

**STADIUM INTERIM
MANAGEMENT AGREEMENT**

**BY AND BETWEEN THE
SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE
CITY OF LAKE ELSINORE**

**AND THE
LAKE ELSINORE STORM LP**

January 1, 2013

STADIUM INTERIM MANAGEMENT AGREEMENT

THIS STADIUM INTERIM MANAGEMENT AGREEMENT (this "Interim Agreement"), dated as of January 1, 2013 (the "Effective Date"), is made by and between the **SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF LAKE ELSINORE** ("Successor Agency"), and the **LAKE ELSINORE STORM LP**, a California limited partnership ("Storm").

RECITALS

The following recitals are a substantive part of this Interim Agreement:

A. The former Redevelopment Agency of the City of Lake Elsinore entered into certain agreements involving the Premises (as defined herein) that shall be in force as of the Effective Date and described in this Interim Agreement as the "Stadium Operations Contracts." Certain of the Stadium Operations Contracts have been entered into with the Storm, LLC, a California limited liability company (the "Storm LLC"). The sole Member of Storm LLC was Lake Elsinore Storm L.P., a California limited liability company (the "Storm LP"). Storm LLC has been merged into Storm LP, with Storm LP being the surviving entity. Storm LP has assumed all rights and obligations under the Stadium Operations Contracts by operation of law. Pursuant to such Stadium Operations Contracts, Storm LP has been licensing the Stadium for baseball games and other events and maintaining the Stadium. An affiliate of the Storm LP, Golden State Concessions and Catering, Inc., a California corporation ("Golden State"), has been operating the concessions at the Stadium.

B. Prior to February 1, 2012, the Redevelopment Agency was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (commencing at Section 33000 of the California Health and Safety Code) and authorized to exercise the powers of a redevelopment agency pursuant to action of the City Council of the City of Lake Elsinore.

C. Prior to February 1, 2012, the Redevelopment Agency developed a stadium, baseball field, stadium, parking and related facilities commonly known as the "Lake Elsinore Diamond" on land owned by the Redevelopment Agency and described in Exhibit "A" attached hereto and incorporated by reference herein (collectively, the "Premises") and was engaged in the operations, maintenance and management of the Premises among other activities necessary and appropriate to carry out the redevelopment plan ("Redevelopment Plan") for the Rancho Laguna Project Area No. 3 ("Redevelopment Project"), which was adopted by the City Council of the City of Lake Elsinore pursuant to Ordinance No. 815 on September 8, 1987, and thereafter amended by Ordinance No. 987 on November 22, 1994, Ordinance No. 1249 on February 26, 2008 and Ordinance No. 1262 on April 28, 2009.

D. The Stadium Operations Contracts were entered into for the purpose of improving the operations, maintenance, management and promotion of the Premises consistent with and in furtherance of the public purposes and provisions of the Redevelopment Plan and California Community Redevelopment Law and other applicable state and local laws and requirements under with the redevelopment of the Redevelopment Project had been undertaken.

E. On December 29, 2011 in the petition *California Redevelopment Association v. Matosantos* (Case No. S194861), the California Supreme Court upheld Assembly Bill X1 26 that added Parts 1.8 and 1.85 to Division 24 of the Health and Safety Code (“Dissolution Act”), which laws caused the dissolution of all redevelopment agencies in California, including the Redevelopment Agency, as of February 1, 2012.

F. As of, on, and after February 1, 2012, the Redevelopment Agency became a dissolved redevelopment agency pursuant to the Dissolution Act.

G. By the adoption of its Resolution No. 2012-001 on January 10, 2012, the City Council elected to have the City serve as the successor agency to the dissolved Redevelopment Agency under the Dissolution Act.

H. As of, on, and after February 1, 2012, the Successor Agency began to perform and will continue to perform its functions as the successor agency to the dissolved Redevelopment Agency under the Dissolution Act.

I. In functioning as the Successor Agency, the City Council and City are serving and acting in a role established by and carrying out functions pursuant to the Dissolution Act, which duties are distinct from the City Council and City’s powers as a municipal corporation under the California laws and the California Constitution.

J. Effective February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the dissolved Redevelopment Agency were transferred to the control of the Successor Agency, for administration pursuant to the provisions of the Dissolution Act.

K. As of February 1, 2012, the Successor Agency is the owner of Premises.

L. As part of the Fiscal Year 2012-13 State budget package, on June 27, 2012, the California State Legislature passed, and the Governor signed, Assembly Bill 1484 (“AB 1484”), the primary purpose of which was to make technical and substantive amendments to the Dissolution Act based upon experience to date at the state and local level in implementing the Dissolution Act. As a budget trailer bill, AB 1484 took immediate effect upon signature by the Governor.

M. AB 1484 established a schedule for adoption of a Recognized Obligation Payment Schedule for the period from January 1, 2013 through June 30, 2013 (herein referred to as the “Third ROPS”) and for all subsequent Recognized Obligation Payment Schedules. AB 1484 also expanded the review period and authority of the Department of Finance (“DOF”) to review and approve Recognized Obligation Payment Schedules and to make its determination “of the enforceable obligations and the amounts of funding sources of the enforceable obligations” listed thereon, including the authority to eliminate or modify any item on the Recognized Obligation Payment Schedules prior to its approval.

N. By adoption of its Resolution No. OB 2012-11 on August 28, 2012, the Oversight Board of the Redevelopment Agency of the City of Lake Elsinore approved the Third ROPS pursuant to Section 34180 of the California Health and Safety Code.

O. On August 28, 2012, the Successor Agency adopted the Third ROPS which listed, among other things, as enforceable obligation of the Successor Agency, the following obligations related to the Premises as more fully described and referenced therein:

- (i) Concession License Agreement, as amended (“Concession Agreement”);
- (j) (ii) License Agreement, as amended (“License Agreement”);
- (iii) Stadium Field and Maintenance Agreement, as amended (“Maintenance Agreement”); and
- (iv) Stadium operations and maintenance obligations.

The Concession Agreement, the License Agreement and the Maintenance Agreement are collectively referred to herein as the “Stadium Operations Contracts.”

P. Following approval of the Third ROPS by the Oversight Board and the Successor Agency, the Third ROPS was transmitted to the DOF and subsequently approved as to the above-referenced enforceable obligations related to the Premises.

Q. Consistent with the legislative authorization contained in AB1484 allowing successor agencies to enter into enforceable obligations for the purpose of maintaining the assets of the former Redevelopment Agency, the Successor Agency seeks to provide for the continued, efficient and cost effective management, maintenance and operation of the Premises and to retain the Storm which possesses the experience and qualifications to carry out such continuing obligations on an interim basis so as to ensure that the “Lake Elsinore Storm,” a single “A” baseball team which is a member of the California League of the National Association of Professional Baseball and owned by Storm LP, continue to play its home baseball games at the Stadium.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Agency and Storm hereby agree as follows:

1. Definitions

As used in this Interim Agreement, capitalized words and phrases set forth in the body of this Interim Agreement shall have the same meaning as set forth in the Stadium Operations Contracts unless otherwise defined herein.

2. Storm’s Responsibility for Maintenance and Upkeep

2.1. Maintenance. Subject to the Successor Agency’s obligations herein with respect to Capital Repairs, throughout the Term and subject to the terms and conditions of the Stadium Operations Contracts, Storm shall take all additional necessary actions, to maintain the Premises and all components thereof, of whatever kind or nature, as may be necessary to keep the Premises in a first class condition and a good state of appearance and repair and in accordance with the Maintenance Standards, ordinary wear and tear excepted, which shall be substantially

the condition in which the Premises are received on the Effective Date. In accordance with the terms and conditions of this Section, Storm shall be solely responsible for complying with the Maintenance Standards.

2.2. Compliance with League Standards. It is the intent of the parties that the services to be performed by the Storm pursuant to Sections 2.1 of this Interim Agreement shall also be consistent with the standards set forth by the League and the NA and should result in the Stadium being maintained in "first class" condition. The Successor Agency and the Storm acknowledge and agree that those items set forth in the Maintenance Standards are items which the Storm has agreed to perform in order to satisfy its maintenance obligations hereunder and that there may be additional items of maintenance which are not identified.

2.3. Maintenance Supervisor and Personnel. In entering into this Interim Agreement, the Successor Agency is relying upon the identity of the General Manager of the Storm as of the Effective Date and his personal supervision of the Storm's obligations hereunder. The Storm shall notify the City Manager in writing of any change in the identity of the General Manager at any time during the Maintenance Term. Provided, however, that nothing in this Section 2.3 shall relieve the Storm from performing its obligations hereunder despite the change in the identity of the General Manager.

2.4. Review Meetings. As often as necessary, but in no event less than one time per month during the Maintenance Term, the General Manager, or his/her designee, and the City Manager, or his/her designee, shall meet at a mutually agreed upon time and place in order to discuss the condition of the Stadium and the performance of the Storm hereunder and any other applicable issues.

2.5. Hazardous Materials. In performing its obligations under this Interim Agreement, the Storm shall be subject to the provisions related to Hazardous Materials set forth in the Concession Agreement.

3. Supplies. Notwithstanding any contrary provision of the Interim Agreement, the Storm shall provide the supplies necessary for the Storm to perform its obligations hereunder and under the Stadium Operations Contracts.

4. Stadium Equipment and Stadium Use.

4.1. Use by the Storm. Notwithstanding any contrary provision contained in the Stadium Operations Contracts, the Storm shall be entitled to use any Agency Equipment in connection with the performance of its obligations hereunder. All other items of equipment which are necessary for the Storm to meet its obligations hereunder shall be supplied by the Storm at its sole cost and expense.

4.2. Maintenance and Repair of Equipment. Notwithstanding any contrary provision contained in the Stadium Operations Contracts, the Storm shall be responsible for providing the maintenance and repair of all Equipment. The replacement of Equipment shall be treated as a Capital Repair.

4.3. Stadium Use. The Storm may also utilize the Stadium for events and activities during the Term on dates which the Stadium is not otherwise in use for Storm Events or other reserved uses, at its sole cost and expense, without any additional license fee or charge incurred, except for Storm's obligations with respect to maintenance as provided herein.

5. Utilities. Notwithstanding any contrary provision contained in the Stadium Operations Contracts, the Storm shall be responsible for the payment of all Utilities.

6. Term of Agreement; Termination

6.1. Term. The term of this Interim Agreement (hereinafter the "Term") shall commence on the Effective Date and shall, unless earlier terminated in accordance with Sections 6.2, 19, or 20 hereof, automatically terminate on December 31, 2013.

6.2. Rights of Termination Prior to Expiration of the Term

(a) June 30, 2012 Termination. Successor Agency may terminate this Interim Agreement effective as of June 30, 2013, by giving written notice thereof to the Storm no later than May 30, 2013.

(b) Default. The Successor Agency and Storm shall have the right to terminate this Interim Agreement as a result of an uncured Default hereunder. Any such termination shall be made in accordance with Sections 19 or 20.

(c) Party's Property and Offset. Upon termination of this Interim Agreement under this Section 6.2, all materials and equipment purchased by either party hereunder in connection with this Interim Agreement shall remain that party's property. In addition, the Storm shall be entitled to an offset for all of the Storm's services rendered hereunder through the effective date of any such termination.

(d) Effect of Termination. Notwithstanding the termination of this Interim Agreement pursuant to this Section 6.2, the provisions of Stadium Operations Contracts shall remain in full force and effect.

7. Compensation

7.1. Stadium Operations Contracts Compensation Recap. Pursuant to the Stadium Operations Contracts, the Storm and/or the Successor Agency are entitled to compensation during the Term as follows:

(a) License Fee: Under the License Agreement, the Storm is required to pay to the Successor Agency a License Fee in the amount of \$470,948.

(b) Percentage of Concessions: Under the Concession Agreement, the Storm's affiliate, Golden State, is required to pay Successor Agency a percentage of the GRCS pursuant to Section 6 thereof (the "GRCS Concession Fee.").

(c) Annual Maintenance Fee: Under the Interim Agreement, Successor Agency is required to pay Storm an Annual Maintenance Fee of \$219,858.

7.2. Storm Compensation for Interim Agreement. During the Term and as consideration for the performance of the services set forth herein, the Storm shall be compensated as follows:

(a) **Assignment of GRCS Concession Fee.** Successor Agency hereby assigns Successor Agency's right to payment of the GRCS Concession Fee under the Concession Agreement to the Storm during the Term, estimated at \$34,000 annually; and

(b) **Waiver of License Fee.** Successor Agency hereby waives Successor Agency's right to payment of the License Fee under the License Agreement during the Term as an offset against the payments due by the Successor Agency to the Storm hereunder; and

(c) **Payment of Additional Interim Management Fee.** Successor Agency shall pay to Storm \$350,142, payable in equal monthly installments of \$29,178.50 during the Term ("Additional Interim Management Fee").

Successor Agency shall continue to pay the Annual Maintenance Fee as identified in Section 7.1(c) (i.e., \$219,858) which shall be payable in equal monthly installments of \$18,321.50). This, along with the Additional Interim Management Fee (i.e., \$350,142, payable in equal monthly installments of \$29,178.50) will result total cash payment from the Successor Agency to the Storm of \$570,000 as consideration for services provided under the Stadium Operations Contracts and this Interim Agreement, which aggregate amount shall be payable in equal monthly installments of \$47,500. The Storm acknowledges and agrees that in no event will the Agency be required to provide the Storm with any other form of payment for performance of the services as provided in this Interim Agreement. The parties acknowledge that the historic operating costs of the Stadium equal or exceed the compensation due to Storm hereunder and that it is in each of the party's best interests to enter into this Agreement for the efficient use and operation of the Stadium.

8. Capital Repairs. Capital Repairs shall be governed by the applicable provisions of the Stadium Operations Contracts.

9. Alterations. Alterations shall be governed by the applicable provisions of the Stadium Operations Contracts.

10. Insurance. The Storm shall maintain insurance as set forth in Section 13 of the License Agreement at all times during the term of this Interim Agreement.

11. Assignment.

11.1. Assignment by the Storm. Neither this Interim Agreement nor any part hereof may be assigned by the Storm without the prior written consent of the City Manager which consent may not be unreasonably withheld, provided, however, that the Successor Agency shall not withhold consent to an assignment of this Interim Agreement to Diamond Stadium Group, LLC. Any approved assignee will be subject to all of the terms and conditions of this Interim Agreement.

11.2. Assignment by the Successor Agency. The Successor Agency may assign this Interim Agreement concurrently with an assignment of the Stadium Operations Contracts upon satisfaction of the terms for such assignment.

12. Controlling Law Venue. This Interim Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Interim Agreement shall be held exclusively in a state court in the County of Riverside.

13. Litigation Expenses and Attorneys' Fees. If either party to this Interim Agreement commences any legal action against the other party arising out of this Interim Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

14. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Interim Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and share the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

15. Execution. This Interim Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Interim Agreement, it shall not be necessary to produce or account for more than one such counterpart.

16. Status. At all times during the term of this Interim Agreement, the Storm, its agents, contractors and employees, shall be and remain independent contractors, and shall not be considered to be agents, employees, partners or joint venturers of the Successor Agency or its affiliates or designees.

17. Indemnification and Hold Harmless. The Successor Agency and the Storm shall each indemnify, defend and hold harmless, the other party, and their respective agents, officers, members, managers, employees, contractors and affiliated and related entities from any and all losses or damage and from any and all liability, suits, actions or claims brought or made by any person or persons arising or resulting from any and all activities and operations of a particular party, that party's agents, employees, contractors, members, managers, affiliates, successors and assigns arising out of the performance of this Interim Agreement to the maximum extent permitted by law.

18. Destruction. Destruction of the Premises, in whole or in part, shall be governed by the applicable provisions of the Stadium Operations Contracts.

19. Events of Default by the Storm and the Successor Agency's Remedies

19.1. Event of Default by the Storm. The Storm's failure to keep, perform and observe each and every promise, covenant, condition and agreement set forth in this Interim Agreement on its part to be kept, performed or observed within thirty (30) days after written notice of default thereunder from the Successor Agency, except where fulfillment of the Storm's obligation requires activity over a period of time and the Storm shall have commenced to perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently and without interruption except for causes beyond its control is hereinafter referred to as an "Event of Default by the Storm."

19.2. No Waiver. No waiver by the Successor Agency of any default on the part of the Storm in the performance of any of the terms, covenant, or conditions hereof to be performed, kept or observed by the Storm shall be or be construed to be a waiver by the Successor Agency of any other or subsequent default in performance of any of said terms, covenants and conditions.

19.3. Successor Agency Remedies. If any of the Events of Default by the Storm enumerated in this Section occur and after due notice as provided herein, the Storm has failed to cure or correct such default, then, in addition to any and all rights and remedies of the Successor Agency hereunder and/or by law provided, the Successor Agency shall have the right:

(a) To declare the Term hereof ended and to terminate this Interim Agreement.

(b) To request in writing a written report from the Storm concerning all of its debts and obligations, financial status and prospective income. If such report is not delivered to the Successor Agency within one month thereafter, prepared by the Storm's accountants, it shall be the right of the Successor Agency's representatives and accountants to inspect all books of accounts and records of the Storm for the purpose of obtaining such information. From the date of such request, the Storm shall not make any further arrangements for the presentation of any such event in the Stadium unless authorized in writing by the Successor Agency to do so. The Storm shall be permitted to continue to present any event that is under contract at such time to take place in the Stadium. The Storm shall also be permitted to finish out all or part of the remainder of its season. Upon receiving the financial information above specified and examining the same, it shall be the right, but not the obligation, of the Successor Agency to declare the Term hereof ended, to specify the termination date, and on said termination date to re-enter the Stadium and remove all persons connected with the Storm therefrom and the Storm shall have no further claim thereon or hereunder.

(c) The remedies given to the Successor Agency in this section shall be in addition and supplement to all other rights or remedies which the Successor Agency may have under the laws then in force.

(d) The Storm hereby waives any and all rights of redemption granted by or under any present or future law, or statute, arising in the event it is evicted or dispossessed for any cause or in the event the Successor Agency obtains or retains possession of the Stadium or any part thereof in any lawful manner.

19.4. Mitigation. If the Event of Default of the Storm enumerated in Section 19.1 can be cured, corrected or mitigated by the Successor Agency, the Successor Agency may take such action as it deems necessary and appropriate to cure, correct or mitigate such default, but without any obligation to do so.

20. Events of Default by the Successor Agency and the Storm's Remedies.

20.1. Event of Default by the Successor Agency. The Successor Agency's failure to keep, perform and observe each and every promise, covenant, condition and agreement set forth in this Interim Agreement, including without limitation the payment of the Additional Interim Management Fee, on its part to be kept, performed or observed within thirty (30) days after written notice of default thereunder from the Storm, except where fulfillment of the Successor Agency's obligation requires activity over a period of time and the Successor Agency shall have commenced to perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently and without interruption except for causes beyond its control is hereinafter referred to as an "Event of Default by the Successor Agency."

20.2. No Waiver. No waiver by the Storm of any default on the part of the Successor Agency in the performance of any of the terms, covenants, or conditions hereof to be performed, kept or observed by the Successor Agency shall be or be construed to be a waiver by the Storm of any other or subsequent default in performance of any of said terms, covenants and conditions.

20.3. Storm Remedies. If the Event of Default by Successor Agency enumerated in Section 20.1 of this Interim Agreement occurs and after notice as provided herein, the Successor Agency has failed to cure or correct, then in addition to any and all rights and remedies of the Storm hereunder and/or by law provided, it shall be the right of the Storm to declare the Term ended and to terminate this Interim Agreement by written notice to the Successor Agency.

20.4. Mitigation. If the Event of Default of the Successor Agency enumerated in Section 20.1 can be cured, corrected or mitigated by the Storm, the Storm may take such action as it deems necessary and appropriate to cure, correct or mitigate such default, but without any obligation to do so.

20.5. Other Remedies. The remedies given to the Storm in this section shall be in addition to and supplemental to all other rights or remedies which the Storm may have under the laws then in force.

21. Further Assurances. The Successor Agency and the Storm will each take any and all other actions, and execute and deliver any and all other documents, as may be required or reasonably requested in order to effectuate the terms and provisions set forth in this Interim Agreement.

22. Authority. The Successor Agency and the Storm each represent and warrant to the other party that they have all necessary right, power and authority to enter into this Interim Agreement, and to fully perform each and all of their respective obligations hereunder.

23. Other Claims. The agreement herein is not intended to deprive either party of any claims it may have against Lakeside or any related entity nor shall it obligate either party to assume any of Lakeside's liabilities under the Letter Agreement or the Stadium Lease.

24. Notice. All notices, requests, demands or documents which are required or permitted to be given or served hereunder shall be in writing and delivered personally or delivered by United States mail, postage prepaid, certified return receipt requested, or a national or regional overnight courier (*e.g.*, FedEx, Overnight Express, etc.) addressed as follows:

To Successor Agency at: Successor Agency of the Redevelopment Agency of the
City of Lake Elsinore
130 S. Main Street
Lake Elsinore, California 92530
Attn: City Manager

with a copy to: Barbara Zeid Leibold
Leibold McClendon & Mann, P.C.
23422 Mill Creek Drive, Suite 105
Laguna Hills, California 92653

To Storm at: Diamond Stadium Group, LLC
500 Diamond Drive
Lake Elsinore, California 92531
Attn: Gary Jacobs

with a copy to: Robert B. Lapidus
Law Office of Robert B. Lapidus
875 Prospect Street, Suite 220
La Jolla, CA 92037

Notice shall be deemed to have been delivered only upon actual delivery to the intended addressee in the case of either personal service or courier. The addresses for purposes of this Section 24 may be changed by giving written notice of such change in the manner provided herein for giving notices. Unless and until such written notice is delivered, the latest information stated by written notice, or provided herein if no written notice of change has been delivered, shall be deemed to continue in effect for all purposes hereunder.

25. Severability. The invalidity or illegality of any provision shall not affect the remainder of this Interim Agreement and all remaining provisions shall, notwithstanding any such invalidity or illegality, continue in full force and effect.

26. Administration. Unless clearly indicated otherwise, any action, decision, direction, notice or approval to be given by the Successor Agency hereunder may be given by the City Manager, provided, however that the City Manager, in his/her absolute discretion may determine that such matter must be submitted to the legislative body of the Successor Agency and/or to the Oversight Board of the Redevelopment Agency of the City of Lake Elsinore.

Unless clearly indicated otherwise, any action, decision, direction, notice or approval to be given by the Storm hereunder may be given by the Storm's General Manager, provided, however that the General Manager in his/her absolute discretion may determine that such matter must be submitted to the Storm's Board of Directors.

27. Nature of this Agreement. This Interim Agreement is in the nature of a services agreement and is not intended to create a lease, license or other possessory interest or other interest in real property of any kind.

IN WITNESS WHEREOF, the parties have executed this Interim Agreement on the respective dates set forth below.

"SUCCESSOR AGENCY"

**SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE
CITY OF LAKE ELSINORE**

By: 
Grant Yates, Executive Director


ATTEST:

CITY CLERK

By: 
Virginia Bloom

APPROVED AS TO FORM:

LEIBOLD McCLENDON & MANN, P.C.
Successor Agency Counsel

By: 
Barbara Zeid Leibold

"STORM"

LAKE ELSINORE STORM LP, a
California limited partnership

By: **GJJ STORM MANAGEMENT,
LLC**, a California limited liability company
Its: General Partner

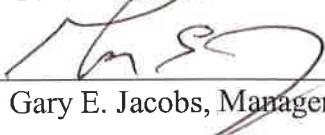
By: 
Gary E. Jacobs, Manager

EXHIBIT "A"

DESCRIPTION OF LAND

APN 373-210-040

PARCEL 2, AS SHOWN BY PARCEL MAP 27852, ON FILE IN BOOK 182 PAGES 19 THROUGH 24, INCLUSIVE, OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

APN 373-210-042

PARCEL 3, AS SHOWN BY PARCEL MAP 27852, ON FILE IN BOOK 182 PAGES 19 THROUGH 24, INCLUSIVE, OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXHIBIT “B”

MAINTENANCE STANDARDS

Routine Maintenance shall include, without limitation, the following activities to be performed on an ongoing periodic basis as often as necessary, but not less frequent than specified in the Schedules attached hereto as Attachment No. 1 and Attachment No. 2, in order to ensure that the Premises are maintained in a first-class condition and in accordance with NAPBL standards:

- (a) readying the playing field each year during the Term for the upcoming baseball season;
- (b) grounds keeping and maintenance of the surface of the playing field, including mowing; verticutting; aerating; seeding; fertilizing; resodding; marking lines; raking; screen and nail dragging; installing and removing bases, the pitcher's mound and bullpen mounds; and adding brick dust and infield amendments including Turfus.
- (c) readying the playing field for events other than baseball games and converting the field back to its normal condition after it has been used for such other events;
- (d) clean dug-outs, bullpens, batting cage and all improvements located within the field and playing area
- (e) grounds keeping and maintenance of all grasses, shrubs, flowers and trees, inside and outside the Stadium bowl to the curblin of the public streets along the perimeter of the Land, including without limitation maintenance of the potted plant materials on mezzanine and the landscaping maintenance items in accordance with the schedule entitled “Landscaping Outside Stadium” which is attached hereto as Exhibit No. 1;
- (f) perform all building maintenance activities in accordance with the schedule entitled “Lake Elsinore Diamond Stadium Building Maintenance” which is attached hereto as Exhibit No. 1;
- (g) ordinary maintenance of the Improvements in accordance with manufacturer's recommendations or, in the absence of such recommendations, as necessary to maintain the Premises in first-class condition and in accordance with NAPBL standards;
- (h) painting walls, fences, railings and all other painted surfaces and re-application of protective materials to the Stadium seats and maintaining all exterior, painted surfaces in a clean and presentable manner, free from chipping, cracking and

defacing marks, including prompt removal of all graffiti and defacement of any type;

- (i) cleaning all portions of the Premises and removing all trash and debris promptly after each event held at the Stadium and replacing the light bulbs in the administrative offices, stores, food and beverage concession areas, and locker room;
- (j) maintenance, repair and replace (if necessary) the scoreboard, Tri-Visions, the Video Message Boards and/or advertising panels, including but not limited to the replacement of isolated bulbs/panels in connection therewith;
- (k) maintain, repair and replace (if necessary) the sound system, including amplifiers, control panels and speakers;
- (l) slurry and stripe Parking Lots A, B and C and the access road to the maintenance area, as necessary, but not less than every 5 years.

Attachment No. 1
to Exhibit "B"

**LAKE ELSINORE DIAMOND STADIUM
ROUTINE MAINTENANCE**

LANDSCAPE OUTSIDE STADIUM

	DAILY	WEEKLY	MONTHLY	QUARTERLY	ANNUALLY	AS NEEDED
Mow and edge all turf		X				
Fertilize						X
Replace flowers				X		
Trim shrubs				X		
Trim trees					X	
Fertilize Slopes						X
Maintain irrigation		X				
Booster Pump					Service	
Back flows					Service	

BUILDING MAINTENANCE

	DAILY	WEEKLY	MONTHLY	QUARTERLY	ANNUALLY	AS NEEDED
Test hot water heater pumps			X			
Clean Dugouts						X
Fill, Rinse & Test Dugout Sump Pump & Sump Pumps 1 st & 3 rd base				X	Service	
Outfield clarifier (sump pump) Fill & Rinse, Test				X	Service	
Air conditioners, heaters, vents & filters			X			
Elevator			X			
Pest control			X			
Repair & Paint Home Run fence					X	
Fire Sprinklers					Service	

ATTACHMENT NO. 1 TO EXHIBIT "B"

	DAILY	WEEKLY	MONTHLY	QUARTERLY	ANNUALLY	AS NEEDED
Overhead oven hoods					Service	
Oil all doors			X			
Electrical panels				X		
Stadium Seats / Apply UV protection				X		
Paint hand rails					X	
Clean out all drains			X			
Press box windows						X
Sound System					X	
Roof drains					X	
Exhaust Fans, vents & filters			X			
Gates "oil"						X
Alarms					X	
Stadium Seating						X
Back flows					Service	
Concession roll-up doors						X
Emergency Generator					Service/Load Test	
Paint all black poles						X
Paint all security lights						X
Paint all gates						X
Paint Fountain						X
Clean & Service Fountain						X
Replace lights						X
Tighten Hardware		X				

PARKING LOT MAINTENANCE

	DAILY	WEEKLY	MONTHLY	QUARTERLY	ANNUALLY	AS NEEDED
Slurry Seal & Restripe						X
Repair & Replace Lights						X
Repair, Replace Lights Sidewalk Historic						X

ATTACHMENT NO. 1 TO EXHIBIT "B"

	DAILY	WEEKLY	MONTHLY	QUARTERLY	ANNUALLY	AS NEEDED
Lights						
Repaint Historic Sidewalk Lights						X
Repaint Gates						X

LOWER MAINTENANCE SHOP AREA BEHIND HOME RUN WALL

Remove All Inoperable Equipment & Vehicles					X	
Maintain Fire Access	X					
Maintain Maintenance Building						X

ATTACHMENT NO. 1 TO EXHIBIT "B"

ROUTINE MAINTENANCE SCHEDULE
Attachment No. 2 to Exhibit "B"

1. STADIUM BOWL/FUN ZONE AREA.

A. FOLLOWING EACH EVENT:

Seating and Concourse Area:

- (i) Collect and remove all major debris and trash
- (ii) Hose down floors and seats
- (iii) Wipe down all stadium seats
- (iv) Squeegee floor of stadium bowl
- (v) Sweep concourse
- (vi) Spot mop concourse floor
- (vii) Wipe down counter tops at concession stands
- (viii) Wipe down turnstiles and entry gates
- (ix) Wipe down all hand rails
- (x) Clean restrooms

Restroom Services:

- (xi) Empty and wipe out all waste paper receptacles
- (xii) Empty sanitary napkin containers and replace insert
- (xiii) Polish all metal and mirrors
- (xiv) Clean and disinfect wash basins, toilet bowls and urinals
- (xv) Disinfect underside and tops of toilet seats
- (xvi) Spot clean tile walls and toilet partitions
- (xvii) Spot clean walls around wash basins
- (xviii) Clean floors with a germicidal solution
- (xix) Refill soap, towel, tissue and seat cover dispensers

B. SEMI-WEEKLY SERVICE:

Pour clean water down floor drains to prevent sewer gases from escaping

C. WEEKLY SERVICES:

- (i) Wash down ceramic tile walls and toilet compartment partitions
- (ii) Perform high dusting

D. MONTHLY SERVICES:

- (i) Brush down door and ceiling vents

ATTACHMENT NO. 2 TO EXHIBIT "B"

- (ii) Machine scrub and reapply finish to all hard surface floors
- (iii) Clean light fixtures on concourse and in restrooms

2. LUXURY BOXES AND PRESS BOX.

A. FOLLOWING EACH EVENT:

- (i) Collect and remove trash
- (ii) Vacuum carpets
- (iii) Wipe down counter tops and chairs
- (iv) Clean inside windows
- (v) Polish and clean stairwell and elevators (including polishing of elevator doors)
- (vi) Clean restroom - see restroom specifications (paragraph A)

3. LOWER LEVEL. (Includes Clubhouse areas, umpire room, tunnels, stairways, dugouts, training room, coach's room, stadium office, etc.)

A. FOLLOWING EACH EVENT:

- (i) Collect and remove trash and debris
- (ii) Vacuum carpeted areas
- (iii) Sweep and wet mop hard surface floors
- (iv) Clean restroom and shower rooms (see restroom detail specification – Paragraph A).

4. PARKING LOT A, B, AND C.

A. FOLLOWING EACH EVENT:

Police parking lots and remove all major debris

5. RETAIL STORE.

A. FOLLOWING EACH EVENT:

- (i) Collect and remove all trash
- (ii) Vacuum floors
- (iii) Spot clean glass display cases
- (iv) Dust as necessary

6. DIAMOND CLUB. (Seating Area and Restrooms Only).

A. FOLLOWING EACH EVENT:

Seating Area

- (i) Collect and remove trash
- (ii) Vacuum carpeted areas
- (iii) Sweep and wet mop hard surfaces floors
- (iv) Knock down cobwebs
- (v) Wipe down entry doors, door jambs
- (vi) Wipe down tables and chairs
- (vii) Dust pictures and fixtures

Restrooms:

- (i) Empty and wipe out all waste paper receptacles
- (ii) Empty sanitary napkin containers and replace insert
- (iii) Polish all metal and mirrors
- (iv) Clean and disinfect wash basins, toilet bowls and urinals
- (v) Disinfect underside and tops of toilet seats
- (vi) Spot clean tile walls and toilet partitions
- (vii) Spot clean walls around wash basins
- (viii) Clean floors with a germicidal solution
- (ix) Refill soap, towel, tissue and seat cover dispensers

7. MISCELLANEOUS TASKS - ALL AREAS.

A. (AS REQUIRED)

- (i) Knock down cobwebs
- (ii) Clean air registers
- (iii) Wipe down entry doors, door jambs
- (iv) Wipe down display signage

8. DURING STORM GAMES AND OTHER STADIUM EVENTS.

A. The “game shift crew” will provide the following services between the hours of 3:00 p.m. through 11:00 p.m. during Storm Games and Other Stadium Events. The game shift crew will include female employee to clean women’s restroom and male employee to clean men’s restrooms. This is necessary so that restroom inspections and cleaning can take place without closing the restrooms during game time. (NOTE: hours may vary depending on game and schedule).

- (i) Remove trash promptly after each event
- (ii) Sweep debris from concourse and stadium bowl
- (iii) Police restrooms
- (iv) Re-stock restrooms

ATTACHMENT NO. 2 TO EXHIBIT “B”

- (v) Perform minor maintenance to toilets, urinals, and sinks
- (vi) Remove spills
- (vii) Wipe down hand rails
- (viii) Police stairwells and elevators
- (ix) Police luxury boxes and press box
- (x) Spot clean glass
- (xi) Perform preliminary cleaning of restrooms upon departure of crowd

9. ADMINISTRATIVE OFFICES 5 DAY SERVICE -
MONDAY THROUGH FRIDAY

A. DAILY SERVICES:

- (i) Sweep hard surface floors with chemically treated dust mop
- (ii) Vacuum all carpeted areas
- (iii) Spot clean composition floors and carpets
- (iv) Dust desks, chairs and all other office furniture
- (v) Clean glass desk tops
- (vi) Dust desk accessories
- (vii) Properly position furniture in offices
- (viii) Empty all waste baskets and carry trash to pick up area
- (ix) Spot clean door, door frames and counters
- (x) Spot clean partition and door glass
- (xi) Spot clean around wall switches
- (xii) Clean and polish drinking fountains
- (xiii) Check doors and windows upon completion of work assignments

B. WEEKLY SERVICES:

- (i) Dust horizontal surfaces
- (ii) Fully vacuum all carpets
- (iii) Maintain janitor's closet

C. MONTHLY SERVICES:

- (i) Perform high dusting i.e., door sashes and tops of partitions
- (ii) Dust picture frames and clean glass
- (iii) Brush down wall and ceiling vents
- (iv) Thoroughly vacuum upholstered furniture as needed
- (v) Dust Venetian blinds
- (vi) Machine scrub and reapply finish to all hard surface floors