# CITY OF FAIRFIELD FIFTH AMENDMENT TO LEASE AND MANAGEMENT AGREEMENT FOR RESTAURANT OPERATIONS

This Fifth Amendment to the Lease and Management Agreement ("Amendment") is made and entered into as of January 19, 2021, by and among the CITY OF FAIRFIELD, a municipal corporation ("City") and SPORTS RESTAURANT OF FAIRFIELD, INC. ("SRF") and SPORTS RESTAURANT OF RANCHO SOLANO, INC. ("SRR"), each a California corporation (collectively, SRF and SRR are referred to hereinafter as "LESSEE"), CITY and LESSEE, collectively referred to hereinafter as "PARTIES", agree as follows:

#### **RECITALS**

- 1. CITY owns certain properties commonly referred to as the Rancho Solano Golf Course (Rancho Solano) and the Paradise Valley Golf Course ("Paradise Valley") (collectively, the "Golf Courses").
- 2. The Golf Courses are improved with several buildings and other improvements, including restaurants, bars, banquet facilities and other improvements.
- 3. Pursuant to that certain Lease and Management Agreement dated as of January 1, 2009 (the "Management Agreement"), CITY has leased a portion of the Golf Courses to LESSEE (such portion being the "Facilities") for food and beverage services.
- 4. The PARTIES have entered into four amendments to the Management Agreement (the Management Agreement, as amended, being the "Amended Management Agreement").
- 5. The PARTIES wish to further amend the Amended Management Agreement in response to the effects of the COVID-19 pandemic.

NOW, THEREFORE, in consideration for the mutual promises hereinafter set forth the parties hereto agree as follows:

#### **AMENDMENTS**

- 1. Section 4.1 (Rent) of Article 1.4 of the Amended Management Agreement is hereby amended by adding new paragraphs (e) (f) (g) and (h) to read as follows:
- (e) Beginning on December 1, 2020, the rent as set forth in this Section 4.1 shall be reduced to an amount equal to six percent (6%) of the amount of Gross Revenues less Banquet Revenues, plus an amount equal to twelve percent (12%) of Banquet Revenues.

- (f) LESSEE shall receive a credit to be applied toward rent payments due beginning December 1, 2020, in an amount equal to the difference between the rent paid by LESSEE and the amount that would have been due under paragraph (e) for the period from May 19, 2020 through November 30, 2020.
- (g) PARTIES shall review Gross Revenues and Banquet Sales on a quarterly basis, beginning April 30, 2021, to determine the date and manner in which the CITY will phase out the reductions authorized by paragraph (e).
- (h) In any event, paragraph (e) will have no further force or effect on the date that the City Manager deems, in the City Manager's sole discretion, that the LESSEE's operations are no longer impacted by the COVID-19 pandemic (such date being the "Reinstatement Date").
- I. Section 7.1 (<u>LESSEE Responsibilities</u>) of Article 1.6 of the Amended Management Agreement is hereby amended by adding the following paragraph to read as follows:

In an effort to reduce the financial burden sustained by LESSEE as a result of mandated closures from the COVID-19 pandemic, CITY shall assume the responsibility for all costs to alter kitchen equipment required to adequately separate food preparation and dishwashing areas for grill improvements at Rancho Solano Grill as required by County Public Health Regulator. Upon completion of said improvements, LESSEE shall keep all fixtures in good working order and complete maintenance to ensure compliance with all applicable Health Codes and Standards. Said improvements shall become the property of the City immediately after installation. In the event that the City Manager determines, in the City Manager's sole discretion, that LESSEE has failed to maintain such improvements as required by the previous sentence, the CITY shall be authorized to provide the maintenance and repairs deemed necessary by the City Manager and bill the LESSEE for all related costs. LESSEE shall pay that amount along with the next rent payment.

- II. Article 8 (Operation of Food and Beverage Service) of the Amended Management Agreement is hereby amended by adding a Section 8.12 to read as follows:
  - 8.12 Suspension of Performance Standards. The performance standards established in this Article 8 shall be suspended until the Reinstatement Date.
- III. EXHIBIT C (LESSEE Maintenance Responsibilities) of the Amended Management Agreement is hereby amended and replaced in its entirety by EXHIBIT C to this AMENDMENT.
- IV. EXHIBIT D (CITY Maintenance Responsibilities) of the Amended Management Agreement is hereby amended and replaced in its entirety by EXHIBIT D to this AMENDMENT.

#### **MISCELLANEOUS**

- 1. <u>Execution in Counterparts</u>. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same Amendment
- V. <u>Applicable Law</u>. This Amendment shall be governed by and construed in accordance with the laws of the State of California.
- VI. <u>Confirmation of Agreement</u>. Except as expressly set forth in this Amendment, all provisions of the Management Agreement shall remain in full force and effect.
- VII. <u>Captions</u>. The captions or headings in this Amendment are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Amendment.

[Signatures appear on next page.]

IN WITNESS WHEREOF, each of the parties has caused its authorized representative to execute this Amendment as of the date set forth above.

CITY:	LESSEE:
CITY OF FAIRFIELD, a municipal corporation	SPORTS RESTAURANT OF FAIRFIELD, INC a California corporation
By: Name: Its:	Name:
	By: Name: Its:

#### **EXHIBIT C**

#### LESSEE Maintenance Responsibilities

LESSEE's maintenance responsibilities shall include, but not be limited to, the following (underlined text indicates additions; strikethrough text indicates deletions):

- Existing furnishings, fixtures and equipment, including patio furnishings and storage buildings, shall be cleaned, maintained, replaced and repaired.
- Repair or replacement of any furnishings, fixtures and equipment as deemed necessary due to damage, beyond normal wear and tear, by LESSEE, its staff, vendors, or renters
- All utility connections
- 50%: Alarm system quarterly maintenance
- Internal door repairs such as broken door knobs, replacement, etc./ quarterly maintenance
- 50% for the following internal and external doors: (i) At Rancho Solano, the banquet door to wedding ceremony site, banquet door to the north patio, and kitchen exit door to loading dock; (ii) at Paradise Valley, the banquet door to golf course patio, south entry door to foyer and west exit/entry door to banquet room.
- 50%: Semi-annual maintenance of the existing partitions
- 50%: Partition replacement
- All building light replacements or addition of new lights
- Any additional electrical outlets installed
- Ninth tee telephone
- Interior painting as reasonably necessary
- Interior wall repairs as reasonably necessary
- Interior decorating as reasonably necessary
- Carpet cleaning at least three times annually, and spot cleaning.
- 50%: carpet replacement for new carpets installed by City
- 50%: floor tile replacement for new tile floors installed by City
- Restroom maintenance/janitorial per standards (100% of cost all interior restrooms)
- Maintenance and clean out of internal plumbing (100% of cost of all interior restrooms)
- Window cleaning inside and outside
- Broken windows
- Sports bar theme fixtures, such as televisions, satellites
- Garbage and recycle expenses
- Regular cleaning of all restrooms, entry / lobby areas, interiors, banquet and dining areas, bar seating areas, and kitchen
- Clean outdoor trash enclosures

LESSEE shall comply with the following standards in performing maintenance:

## 1. Restrooms

- Entry mat or carpet
- Entry door finger-mark free
- Tile and painted walls
- Toilets, bowls, rims, tank tops
- Toilet seats, tops and under sides
- Mirrors streak-free
- Soap dispensers and fill with soap
- Seat cover dispenser and fill with paper
- Maintain paper towel dispensers
- Counter top
- Sink and faucet fixtures, and check to make sure functional
- Light fixtures, functional, and bug free
- Room air freshener and functional
- Trash receptacle; clean with liner, reasonably empty
- Napkin receptacles with liners.
- Schedule cleaning of interior sewer quarterly or as needed during peak season

## Restroom Cleaning Procedure:

## Daily Task

- Check all supply levels and fill as needed
- Clean wash basins
- Clean all counters
- Clean toilet bowls & urinals
- Clean all mirrors
- Sweep
- Wet mop floor
- Wash basins cleaned with comet cleaner bleach
- Toilet bowls, urinals and floor cleaned with Q.T germicidal deodorant detergent
- Windex on all glass surfaces

# Weekly Task

- Clean toilet bowls and urinals with extra strength C.S.P. Cleaner
- Gel Gloss applied to counter tops on bi-weekly basis

#### Restroom Supplies

- Toilet paper
- Hand towels
- Liquid soap
- Kleenex

- Kotex Napkins
- Urinal Screens
- Deodorant cakes for both toilet bowls and urinals
- Comet cleaner bleach
- Q.T. germicidal detergent
- Extra strength C.S.P. cleaner
- Windex
- Gel-Gloss
- Deodorant cakes underneath benches for deodorizing air

## 2. Entry/Lobby

- Interior paint in good condition
- Walls and vents clean
- Wall-mounted pictures hung properly and clean
- Carpet vacuumed and spot-free or floor clean.

## 3. Interior

- Interior wall surfaces clean and cobweb-free
- Windows clean.
- Paint in good condition
- All signage in good condition and uniformed

#### 4. Banquet Area

- Chairs, seats and frames clean and in good repair
- Tables clean, tops and bases
- Carpets clean and in good repair

## 5. Bar Seating Area

- Carpet vacuumed and spot-free
- Windows clean and streak-free
- Bar stools, tables and chairs clean
- Bar top clean with supplies neatly arranged
- Bar mats and floor clean
- Glass shelves clean and streak-free
- Staff in uniform with name tags
- Light fixtures clean and functional
- Back bar organizes liquor brands displayed and dusted
- Refrigerators clean and organized
- Beer dispenser and drains clean
- License framed, posted, and current

- Liquor brands display and dusted
- · Refrigerators clean and organized
- Beer dispensers and drains clean

## Bar Seating Area (continued)

- License framed, posted, and current
- Liquor storage shelves organized and clean
- Liquor storage floors, walls, and vents clean
- Approved-pouring brands in place for well and back bars.

## 6. <u>Kitchen</u>

- Dish washing machine clean and sanitation procedures followed
- Garbage disposal operable
- Pots, pans and all shelving grease-free
- Garbage cans clean with liners
- Chopper, slicer and mixer clean and operable, kitchen floors clean
- Drains operable and clean
- Hoods, filters clean
- Refrigerators clean and organized-food stored off of the floor
- Food film covered in refrigerators and freezers
- Walls and floors clean
- Fire extinguishers current
- Schedule and provide documentation of quarterly grease trap cleanings, more as needed during peak season,
- Maintain all kitchen equipment in proper working order
- Maintain flooring to meet current Health Code requirements
- 50%: replacement or repair of epoxy flooring
- 50%: grill improvements at Rancho Solano Grill as required by State, County or other public health regulator.

#### **EXHIBIT D**

## **CITY Maintenance Responsibilities**

As between CITY and LESSEE (and without regard to any obligation of a third party with respect to a particular repair or replacement), CITY shall be responsible for all maintenance and repairs to any part of the Premises inside the walls, under the floor or above the ceiling of the Premises, if not identified in the following list, which includes (underlined text indicates additions; strikethrough text indicates deletions):

- All electrical problems in the walls and ceilings
- Alarm system
- 50%: Alarm system quarterly maintenance
- Restroom fixtures such as faucets, toilets, partition
- Exterior painting
- Exterior wall steam cleaning
- External door repairs i.e. broken door knobs, replacement, etc.
- 50% for the following internal and external doors: (i) At Rancho Solano, the banquet door to wedding ceremony site, banquet door to the north patio, and kitchen exit door to loading dock; (ii) at Paradise Valley, the banquet door to golf course patio, south entry door to foyer and west exit/entry door to banquet room.
- 50%: Semi-annual / annual maintenance of existing partitions
- 50%: Partition replacement
- Seal leakage of windows
- Exterior masonry wall repairs
- HVAC except thermostats damaged by staff
- Carpet replacement at Rancho Solano in 2018 and at Paradise Valley in 2020; and thereafter, 50% carpet replacement for new carpets installed by City
- Floor tile replacement at Rancho Solano in 2019 and thereafter, 50% floor tile replacement for new tile floors installed by City
- Restroom floor replacement
- 50%: replacement or repair of epoxy flooring
- 100% grill improvements at Rancho Solano Grill as required by State, County or other public health regulator
- Exterior sewer lines from the sewer to the street
- Pigeon removal
- Roof repairs
- The reserved areas designated for exclusive City use pursuant to Section 2.3

It is the intent of the parties that the City shall maintain Capital Improvements (or portions thereof) made by LESSEE during the term of this Agreement if, and to the extent that, they meet the criteria set forth in the preamble to this <u>Exhibit D</u> set forth above.