

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

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

This concession agreement (“Agreement”) is entered into as of the 14th of February, 2023, by and between the City of Palos Verdes Estates, a municipal corporation (“City”) and the Palos Verdes Tennis Foundation, a California nonprofit mutual benefit corporation (“Foundation”). The City and the Foundation are sometimes referred to herein as the “Party” or “Parties.”

RECITALS

A. The City currently owns certain property in Palos Verdes Estates located at 3303 Via Campesina and depicted on the map attached hereto as Exhibit “A,” together with the buildings and improvements thereon (collectively, the “Premises”).

B. The Foundation has been operating the Palos Verdes Tennis Club (sometimes, “PVTC” or the “Club”) at the Premises, as well as operating and maintaining the Premises for the benefit of the public, pursuant to a Concession Agreement between the City and Foundation dated January 28, 2003, which, as amended, will expire on June 30, 2023.

C. The Parties desire to enter into a new Concession Agreement for the operation of the Premises, in accord with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the Parties covenant, promise and agree as follows.

1. Definitions. For purposes of this Agreement, the following terms shall have the following definitions:

a. Capital Improvements. “Capital Improvements” are defined as:

(i) items costing more than five hundred dollars (\$500) each and which have a useful life of at least two (2) years (*e.g.*, computers, furniture and fixtures, and new fencing); and/or

(ii) items which cost more than two thousand dollars (\$2,000) in the aggregate and contribute to the aesthetics or longevity of the Premises (*e.g.*, re-roofing, renovation of plumbing, major landscaping projects).

b. City. “The City” means the City of Palos Verdes Estates acting by and through its City Council. All references to approval by the “City” shall be construed to mean “approval by the City Council of the City of Palos Verdes Estates” unless otherwise specified herein.

c. Club Improvement Fund. “Club Improvement Fund” shall mean a specially designated, segregated administrative account maintained by the Foundation which shall contain all membership initiation fees for the Palos Verdes Tennis Club and any investment income (including but not limited to interest and/or dividends) derived therefrom. This fund, and all of its contents, are owned by the City and cannot be spent without City authorization.

d. Foundation. “The Foundation” means the Palos Verdes Tennis Foundation, a nonprofit mutual benefit corporation organized under the laws of the State of California.

e. Gross Receipts. “Gross Receipts” shall mean all membership dues, court and guest fees, food and beverage sales, junior programming revenue, private lesson and clinic revenue, clubhouse event rental fees, and any other funds received by the Foundation from its operation of the Premises, excluding receipts from the Pro Shop and receipts from fees charged for attendance at member events to the extent the Club is not turning a profit on these events.

f. Resident/Owners. “Resident/Owners” are those persons who either reside in the City or own real property located in the City.

g. Non-Resident/Non-Owners. “Non-Resident/Non-Owners” are those persons who are neither residents of the City nor owners of real property in the City.

h. Premises. “Premises” shall mean the land described on Exhibit A of this agreement, together with all buildings, structures, equipment, furniture, fixtures, and property of any kind or nature located thereon.

2. Concession Grant. The City grants a concession to the Foundation for the limited purpose of maintaining and operating the Premises, subject to any encumbrances, restrictions, reservations, easements, rights or rights-of-way of record, and the terms and conditions contained herein. The Foundation does hereby declare it has inspected the Premises, and, relying solely upon such inspection and not upon any statements or representations of the City or of its officers, agents or representatives, accepts the Premises in the condition they now exist.

3. Term of Agreement. This Agreement shall become effective on, February 14, 2023, and shall expire on June 30, 2032, unless the Foundation shall, at some earlier date fail to cure any breach or default of its obligations under this Agreement within sixty (60) days after the City has the given the Foundation written notice delineating the breach or default. The sixty days shall run from the date of mailing such notice, or the date written notice is sent via e-mail, or other manner.

4. Options to Extend Agreement. The Foundation shall have two (2) options to extend the term of this Agreement, with each option for a maximum of five (5) years. To exercise said option, the Foundation shall give written notice thereof to the City of its intent to exercise such option at least six (6) months but not more than eight (8) months prior to the expiration of this Agreement. Upon receipt of such notice, the City shall investigate the performance of the Foundation under this Agreement, and if the City in its sole discretion is satisfied by the terms of the Agreement and determines that the Foundation has kept and performed the promises, covenants, conditions and agreements on its part pursuant to this Agreement, the expiration date of this Agreement shall be extended by five years, provided City approval shall be made at a meeting of the City Council by resolution, minute order, or approval of an amendment to the Agreement..

5. Property and Inventory. Any property or items of any nature placed in or upon the Premises by the Foundation and used in any way in connection with the operation of the Premises pursuant to this Agreement shall immediately become the property of the City, and may not be removed by the Foundation without the prior written consent of the City, except for the purpose of repair or replacement of said property. The provisions of this section shall not apply to any inventory brought onto the Premises for the express purpose of resale.

6. Budget; City Approval of Fees. Dues and Charges

a. By November 15th of each year, the Foundation shall prepare and deliver to the City for review a comprehensive budget for the Foundation's next fiscal year. Said budget shall indicate estimated income by source, expenditures by major category of expense, and any and all requests for Capital Improvements to be funded from the Club Improvement Fund. The format of said document and the method of presentation shall be subject to approval by the City.

b. No fee or charge of any kind including, without limitation, initiation fees and membership dues, may be collected or imposed by the Foundation unless and until the City has approved said fee or charge either within the approved annual budget or as a separate item. The provisions of this Subsection b. shall not apply to charges for food and/or merchandise authorized by this Agreement to be sold by the Foundation. Current fees, including initiation fees, membership dues, lesson fees, junior program fees, guest fees, fees to rent the venue or a portion thereof, and all fees that exceed \$20 are specified in Exhibit C attached hereto. Any changes to these fees must be approved by the City Council.

c. No Capital Improvements shall be made by the Foundation unless said Improvements are approved by the City, either within the approved annual budget or as a separate item as described in Paragraph 12.

7. Concession Fee. By the final day of each month, the Foundation shall pay to the City ten percent (10%) of the Foundation's Gross Receipts received in the immediately preceding month.

8. Books and Records. The Foundation shall keep full, complete and accurate books of account and records in accordance with generally accepted accounting principles which will reflect all business and monetary

transactions of the Foundation. The Foundation shall report to the City by April 15, July 15, October 15 and January 31 of each year as to the current balance sheet and interim operating statement for the quarter ending prior to each reporting date. Such books and records shall at all reasonable times be open to inspection by the City.

9. Audit. On an annual basis, the Foundation shall submit to the City a full and complete audit report prepared by the City's current auditor. The cost of the audit shall be split evenly between the City and the Foundation. The Foundation shall maintain, preserve and protect any and all records requested by its auditor or by the City in the form requested and in the manner dictated.

10. Operations. The Foundation shall operate and maintain the Premises, and every part thereof, in compliance with the conditions, restrictions and reservations by which the City holds title to the Premises, and in compliance with the rules and regulations, and any amendments thereto, promulgated by the City. To this end, the City Council shall appoint from its members a PVTC Liaison Committee which will meet periodically with a liaison committee to be designated by the Foundation from members of its Board of Directors.

11. Maintenance. The Foundation shall at all times maintain the Premises, including but not limited to all landscaping, in a condition satisfactory to the City. The Foundation shall keep the Premises free and clear from any mechanics' liens. With respect to tree trimming and tree removal, except for trees that are unhealthy or present a safety concern, the Foundation must adhere to the City's Tree Management Policy. For those trees that are unhealthy or present safety concerns, the Foundation must collaborate with the City Forester or City designee, and the City Forester or designee must determine the appropriate action and report back in writing.

12. Capital Improvements. Unless otherwise agreed in advance by the City, the Foundation shall be solely responsible for all costs of installation and construction of any Capital Improvement(s). The Foundation shall pay the City the cost for inspection of construction of Capital Improvements, but the City agrees to waive any fees otherwise due from the Foundation for any application for any conditional use permit, variance, or other discretionary approval processed through the City. The City shall not be responsible for oversight or construction

of Capital Improvements. The Foundation must submit capital improvement plans and estimated costs via the annual budget, as well as a report out of expenditures for the previous year. Reallocation/reprioritization within the Capital Improvement Budget may be approved by the Foundation's Board of Directors for unplanned expenditures of less than \$20,000 in total per calendar year. Expenditures of \$20,000 or more require City Council approval. The City must approve the plans for all Capital Improvements, including all structural improvements on the Property, but not for maintenance activities. The City Manager may approve such Capital Improvement plans, after sharing the plans with the Palos Verdes Estates Tennis Club Liaison Committee of the City Council, if the cost of the Capital Improvement Project does not exceed \$10,000. Such approval shall be in writing. The City Manager may refer such plans to the City Council for approval for any reason, and plans for any Capital Improvement Project that exceeds \$10,000 in cost require approval from the City Council.

13. Club Improvement Fund. The entire initiation fee paid to the Foundation by new memberships shall be held and maintained by the Foundation in the Club Improvement Fund. Monies in the Club Improvement Fund may be utilized by the Foundation only for Capital Improvements approved by the City pursuant to the provisions of this Agreement. No expenditures shall be made from the Club Improvement Fund unless such expenditures are approved in advance and in writing by the City.

14. Membership Classifications. The City authorizes the Foundation to maintain the following categories of memberships in the Palos Verdes Tennis Club.

a. Active Membership. Active Memberships include both "Resident/Owner" all-access Memberships, and "Non-Resident/Non-Owner" all-access Memberships. While the Foundation offered Pickleball Memberships from 2019 to 2021, a separate Pickleball membership will no longer be offered but rather an all-access club membership shall be required. Members who have accepted Pickleball memberships prior to the effective date of this Concession Agreement and are in good standing, will have their membership reclassified (and will have to pay the dues required for an all-access club membership going forward) but will not need to pay the initiation fee difference. The Club continues to be parking constrained, therefore, the maximum number of

Active Memberships allowed at any given time continues to be four hundred eighty (480). Should additional parking be found, and court utilization allows, the Foundation may request a proportional increase in the membership maximum.

(1) The Foundation shall be responsible to determine if an individual is a “Resident/Owner” or a “Non-Resident/Non-Owner.” The Foundation must confirm residency of each Resident/Owner membership at least every two years by requiring each member provide to the Foundation a clear and legible copy of the most recent property tax bill for such Residential Property within the City or at least two of the following items, each of which shall reflect the Resident/Owner Member’s name and a corresponding address within the City: 1) a valid California driver’s license; 2) car registration; 3) telephone bill, 4) gas bill and/or 5) electric bill. The Resident/Owner may redact the amount of tax due shown on the property tax bill.

(2) Resident/Owners shall have absolute priority for membership. Non-Resident/Non-Owner applicants shall not be admitted if a Resident/Owner applicant is waiting for Active Membership.

(3) The maximum number of Non-Resident/Non-Owners who may have Active Memberships at any given time is one hundred and forty-five (145), and cannot exceed thirty (30) percent of the total allowable Active Memberships. Members who hold active Pickleball memberships at the time this Agreement becomes effective, which are converted to all access Non-Resident/Non-Owner membership per Paragraph 14(a), shall not count towards this limit—however no new Non-Resident/Non-Owner memberships may be granted until the total number of Non-Resident/Non-Owner memberships, including members who converted a Pickleball membership to an all-access membership, complies with the limits stated in the first sentence of this Paragraph.

(4) Whenever there are fewer than four hundred (400) Active Memberships, the Foundation must first admit to Active Membership qualified Resident/Owner applicants, and then must admit to Active Membership Non-Resident/Non-Owner applicants, provided, however, the limits in Paragraph 14(a)(3) are

complied with.

(5) Whenever there are four hundred (400) or more Active Memberships, the Foundation must admit to Active Membership qualified Resident/Owner applicants only, and may not admit any new Non-Resident/Non-Owners.

(6) Active Memberships that remain in good standing may maintain their Active Membership upon cessation of both residency and property ownership in the City, provided, they immediately notify the Club and the total number of Non-Resident/Non-Owner Active Members is below the one hundred and forty-five (145) maximum at the time that a Resident/Owner Active Membership ceases to qualify as such (*i.e.*, because such person no longer resides or owns property in the City). In the event the Club has reached its maximum number of Non-Resident/Non-Owner memberships, the Club may accommodate up to five (5) residency transitions from Resident/Owner Membership to Non Resident/Non-Owner Membership and exceed the Non-Resident/Non-Owner membership maximum by no more than five (5) total at any time—unless such action would require the total number of memberships to exceed 480. Should the Non-Resident/Non-Owner membership maximum be exceeded in this manner, the Club may not admit any new Non-Resident/Non-Owner Memberships until the total number of Non Resident/Non-Owner Memberships falls below the limits in Paragraph 14(a)(3). Further, memberships transitioning from Resident/Owner to Non-Resident/Non-Owner are required to pay the initiation fee differential in effect at the time of residency status change.

(7) A Resident/Owner waiting list shall be established whenever there are four hundred eighty (480) Active Memberships. A Non-Resident/Non-Owner waiting list shall be established whenever there are four hundred (400) or more Active Members, and/or one hundred and forty-five (145) Non-Resident/Non-Owner Active Members.

(8) The City has previously required different monthly membership dues for resident and non-resident members, and may, in its sole discretion, continue such differentiation. At any time that dues for Resident/Owners and Non-Resident/Non-Owners differ, payment of dues by an Active Member shall be made as

follows:

(a) A Non-Resident/Non-Owner Active Membership that becomes qualified as a Resident/Owner Active Membership (*i.e.*, becomes a resident and/or property owner in the City) shall be charged monthly dues as a Resident/Owner Active Membership starting the first day of the month following the month in which he or she so qualifies.

(b) A Resident/Owner Active Membership that ceases to qualify as such but is permitted to remain an Active Membership pursuant to paragraph (6) of this Subsection a. shall be charged monthly dues as a Non-Resident/Non-Owner starting the first day of the month following the cessation of such Active Membership's qualification as a Resident/Owner and must pay the initiation fee differential in effect at that time.

(c) Notwithstanding any provision of this Agreement to the contrary, those Non-Resident/Non-Owner Active Memberships listed on Exhibit "B" hereto who constitute original members of PVTC are exempted from the requirement to pay Non-Resident/Non-Owner monthly dues, and shall instead pay Resident/Owner monthly dues.

b. Inactive Membership. The Foundation will grant the written application of an Active Member in good standing at the time of such application to become an Inactive Member due to injury, medical, or other reasons as approved by the Board. An Active Member in good standing may become an inactive member for up to eighteen (18) months under the following conditions. The Membership:

- (1) Has not been an Inactive Membership during the previous thirty-six (36) months;
- (2) Shall pay 50% of monthly membership dues in effect during the term of Inactive Membership;
- (3) May not reserve or play on courts as a member (guest access rule may apply);
- (4) Has no voting privileges;
- (5) May not serve as an officer or director; and

(6) At the end of eighteen (18) months or sooner, if elected, shall reactivate full Active Membership or the membership will be terminated. Any application for membership submitted thereafter by the former membership shall be treated as a new membership application.

c. Celebrity Membership. The Foundation may award Celebrity Memberships to those persons who have made or will potentially make a substantial contribution to the realization of the goals of the Palos Verdes Tennis Club, or provide outstanding entertainment contributions to the Club, or perform outstanding athletic accomplishments for the community. Examples of this type of membership include outstanding amateur or professional tennis players, outstanding civic or political leaders or outstanding leaders in the fields of entertainment or the arts. The total number of Celebrity Memberships shall not exceed three (3) at any one time, and shall be for a term of one year only, subject to renewal by the Foundation's Board of Directors. A Celebrity Membership may be issued or renewed upon the majority vote of the Board of Directors. No initiation fees, no monthly dues, no court fees, and no voting privileges accompany this class of membership. Celebrity memberships may not serve as officers or directors of the Foundation. Otherwise, this class of membership enjoys full use of Palos Verdes Tennis Club facilities and participation in its activities.

15. Membership List. The Foundation shall submit to the City by April 15, July 15, October 15 and January 31 of each year a list of its entire membership by category (Resident/Owner Active Memberships, Non-Resident/Non-Owner Active Memberships, Inactive Memberships, Celebrity Memberships), and its waiting lists (Resident/Owner and Non-Resident/Non-Owner). The lists shall include the residence addresses of all persons thereon.

16. Board of Directors. The Foundation may establish criteria for membership on its Board of Directors, subject to the following requirements: The Foundation shall determine whether any person appointed or elected to the Board of Directors is a Resident/Owner or a Non-Resident/Non-Owner. The percentage of Non-Residents/Non-Owners serving on the Board of Directors shall be equal to or less than the percentage of Active Members who are Non-Resident/Non-Owners, but shall not exceed 30%. Further, four (4) Resident/Owner Board

members must be present for a quorum of the Board to exist.

17. Usage of Premises. The Premises are City property both dedicated to park and recreational purposes, and subject to deed restrictions relating to their use by City residents and persons who own real property within the City. The Premises may not be conducted as a private club or solely for the benefit of members of the Foundation. The Club shall, on mutually agreed dates, reserve Club facilities for the City for up to three times per year. Food, beverage, and personnel costs, if any, shall be provided by the Club to the City "at direct cost" and exclusive of any overhead charges of any kind.

18. Approval of By-Laws. The Foundation must revise its By-Laws to comply with this Concession Agreement renewal and submit for approval by the City Council within ninety (90) days of the effective date of this Agreement. The Foundation may not amend or modify its By-Laws without the City's prior approval, which will not be unreasonably withheld.

19. Payment of Utility Charges. The Foundation must pay when due all charges for water, gas, electricity, telephone, or other utility charges furnished to the Foundation or used upon the Premises.

20. Insurance

a. The Foundation shall maintain insurance in an amount and of characteristics as follows:

(1) Commercial General Liability Insurance using Insurance Service Office "Commercial General Liability" policy for CG 00 01 07 98. Defense costs must be paid in addition to limits. There shall be no cross-liability exclusion for claims or suits by one insured against another. Limits are to be determined by the City, but in no event shall be less than Two Million Dollars (\$2,000,000) per occurrence and Five Million Dollars (\$5,000,000) aggregate. The City and its officers, agents and employees shall be included as additional insureds in such policies, using standard ISO endorsement No. CG 2010 with an edition prior to 1992.

(2) Workers' Compensation using standard ISO endorsement No. CG 2011 January 1995 edition, providing statutory benefits as required by law with employer's liability limits no less than Two Million Dollars (\$2,000,000) per accident or disease.

(3) Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are to be determined by the City, but in no event shall be less than Two Million Dollars (\$2,000,000) per accident. If the Foundation owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described in paragraph (1) above. If the Foundation's employees will use personal automobiles in any way in connection with this Agreement, the Foundation shall provide evidence of personal auto liability coverage for each such person in the amounts set forth in this paragraph.

(4) Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverage. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to the City for injury to employees of the Foundation.

b. Proof of compliance with the insurance requirements set forth in this section consisting of certificates of insurance evidencing all of the coverage required and an additional insured endorsement to the Foundation's general liability policy, shall be provided by the Foundation to the City, on an annual basis. The Foundation shall provide certified copies of insurance policies to the City at the inception of this Agreement and at any time there is a change in insurer or a substantial change in the terms of coverage.

c. The provisions of this Section 20 establish minimum insurance requirements to satisfy the needs of the City and are not intended to foreclose the Foundation from acquiring such additional amounts or types of insurance as it deems advisable. Should the Foundation maintain additional insurance, the Foundation agrees to place into the Club Improvement Fund any and all monies received from its insurance carrier which represent repayments for furniture, fixtures, or real property damaged due to fire, earthquake, or any other insured

event. Such monies may thereafter be spent in accordance with the provisions of Section 29 of this Agreement, provided, however, that the City may reimburse itself from such monies for any monies expended by the City for its direct costs in defending itself or the Foundation or for costs associated with obtaining reimbursements from the Foundation's insurance carrier. Further, given the prolonged term of this Agreement, the City may adjust insurance requirements at the City's discretion and provide notice to the Foundation.

d. Commencing on August 1, 2020, and each year thereafter throughout the term of this Agreement, the Foundation shall reimburse the City for the actual expense of insuring the replacement value of the buildings as periodically determined by the City's insurer. On June 1 of each year, the City shall submit the cost of such insurance to the Foundation and, within thirty (30) days of its receipt of the cost, the Foundation shall reimburse the City.

21. Indemnification

a. Except as otherwise set forth in Subsection b., below, the Foundation agrees to indemnify, defend and hold harmless the City and its officers, agents and employees ("Indemnified Parties") from and against any liabilities, damages, expenses (including reasonable attorneys' fees and expenses), liens and claims of any nature whatsoever ("Liabilities") which may be asserted against the Indemnified Parties or any of them by reason of this Agreement or the activities of the Foundation, or any of its officers, agents, or employees, in carrying out this Agreement, or by reason of any activity of the Foundation, of any of its officers, agents, employees, or guests, or of any other persons, in or upon the Premises or any part thereof, including, without limitation, any loss, damage or injury arising from or as a result of the death of any person, or any accident, injury, loss, or damage whatsoever caused to any person or to any personal property belonging to the City, the Foundation, or any other person.

b. The Foundation shall not be responsible for, and such indemnity shall not apply to any Liability which results from the sole negligence or willful misconduct of the City or its officers, agents or employees.

c. The provision by the Foundation of insurance pursuant to Section 20 of this Agreement shall not relieve the Foundation of the indemnification obligations set forth herein.

d. Notwithstanding any provision of this Agreement to the contrary, the indemnity obligations in this Section 21 shall survive the termination of this Agreement.

22. Inspection. The Foundation agrees that at all times when the Premises are open for operation, it shall permit the City or any designated representative of the City to inspect the Premises or any part thereof. In addition, the Foundation shall send to the City a copy of the minutes of each meeting of the Foundation's Board of Directors and any correspondence with Members regarding Club financial issues.

23. Mutual Waiver of Rights. The City and the Foundation each waive any and all rights of recovery against the other, or against the officers, employees, agents and representatives of the other, for loss or damage to such waiving party or its property or the property of others under its control, to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss or damage.

24. Non-Assignability. The Foundation shall not assign, transfer or hypothecate this Agreement or any interest created hereby, nor any rights or privileges herein, nor shall it enter into any agreement allowing the operation by another person of the concession granted herein on the Premises nor any portion thereof without the prior written consent of the City, and any attempt so to do shall be void and confer no rights on any third party and shall be cause for termination of this Agreement by the City at its option. This provision against assignment, transfer and hypothecation shall be deemed to be a continuing covenant and apply not only to the Foundation, but to any and all assignees and mortgagees of the Premises and to any who may in any manner acquire any interest therein.

25. Authorization Required. All events must conclude by 10 pm. The City reserves the right to require City Manager prior authorization of events where greater than 100 people are present should a need arise. Such authorization may include limitations to reduce negative impacts.

26. Waiver not Continuing. No waiver of any breach, default or term hereof shall constitute a waiver

of any other breach, default or term hereof, whether of the same of any other covenant or condition.

27. Relationship Between the Parties. The relationship between the Parties hereto is solely that of owner and concessionaire. Nothing in this Agreement shall be construed as effecting or constituting a partnership, joint venture or other association between the Parties, nor as creating a leasehold interest of any kind in the Premises. The Parties declare that it is not their intention in any respect to form a partnership, joint venture or other association between themselves. The Foundation shall have no right to obligate the City in any manner or way whatsoever, nor shall the Foundation be deemed a tenant of City's for any purpose.

28. Surrender of Premises.

a. The Foundation acknowledges that its right to occupy the Premises is for the sole purpose of carrying out its obligations and rights as a concessionaire under this Agreement. Upon the expiration or termination of this Agreement, all furniture, fixtures, equipment and inventory of personal property, deposits, accumulated funds in the Club Improvement Fund, and any and all other money, equipment and property of the Foundation, including, without limitation, all supplies of food and drink (but excluding pro shop inventory), the Foundation's liquor license or any other licenses required by law in connection with the operation of the Premises to the extent that same are legally transferable, proceeds received from any insurance policies held by the Foundation, shall immediately become the property of the City and the Foundation shall immediately and peaceably surrender and deliver up to the City or the City's designated agent all such property and funds.

b. If the Foundation fails to perform any of the covenants, conditions, provisions or agreements herein contained, or if the Foundation for any reason be dissolved, or if a voluntary or involuntary petition for bankruptcy or insolvency is filed by or against the Foundation, then in that event the City may recover and resume possession of the Premises, by force or otherwise, without being liable therefor.

c. In the event the Foundation holds the Premises, or any part thereof, for any one day after the happening of any of the events described above in this Section, it shall be deemed an unlawful detainer of said Premises, and the Foundation shall be subject to eviction and removal with or without process of law.

29. Attorneys Fees. If either Party brings any action or proceeding to enforce, protect, or establish any right or remedy under this Agreement, the prevailing Party shall be entitled to recover reasonable attorney's fees.

30. Continuing Covenants. Each and every term, condition, covenant and obligation hereof shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the Parties and all persons holding under or through them or any of them. All the Foundation's covenants hereunder, including those against assignment and subletting, are continuing and binding without exception on all who take or acquire any interest hereunder. Without limiting or qualifying any of the foregoing provisions, every person taking any interest hereunder, by, through or under the Foundation shall by virtue of taking or acceptance of such interest and without further act be deemed to have become bound hereunder not only by privity of estate, but of contract, and to have assumed and agreed to perform all of the covenants and obligations of the Foundation hereunder to the same extent as though such assignee had personally executed this Agreement.

31. Destruction by Fire, Earthquake, or Act of God.

a. In the event that the structures on the Premises are damaged or destroyed by fire, earthquake or Act of God, the City may retain a construction expert to investigate and provide an estimate to the City of the projected cost of rebuilding or repairing the structures on the Premises. The City agrees to confer, in good faith, with the Foundation on the selection of the construction expert.

b. In the event that the structures on the Premises are destroyed to the extent that, in the opinion of the City Council, rebuilding and/or repair is not practical, the City may within one hundred and twenty (120) days of such event terminate this Agreement by providing notice thereof to the Foundation. In the event of such termination, all property and funds described in Section 28 shall immediately become the property of the City and the Foundation shall immediately and peaceably surrender and deliver up the same to the City or the City's designated agent. If the City does not terminate this Agreement within the time specified, it shall assign to the Foundation the proceeds of any insurance which the City holds on the Premises to be used solely for the

rebuilding and reconstruction of the Premises, and the Foundation shall rebuild and reconstruct the Premises and resume operations therein as expeditiously as possible.

32. Notice. Notice shall be given by personal delivery or by depositing the notice in the U.S. Mail, postage prepaid, addressed as follows:

If to the Foundation:

Palos Verdes Tennis Foundation
Attention: Manager
3303 Via Campesina
Palos Verdes Estates, California 90274


If to the City:

The City of Palos Verdes Estates
Attention: City Manager
340 Palos Verdes Drive West
Palos Verdes Estates, California 90274

Notice shall be deemed given on the day of receipt, if personally served, or on the fifth (5th) day following deposit in the mail, if served by mail.

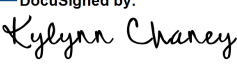
This Agreement is executed at Palos Verdes Estates, California, on the dates hereafter set forth.
CITY OF PALOS VERDES ESTATES,
a Municipal Corporation

Date: 2/15/2023

DocuSigned by:

By: _____
CF 1EC68F4EB2438...
Jim Roos, Mayor

APPROVED AS TO FORM:

ATTEST:

DocuSigned by:

130E241734DC45B...

Kylynn Chaney, City Clerk

DocuSigned by:

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Trevor Rusin, Interim City Attorney

[Signatures continued on next page.]

PALOS VERDES TENNIS FOUNDATION, a California Nonprofit
Mutual Benefit Corporation

Date: 2/27/2023

By:
Its:

DocuSigned by:

C31C1EFFDB124C1...
President

Date:

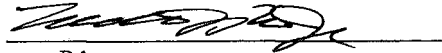
By: 
Its: Director

Exhibit A: Premises



Exhibit B: Non-Residents Paying Resident Dues

Name

Address

1. Olson, Lloyd and Beth
2. Palmer, William and Jean

16 Roadrunner Road, Rolling Hills Estates
7 Clipper Road #A, Rancho Palos Verdes

Exhibit C: Dues and Fees Schedule

Membership

All-Access dues	Resident = \$100 per month	Non-Resident = \$115 per month
Initiation Fee	Resident = \$3,000 one time	Non-Resident = \$3,500 one time

Guest Fee (PVE) \$15 per reservation
Guest Fee (Non-PVE) \$20 per reservation

Lessons

Level A Head Pro or Directors:	Member = \$105-110 per hour	Non-Member = \$110-\$115 per hour
Level B USPTA Professional:	Member = \$90-100 per hour	Non-Member = \$95-\$100 per hour
Level C College student hitters. Pre-certified USPTA:	Member = \$50-\$80 per hour	Non-Member \$60-\$90 per hour
Adult Clinics	Members = \$20-25 per hour	Non-Members = \$23-28 per hour

Junior Academy

Pricing comprised of a matrix of 5 skill levels and multi-day packages. Below represents the summary of price per hour for students. Student/Pro ratio is normally higher for camps.

Academy	Members \$19-33 per hour	Non-Members \$20-38 per hour
Summer Camp	Members \$17-22 per hour	Non-Members \$18-23 per hour

Leagues

Marine League (Non-Mem player) \$100 per season
Pickleball League (Mem/Non-Mem) \$360/450 per season
Junior USTA Team (Mem/Non-Mem) \$215/245 per season
UTR Round Robin (Mem/Non-Mem) \$30-45 per event

Others

Ball Machine \$10 per half hour, 15 per hour
Locker \$75 per year
Clubhouse Rental (first 2 hours) \$225 for first 2 hours
Clubhouse Rental (additional hour) \$50 per hour
Stringing Labor \$18