

THIRD AMENDMENT TO THE CONCESSION AGREEMENT BETWEEN THE CITY OF PALOS VERDES ESTATES AND THE PALOS VERDES TENNIS FOUNDATION

This Third Amendment to the Concession Agreement between the City of Palos Verdes Estates and the Palos Verdes Tennis Foundation, dated January 28, 2003, is made and entered into by and between the City of Palos Verdes Estates, a municipal corporation (the "City") and the Palos Verdes Tennis Foundation, a California nonprofit mutual benefit corporation ("Foundation") and is made effective this 10th day of December, 2019 ("Effective Date").

1. RECITALS. This Amendment is made with reference to the following facts and objectives:

- A. The City currently owns certain property in Palos Verdes Estates located at 3303 Via Campesina, together with the buildings and improvements thereon (collectively, the "Premises").
- B. The Foundation has been operating the Palos Verdes Tennis Club at the Premises, as well as operating and maintaining the Premises for the benefit of the public, pursuant to a concession agreement since 1979; the current concession agreement is dated January 28, 2003 (the "Agreement").
- C. Under the Agreement, the Foundation is permitted to admit up to 480 members to the Palos Verdes Tennis Club. Paragraph 15 of the Concession Agreement establishes two categories of membership and provides a maximum number of non-resident/non-owner members that may be members and the circumstances under which such members may be admitted.
- D. On November 27, 2012, the Agreement was amended to increase by 15 memberships the maximum number of non-resident/non-owners from 120 to 135.
- E. On December 11, 2012, the Agreement was amended to incrementally increase by 10 memberships the maximum number of non-resident/non-owners from 135 to 145.
- F. The City and Foundation now mutually desire by this Third Amendment to the Agreement ("Third Amendment") to amend the terms of the Agreement to add a pickleball membership classification and authorize an additional 50 pickleball-only memberships.

2. AMENDMENT. In consideration of the foregoing, the Agreement is amended as follows:

- A. Subsection (f) of Section 15 of the Concession Agreement, entitled "Membership Classifications," is hereby added to read as follows:

“(f) Pickleball Membership.

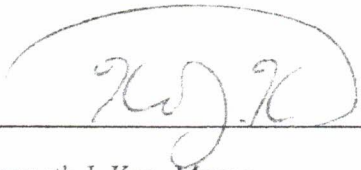
- (1) PVTC will offer a maximum of 50 Pickleball memberships. Of those 50 Pickleball memberships, 35 may be allocated to residents of Palos Verdes Estates, and 15 may be allocated to non-resident/non-owners.
- (2) Pickleball memberships will entitle the members to play on the pickleball courts and use the clubhouse facilities. Use of the tennis courts will be restricted unless the Pickleball member pays the normal tennis guest fees and within the limitations applicable to guests.
- (3) Pickleball memberships exist separately from the existing Tennis Club memberships, such that the limitations on the number of memberships in each classification are maintained separately.
- (4) The initiation fee will be \$250 for both residents and non-resident/non-owners, with a \$100 discount given to the first 20 registrants. The initiation fees will be allocated to the club’s Capital Account.
- (5) Monthly dues will be \$45.00 for PVE residents and \$55.00 for non-residents.
- (6) If a Pickleball member wishes to convert to a full Club membership enabling tennis play, the Pickleball Initiation Fee shall be applied against the full membership fees otherwise applicable.”

3. **COUNTERPARTS.** This Third Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.

4. **LIMITED AMENDMENT.** Except as modified by this Third Amendment, all other terms and conditions of the Amended and Restated Agreement remain in full force and effect.

This Third Amendment is executed on and shall become effective this 10th day of December 2019, at Palos Verdes Estates, California.

CITY OF PALOS VERDES ESTATES



Kenneth J. Kao, Mayor

ATTEST:



Lauren Pettit, City Clerk