

FACILITY LEASE AGREEMENT

This Facility Lease Agreement (“Lease” or “Agreement”) is entered into as of November 1, 2026 (“Effective Date”), by and between the CITY OF FORTUNA, a California municipal corporation and charter city (“City” or “Landlord”), and FORTUNA CHAMBER OF COMMERCE, a California mutual benefit corporation (“Chamber” or “Tenant”). City and Chamber are sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. City owns the land, stand-alone building, parking lot, drive aisles, sidewalks, landscaped areas, exterior areas, fixtures, equipment, and appurtenant improvements commonly known as the River Lodge Conference and Event Center, located at 1800 Riverwalk Drive, Fortuna, California 95540, as more particularly described in **Exhibit A**.
- B. River Lodge has historically been operated as a conference, event, meeting, and community facility. City desires to preserve public ownership of River Lodge while transitioning day-to-day operation and management of the facility to a qualified operator in a manner that reduces the City’s operating burden, protects the public asset, preserves community and visitor-serving uses, and provides ongoing public and economic benefit.
- C. Chamber desires to lease, operate, and manage the Premises as a conference and event facility and for Chamber offices, visitor-center and tourism functions, meetings, trainings, community-serving activities, economic-development activities, and related uses, subject to the terms of this Lease.
- D. The Parties intend this Lease to be a robust modified triple net lease for a stand-alone building. Chamber shall be responsible for all costs of possession, use, occupancy, operation, utilities, routine maintenance, routine repair, insurance, taxes or charges arising from Chamber’s use or possessory interest, and ordinary compliance obligations, except for Landlord Capital Repairs expressly retained by City.
- E. The Parties acknowledge known concerns requiring clear allocation before occupancy, including existing event bookings, HVAC condition and service, commercial hot water heater condition, kitchen hood and fire suppression compliance, ADA/accessibility responsibility, parking lot maintenance, public trash receptacles, and deferred maintenance.
- F. The Parties intend that this Lease, including any renewal or extension options included in this Lease as of the Effective Date, will remain within the applicable Surplus Land Act lease-term exclusion and will not grant Chamber any purchase option, right of first refusal, right of first offer, development right, demolition right, or other disposition right except as expressly and lawfully provided in this Lease.
- G. This Lease is conditioned upon all required approvals and legal compliance steps, including City Council approval, Chamber governing board approval, CEQA compliance to the extent required, insurance approval, and satisfaction of the other conditions precedent stated in this Lease.

NOW, THEREFORE, in consideration of the covenants, conditions, agreements, rent, and mutual promises contained in this Lease, the Parties agree as follows:

1. DEFINITIONS

1.1 Additional Rent means all sums, charges, costs, reimbursements, taxes, assessments, utilities, insurance premiums, maintenance costs, repair costs, service contract costs, penalties, interest, fees, indemnity amounts, and other monetary obligations payable by Chamber under this Lease other than Base Rent.

1.2 Base Rent means the monthly base rent payable under Section 5.

1.3 Commencement Date means November 1, 2026, or the later date on which all conditions precedent stated in this Lease are satisfied or waived in writing by the Party entitled to the benefit of the condition.

1.4 Chamber Parties means Chamber and its board members, officers, officials, employees, agents, contractors, subcontractors, consultants, volunteers, invitees, licensees, authorized users, and any person or entity entering the Premises under Chamber's authority or for Chamber-related purposes.

1.5 Event of Default means any default described in Section 28 after expiration of any applicable notice and cure period.

1.6 Landlord Capital Repairs means the capital repairs, replacements, and structural responsibilities retained by City under Section 13.

1.7 Lease Year means each twelve-month period during the Term beginning November 1 and ending October 31 of the following calendar year, except that a partial first or last year shall be prorated.

1.8 Operating Expenses means all costs and expenses incurred in connection with the operation, use, management, maintenance, repair, service, inspection, security, utilities, and ordinary compliance obligations for the Premises, except Landlord Capital Repairs.

1.9 Premises means the real property, building, parking lot, exterior areas, and appurtenant improvements described in Section 2 and **Exhibit A**.

1.10 Rent means Base Rent and Additional Rent.

1.11 Term means the Initial Term and any renewal term properly exercised pursuant to Section 4.

2. LEASE OF PREMISES

2.1 Lease. City leases to Chamber, and Chamber leases from City, the Premises on the terms and conditions stated in this Lease.

2.2 Description of Premises. The Premises consist of the River Lodge Conference and Event Center located at 1800 Riverwalk Drive, Fortuna, California 95540, including the stand-alone building, conference rooms, offices, commercial kitchen, restrooms, storage areas, fixtures, equipment listed in **Exhibit B**, parking lot, drive aisles, sidewalks, walkways, exterior lighting, landscaped areas, irrigation systems, trash enclosure or receptacle areas assigned to Chamber,

signage areas, and appurtenant improvements shown on **Exhibit A**, except any reserved areas expressly identified in **Exhibit A**.

2.3 Parking Lot Included. The parking lot is a material part of the Premises and is subject to the use, maintenance, public-access, and capital-repair provisions of this Lease.

2.4 Reserved Areas and Rights. City reserves all areas identified as reserved in **Exhibit A** and all rights not expressly granted to Chamber, including access for inspection, utilities, emergency response, repairs, public access areas, City-reserved events if any, and public rights or easements existing as of the Effective Date.

2.5 No Easement or Permanent Interest. This Lease creates a leasehold interest only. It does not create a fee interest, easement, covenant running with the land, dedication, permanent access right, or other property interest in favor of Chamber or any third party except as expressly required by law.

2.6 No Merger or Transfer of Governmental Authority. Nothing in this Lease transfers City's police power, regulatory authority, ownership discretion, legislative authority, or governmental functions to Chamber.

3. CONDITIONS PRECEDENT; DELIVERY OF POSSESSION

3.1 Conditions Precedent. Chamber shall have no right to occupy the Premises, and this Lease shall not become effective for occupancy purposes, until all of the following have occurred: (a) completion of any environmental review or determination required under CEQA in connection with City approval of this Lease; (b) City Council approval; (c) approval by the Chamber Board of Directors; (d) execution by authorized representatives of both Parties; (e) delivery and approval of insurance certificates, endorsements, or other evidence required by Exhibit H; (f) completion of the pre-occupancy inspections required by this Lease; (g) completion of the inventory and condition report; (h) Chamber's delivery to City of the initial operating budget and financial information required by Section 30; and (i) City's delivery of possession subject only to rights expressly reserved in this Lease.

3.2 Delivery Date. City shall use reasonable diligence to deliver possession on the Commencement Date. If City cannot deliver possession due to legal compliance, regulatory review, pending inspections, or other matters, Rent shall abate until possession is delivered, and Chamber's sole remedy shall be delayed commencement unless the delay continues beyond the Outside Delivery Date.

3.3 Outside Delivery Date. If City has not delivered possession by December 1, 2026 ("**Outside Delivery Date**"), either Party may terminate this Lease by written notice before delivery occurs, in which event neither Party shall have further liability except for obligations that expressly survive termination.

3.4 Chamber Assumption of Existing Bookings. Chamber assumes liability and responsibility for all existing reservations, facility-use agreements, deposits, refunds, cancellations, event contracts, vendor commitments, representations, or third-party use rights relating to any booking or event scheduled after the Commencement Date as expressly listed in **Exhibit D** and expressly assumed by Chamber in writing.

3.5 City Responsibility for Existing Events. City shall remain solely responsible for all event reservations, facility-use agreements, deposits, cancellations, refunds, claims,

chargebacks, vendor communications, and third-party rights relating to any booking or event scheduled before the Commencement Date or scheduled by City for any date after the Commencement Date, except for obligations expressly assumed by Chamber in **Exhibit D**.

3.6 Delivery Free of Third-Party Rights. As of the Commencement Date, City shall deliver the Premises free of third-party event rights, occupancy rights, licenses, storage rights, vendor rights, and access rights except rights expressly listed in **Exhibit D** or otherwise approved by Chamber in writing.

3.7 Transition Cooperation. Before the Commencement Date, the Parties shall cooperate in good faith on transition planning, including inspection scheduling, inventory, key control, access credentials, utility transfer, technology needs, security protocols, public communications, event cancellations, and records transfer relevant to facility operations.

4. TERM; RENEWAL; NONRENEWAL; EARLY TERMINATION

4.1 Initial Term. The initial Term shall commence on the Commencement Date and expire October 31, 2030, unless earlier terminated as provided in this Lease.

4.2 Renewal Options. Provided Chamber is not then in default beyond any applicable notice and cure period, Chamber shall have two successive options to renew this Lease, each for an additional period of five (5) years. The first renewal term shall commence November 1, 2030, and expire October 31, 2035. The second renewal term shall commence November 1, 2035, and expire October 31, 2040. The second renewal option may be exercised only if Chamber has timely exercised the first renewal option and the Lease remains in effect. The Initial Term and both renewal options included in this Lease total fourteen (14) years. No additional renewal, extension, option, holdover right, or continued possession right shall be implied.

4.3 Exercise of Renewal Options. Chamber must exercise each renewal option, if at all, by irrevocable written notice delivered to City not less than twelve (12) months before expiration of the then-current Term. Exercise of each renewal option shall be effective only if Chamber is not in default beyond any applicable notice and cure period both when notice is given and when the applicable renewal term commences, Chamber has maintained the insurance required by this Lease, and the extended Term remains consistent with Section 18 and applicable law.

4.4 Expiration if Renewal Option Not Exercised. If Chamber does not timely exercise an available renewal option in accordance with Section 4.3, this Lease shall expire at the end of the then-current Term without further notice. City shall have no obligation to provide a separate notice of nonrenewal or expiration.

4.5 City Termination for Superior Public Purpose. City may terminate this Lease upon not less than twelve months prior written notice if the City Council determines in open session that termination is required for a superior public purpose, emergency planning, legal compliance, public health or safety, funding restriction, grant or bond covenant, or City operational need. If City terminates under this Section while Chamber is not in default, the Parties shall meet and confer regarding orderly transition; provided, however, City shall not be liable for relocation costs, lost programs, lost funding, lost grants, lost revenue, lost opportunities, consequential damages, or reimbursement for Chamber improvements, equipment, moving, staffing, or transition costs unless expressly approved by the City Council in a separate written agreement.

4.6 Termination for Legal Constraint. City may terminate this Lease upon written notice if City determines, in good faith and after consultation with the City Attorney, that continued performance would violate or materially risk violation of applicable law, including CEQA, land use law, building or fire code requirements, grant restrictions, deed restrictions, bond covenants, court order, or other legal obligation. City's good-faith determination, after City Attorney consultation, shall be conclusive for purposes of this Lease. Before termination under this Section, City shall provide Chamber with a written statement of the legal constraint, shall meet and confer with Chamber in good faith, and shall allow Chamber a reasonable opportunity to propose a lawful amendment, operational change, or other cure if the legal constraint can reasonably be cured without impairing City's legal obligations, public ownership, funding, or policy discretion. Unless a shorter period is required by law, court order, regulatory deadline, emergency, or risk to public health or safety, termination under this Section shall be effective not less than ninety days after City's written notice. City shall not be liable for relocation costs, lost programs, lost funding, lost grants, consequential damages, or improvement reimbursement due to termination under this Section.

4.7 Termination by Mutual Agreement. The Parties may terminate this Lease at any time by written agreement approved by the governing bodies or officials whose approval is required by law.

4.8 No Automatic Extension. No renewal, extension, holdover, or continued possession shall occur except as expressly provided in this Lease and in compliance with Section 18. City's acceptance of Rent during any holdover shall not create a renewal, extension, or new term.

5. BASE RENT; ADDITIONAL RENT; PAYMENT

5.1 Base Rent. Chamber shall pay City Base Rent as follows:

- (a) Lease Year 1 (November 1, 2026 through October 31, 2027): \$1.00;
- (b) Lease Year 2 (November 1, 2027 through October 31, 2028): \$1.00;
- (c) Lease Year 3 (November 1, 2028 through October 31, 2029): \$24,000;
- (d) Lease Year 4 (November 1, 2029 through October 31, 2030): \$36,000.

Base Rent shall be payable monthly in one-twelfth installments of the above-recited annual amounts in advance on the first of each month, without invoice, offset, deduction, recoupment, or counterclaim except as expressly provided in this Lease.

5.2 Renewal-Term Rent Adjustment. Beginning on the first day of the first renewal term, annual Base Rent shall be increased by two and one-half percent (2.5%) over the annual Base Rent payable during the immediately preceding Lease Year.

On the first day of each Lease Year thereafter during the first and second renewal terms, annual Base Rent shall again be increased by two and one-half percent (2.5%) over the annual Base Rent payable during the immediately preceding Lease Year. Base Rent during each renewal term shall be payable in equal monthly installments in accordance with Section 5.1. The increases provided by this Section shall compound annually, and there shall be no separate fair-market-rent adjustment upon commencement of either renewal term.

5.3 Additional Rent. Chamber shall pay all Additional Rent required by this Lease. Unless another payment time is stated, Additional Rent is due within thirty days after City's invoice or within the time required by the third-party payee.

5.4 Modified Triple Net Intent. The Parties intend that City receive Base Rent net of all Operating Expenses, except Landlord Capital Repairs and City-retained obligations expressly stated in this Lease.

5.5 Proration. Rent for any partial month shall be prorated on a daily basis using a thirty-day month.

5.6 Late Charge. If any Rent is not received within ten days after written notice of delinquency, Chamber shall pay a late charge equal to 10% of the delinquent amount as a reasonable estimate of City's administrative cost, subject to any limitations applicable to public agencies.

5.7 Default Interest. Any delinquent amount shall bear interest at the lesser of ten percent per annum or the maximum rate permitted by law, from the due date until paid.

5.8 Application of Payments. City may apply payments to any Rent or other obligation then due, in any order City determines, unless prohibited by law.

5.9 No Accord and Satisfaction. Acceptance of partial payment, late payment, or payment marked as payment in full shall not constitute accord and satisfaction or waiver unless City expressly agrees in writing.

5.10 No City Operating Subsidy. Except for costs and obligations expressly assigned to City under this Lease, City shall have no obligation to subsidize or financially support Chamber's operation of the Premises, fund operating deficits, make payroll, or reimburse Chamber for utilities, staffing, maintenance, repairs, supplies, marketing, programming, event costs, or other operating expenses.

6. INTENTIONALLY OMITTED

7. PERMITTED USE; OPERATIONS

7.1 Permitted Use. Chamber may use, operate, and manage the Premises as the River Lodge Conference and Event Center, including for weddings, receptions, conferences, meetings, trainings, banquets, community events, nonprofit events, business and corporate events, private events, public-agency events, recreational and cultural events, Chamber offices, visitor-center and tourism functions, economic-development activities, and other similar or incidental uses consistent with operation of a conference and event facility.

7.2 Ancillary Uses. Ancillary food and beverage service, catering, alcohol service, entertainment, vendor services, marketing activities, temporary displays, and similar activities are permitted to the extent consistent with this Lease and all applicable permits, licenses, insurance requirements, health and safety requirements, and laws. Chamber shall be solely responsible for obtaining any license or permit required for the sale, furnishing, or service of alcoholic beverages.

7.3 Prohibited Uses. Chamber shall not use or permit the Premises to be used for residential occupancy, overnight lodging, vehicle or fleet storage unrelated to an event, commercial cannabis activity prohibited by Fortuna Municipal Code section 17.06.120.5, adult

entertainment, gambling except as lawfully authorized for a permitted event, unlawful activities, nuisance, waste, Hazardous Materials other than ordinary lawful quantities associated with permitted operations, or any other use materially inconsistent with operation of River Lodge as a conference, event, community, and visitor-serving facility. For avoidance of doubt, a lawful cannabis-related business is not prohibited from renting or using the Premises for an otherwise permitted event solely because of the nature of its business, provided that no commercial cannabis activity prohibited by Fortuna Municipal Code section 17.06.120.5 occurs at the Premises. Lawful advertising or sponsorship by such a business shall not be prohibited by this Section, subject to applicable law and the facility-use and signage requirements of this Lease.

7.4 No Material Change in Use. Chamber shall not materially change the character or intensity of the Premises' use, occupancy classification, assembly load, kitchen use, traffic generation, parking demand, fire load, or code classification without City's prior written consent and all required permits and approvals.

7.5 Continuous Operation and Staffing. Chamber shall diligently operate, manage, market, and maintain the Premises as an active conference and event facility throughout the Term and shall maintain sufficient staffing, supervision, security, janitorial service, maintenance, booking, marketing, and event coordination appropriate to its operations. Chamber shall use commercially reasonable efforts to preserve the availability of River Lodge for public, private, nonprofit, community, business, conference, wedding, and visitor-serving events.

7.6 Confidential Information and Security. Chamber shall be solely responsible for protection of Chamber records, employee records, customer and event records, payment information, confidential information, computer systems, files, and security-sensitive materials located at the Premises.

7.7 No Warranty of Suitability. City makes no warranty that the Premises are suitable for Chamber's intended operations. Chamber shall satisfy itself regarding suitability, subject to City's express delivery obligations and Landlord Capital Repair responsibilities.

8. PARKING LOT; EXTERIOR AREAS; PUBLIC ACCESS

8.1 Parking Lot Use. Chamber may use the parking lot for approved Chamber operations, employee parking, visitor parking, Chamber meetings, trainings, public meetings, community-serving events, and related uses. Chamber shall not use the parking lot for overnight parking, bus storage, fleet storage, equipment storage, construction staging, commercial paid parking, camping, or unrelated storage without City's prior written consent.

8.2 Emergency and ADA Access. Chamber shall not block fire lanes, emergency access routes, accessible parking spaces, access aisles, curb ramps, accessible routes, utility access, City access, sidewalks, or public access areas reserved by City.

8.3 Routine Parking Lot Maintenance. Chamber shall maintain the parking lot and exterior areas included in the Premises in good, clean, safe, sanitary, and orderly condition. Chamber's routine obligations include sweeping, litter removal generated by Chamber use, ordinary signage maintenance, striping touch-up, curb marking, wheel stop maintenance, exterior lighting bulb replacement, routine landscape and irrigation maintenance in assigned areas, ADA route obstruction removal, ordinary pothole patching, crack sealing, and traffic coordination for Chamber uses.

8.4 Parking Lot Capital Work. City shall remain responsible for major resurfacing, major reconstruction, subgrade repair, major drainage reconstruction, and capital replacement of the parking lot, except to the extent required because of Chamber's misuse, overloading, abnormal use, alterations, failure to maintain, or acts or omissions of Chamber Parties.

8.5 Large Event Parking Plan. For large events, public meetings, or other uses reasonably expected to generate parking demand, traffic, congestion, or public-safety impacts materially greater than ordinary River Lodge operations, including any event reasonably expected to exceed available on-site parking capacity, Chamber shall provide parking management, traffic coordination, signage, security, staffing, and public-safety measures reasonably necessary to preserve emergency access and orderly operation. City may require a written parking and traffic management plan when reasonably necessary based on the anticipated attendance, parking demand, traffic conditions, or public-safety impacts of the event.

8.6 Public Parking and Access. The Parties acknowledge that portions of the exterior areas may be used by members of the public for parking, levee access, trail access, public art viewing, dog walking, or other activities unrelated to Chamber's use of the Premises. Chamber shall not be responsible for conditions, impacts, waste, or damage arising solely from such independent public use, except to the extent caused or materially contributed to by Chamber's operations or Chamber-authorized users. Chamber shall remain responsible for cleanup and damage caused by Chamber's operations or Chamber-authorized users as otherwise provided in this Lease. Public use and maintenance of the levee, walking path, downslope area, and riverbank are further addressed in Sections 8.7 and 8.8..

8.7 Levee, Walking Path, and Riverbank Areas. Notwithstanding Sections 8.3, 12.1, or any other provision of this Lease, Chamber shall have no responsibility for routine maintenance, repair, mowing, vegetation management, erosion control, grading, stabilization, inspection, or other work on the levee embankment, the downslope area extending toward the Eel River, the riverbank, or the public walking-path segment identified on **Exhibit A**. City shall retain control over those areas and shall determine the nature, extent, and frequency of any maintenance or other work to be performed there, including any work required of City under applicable law or separate agreements with Humboldt County, the United States Army Corps of Engineers, or other governmental agencies. Chamber shall not perform or direct any work on the levee embankment, downslope area, or riverbank without City's prior written approval. Chamber shall remain responsible for cleanup of litter, debris, or damage in such areas to the extent directly caused by Chamber's operations, events, employees, contractors, invitees, licensees, or other Chamber-authorized user.

8.8 Limited Use; No Additional City Obligation. The levee embankment, downslope area toward the Eel River, and riverbank are not intended or represented as part of the River Lodge event-use area. Chamber shall not advertise, designate, or use those areas as part of an event, program, or other Chamber activity without City's prior written approval. City makes no representation or warranty to Chamber regarding the suitability of those areas for Chamber-sponsored events or activities. Nothing in this Lease creates or enlarges any maintenance, inspection, repair, improvement, supervision, or other obligation of City to Chamber with respect to the levee, walking path, downslope area, or riverbank beyond any obligation City may otherwise have under applicable law or a separate agreement. For avoidance of doubt, Chamber is not a party to, third-party beneficiary of, or otherwise entitled to enforce any agreement, permit, easement, obligation, or arrangement between City and Humboldt County, the United States Army Corps of

Engineers, or any other governmental entity concerning the levee, walking path, riverbank, or related areas.

8.9 Trash and Waste Generated by Chamber. Chamber shall be responsible for trash, recycling, and waste generated by Chamber's employees, visitors, invitees, contractors, licensees, third-party users, and other Chamber-authorized users. This Section does not allocate responsibility for public-area receptacles, household dumping, dog waste, or other non-Chamber waste, and any such allocation must be addressed, if at all, outside this Lease or by written amendment approved by the Parties.

8.10 No Warranty of Parking Count. City makes no representation that the parking lot contains a particular number of spaces or is sufficient for Chamber's intended uses. Chamber shall inspect and satisfy itself as to parking adequacy.

9. UTILITIES AND SERVICES

9.1 Chamber Responsibility. Chamber shall pay before delinquency all charges for electricity, gas, water, sewer, stormwater, telephone, internet, data service, garbage disposal, trash disposal, recycling, alarm monitoring, security service, and all other utilities and services used at or serving the Premises during the Term.

9.2 Utility Accounts. Chamber shall place utilities in Chamber's name as of the Commencement Date to the extent permitted. If any account cannot be transferred, City may maintain the account and invoice Chamber, and Chamber shall pay the invoice as Additional Rent within thirty days.

9.3 Deposits and Service Requirements. Chamber shall pay any utility deposits, service fees, connection charges, capacity charges, or other utility-related costs arising from Chamber's use or requested service changes.

9.4 No Warranty of Capacity. City does not warrant that existing utility capacity is sufficient for Chamber's operations, equipment, technology, food service, events, or programs. Chamber shall be responsible for utility upgrades required by Chamber's specific use, subject to City approval and permits.

9.5 Interruption. City shall not be liable for utility or service interruptions unless caused by City's gross negligence or willful misconduct. Rent shall not abate unless an interruption caused by a City-responsible condition renders substantially all of the Premises unusable for more than ten (10) consecutive days.

10. TAXES, ASSESSMENTS, FEES, AND POSSESSORY INTEREST

10.1 Chamber Payment Obligation. Chamber shall pay before delinquency all taxes, assessments, fees, charges, permit fees, inspection fees, license fees, possessory interest taxes, and other public charges assessed against, imposed upon, or arising because of Chamber's occupancy, possession, use, operation, or leasehold interest in the Premises.

10.2 Possessory Interest Notice. Chamber acknowledges that this Lease may create a possessory interest subject to property taxation. Chamber shall be responsible for any possessory interest tax or similar charge unless exempt by law.

10.3 Exemptions. Chamber shall be responsible for applying for any exemption Chamber believes may apply. City makes no representation that any exemption is available.

10.4 Proration. Any charge assessed for a period including time before or after the Term shall be prorated so Chamber is responsible only for the portion attributable to Chamber's period of possession, use, or occupancy.

10.5 Contests. Chamber may contest any tax, assessment, fee, or charge in good faith if Chamber gives City prior written notice, prevents any lien foreclosure or impairment of City's title, pays the amount under protest or posts security reasonably acceptable to City, and indemnifies City from all costs, penalties, interest, and liabilities arising from the contest.

10.6 City Excluded Taxes. Chamber shall not be responsible for taxes measured solely by City's income or unrelated City obligations, except to the extent such taxes replace or are imposed in lieu of taxes or charges otherwise payable by Chamber under this Lease.

11. CONDITION OF PREMISES; PRE-OCCUPANCY INSPECTIONS

11.1 Inspection and Acceptance; As-Is Delivery. Chamber shall inspect the Premises before occupancy and shall satisfy itself as to the condition, suitability, code status, parking adequacy, building systems, equipment, fixtures, accessibility, and operational needs of the Premises. Except for City's express obligations in this Lease, Chamber accepts the Premises in their then-existing, AS IS, WHERE IS, WITH ALL FAULTS condition as of the Commencement Date, subject to the pre-occupancy condition report and any punch-list obligations expressly assumed by City in writing.

11.2 Condition Report. Before the Commencement Date, the Parties shall conduct a joint inspection and prepare a written condition report with photographs identifying the condition of the building, parking lot, roof, HVAC units, hot water heater, kitchen hood, fire-suppression system, fire/life-safety systems, ADA parking and accessible routes, exterior lighting, landscaping, irrigation, trash areas, and equipment inventory.

11.3 HVAC Inspection. Before the Commencement Date, City shall obtain or allow Chamber to obtain an inspection of all HVAC units by a qualified contractor. The inspection shall identify condition, known deficiencies, maintenance recommendations, and any immediate repair needs.

11.4 Commercial Hot Water Heater. Before the Commencement Date, City shall disclose available information regarding the age, condition, service history, and replacement needs of the commercial hot water heater. Capital replacement shall be City's responsibility unless replacement is required because of Chamber misuse, abnormal use, or failure to maintain.

11.5 Kitchen Hood and Fire Suppression. Before the Commencement Date, City shall deliver the kitchen hood and fire-suppression system in inspected, tagged, and compliant condition, or shall disclose any noncompliance in writing and specify responsibility for correction. After the Commencement Date, Chamber shall be responsible for routine inspection, tagging, cleaning, testing, and compliance associated with Chamber's use.

11.6 Fire and Life Safety Systems. Before the Commencement Date, City shall provide available records for fire alarm, fire suppression, fire extinguishers, emergency lighting, exit signage, and other life-safety systems. After the Commencement Date, Chamber shall be

responsible for routine inspection, testing, monitoring, tagging, and servicing, except for Landlord Capital Repairs.

11.7 No Implied Warranty. No statement by City or City personnel regarding the condition, ADA compliance, suitability, expected life, or maintenance needs of the Premises shall modify this Lease unless included in a written amendment.

11.8 No Representation Regarding Suitability. City makes no representation or warranty, express or implied, regarding the suitability of the Premises for Chamber's intended use, programs, staffing, confidential records, technology systems, security needs, food service, meetings, or future operational changes. Chamber's decision to enter into this Lease is based on Chamber's own inspections, investigations, and approvals, subject only to City's express obligations in this Lease.

12. CHAMBER REPAIRS AND MAINTENANCE

12.1 General Obligation. Chamber shall, at its sole cost, keep the Premises, including the building interior, fixtures, equipment, sidewalks, parking lot, landscaping, exterior areas, and all portions under Chamber's control, in good condition and repair, ordinary wear and tear excepted, except for Landlord Capital Repairs.

12.2 Routine Maintenance. Chamber's routine maintenance obligations include janitorial and custodial service, trash and recycling service assigned to Chamber, interior painting, minor wall repair, floor care, carpet cleaning, window cleaning, pest control, interior doors and hardware, keys and access systems, light bulbs and ordinary lighting maintenance, plumbing fixtures and clogs, toilets, faucets and drains, ordinary electrical fixtures and outlets, routine kitchen equipment service, routine HVAC service, filters, belts, thermostats and service calls, fire extinguisher inspections, alarm monitoring, signage, landscaping, irrigation, and parking lot routine maintenance.

12.3 Service Contracts; Records. Chamber shall maintain preventative maintenance service contracts for HVAC, kitchen hood and fire-suppression systems, alarm/fire monitoring, commercial kitchen equipment if used, pest control, and other systems reasonably required by City. Chamber shall keep complete service records, contractor reports, inspection tags, maintenance logs, and proof of corrective action, and shall provide copies to City upon request. If City reasonably determines that Chamber's maintenance program is inadequate to protect the Premises, City may require Chamber to submit and implement a written maintenance plan using qualified contractors reasonably acceptable to City.

12.4 Repairs Caused by Chamber. Chamber shall promptly repair, or reimburse City for the cost to repair, all damage caused by Chamber Parties, Chamber use, misuse, negligence, failure to maintain, abnormal wear, alterations, or overloading.

12.5 Maintenance Standards. All maintenance and repairs shall be performed in a good and workmanlike manner, with properly licensed contractors when required, in compliance with law, permits, manufacturer recommendations, warranty requirements, and public-facility standards.

12.6 Failure to Maintain. If Chamber fails to perform required maintenance or repairs, City may, after reasonable notice and opportunity to cure except in emergencies, perform the work and recover all costs as Additional Rent with interest at the Default Rate.

12.7 Waiver of Repair-and-Deduct. To the fullest extent permitted for a commercial lease, Chamber waives any right to make repairs at City's expense or deduct repair costs from Rent except as expressly provided in this Lease.

12.8 Immediate Protective Action. If Chamber's failure to maintain, repair, secure, service, or inspect any portion of the Premises threatens deterioration of the Premises, loss of warranty, regulatory noncompliance, unsafe conditions, interruption of fire/life-safety systems, or material damage to City property, City may require immediate corrective action. In an emergency or where prompt action is reasonably necessary to protect persons, property, public funds, or City's reversionary interest, City may perform the work without prior notice and recover all costs as Additional Rent.

13. LANDLORD CAPITAL REPAIRS

13.1 City Responsibility. City shall be responsible for Landlord Capital Repairs, except to the extent caused or materially exacerbated by Chamber Parties, Chamber use, misuse, negligence, alterations, abnormal use, overloading, or failure to perform Chamber maintenance obligations.

13.2 Included Capital Repairs. Landlord Capital Repairs include: (a) foundation; (b) structural framing; (c) structural exterior walls; (d) roof structure and roof membrane replacement; (e) major HVAC unit replacement, but not routine service, filters, belts, controls, inspections, or minor repairs; (f) major electrical service and main distribution equipment, but not lighting, outlets, switches, fixtures, or Chamber-added loads; (g) major plumbing lines outside the building envelope, but not clogs, fixtures, drains, faucets, toilets, or user-caused issues; (h) capital replacement of the commercial hot water heater, except replacement required because of Chamber misuse, abnormal use, or failure to maintain; (i) capital replacement of fire/life-safety systems, but not routine testing, monitoring, tagging, inspection, or service after the Commencement Date; (j) major parking lot resurfacing, subgrade repair, or reconstruction; and (k) pre-existing structural ADA barriers assigned to City.

13.3 Capital Repair Notice. Chamber shall promptly notify City of any condition Chamber believes constitutes a Landlord Capital Repair. City shall inspect within a reasonable time and determine responsibility under this Lease.

13.4 Performance of Capital Repairs. If City determines that work is a Landlord Capital Repair, City shall perform the work within a commercially reasonable time, subject to procurement, design, permitting, funding, emergency conditions, availability of contractors, and City Council approval if required.

13.5 Temporary Measures. If an emergency threatens imminent injury or material property damage and City cannot be reached after reasonable efforts, Chamber may take reasonable temporary measures necessary to protect persons and property. Chamber shall notify City as soon as practicable and shall not perform permanent Landlord Capital Repairs without City approval unless required by governmental order.

13.6 No Constructive Eviction. City's performance of repairs, inspections, capital work, or compliance work shall not constitute eviction, constructive eviction, or breach if City uses reasonable efforts to minimize unnecessary interference with Chamber operations.

13.7 Chamber-Caused Capital Work. Notwithstanding any provision assigning Landlord Capital Repairs to City, Chamber shall be responsible for the cost of any capital repair, replacement, code correction, or system failure to the extent caused or materially exacerbated by Chamber's use, misuse, abnormal loading, alterations, failure to maintain, failure to service, failure to timely report, unauthorized work, contractors, employees, agents, invitees, licensees, event patrons, third-party users, and other Chamber-authorized users. City may require reimbursement, direct repair by Chamber, additional preventive maintenance, or reasonable operational restrictions to prevent recurrence.

14. ALTERATIONS; IMPROVEMENTS; LIENS

14.1 City Approval Required. Chamber shall not make alterations, additions, improvements, installations, penetrations, signage, technology infrastructure changes, security system changes, building system changes, or physical modifications without City's prior written approval.

14.2 Minor Nonstructural Work. City may authorize minor nonstructural alterations below a stated dollar threshold in writing, provided the work does not affect structure, building systems, roof, exterior appearance, ADA routes, occupancy classification, fire/life-safety systems, hazardous materials, or public access.

14.3 Plans and Permits. Chamber shall submit plans, specifications, contractor information, insurance, bonding if required, schedule, and permit information for City approval before work begins. Chamber shall obtain all required permits and approvals.

14.4 Prevailing Wage and Public Works. As between City and Chamber, Chamber shall be responsible for determining whether any alteration, improvement, installation, repair, maintenance, construction, or other work undertaken by or on behalf of Chamber is subject to California prevailing wage, public works, apprenticeship, contractor registration, certified payroll, or other requirements of the California Labor Code or applicable law. Chamber shall ensure compliance by Chamber and its contractors and subcontractors with all such requirements determined to be applicable. Nothing in this Lease constitutes a representation or determination by City that any particular work is or is not a public work or subject to prevailing wage requirements.

Chamber shall provide City reasonable advance written notice before commencement of any material alteration, improvement, construction, or repair work. City may require Chamber to provide documentation concerning applicable labor-law compliance before work begins. To the fullest extent permitted by law, Chamber shall indemnify, defend, and hold harmless City and its officers, officials, employees, agents, and volunteers from claims, assessments, penalties, liabilities, costs, or expenses arising from Chamber's or its contractors' failure to comply with applicable prevailing wage or public works requirements. Nothing in this Section relieves City of any obligation that applicable law expressly makes nondelegable.

14.5 Ownership. Permanent improvements, fixtures, and building system modifications shall become City property upon installation unless City requires removal or the Parties agree otherwise in writing.

14.6 Removal and Restoration. City may require Chamber to remove Chamber-installed improvements and restore the Premises at expiration or termination, except for improvements City elects to retain.

14.7 Liens. Chamber shall keep the Premises free from mechanics' liens, stop payment notices, bonded stop notices, and similar claims arising from Chamber work. Chamber shall promptly discharge any lien or provide security reasonably acceptable to City.

14.8 Notice of Work. Chamber shall give City at least ten days' prior written notice before commencing any work that could give rise to a lien so City may post or record notices of nonresponsibility or take other protective steps.

15. FURNITURE, FIXTURES, EQUIPMENT, AND TRADE FIXTURES

15.1 Inventory. Before the Commencement Date, the Parties shall prepare an inventory of City-owned furniture, fixtures, kitchen equipment, audio-visual equipment, tables, chairs, appliances, stage equipment, and other personal property available for Chamber use, attached as **Exhibit B**.

15.2 Chamber Use of City Equipment. Chamber may use City Equipment only for approved uses at the Premises and shall maintain it in good condition, ordinary wear and tear excepted.

15.3 Specialized Equipment. City may require training, certification, vendor service, or written procedures for use of kitchen equipment, A/V systems, fire pits, stage equipment, lighting systems, or specialized equipment.

15.4 Repair or Replacement. Chamber shall repair or replace City Equipment damaged, lost, or destroyed due to Chamber Parties, Chamber use, misuse, negligence, theft, or failure to follow operating procedures.

15.5 Chamber Property. Chamber's furniture, equipment, technology, supplies, records, and personal property shall remain Chamber property. Chamber shall remove all Chamber property upon expiration or termination unless City agrees otherwise in writing.

15.6 Trade Fixtures. Chamber may install trade fixtures approved by City. Trade fixtures remain Chamber property if removable without damage and if Chamber repairs all damage caused by installation or removal.

15.7 Abandoned Property. Property remaining after surrender may be handled under applicable law governing abandoned property in commercial premises. City may remove, store, dispose of, or retain such property as permitted by law, at Chamber's cost.

16. SIGNS; EXTERIOR APPEARANCE

16.1 Sign Approval. Chamber may place and remove temporary, nonstructural signs, banners, flags, and similar event-related signage without separate approval from City in its capacity as Landlord, provided that such signage complies with Fortuna Municipal Code section 17.05.180 and all other applicable laws, permits, and approvals and does not penetrate, attach to, damage, or physically modify the building or other City improvements. Chamber shall obtain City's prior written approval as Landlord for permanent signage and for any signage involving anchorage, attachment, penetration, electrical work, structural modification, or alteration of the Premises. Nothing in this Section waives any sign permit, building permit, encroachment permit, or other regulatory approval otherwise required by law.

16.2 Maintenance. Chamber shall maintain approved signs in good appearance and repair.

16.3 Removal. At expiration or termination, Chamber shall remove Chamber signs if required by City and repair any damage caused by installation or removal.

16.4 Public Identity. Any signage shall preserve the public character of the Premises and shall not imply that City endorses Chamber policies, programs, or activities beyond the lease relationship.

17. COMPLIANCE WITH LAWS; ADA; CASp; OPERATIONS

17.1 General Compliance. Chamber shall comply with all federal, state, county, and local laws, regulations, ordinances, codes, permits, licenses, orders, and requirements applicable to Chamber's use, occupancy, operations, employees, invitees, contractors, licensees, and activities at the Premises.

17.2 City Regulatory Authority. Nothing in this Lease limits or transfers City's police power, regulatory authority, permitting authority, land-use authority, building or fire code authority, or other governmental functions. Any consent or approval given by City in its capacity as Landlord shall not constitute or substitute for any permit, license, regulatory approval, or other governmental authorization required by law.

17.3 Chamber Compliance. Chamber shall be solely responsible for compliance with laws applicable to its nonprofit, employment, event, food and beverage, alcohol, business, facility-management, and other operations at the Premises.

17.4 ADA Allocation. City shall be responsible for pre-existing structural accessibility barriers to the extent City is legally required to correct them and they are not caused or triggered by Chamber's particular use, alterations, furniture layout, equipment, programs, services, or operations. Chamber shall be responsible for accessibility obligations arising from Chamber's programs, services, activities, staffing, furniture, equipment, communications, signage, temporary layouts, operations, and alterations.

17.5 Shared ADA Issues. If an accessibility improvement serves both a pre-existing structural condition and a Chamber-specific program need, the Parties shall meet and confer in good faith regarding cost allocation, but Chamber shall remain responsible for ensuring that Chamber's programs and services are accessible.

17.6 CASp Disclosure. The Premises have not undergone inspection by a Certified Access Specialist ("CASp") and have not been issued a disability access inspection certificate. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

17.7 Energy and Benchmarking Disclosures. City shall provide any energy benchmarking or similar disclosures required by applicable law for the Premises, if any. Chamber shall reasonably cooperate by providing utility and operational information necessary for compliance during the Term.

17.8 Permits and Licenses. Chamber shall obtain and maintain all permits, licenses, approvals, and inspections required for Chamber's operations, including, as applicable, business licenses, food-service and health permits, assembly and occupancy approvals, alcohol licenses or permits, public-event permits, fire and life-safety approvals, and other permits or licenses required by law. Chamber shall not be required to obtain a separate City special-event permit for each ordinary facility rental solely because the event occurs at the Premises. A City special-event permit shall be required only when an event otherwise meets the City's then-applicable special-event permit requirements. Nothing in this Section excuses any other permit, license, approval, or inspection otherwise required by applicable law.

17.9 No Unauthorized Occupancy Change. Chamber shall not change occupancy classification, occupant load, assembly use, kitchen use, fire load, or code classification without City's prior written approval and all required permits.

18. SURPLUS LAND ACT; CEQA; LAND USE

18.1 Surplus Land Act Term Limitation. The Parties intend that this Lease shall not constitute a disposition of surplus land under Government Code section 54221 because the Term of this Lease, inclusive of all extension or renewal options included in this Lease as of the Effective Date, is fifteen years or less. The Parties further intend that this Lease does not authorize development or demolition of the Premises except for alterations, repairs, maintenance, and improvements expressly approved by City under this Lease.

18.2 No Implied Extension Beyond SLA Threshold. Notwithstanding anything to the contrary, no amendment, extension, renewal, option, holdover, right of first refusal, right of first offer, purchase right, development right, demolition right, or other modification shall be effective if it would cause this Lease or any later transaction to require compliance with the Surplus Land Act unless City first determines, in consultation with the City Attorney, that all required Surplus Land Act procedures have been satisfied or that an applicable exclusion or exemption applies.

18.3 No Purchase or Disposition Right. This Lease does not grant Chamber an option to purchase, right of first refusal, right of first offer, equitable ownership interest, development entitlement, demolition right, or other vested right to acquire, develop, demolish, or dispose of the Premises. Any future transaction involving sale, transfer, long-term lease, disposition, development, or demolition of the Premises shall require separate City approval and compliance with all applicable law.

18.4 CEQA. This Lease, Chamber's occupancy, and any future alterations, improvements, changes in use, or physical changes to the Premises are subject to the California Environmental Quality Act to the extent required by law. Chamber shall not commence any activity requiring CEQA review until City, as lead agency or responsible agency as applicable, has completed any required review and approved the activity.

18.5 Land Use and Code Compliance. Chamber shall use the Premises only in compliance with applicable zoning, land use approvals, building code, fire code, health code, occupancy limits, permits, and other governmental requirements. Chamber shall not change the

occupancy classification, occupant load, assembly use, kitchen use, parking use, fire load, or code classification of the Premises without City's prior written approval and all required permits or approvals.

18.6 Chamber Cooperation. Chamber shall reasonably provide information requested by City to evaluate CEQA, land use, code, insurance, operational, or other legal compliance issues associated with Chamber's proposed use, operations, alterations, or improvements.

19. ENVIRONMENTAL MATTERS

19.1 Definitions. For purposes of this Lease, "Hazardous Materials" means any substance, material, waste, pollutant, contaminant, chemical, petroleum product, fuel, asbestos-containing material, lead-based paint, mold condition requiring remediation, biological contaminant, medical waste, universal waste, electronic waste, pesticide, herbicide, cleaning solvent, laboratory chemical, or other material regulated under any Environmental Law. "Environmental Laws" means all federal, state, regional, county, and local laws, regulations, ordinances, orders, permits, and requirements relating to pollution, contamination, hazardous substances, hazardous waste, human health, environmental protection, air, water, soil, groundwater, stormwater, wastewater, and hazardous materials management.

19.2 Limited Permitted Use. Chamber shall not use, generate, handle, store, release, discharge, dispose of, transport, or allow Hazardous Materials at, on, under, or from the Premises except for ordinary quantities of cleaning supplies, maintenance materials, kitchen materials, office supplies, and similar materials reasonably necessary for Chamber's approved use, provided that all such materials are used, stored, labeled, handled, and disposed of in compliance with Environmental Laws, manufacturer instructions, safety data sheets, Chamber policies, and this Lease.

19.3 Prohibited Materials and Activities. Chamber shall not install underground or above-ground storage tanks; conduct vehicle fueling, vehicle maintenance, industrial activities, dry-cleaning, manufacturing, or hazardous waste treatment; store bulk chemicals; use pesticides or herbicides except in compliance with law and Chamber policy; dispose of grease, oils, chemicals, solids, or hazardous substances into drains, toilets, sinks, storm drains, sewer lines, landscaped areas, parking areas, or soils; or permit any activity that creates a release, nuisance, odor, contamination, illegal discharge, or regulatory violation.

19.4 Kitchen, Grease, and Janitorial Controls. If Chamber uses the commercial kitchen or permits food service, Chamber shall maintain grease traps, hood cleaning, waste oil handling, cleaning chemicals, floor drains, and sanitation practices in compliance with all applicable health, fire, plumbing, wastewater, and environmental requirements. Chamber shall not discharge fats, oils, grease, food waste, chemicals, or cleaning products in a manner that damages plumbing, violates law, or creates liability for City.

19.5 Stormwater and Exterior Areas. Chamber shall not allow trash, sediment, chemicals, wastewater, wash water, grease, paint, solvents, landscaping materials, or other pollutants generated by Chamber's operations or Chamber-authorized users to enter storm drains, drainage facilities, landscaped areas, the parking lot, public access areas, waterways, or soils. Chamber shall promptly clean up spills, debris, and pollutants resulting from Chamber's operations or Chamber-authorized users.

19.6 Compliance Records. Chamber shall maintain all permits, inspection records, disposal manifests, service reports, safety data sheets, training records, and other environmental compliance records required by law or reasonably necessary to document Chamber's compliance with this Section. Chamber shall provide copies to City upon reasonable request, subject to applicable privileges and confidentiality laws.

19.7 Notice to City. Chamber shall immediately notify City of any spill, release, threatened release, illegal discharge, environmental complaint, regulatory inspection, notice of violation, enforcement action, hazardous condition, discovery of suspected contamination, or condition that may require reporting, investigation, cleanup, or remediation. Chamber shall provide City with copies of related notices, correspondence, reports, and agency communications promptly after receipt or issuance.

19.8 Response and Remediation. Chamber shall, at its sole cost, promptly investigate, contain, clean up, remediate, and restore any release, contamination, or environmental condition caused or exacerbated by Chamber or Chamber's employees, contractors, agents, invitees, licensees, third-party users, or other Chamber-authorized users, to the extent required by Environmental Laws and to City's reasonable satisfaction. Chamber shall not undertake invasive investigation, remediation, soil removal, groundwater work, or similar environmental work without City's prior written approval except where immediate action is required to protect health, safety, property, or the environment.

19.9 City Participation. City may participate in, review, and approve the scope of any environmental investigation, reporting, remediation, or agency communication involving the Premises. Chamber shall not make admissions on City's behalf, enter into settlements affecting City or the Premises, record environmental restrictions, or agree to institutional controls affecting the Premises without City's prior written consent.

19.10 Pre-Existing Conditions. Chamber shall not be responsible for Hazardous Materials or environmental conditions existing before the Commencement Date except to the extent Chamber or Chamber's employees, contractors, agents, invitees, licensees, third-party users, or other Chamber-authorized users disturb, release, exacerbate, migrate, mishandle, or fail to comply with applicable requirements after discovery of such condition. City makes no representation that the Premises are free of Hazardous Materials except as expressly stated in this Lease.

19.11 Chamber Indemnity. To the fullest extent permitted by law, Chamber shall indemnify, defend, and hold harmless City and its officers, officials, employees, agents, and volunteers from and against all claims, demands, liabilities, damages, penalties, fines, losses, costs, expenses, investigation costs, remediation costs, consultant fees, attorney's fees, agency orders, and enforcement actions arising out of or related to Hazardous Materials or environmental conditions caused, released, discharged, generated, handled, stored, exacerbated, or permitted by Chamber or Chamber's employees, contractors, agents, invitees, licensees, third-party users, or other Chamber-authorized users.

19.12 No Environmental Liens. Chamber shall not permit any environmental lien, administrative order, cleanup order, abatement order, penalty, or enforcement proceeding to attach to or impair the Premises because of Chamber's use, operations, Hazardous Materials, or failure to comply with law. Chamber shall promptly discharge, bond around, or otherwise resolve any such lien or proceeding at Chamber's sole cost.

19.13 Mold, Moisture, and Building Conditions. Chamber shall promptly notify City of water intrusion, mold, unusual odors, persistent moisture, roof leaks, plumbing leaks, HVAC condensation issues, or other conditions that may affect indoor air quality or building integrity. Chamber shall be responsible for mold, moisture, or indoor-air-quality conditions caused or exacerbated by Chamber's failure to maintain, failure to ventilate, failure to report, misuse, alterations, or operational practices.

19.14 No Limitation. Chamber's environmental obligations are in addition to, and do not limit, Chamber's maintenance, repair, indemnity, insurance, compliance, restoration, or reimbursement obligations under this Lease.

19.15 Survival. Chamber's obligations under this Section, including notice, investigation, remediation, restoration, reimbursement, indemnity, defense, and record obligations, shall survive expiration or termination.

20. INSURANCE

20.1 Insurance Requirements. Chamber shall procure and maintain, at Chamber's sole cost, insurance, or authorized self-insurance acceptable to City for the duration of this Lease, in the types, amounts, forms, and endorsements required by Exhibit H. Chamber's insurance obligations under Exhibit H are material obligations of this Lease.

20.2 Exhibit Controls. If any insurance requirement stated in this Section conflicts with Exhibit H, Exhibit H shall control, except that City may accept broader coverage, higher limits, or authorized self-insurance if approved by City's risk manager, City Manager, or designee. Chamber shall not occupy the Premises until City has received and approved the insurance documents required by Exhibit H.

20.3 Adjustment of Requirements. City may reasonably require additional insurance, higher limits, or additional endorsements based on the nature of Chamber's use, third-party use, food service, events, construction, alterations, claims history, insurer, or other special circumstances, consistent with Exhibit H.

20.4 No Limitation of Liability. Insurance requirements do not limit Chamber's indemnity, defense, reimbursement, maintenance, repair, environmental, or other obligations under this Lease. Failure by City to demand evidence of insurance shall not waive Chamber's obligation to maintain required coverage.

20.5 Failure to Insure. If Chamber fails to maintain required coverage or provide required evidence, City may, but is not obligated to, obtain substitute coverage or take other protective measures. All costs incurred by City shall be Additional Rent due upon demand.

21. INDEMNITY; RELEASE; LIMITATION

21.1 Chamber Indemnity. To the fullest extent permitted by law, Chamber shall indemnify, defend, and hold harmless City and its officers, officials, employees, agents, and volunteers from and against claims, demands, causes of action, damages, losses, liabilities, judgments, fines, penalties, costs, and expenses, including reasonable attorney's fees, arising out of or related to Chamber's use, occupancy, operation, management, maintenance, or control of the Premises; Chamber events or programs; food or beverage service; alcohol service; contractors; employees; invitees; event patrons; licensees; third-party users; alterations or improvements; breach of this Lease; violation of law; or Hazardous Materials introduced, released, or exacerbated

by Chamber or Chamber Parties, except to the extent caused by the sole negligence or willful misconduct of City.

21.2 City Indemnity. To the fullest extent permitted by law, City shall indemnify, defend, and hold harmless Chamber and its governing board members, officers, employees, agents, and volunteers from claims arising out of City's sole negligence, willful misconduct, or breach of City's express obligations under this Lease.

21.3 No Waiver of Public Agency Protections. Nothing in this Lease waives any claim-presentation requirement, immunity, limitation of liability, defense, or other protection available to City or its officers, officials, employees, agents, or volunteers under the California Government Claims Act or other applicable law.

21.4 Release of Insured Losses. To the extent covered by insurance actually maintained or required to be maintained, each Party releases the other from claims for property loss or damage to the extent of insurance proceeds, subject to waiver-of-subrogation provisions and except for intentional misconduct.

21.5 No Consequential Damages. Except for indemnity and defense obligations, third-party claims, Hazardous Materials obligations, intentional misconduct, fraud, unpaid Rent, Additional Rent, restoration obligations, and Chamber-caused damage to City property, neither Party shall be liable to the other for consequential, special, incidental, speculative, punitive, or exemplary damages, including lost profits, lost revenue, lost grants, lost funding, lost opportunities, program interruption, relocation costs, substitute facility costs, or business interruption damages. Nothing in this Section limits City's right to recover Rent, Additional Rent, repair costs, restoration costs, environmental costs, attorneys' fees, or other amounts expressly recoverable under this Lease.

21.6 Survival. Indemnity, defense, release, limitation, and reimbursement obligations shall survive expiration or termination.

22. ENTRY; INSPECTION; CITY RIGHTS

22.1 City Entry. City and its authorized representatives may enter the Premises at reasonable times upon reasonable notice to inspect, maintain, repair, show the Premises to public officials or prospective contractors, verify compliance, respond to emergencies, or exercise City rights under this Lease.

22.2 Emergency Entry. City may enter without prior notice in an emergency or where City reasonably believes immediate entry is necessary to protect persons, property, public safety, utilities, or the Premises.

22.3 Minimizing Interference. City shall use reasonable efforts to minimize unnecessary interference with Chamber operations, except in emergencies.

22.4 Confidential Areas. Chamber may designate reasonable confidential records areas. City entry into such areas shall be coordinated with Chamber when practicable, except emergencies, but City shall not be denied access necessary to protect City property or comply with law.

23. THIRD-PARTY USE; ASSIGNMENT; SUBLETTING

23.1 No Assignment Without Consent. Chamber shall not assign this Lease, transfer any interest, or permit another entity to operate the Premises without City's prior written consent, which may be granted, conditioned, or withheld in City's discretion subject to applicable law.

23.2 Ordinary Event and Facility Use. Notwithstanding Section 23.1, Chamber may enter into short-term facility-use agreements, event rental agreements, licenses, catering agreements, vendor agreements, and similar arrangements with customers and event users in the ordinary course of operating River Lodge without obtaining City's approval for each individual use, provided each use is consistent with the Permitted Use and applicable facility rules.

23.3 No Long-Term Sublease or Exclusive Occupancy. Chamber shall not sublease the Premises, grant another person or entity long-term or exclusive possession of all or a material portion of the Premises, dedicate space to a third party on a long-term basis, or otherwise create a tenancy or possessory interest in favor of a third party without City's prior written consent.

23.4 Facility-Use Requirements. Chamber shall use written facility-use agreements and reasonably appropriate rules addressing insurance, indemnification, alcohol, food service, security, occupancy limits, cleanup, property damage, prohibited activities, and other operational risks. City may establish reasonable minimum requirements for such agreements and facility rules.

23.5 Third-Party Insurance and Indemnity. Chamber shall require third-party users to provide insurance, indemnity, waivers, and written facility-use agreements reasonably appropriate to the nature of the event or use and consistent with the requirements established by City under Section 23.4. Any waiver of such requirements shall be subject to standards approved by City.

23.6 No Release. No assignment, sublease, license, or third-party use shall release Chamber from obligations under this Lease unless City expressly agrees in writing.

24. DAMAGE AND DESTRUCTION

24.1 Notice. Chamber shall promptly notify City of any fire, flood, earthquake, vandalism, storm, casualty, or damage affecting the Premises.

24.2 City Repair Decision. If City-owned structures or major systems are damaged, City shall determine whether to repair, restore, rebuild, or terminate, subject to insurance proceeds, funding, procurement, permits, City Council approval, and public-interest considerations.

24.3 Chamber-Caused Damage. If damage is caused by Chamber Parties, Chamber shall be responsible for repair costs, deductibles, uninsured losses, increased premiums, and related costs, except to the extent covered by insurance and released under this Lease.

24.4 Rent Abatement. Base Rent shall abate proportionately only if the Premises are materially unusable due to casualty not caused by Chamber Parties and City elects to repair. Additional Rent obligations shall continue to the extent they relate to Chamber's property, operations, or obligations.

24.5 Termination for Major Casualty. Either Party may terminate if the Premises are substantially destroyed, if restoration is not reasonably feasible within twelve months, or if City determines restoration is not funded or not in the public interest.

24.6 Insurance Proceeds. Insurance proceeds for City-owned improvements belong to City. Proceeds for Chamber property belong to Chamber. The Parties shall cooperate in claims handling as appropriate.

25. CONDEMNATION

25.1 Total Taking. If all or substantially all of the Premises are taken by eminent domain or similar governmental action, this Lease shall terminate as of the date possession is taken.

25.2 Partial Taking. If a partial taking materially impairs Chamber's ability to use the Premises for the approved use, either Party may terminate by written notice within ninety days after the taking.

25.3 Restoration After Partial Taking. If the Lease is not terminated, City shall determine whether and how to restore the remaining Premises to a functional unit, subject to available condemnation proceeds, funding, permits, and public-interest considerations.

25.4 Award. City shall be entitled to condemnation awards for the fee interest, land, building, and City-owned improvements. Chamber may claim compensation for Chamber-owned personal property, trade fixtures, moving costs, or other separate compensable interests if allowed by law, provided Chamber's claim does not reduce City's award except as required by law.

26. FUTURE SALE OR DISPOSITION; NO PURCHASE OPTION

26.1 No Obligation to Sell. City has no obligation to sell, transfer, lease for a longer term, or otherwise dispose of the Premises. Nothing in this Lease limits City's legislative discretion regarding future public use, retention, declaration of surplus or exempt surplus status, disposition, or other action concerning the Premises.

26.2 No Required Sale Process; Optional Discussions. City may, but is not obligated to, notify Chamber or meet and confer with Chamber if City later considers a potential sale, transfer, long-term lease, or other disposition of the Premises. Any discussion with Chamber shall be nonbinding unless and until approved by the City Council in a separate written agreement complying with all applicable law. No failure by City to notify, meet, confer, negotiate, or continue discussions with Chamber shall impair City's discretion or create any claim, right, remedy, or defense in favor of Chamber.

26.3 No Right of First Refusal or First Offer. This Lease does not grant Chamber an option to purchase, right of first refusal, right of first offer, equitable ownership interest, preemptive right, matching right, development right, demolition right, or other vested right to acquire, lease, develop, demolish, or control the Premises after expiration or termination of this Lease.

26.4 Subject to Applicable Law. Any future sale, transfer, extension, renewal beyond the options stated in this Lease, long-term lease, purchase agreement, disposition, development approval, or demolition approval shall be subject to all applicable law, including the Surplus Land Act, CEQA, public hearing requirements, City Council approval, and any required review by the California Department of Housing and Community Development or other agency.

26.5 No Carryover Into Holdover. The nonbinding meet-and-confer process in this Section shall not apply during holdover unless expressly confirmed in writing by City and approved as required by law.

27. SURRENDER; HOLDING OVER

27.1 Surrender. Upon expiration or termination, Chamber shall surrender the Premises in good, clean, safe, sanitary, and operable condition, ordinary wear and tear and casualty not caused by Chamber excepted.

27.2 Removal of Chamber Property. Chamber shall remove all Chamber personal property, business records, confidential records, technology, equipment, supplies, signage, and temporary improvements unless City agrees otherwise in writing.

27.3 Restoration. Chamber shall repair all damage caused by removal of Chamber property and shall restore the Premises as required by City for Chamber-installed improvements.

27.4 Confidential Records. Chamber shall be solely responsible for removal, protection, retention, and destruction of confidential Chamber records, including personnel records.

27.5 Holding Over. If Chamber remains in possession after expiration or termination without a written extension, Chamber shall be a month-to-month holdover tenant only, subject to all applicable terms of this Lease. During holdover, Base Rent shall be 150% of the Base Rent payable immediately before holdover, and Chamber shall continue paying Additional Rent.

27.6 No Renewal by Acceptance of Rent. City's acceptance of Rent during holdover shall not renew or extend the Lease unless City expressly agrees in writing.

28. DEFAULT

28.1 Chamber Monetary Default. Chamber shall be in default if Chamber fails to pay Base Rent, Additional Rent, or any other amount due within ten days after written notice of nonpayment.

28.2 Chamber Nonmonetary Default. Chamber shall be in default if Chamber fails to perform any nonmonetary obligation and fails to cure within thirty days after written notice, or, if cure cannot reasonably be completed within thirty days, fails to commence cure within thirty days and diligently prosecute cure to completion.

28.3 Immediate or Short-Cure Defaults. Notwithstanding Section 28.2, Chamber shall be in default if Chamber fails to maintain required insurance, creates an imminent threat to health or safety, abandons the Premises, assigns or subleases without consent, commits waste, violates hazardous materials obligations, unlawfully uses the Premises, or causes a condition that materially threatens City property or public safety. City may require shorter cure periods or immediate action where necessary.

28.4 Materiality. The Parties agree that the obligations identified in this Lease as relating to payment, insurance, indemnity, maintenance, repair, legal compliance, hazardous materials, assignment, use, public safety, and surrender are material obligations.

28.5 City Default. City shall be in default only if City fails to perform an express obligation under this Lease and fails to cure within thirty days after written notice, or, if cure cannot reasonably be completed within thirty days, fails to commence cure within thirty days and diligently prosecute cure to completion.

29. REMEDIES

29.1 City Remedies. Upon Chamber default, City may terminate this Lease, recover possession, recover unpaid Rent and Additional Rent, recover damages, perform Chamber obligations and recover costs as Additional Rent, seek injunctive relief, seek specific performance, or pursue any other remedy available at law or equity.

29.2 Continuation of Lease. To the extent permitted by Civil Code section 1951.4 or other applicable law, City may continue this Lease in effect after Chamber breach and abandonment and recover Rent as it becomes due, provided applicable legal requirements are satisfied.

29.3 Damages Upon Termination. If City terminates because of Chamber default, City may recover damages permitted by law, including unpaid Rent earned at termination, Rent that would have been earned after termination to the extent permitted by law, costs of reletting, repair costs, restoration costs, attorney's fees if awarded, and other detriment caused by Chamber's default.

29.4 City Cure Rights. City may cure Chamber's default after required notice and opportunity to cure, except in emergencies or circumstances requiring immediate action. Chamber shall reimburse City for all costs as Additional Rent.

29.5 No Waiver. No delay, forbearance, acceptance of Rent, partial payment, or failure to enforce shall waive any breach or remedy unless City expressly waives it in writing.

29.6 Chamber Remedies. Upon City default, Chamber may pursue remedies available at law or equity, subject to applicable claims requirements, immunities, defenses, and limitations on public-agency liability.

29.7 Cumulative Remedies. All remedies are cumulative unless expressly stated otherwise.

30. RECORDS; AUDIT; PUBLIC RECORDS

30.1 Operational Records. Chamber shall maintain separate accounting records for the River Lodge operations. Revenues and expenses associated with the Premises shall be separately identifiable and available for City review and reasonably necessary to verify compliance with Rent, Additional Rent, Operating Expenses, maintenance, service contracts, third-party facility use, insurance, and repair obligations.

30.2 Inspection of Records. City may inspect relevant records upon reasonable notice during normal business hours, subject to personnel privacy, attorney-client privilege, attorney work product, and other applicable protections.

30.3 Retention. Chamber shall retain records relevant to this Lease for at least four years after the Lease Year to which they relate, or longer if required by law or pending claim.

30.4 Public Records. Chamber acknowledges that records submitted to or maintained by City in connection with this Lease may be subject to disclosure under the California Public Records Act. Chamber may identify records or information it believes to be confidential, proprietary, or otherwise exempt from disclosure; however, City shall retain sole responsibility for responding to public records requests and makes no representation or guarantee that any record will be withheld from disclosure except as authorized by law.

30.5 Financial Reporting. Within forty-five days after the end of each calendar quarter, Chamber shall provide City with financial information reasonably sufficient to evaluate Chamber's operation of River Lodge, including Chamber's current balance sheet and River Lodge-specific profit and loss statement, cash-flow statement, and aging of accounts payable. No later than June 30 of each year, Chamber shall provide City with its proposed annual operating budget for River Lodge identifying anticipated revenues, expenses, staffing, grants, sponsorships, maintenance expenditures, and reserves or other resources available to support operation of the Premises.

30.6 Initial Operating Plan. Before the Commencement Date, Chamber shall provide City with a three-year operating and cash-flow projection for River Lodge and reasonable evidence of the funding or other financial resources available to commence and sustain operations.

30.7 Notice of Material Financial Events. Chamber shall promptly notify City in writing of any material circumstance reasonably expected to impair Chamber's ability to timely satisfy payroll, utilities, insurance, taxes, maintenance obligations, Rent, or other material obligations under this Lease, including loss of a material funding source or material delinquency in amounts owed in connection with River Lodge operations.

30.8 Corrective Action Plan. If information provided under this Section reasonably indicates a material risk that Chamber will be unable to satisfy its obligations or continue orderly operation of River Lodge, City may require Chamber to provide a written corrective action plan within thirty days identifying the steps Chamber proposes to take to address the condition. Failure to timely provide or materially implement a required corrective action plan shall constitute a nonmonetary default subject to the notice and cure provisions of Section 28.

31. ESTOPPEL CERTIFICATES; MEMORANDUM OF LEASE

31.1 Estoppel Certificate. Within fifteen days after written request, each Party shall execute and deliver a reasonable estoppel certificate stating the Commencement Date, Term, Rent, payment status, modifications, known defaults, and other matters reasonably requested.

31.2 Reliance. Estoppel certificates may be relied upon by governing bodies, lenders, title companies, auditors, prospective purchasers, regulatory agencies, or other persons with a legitimate interest.

31.3 Memorandum of Lease. The Parties may execute and record a memorandum of lease if mutually agreed and if approved as required by law. The memorandum shall not include confidential or unnecessary business terms unless required.

32. DISPUTE RESOLUTION

32.1 Meet and Confer. Before commencing litigation, the Parties shall meet and confer through the City Manager and Chamber Chief Executive Officer, or designees, in good faith to resolve disputes.

32.2 Mediation. If the dispute is not resolved within thirty days after a written meet-and-confer request, either Party may request nonbinding mediation. The Parties shall share mediator fees equally unless otherwise agreed.

32.3 Emergency Relief. Nothing in this Section prevents either Party from seeking immediate injunctive, emergency, unlawful detainer, provisional, or other relief where necessary to protect persons, property, public funds, legal compliance, possession, or public operations.

33. NOTICES

All notices under this Lease shall be in writing and shall be delivered personally, by recognized overnight courier, by certified mail, return receipt requested, or by email with confirmation of receipt, to the addresses below or to such other addresses as a Party may designate by notice.

City	Chamber
City of Fortuna Attn: City Manager 621 11th Street Fortuna, CA 95540 Email: anilsen@ci.fortuna.ca.us With copy to: City Attorney THE MITCHELL LAW FIRM, LLP P.O. Drawer 1008 426 First Street Eureka, CA 95501 Email: rplotz@mitchelllawfirm.com	Fortuna Chamber of Commerce Attn: Chief Executive Officer 1800 Riverwalk Drive Fortuna, CA 95540 Email: ceo@fortunachamber.com

34. AUTHORITY; APPROVALS

34.1 City Authority. This Lease is not binding on City unless approved by the City Council and executed by an authorized City representative.

34.2 Chamber Authority. This Lease is not binding on Chamber unless approved by the Chamber governing board and executed by an authorized Chamber representative.

34.3 Representations. Each person signing represents that they are authorized to sign on behalf of the Party indicated.

34.4 City Public Funds. To the extent this Lease requires an expenditure of City funds, City's obligations shall remain subject to applicable laws governing public funds, budgeting, appropriations, and municipal expenditures.

35. MISCELLANEOUS

35.1 Entire Agreement. This Lease, including exhibits, constitutes the entire agreement between the Parties concerning the Premises and supersedes all prior negotiations, proposals, term sheets, memoranda, and understandings.

35.2 Amendments. This Lease may be amended only by a written instrument approved and signed by authorized representatives of both Parties. Governing body approval may be required for material amendments.

35.3 No Reimbursement for Chamber Improvements. Unless expressly approved by the City Council in a separate written agreement, Chamber shall not be entitled to compensation,

reimbursement, rent credit, relocation payment, buyout, or other payment for alterations, improvements, equipment, trade fixtures, moving expenses, program costs, or other investments made by Chamber in connection with the Premises, whether upon expiration, termination, nonrenewal, City capital work, or future City disposition of the Premises.

35.4 Governing Law and Venue. This Lease shall be governed by California law. Venue shall be in Humboldt County Superior Court unless otherwise required by law.

35.5 Severability. If any provision is held invalid or unenforceable, the remaining provisions shall remain in effect to the maximum extent permitted by law.

35.6 No Third-Party Beneficiaries. This Lease is for the benefit of the Parties only and creates no rights in any third party.

35.7 Waiver. A waiver of any breach shall not constitute a waiver of any other breach. No waiver is effective unless in writing.

35.8 Time of Essence. Time is of the essence in this Lease.

35.9 Counterparts and Electronic Signatures. This Lease may be executed in counterparts and by electronic signature, each of which shall be deemed an original.

35.10 Interpretation. This Lease shall not be construed for or against either Party based on authorship.

35.11 Headings. Headings are for convenience only and do not affect interpretation.

35.12 Force Majeure. Neither Party shall be liable for delay in performing nonmonetary obligations caused by events beyond its reasonable control, including natural disasters, war, terrorism, epidemic, governmental orders, strikes, supply shortages, or utility failures, provided the affected Party gives notice and uses reasonable diligence to resume performance. Force majeure shall not excuse payment of Rent or monetary obligations unless expressly required by law.

35.13 Survival. Obligations that by their nature should survive expiration or termination shall survive, including indemnity, defense, insurance for prior acts, environmental obligations, payment obligations, restoration, surrender, confidentiality, records, and reimbursement.

36. EXHIBITS

The following exhibits are incorporated into this Lease:

- **Exhibit A** - Legal Description, Site Plan, Premises, Reserved Areas, Parking Lot, Public Access Areas, and Exterior Areas
- **Exhibit B** - Equipment, Furniture, Fixtures, Kitchen Equipment, A/V, and Inventory
- **Exhibit C** - Pre-Occupancy Condition Report and Photographs
- **Exhibit D** - Existing Bookings, Deposits, Cancellations, City-Retained Event Obligations, and Transition Schedule
- **Exhibit E** – Intentionally Omitted
- **Exhibit F** - Parking Lot, Public Access, Landscaping, and Exterior Responsibility Matrix
- **Exhibit G** - Utility Transfer and Service Account Schedule

- **Exhibit H** - Insurance Requirements and Required Endorsements
- **Exhibit I** - Facility Rules and Third-Party Use Rules
- **Exhibit J** - Approved Chamber Uses and Operational Restrictions

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Effective Date.

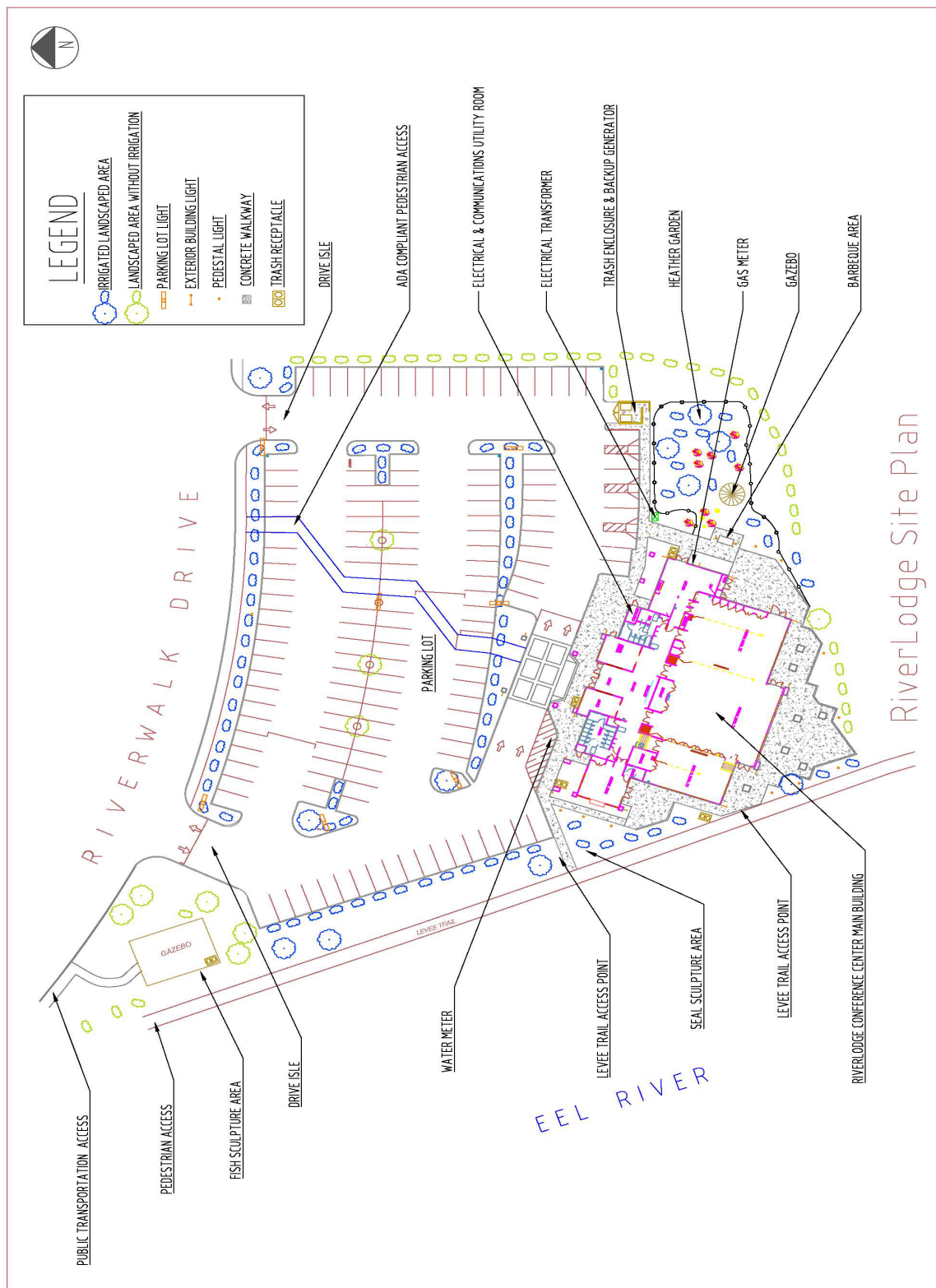
CITY OF FORTUNA, a California municipal corporation and charter city By: _____ Name: _____ Title: _____ Date: _____ ATTEST: By: _____ City Clerk APPROVED AS TO FORM: By: _____ City Attorney	Fortuna Chamber of Commerce, a California nonprofit By: _____ Name: _____ Title: _____ Date: _____
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**EXHIBIT A - LEGAL DESCRIPTION, SITE PLAN, PREMISES, RESERVED AREAS,
PARKING LOT, PUBLIC ACCESS AREAS, AND EXTERIOR AREAS**

Attach legal description and site plan. The site plan should identify the River Lodge building, parking lot, drive aisles, sidewalks, exterior walkways, landscaped areas, irrigation, exterior lighting, trash receptacle locations, fish sculpture area, levee/trail access points, public access areas, excluded areas, utility areas, and any City-reserved areas.

Legal Description:

1800 Riverwalk Drive, Fortuna CA, 95540 (APN 201-152-007) is owned by the City of Fortuna and generally known as the River Lodge Conference and Event Center. Per the Humboldt County Assessor, the premises comprises an 11, 280-square-foot single-story building in very good condition situated on 3.06-acre lot abutting the Eel River.



RiverLodge Site Plan

**EXHIBIT B - EQUIPMENT, FURNITURE, FIXTURES, KITCHEN EQUIPMENT, A/V,
AND INVENTORY**

Attach a room-by-room inventory of City-owned equipment and personal property made available to Chamber, including condition, serial numbers if available, maintenance records, and responsibility for repair or replacement.

EXHIBIT C - PRE-OCCUPANCY CONDITION REPORT AND PHOTOGRAPHS

Attach photographs and written condition notes for the building, roof, HVAC units, commercial hot water heater, kitchen hood and fire-suppression system, fire/life-safety systems, parking lot, drainage, striping, ADA spaces and routes, exterior lights, sidewalks, landscaping, irrigation, trash areas, and equipment.

**EXHIBIT D - EXISTING BOOKINGS, DEPOSITS, CANCELLATIONS, CITY-
RETAINED EVENT OBLIGATIONS, AND TRANSITION SCHEDULE**

List all 2026 and 2027 bookings, event names, dates, contract status, deposit amount, cancellation clause, refund obligation, vendor commitments, special representations, City-retained responsibilities, and any bookings expressly assumed by Chamber.

EXHIBIT E -

INTENTIONALLY OMITTED

EXHIBIT F - PARKING LOT, PUBLIC ACCESS, LANDSCAPING, AND EXTERIOR RESPONSIBILITY MATRIX

This matrix should be confirmed before execution and revised to match the approved site plan. It should identify responsibility for sweeping, striping, ADA-accessible spaces, lighting, pothole patching, major resurfacing, drainage, landscaping, irrigation, event traffic control, towing, signage, and debris removal if applicable.

Itemized Exterior Maintenance Responsibility	Responsible Party
Parking lot sweeping	Chamber
Parking lot striping touch-up and curb marking	Chamber
Maintaining ADA-accessible parking spaces and routes free of obstructions	Chamber
Correction of pre-existing structural ADA barriers	City, to the extent legally required and not caused or triggered by Chamber use
Exterior lighting bulb replacement and ordinary lighting maintenance	Chamber
Ordinary pothole patching and crack sealing	Chamber
Major parking lot resurfacing, subgrade repair, or reconstruction	City, except when required due to Chamber-caused conditions
Routine drainage maintenance in Chamber-controlled areas	Chamber
Major drainage reconstruction	City, except when required due to Chamber-caused conditions
Routine landscaping and irrigation maintenance in assigned areas	Chamber
Levee, walking path, downslope area, and riverbank maintenance	City/County; Chamber responsible only for cleanup or damage directly caused by Chamber-authorized use
Event parking management, traffic control, signage, security, and staffing	Chamber
Towing from River Lodge parking lot and/or premise	Chamber, subject to applicable law and City-approved procedures
Ordinary exterior and event-related signage maintenance	Chamber
Litter, debris, trash, recycling, and waste	Chamber

EXHIBIT G - UTILITY TRANSFER AND SERVICE ACCOUNT SCHEDULE

List all utility and service accounts, account holder, meter number if known, transfer date, billing method, and any shared-meter allocation.

Utility / Service Account Vendor name	Account Number	Account Holder	Billing Method	Expected Transfer Date
AT&TFiber	9391082149	City of Fortuna	Statement	11/1/2026
AT&TPhone	9391062012	City of Fortuna	Statement	11/1/2026
AT&TPhone	9391062011	City of Fortuna	Statement	11/1/2026
AT&TPhone	9391061218	City of Fortuna	Statement	11/1/2026
AT&TPhone	9391061209	City of Fortuna	Statement	11/1/2026
City of Fortuna Water and Wastewater		City of Fortuna	Statement	11/1/2026
EcoLab		City of Fortuna	Invoice	11/1/2026
Eureka Oxygen		City of Fortuna	Invoice	11/1/2026
Optimum	07715-106238-01-6	City of Fortuna	Statement	11/1/2026
Otis	678168	City of Fortuna	Invoice	11/1/2026
Pacific Gas and Electric	59188610527	City of Fortuna	Statement	11/1/2026
Pacific Gas and Electric	58771943881	City of Fortuna	Statement	11/1/2026
Woods Pest Control		City of Fortuna	Invoice	11/1/2026

EXHIBIT H - INSURANCE REQUIREMENTS AND REQUIRED ENDORSEMENTS

Lessee shall procure and maintain for the duration of the Lease insurance against claims for injuries to persons or damages to property which may arise from or in connection with Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by Lessee.

Minimum Scope and Limit of Insurance. Coverage shall be at least as broad as the following:

1. Commercial General Liability. Insurance Services Office Form CG 00 01 covering commercial general liability on an occurrence basis, including products and completed operations, property damage, bodily injury, and personal and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location using ISO CG 25 03 or CG 25 04, or the general aggregate limit shall be twice the required occurrence limit.
2. Workers' Compensation and Employer's Liability. Workers' Compensation insurance as required by the State of California, with statutory limits, and Employer's Liability Insurance with limits of no less than \$1,000,000 per accident for bodily injury or disease, for lessees with employees.
3. Property Insurance. Property insurance against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

Broader Coverage and Higher Limits.

If Lessee maintains broader coverage or higher limits than the minimums shown above, City requires and shall be entitled to the broader coverage and higher limits maintained. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Other Insurance Provisions.

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status. City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of Lessee, including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage may be provided in the form of an endorsement to Lessee's insurance at least as broad as ISO Form CG 20 10.

Primary Coverage. For any claims related to the Lease, Lessee's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees, or volunteers shall be excess of Lessee's insurance and shall not contribute with it.

Notice of Cancellation. Lessee shall provide immediate written notice if any required insurance policy is terminated, the limits of any required policy are reduced, or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Lessee shall forthwith obtain and submit proof of substitute insurance.

Waiver of Subrogation. Lessee grants to City a waiver of any right to subrogation which any insurer of Lessee may acquire against City by virtue of payment of any loss under such insurance. Lessee agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether City has received a waiver of subrogation endorsement from the insurer. Lessee must obtain a workers' compensation endorsement waiving subrogation against City.

Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the State of California with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to City.

Self-Insured Retentions. Self-insured retentions must be declared to and approved by City. At City's option, either Lessee shall obtain coverage to reduce or eliminate such self-insured retentions as respects City, its officers, officials, employees, and volunteers, or Lessee shall provide a financial guarantee satisfactory to City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Verification of Coverage. Lessee shall furnish City with original certificates of insurance including all required amendatory endorsements, or copies of the applicable policy language effecting coverage required by this Exhibit, and a copy of the declarations and endorsement page of the commercial general liability policy listing all policy endorsements, before work begins or occupancy occurs. Failure to obtain the required documents before work begins or occupancy occurs shall not waive Lessee's obligation to provide them. City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, at any time.

Special Risks or Circumstances. City reserves the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Special Coverages for Chamber Operations. If required by City based on Chamber's operations or particular risks, Chamber shall also procure and maintain automobile liability, cyber/privacy liability, liquor liability, abuse and molestation coverage, builder's risk or installation floater coverage for construction or improvements, event-specific coverage, and any other coverage reasonably required by City. Liquor liability coverage shall be required whenever Chamber or a Chamber contractor sells, serves, furnishes, or otherwise controls the provision of alcoholic beverages unless City approves equivalent coverage in writing.

EXHIBIT I - FACILITY RULES AND THIRD-PARTY USE RULES

Attach approved facility rules, third-party use agreement forms, insurance requirements for users, alcohol restrictions, food-service rules, kitchen rules, event security requirements, hours, decorations rules, noise rules, and cleanup requirements.

EXHIBIT J - APPROVED CHAMBER USES AND OPERATIONAL RESTRICTIONS

Attach any specific approved uses, excluded uses, occupancy limits, rooms dedicated to confidential records, public meeting uses, food service uses, and special conditions.

No operational restrictions at this time.