804 149

810049.01/LA U9061-002/10-23-08/jlp/jlp Area. In connection with the foregoing waiver, <u>Article 3</u> of the Declaration is hereby deleted in its entirety.

3. <u>Use As Olympic Training Center.</u> <u>Section 4.1</u> of the Declaration is hereby amended by deleting the phrase that begins in the sixth line on page 5 thereof and reads "which do not exceed 1200 square feet in size for any single National Governing Body", and replacing it with the phrase "and other organizations that support and/or train athletes in Olympic Sporting Events or similar athletic events and sporting events (but expressly excluding professional-for-profit sports teams)".

For ease of reference, the entirety of Section 4.1 of the Declaration, incorporating the changes described above, is included below:

For Use As Olympic Training Center and Related Facilities. Except as expressly provided elsewhere herein, for a period from the date of recordation of the Declaration in the official Records of San Diego County until December 31, 2011, the Property shall not be used for any other purpose other than (i) training in Olympic Sporting Events or other similar athletic events and sporting events, excluding professional-for-profit sports teams as a primary use; (ii) other uses reasonably related to such athletic training, including without limitation, educational, exhibit or recreational uses; touring and a visitors center (the "Visitors Center"); gift shops; athlete housing, athlete dining hall facilities; offices for the USOC and administrative offices for National Governing Bodies and other organizations that support and/or train athletes in Olympic Sporting Events or similar athletic events and sporting events (but expressly excluding professional-for-profit sports teams); concession stands; restaurants and snack shops which are not freestanding buildings and which either are designed for visitors to the Olympic Training Center (as defined below) and used during usual hours of operations of the Visitors Center or used by the athletes using the Olympic Training Center; medical treatment, physical therapy and rehabilitation facilities for use by bona fide athletes who are eligible to use the Olympic Training Center as determined by the USOC and for emergency purposes for visitors to the Olympic Training Center, and medical research and development primarily related to the use of the Property for athletic and sporting events; fundraising; and sports related camps. Additionally, that portion of the Property designated on Exhibit "C" as the "Restaurant Pad" may be used as a free standing restaurant provided that (a) such restaurant is only designated for athletes and visitors to the Olympic Training Center and used during usual hours of operation for the Visitors Center at the Olympic Training Center; (b) all signage for the restaurant shall be consistent with the sign criteria and signage actually used for all other structures and facilities within the Olympic Training Center; (c) no drive through or other similar facilities or improvements are constructed; and (d) no parking shall be adjacent to the restaurant, except for such normal parking utilized for the Visitors Center. Athletic training, equestrian, archery, firearms, shooting or any other events or activities which may present a potential hazard shall be conducted in a safe and controlled manner in accordance with all applicable laws and regulations."

- 4. <u>Counterparts</u>. This Amendment may be signed in counterparts, each of which shall be deemed to be an original and all such counterparts shall be deemed one and the same instrument.
- 5. <u>Breach Shall Not Defeat Mortgage</u>. A breach of any of the terms, conditions, covenants, or restrictions of the Declaration or this Amendment shall not defeat or render invalid the interest or lien of any duly recorded mortgage or deed of trust encumbering the Property, and no such terms, conditions, covenants and restrictions shall be binding upon or effective against any person or entity that acquires title to any portion of the Property which is subject to the covenants, conditions and restrictions of the Declaration, as amended by this Amendment, by foreclosure sale, trustee's sale, deed in lieu of foreclosure or otherwise.
- 6. <u>Captions</u>. The titles, headings and captions used in this Amendment are for convenience only and shall not be considered nor referred to in resolving questions of interpretation and construction.
- 7. <u>Governing Laws</u>. This Amendment shall be construed in accordance with the laws of the State of California.
- 8. <u>Severability</u>. Invalidation of any one or a portion of the covenants, conditions, restrictions or other provisions contained herein by judgment or court order shall in no way affect any other provisions hereof which shall remain in full force and effect.
- 9. <u>Attorneys' Fees</u>. In any action between the parties arising out of this Amendment, the prevailing party in the action shall be entitled, in addition to damages, injunctive relief, or other relief, to its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs fixed by the court.
- 10. <u>No Further Modification</u>. The Declaration remains in full force, except as amended by this Amendment.
- 11. <u>Conflicts</u>. If any conflict between this Amendment and the Declaration should arise, the terms of this Amendment shall control.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Eastlake, Foundation and USOC have executed this Amendment as of the date first written above.

# **EASTLAKE:**

The EastLake Company, LLC a California limited liability company

By: Nome:

on latter Klinchau

Name: Dehi Klinsher

Title: Uice Progrent

[Signatures Continue on Next Page]

# **FOUNDATION:**

SAN DIEGO NATIONAL SPORTS TRAINING FOUNDATION, a California non-profit corporation

[Signatures Continue on Next Page]

# **USOC:**

UNITED STATES OLYMPIC COMMITTEE,

a congressionally chartered not-for-pyofil organization

By: Norma

Name: Norman Title: Clief Op

By:\_\_\_\_

Name: RANA DER STOWITZ

Title: General Course

# ACKNOWLEDGMENT

OREGON EM. State of California ) County of Douglas )
On DEC., 2, 2008, before me, SELINA S. W. MADSON, (insert name and title of the officer)  personally appeared GLORIA D MCCOLL POWELL, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.  OREGON  I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.  OFFICIAL SEAL SELINA 8 W MADEON NOTARY PUBLIC-OREGON NOTARY PUBLIC-OREGON (Seatominission No. 397812 MY COMMISSION EXPIRES NOV. 11, 200
ACKNOWLEDGMENT  State of California )  County of)
On
WITNESS my hand and official seal.
Signature(Seal)

# ACKNOWLEDGMENT

County of <u>San Diego</u> )
i <i>j</i>
On October 28 2008, before me, Lilvana C. Brazell, notary public. (insert name and title of the officer)
personally appeared William 1. Opinem and Debt Roth-Klingner)
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature (s) on the instrument
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I certify under PENALTY OF PERJURY under the foregoing paragraph is true and correct.
I certify under PENALTY OF PERJURY under the late of the State of College and the late of the State of the State of College and the late of College and the State of College and the State of College and the late of College and the State of College a
the foregoing paragraph is true and correct.  Commission • 1630064 Notary Public - Collients
WITNESS my hand and official seal.  Son Diego County My Comm. Expires Feb 12, 2010
Signature <u>Silvana</u> C. Porazell (Seal)
ACKNOWLEDGMENT
State of California ) County of)
On, before me,,
(insert name and title of the officer)
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature(Seal)

810049,01/LA U9061-002/10-23-08/jlp/jlp g/q

State of California Colora a 0  County of El PASO  )
on December 18, 2008, before me, Chief Openting Officer, (insert name and title of the officer)
personally appeared \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (s) are subscribed to the within instrument and acknowledged to me that he she/they executed the same in his her/their authorized capacity(ies), and that by his her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
My commission lapres: 4.29.09
Signature Kulof MADOR Signature Kulof MADOR Signature Kulof MADOR Signature ACKNOWLEDGMENT
State of California COLONOCIO ) County of COLONOCIO )
On December 18, 2008, before me, General Counsel,
personally appeared Lana Dershowitz,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he she they executed the same
in his her their authorized capacity (ies), and that by his her their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.
WITNESS my hand and official seal.  My COmmussion Expures: 4-39-09  WITNESS my hand and official seal.
Signature Auby Modole (See) And (See
Cow Springs (0 80909
W. COLOUR

## EXHIBIT "A"

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#### LEGAL DESCRIPTION OF PROPERTY

PARCEL 1 OF PARCEL MAP NO. 16318, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 6, 1990 AS FILE NO. 90-652175 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST IN ALL OIL, GAS, AND MINERALS OWNED BY GRANTOR 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON THE SURFACE OF SAID LAND, AS RESERVED IN THAT CERTAIN DEED RECORDED FEBRUARY 16, 1994 AS FILE NO. 1994-0104492, OFFICIAL RECORDS.

810049.01/LA U9061-002/10-23-08/jlp/jlp

#### Exhibit H

#### ARBITRATION OF DISPUTES

ANY DISPUTE OR CONTROVERSY THAT RELATES TO THIS LEASE AND OPERATIONS AGREEMENT (REFERRED TO IN THIS <u>Exhibit H</u> AS THE "AGREEMENT") SHALL BE SUBMITTED TO AND SETTLED BY ARBITRATION BEFORE THE AMERICAN ARBITRATION ASSOCIATION OR ITS SUCCESSOR (THE "SERVICE") IN ACCORDANCE WITH THE USUAL RULES, REGULATIONS AND PROCEDURES OF AAA APPLICABLE TO ANY COMMERCIAL DISPUTE OR CONTROVERSY, SUBJECT TO THE FOLLOWING PROVISIONS:

- (A) THE PARTY SEEKING ARBITRATION SHALL DELIVER A WRITTEN NOTICE OF DEMAND TO RESOLVE DISPUTE (THE "DEMAND") TO THE OTHER PARTY TO SUCH DISPUTE AND TO AAA. THE DEMAND SHALL INCLUDE A BRIEF STATEMENT OF THE CONTROVERSY OR DISPUTE AND THE NAME OF THE SINGLE PROPOSED RETIRED JUDGE OR ATTORNEY FROM AAA TO DECIDE THE DISPUTE ("ARBITRATOR"). WITHIN TEN (10) DAYS AFTER THE EFFECTIVE DATE OF THE DEMAND, THE OTHER PARTY AGAINST WHOM A DEMAND IS MADE SHALL DELIVER A WRITTEN RESPONSE TO THE DEMANDING PARTY AND AAA. SUCH RESPONSE SHALL INCLUDE A BRIEF STATEMENT OF THE CONTROVERSY OR DISPUTE, AND SHALL ALSO STATE WHETHER SUCH PARTY AGREES TO THE ARBITRATOR CHOSEN BY THE DEMANDING PARTY. IN THE EVENT THE PARTIES CANNOT AGREE UPON AN ARBITRATOR, THEN AAA SHALL SELECT AND NAME A SINGLE ARBITRATOR TO CONDUCT THE HEARING.
- (B) THE LOCALE OF THE ARBITRATION SHALL BE IN SAN DIEGO COUNTY, CALIFORNIA, UNLESS OTHERWISE AGREED TO BY THE PARTIES IN WRITING.
- (C) IN THE EVENT AAA IS NO LONGER IN BUSINESS AND THERE IS NO COMPARABLE SUCCESSOR, THEN THE PARTIES SHALL AGREE UPON ANOTHER ARBITRATOR. IF THE PARTIES CANNOT AGREE UPON ANOTHER ARBITRATOR, THEN A SINGLE NEUTRAL ARBITRATOR SHALL BE APPOINTED PURSUANT TO SECTION 1281.6 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE.
- (D) THERE SHALL BE NO RIGHT TO DISCOVERY EXCEPT BY STIPULATION OF THE PARTIES OR PURSUANT TO THE DISCRETION OF AAA BUT IN NO EVENT SHALL SUCH DISCOVERY EXCEED ONE EXCHANGE OF DOCUMENT REQUESTS AND TWO DEPOSITIONS.
- (E) THE ARBITRATOR'S POWERS SHALL BE LIMITED AS FOLLOWS: (i) THE ARBITRATOR SHALL FOLLOW THE SUBSTANTIVE LAWS OF THE STATE OF CALIFORNIA, NOT INCLUDING RULES OF EVIDENCE, AND THE ARBITRATOR'S DECISION SHALL BE SUBJECT TO APPEAL THEREON AS

WOULD THE DECISION OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA SITTING WITHOUT A JURY, AND ANY SUCH APPEAL MAY BE FILED BY AN APPELLANT WITH EITHER A COURT HAVING VALID JURISDICTION OR PURSUANT TO AAA'S OPTIONAL **APPELLATE** ARBITRATION RULES, (ii) THE ARBITRATOR SHALL NOT CONSIDER ANYTHING OUTSIDE THE RECORD UNLESS NOTICE IS GIVEN TO ALL PARTIES WITH THE OPPORTUNITY TO RESPOND TO SUCH MATTERS. (iii) THE ARBITRATOR SHALL HAVE NO POWER TO MODIFY ANY OF THE PROVISIONS OF THE AGREEMENT AND THE ARBITRATOR'S JURISDICTION IS LIMITED ACCORDINGLY, (iv) THE ARBITRATOR SHALL PREPARE AND SERVE A WRITTEN DECISION WHICH DETERMINES THE DISPUTE, CONTROVERSY, OR CLAIM AND WHICH DESIGNATES THE PARTY AGAINST WHOSE POSITION THE DECISION IS RENDERED, AND (v) JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

- (F) THE COSTS OF THE RESOLUTION SHALL BE DIVIDED EQUALLY BETWEEN ALL OF THE PARTIES TO SUCH ARBITRATION PROCEEDING, PROVIDED, HOWEVER, THAT SUCH COSTS, ALONG WITH ALL OTHER COSTS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND/OR EXPERT WITNESS FEES, SHALL BE SUBJECT TO AWARD, IN FULL OR IN PART, BY THE ARBITRATOR, IN THE ARBITRATOR'S DISCRETION, TO THE PREVAILING PARTY. UNLESS THE ARBITRATOR SO AWARDS ATTORNEYS' FEES, EACH PARTY SHALL BE RESPONSIBLE FOR SUCH PARTY'S OWN ATTORNEYS' FEES.
- (G) TO THE EXTENT POSSIBLE, THE ARBITRATION HEARING SHALL BE CONDUCTED ON CONSECUTIVE DAYS, EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS, UNTIL THE COMPLETION OF THE PROCEEDING.
- (H) IN CONNECTION WITH ANY ARBITRATION PROCEEDINGS COMMENCED HEREUNDER, THE ARBITRATOR AND/OR ANY PARTY SHALL HAVE THE RIGHT TO JOIN ANY THIRD PARTIES IN SUCH PROCEEDINGS IN ORDER TO RESOLVE ANY OTHER DISPUTES, THE FACTS OF WHICH ARE RELATED TO THE MATTERS SUBMITTED FOR ARBITRATION HEREUNDER.

INITIALS OF CITY	INITIALS OF LESSEE

#### **Exhibit I**

#### **QUALIFIED ATHLETE**

As used in this Agreement, the term "Qualified Athlete" shall include any and all of the following:

- 1. U.S. Olympic caliber athletes and national teams (including, without limitation, junior national teams or their equivalent) in training for the Olympic, Paralympic, Pan American Games, or World Championships, including trials, other qualifying events, and training or evaluation camps for the selection of those teams or athletes for said games.
- 2. International and national caliber athletes from or representing a country other than the U.S. in Olympic, Paralympic and Pan American Games sports.

# Exhibit J

# TIER 1 RATES\*

2017 Pricing	<u>Tier 1</u>
Onsite Guest	\$95
Offsite Guest	\$70
Facility Guest	\$30
Individual Meal	\$18

<sup>\*</sup>Subject to annual increases determined by CITY and Operator

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