

**AMENDMENT #1 TO THE LEASE AGREEMENT FOR
LEASE SITE 62/62W,
LOCATED AT 551 EMBARCADERO**

This Amendment #1 to the Lease Agreement ("Amendment #1") is made and entered into as of this _____ day of _____, 2024, by and among the City of Morro Bay, a municipal corporation of the State of California, hereinafter called "City," and Todd Baston and Tamara Gray-Baston, hereinafter called "Tenant." (Collectively, City and Tenant are sometimes referred to herein as the "Parties.")

WHEREAS, this Amendment #1 amends that certain Interim Lease Agreement entered into by and between the Parties and effective as of October 1, 2019 (the "Master Lease") for Lease Site 62/62W located at 551 Embarcadero (the "Lease Site").

WHEREAS, on September 12, 2023, Tenant obtained a Consent of Landowner (COL) which provides permission and authority to submit their Lease Site 62/62W redevelopment plans for Conditional Use Permit approval by the City; and

WHEREAS, the term of the Master Lease expires on September 30, 2024; however, the redevelopment project will supersede this lease expiration date; and

WHEREAS, the Parties now desire to enter into this Amendment #1 to extend the term of the Master Lease by 18 months, establishing a new lease expiration date of March 30, 2026, to allow continued compliance with the COL.

NOW THEREFORE, Tenant and City agree, as follows: Tenant and City shall provide for the amendment of Lease as follows:

1. The foregoing recitals are incorporated into this Amendment #1 as true and correct.
2. Section 2.01, "Term," of the Master Lease is hereby amended to extend the term of the Master Lease by eighteen (18) Months, establishing a new lease expiration date of March 30, 2026.

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3. All other provisions of the lease shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment #1 as of the date written above.

CITY OF MORRO BAY

Tenant

By: _____
Carla Wixom, Mayor

By: _____
Todd Baston

APPROVED AS TO FORM:

By: _____
Tamara Gray-Baston

Chris F. Neumeyer, City Attorney

ATTEST:

Dana Swanson, City Clerk