

Attachment A

Amendment to Lease Agreement

**AMENDMENT TO
LEASE AGREEMENT BY AND BETWEEN
THE CITY OF NEWPORT BEACH AND
PACIFICA CHRISTIAN HIGH SCHOOL OF ORANGE COUNTY, INC.**

THIS AMENDMENT ("Amendment") is made and entered into as of this 9th day of July, 2024 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City" or "Lessor"), and PACIFICA CHRISTIAN HIGH SCHOOL - ORANGE COUNTY, INC., a California nonprofit corporation ("Lessee" or "Tenant"). Lessor and Lessee are sometimes individually referred to herein as "Party" and collectively as the "Parties".

RECITALS

- A. The Parties entered into that certain Ground Lease Agreement Between the City of Newport Beach and Pacifica Christian High School of Orange County, dated September 26, 2014 ("Lease"), a copy of which is on file in the Office of the City Clerk, and as evidenced by that certain Memorandum of Lease Agreement, dated September 26, 2014, and recorded October 8, 2014, as Instrument No. 2014000409393 in the Official Records of Orange County ("Memorandum").
- B. Section 3.1 of the Lease provided an initial term of ten (10) years.
- C. Section 3.2 of the Lease provided Lessee the option to extend the term of the Lease for two (2) additional successive terms of five (5) years each commencing on the expiration of the initial term or an option term, on the same terms and conditions as contained in the Lease ("Option Term").
- D. The Parties now desire to enter into this Amendment to extend the Initial Term of the Lease, and to extend the year in which the City may adjust rent based on fair market value.

NOW, THEREFORE, it is mutually agreed by and between the undersigned Parties as follows:

1. TERM

Section 3.1 (Term of Agreement) of the Lease is amended in its entirety and replaced with the following:

"3.1 Term of Agreement. The initial term of this Agreement shall be twenty-five (25) years from the Commencement Date ("Initial Term"), unless terminated sooner as provided in this Agreement, or extended as provided in Section 3.2."

2. RENT

Section 4.4 of the Lease is amended in its entirety and replaced with the following:

"4.4 Notwithstanding the Index adjustments described above, if City, in its sole and absolute discretion, believes that notwithstanding such adjustments pursuant to Section 4.2, Rent, as adjusted, does not accurately reflect the fair market rental value of the Property the "FMR"), City may elect to adjust Rent at the commencement of the fifteenth (15th) Lease Year to reflect the FMR pursuant to this Section (which adjustment shall be in lieu of the adjustment pursuant to Section 4.2). City shall provide written notice to Tenant if it elects to adjust rent under this Section and such Rent adjustment shall become effective no sooner than nine (9) months after notice. Within thirty (30) calendar days thereafter, City and Tenant will attempt in good faith to agree upon an adjustment in Rent based upon the FMR. If City and Tenant are unable to agree within such thirty (30) calendar day period, the Property will be appraised to determine its fair market rental value in accordance with this Section. City shall, within ten (10) days after the expiration of such thirty (30) day period, submit to Tenant three (3) California licensed appraisers experienced in commercial real estate lease appraisal, and experience in commercial real estate in the Newport Beach, California area; Tenant shall select one (1) appraiser from the three (3) submitted appraisers to appraise the Property. City shall pay all costs associated with the appraiser and the appraisal. The fair market rental value determined by the appraiser will constitute rent for the fifteenth (15th) Lease Year and each successive year remaining on the Agreement; provided, however, that in no event will Rent so determined be less than that otherwise payable through the annual Index adjustments described above."

3. CONDITION SUBSEQUENT; RIGHT TO RESCIND

A material inducement for entering into this Amendment, and a condition subsequent to the effectiveness of this Amendment, is that it does not violate any applicable provision of law. If either Party receives a notice from any regulatory agency, a private party with standing, or any other government agency which expressly or implicitly states that this Amendment violates any provision of law ("Violation Notice"), such Party shall promptly provide a copy of the Violation Notice to the other Party. Upon the City's receipt of a Violation Notice that the City determines, in good faith and in its sole discretion, alleges a potentially legitimate violation, the City shall have one hundred eighty (180) days to elect to unilaterally rescind this Amendment ("Election Period"),

unless the Election Period is extended by consent of Lessee. Acceptance of rent during the Election Period shall not constitute a waiver of the City's right to rescind. The City may exercise its right to rescind during the Election Period by dispatching written notice to Lessee setting forth the effective date of the rescission, which shall be at least ten (10) days after the date of the notice. If the City does not exercise its right to rescind during the Election Period, or if the City determines that a Violation Notice does not allege a potentially legitimate violation, the City shall have no further right to rescind this Amendment based on that particular Violation Notice. Rescission of this Amendment shall not affect the validity of the Lease. In the event of rescission, the Parties agree to restore the other Party to the position that it would have occupied had this Amendment never been entered into, taking into consideration the applicability of the terms of the Lease, and the possession of the property up to the effective date of rescission.

4. INTEGRATED CONTRACT

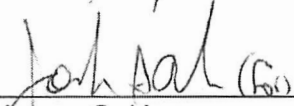
Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Lease shall remain in full force and effect. In the event of a conflict between any term, provision, or condition of this Amendment and any term, provision, or condition of the Lease, the terms, provisions, or conditions of the Lease will control.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the dates written below.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

Date: 6/18/24

By: 
Aaron C. Harp
City Attorney

*ms
6/18/24*

LESSOR: CITY OF NEWPORT BEACH,
a California municipal corporation and
charter city

Date: _____

By: _____
Grace K. Leung
City Manager

ATTEST:

Date: _____

By: _____
Leilani I. Brown
City Clerk

LESSEE: PACIFICA CHRISTIAN HIGH
SCHOOL – ORANGE COUNTY, INC., a
California nonprofit corporation

Date: 6/24/24

By: 
Keith Carlson
Chief Executive Officer

Date: 6/24/24

By: 
David Bahnsen
Chief Financial Officer

[END OF SIGNATURES]

RECORDING REQUESTED AND
WHEN RECORDED RETURN TO:

City of Newport Beach
Attn: City Clerk's Office
100 Civic Center Drive
Newport Beach, CA 92660

[Exempt from Recordation Fee - Govt. Code §§ 6103 & 27383]

MEMORANDUM OF
AMENDMENT TO LEASE AGREEMENT

This Memorandum of Amendment to Lease Agreement ("Memorandum") is dated July 9, 2024, and is made by and between City of Newport Beach, a California municipal corporation and charter city ("City"), and Pacifica Christian High School of Orange County, a California non-profit corporation ("Tenant"), concerning the real property described in Exhibit "A," and depicted in Exhibit "B", both of which are attached hereto and incorporated herein by this reference ("Property"). The City and Tenant are collectively referred to herein as the "Parties."

For good and adequate consideration, City leased the Property to Tenant, and Tenant leased the Property from City, for the term and on the provisions contained in that certain,

Ground Lease Agreement Between the City of Newport Beach and Pacifica Christian High School of Orange County, dated September 26, 2014 ("Lease"),

a copy of which is on file in the Office of the City Clerk, and as evidenced by that certain,

Memorandum of Lease Agreement, dated September 26, 2014, recorded October 8, 2014, as Instrument No. 2014000409393 in the Official Records of Orange County,

which includes, without limitation, provisions prohibiting assignment, subleasing, and encumbering said leasehold without the express written consent of City in each instance, and a first right of refusal to purchase the Property subject to City's compliance with applicable surplus property statutes, all as more specifically set forth in said Lease, which said Lease is incorporated in this Memorandum by this reference.

For good and adequate consideration, the Parties subsequently entered into that certain,

Amendment to Lease Agreement by and between the City of Newport Beach and Pacifica Christian High School of Orange County, Inc., dated July 9, 2024 ("Amendment"),

a copy of which is on file in the Office of the City Clerk, to amend the term of the Lease to be twenty five (25) years, beginning September 26, 2014, and ending September 26, 2039, with the right to extend for up to two (2) successive terms of five (5) years each, with all other provisions, terms, and covenants set forth in the Lease remaining in full force and effect.

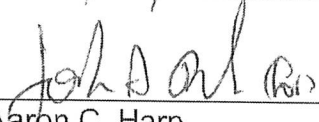
This Memorandum is not a complete summary of the Lease or the Amendment. Provisions in this Memorandum shall not be used in interpreting the Lease or the Amendment's provisions. In the event of conflict between the terms of this Memorandum, on the one hand, and the terms of the Lease or the Amendment, on the other hand, the terms of the Lease or the Amendment shall control.

[Signatures on the next page]

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the dates written below.

**APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE**

Date: 6/18/24

By: 
Aaron C. Harp
City Attorney

ATTEST:

Date: _____

By: _____
Leilani I. Brown
City Clerk

LESSOR: CITY OF NEWPORT BEACH,
a California municipal corporation and
charter city

Date: _____

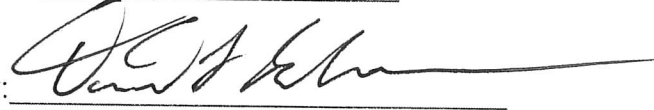
By: _____
Grace K. Leung
City Manager

**LESSEE: PACIFICA CHRISTIAN HIGH
SCHOOL – ORANGE COUNTY, INC.,** a
California nonprofit corporation

Date: 6/24/24

By: 
Keith Carlson
Chief Executive Officer

Date: 6/24/24

By: 
David Bahnsen
Chief Financial Officer

[END OF SIGNATURES]

Tenants must sign in the presence of notary public

ATTACHMENTS: Exhibit A — Property Description
Exhibit B — Property Depiction

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange } ss.

On June 24th, 2024 before me, Rayna Austin,
Notary Public, personally appeared Keith Carlson, who

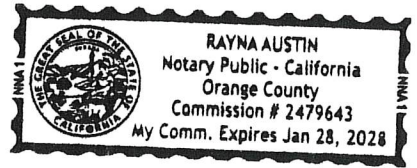
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Signature

(seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange } ss.

On June 24th, 2024 before me, Rayna Austin,
Notary Public, personally appeared David Bahnsen, who

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Signature

(seal)

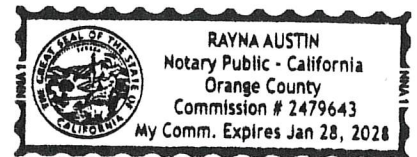
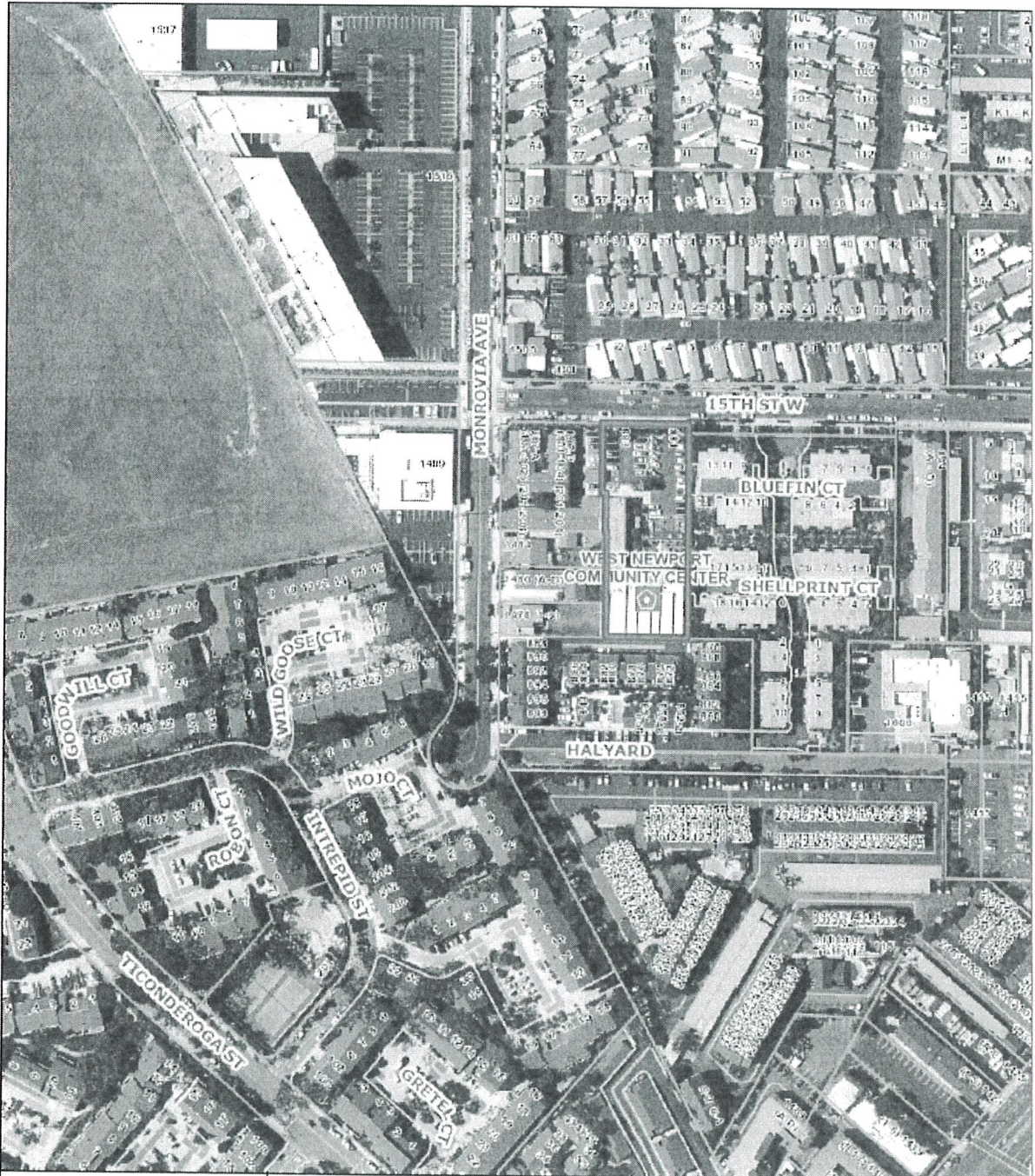


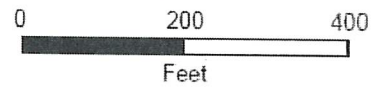
EXHIBIT A

Parcel 2 of Parcel Map 88-285, in the City of Newport Beach, as per map filed in Book 237, pages 1 through 3 of Parcel Maps, in the office of the County Recorder of said County.

EXHIBIT B



NBGIS
NEWPORT BEACH



Disclaimer:
Every reasonable effort has been made to assure the accuracy of the data provided, however, The City of Newport Beach and its employees and agents disclaim any and all responsibility from or relating to any results obtained in its use.

5/14/2024

PARCEL MAP NO 88-285

CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA

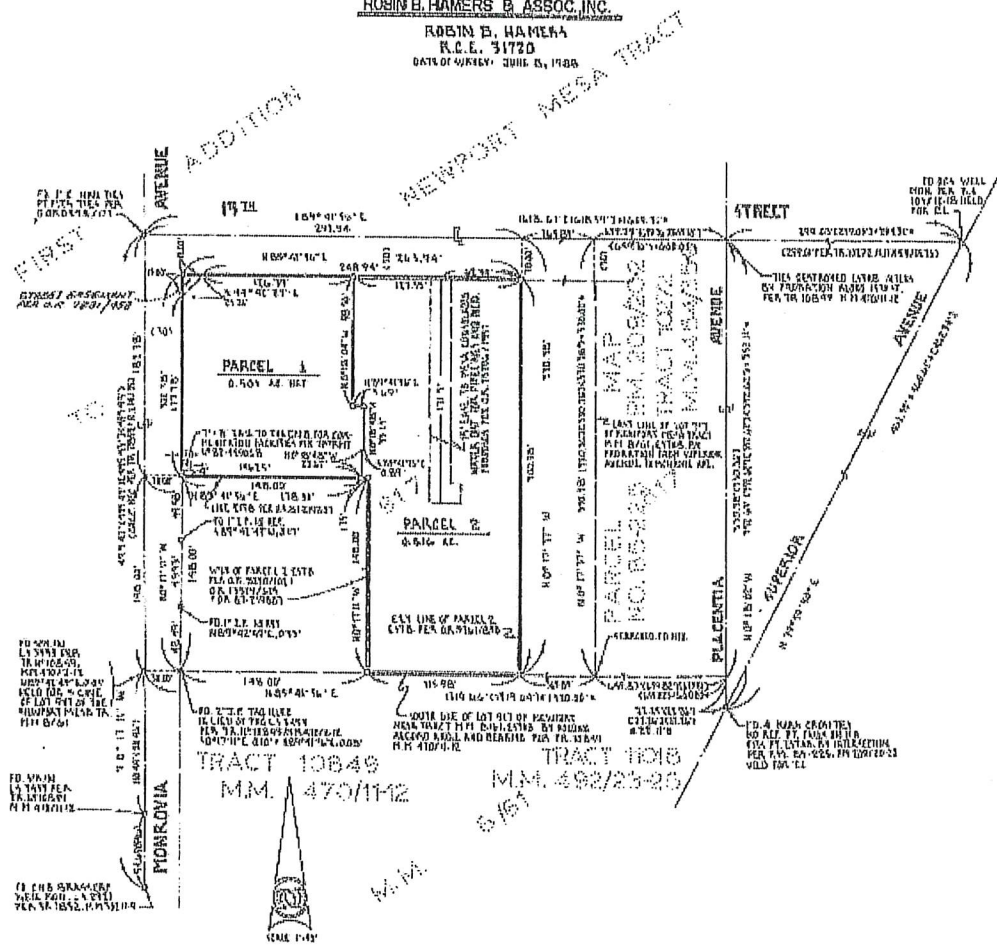
2 PARCELS

BEING A SUBDIVISION OF LOT 911 OF THE FIRST ADDITION TO NEWPORT MESA TRACT IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN THE OFFICE OF THE CLERK OF SUPERIOR COURT, RECORDS OF ORANGE COUNTY.

1311 ACRES

ROBIN B. HAMERS B. ASSOC. INC.

ROBIN B. HAMERS
R.C.E. 31720
DATE OF WORK: JUNE 15, 1988



MONUMENT NOTES

- B — INDICATES TO MONUMENT AS SHOWN
- D — DISTANCE ACT BY 1/2 INCH PER 100 FEET
- E — DISTANCE ACT BY 1/4 INCH PER 100 FEET
- F — DISTANCE ACT BY 1/8 INCH PER 100 FEET
- G — DISTANCE ACT BY 1/16 INCH PER 100 FEET
- H — DISTANCE ACT BY 1/32 INCH PER 100 FEET
- I — DISTANCE ACT BY 1/64 INCH PER 100 FEET
- J — DISTANCE ACT BY 1/128 INCH PER 100 FEET
- K — DISTANCE ACT BY 1/256 INCH PER 100 FEET
- L — DISTANCE ACT BY 1/512 INCH PER 100 FEET
- M — DISTANCE ACT BY 1/1024 INCH PER 100 FEET
- N — DISTANCE ACT BY 1/2048 INCH PER 100 FEET
- O — DISTANCE ACT BY 1/4096 INCH PER 100 FEET
- P — DISTANCE ACT BY 1/8192 INCH PER 100 FEET
- Q — DISTANCE ACT BY 1/16384 INCH PER 100 FEET
- R — DISTANCE ACT BY 1/32768 INCH PER 100 FEET
- S — DISTANCE ACT BY 1/65536 INCH PER 100 FEET
- T — DISTANCE ACT BY 1/131072 INCH PER 100 FEET
- U — DISTANCE ACT BY 1/262144 INCH PER 100 FEET
- V — DISTANCE ACT BY 1/524288 INCH PER 100 FEET
- W — DISTANCE ACT BY 1/1048576 INCH PER 100 FEET
- X — DISTANCE ACT BY 1/2097152 INCH PER 100 FEET
- Y — DISTANCE ACT BY 1/4194304 INCH PER 100 FEET
- Z — DISTANCE ACT BY 1/8388608 INCH PER 100 FEET

86414 OF BEARINGS

THE BEARINGS HEREON ARE PLANNED BY THE OFFICE OF THE CLERK OF SUPERIOR COURT, COUNTY OF ORANGE, STATE OF CALIFORNIA, AND ARE BASED ON THE MERIDIAN OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA.

PM 251/3

RESOR 877