AMENDMENT NO. 1 TO LICENSE AGREEMENT BETWEEN THE CITY OF HUNTINGTON BEACH AND PCH BEACH RESORT, LLC.

This Amendment No. 1 to License Agreement Between the City of Huntington
Beach and PCH Beach Resort, LLC (the "First Amendment"), is dated for reference
purposes only as of theday of, 2023, and is made and entered into by
and between the City of Huntington Beach ("City") and PCH Beach Resort, LLC
("Licensee") with reference to that certain License Agreement entered into between City
and Licensee dated February 6, 2017, for a concession stand at 21529 Pacific Coast
Highway (the "Original Agreement").

City and Licensee wish to amend the Original Agreement to change the rules and restrictions pertaining to Licensee's the sale of alcohol beverages and to revise Exhibit "A" to the Original Agreement—Depiction of the Premises.

NOW, THERE, IT IS AGREED by City and Licensee as follows:

1. The title of Section 47 of the Original Agreement is hereby revised to "RESTRICTIONS RELATING TO THE SALE OF ALCOHOLIC BEVERAGES AND LIVE ENTERTAINMENT" and the text of said Section is revised to read in its entirety as follows:

"Notwithstanding anything to the contrary, the sale or provision of alcoholic beverages and/or live entertainment in, on, or from the Premises is expressly forbidden, unless expressly permitted in writing by City in advance. For any proposed sale or provision of alcoholic beverages, Licensee must first obtain written City approval prior to submitting any request for approval to the California Department of Alcohol Beverage Control. In addition, if Licensee obtains such

approvals, Licensee shall abide by the following conditions which are a substantive and material condition of this Agreement. Failure to abide by any of the following conditions may be considered material breach of this Agreement at the City's sole and absolute discretion and grounds for the City to immediately terminate this Agreement.

- a. The business shall obtain an Alcohol Beverage Control (ABC) license authorizing alcohol use in the business and outdoor patio. All ABC requirements shall be met prior to sales, service, or consumption of alcoholic beverages.
- b. All areas of the alcohol business that are accessible to patrons shall be illuminated such that the appearance and conduct of all people in the alcohol business are visible from inside the alcohol business.
- c. Food service from the regular menu must be available to patrons up to one hour before the scheduled closing time, including a cook and food servers shall be on duty.
- d. An employee of the alcohol business must monitor all areas where alcohol is served.
 - e. Alcoholic drinks shall not be included in the price of admission.
- f. All alcohol shall remain within alcohol business premises, including outdoor dining area.
- g. Service of alcoholic beverages for consumption off-site shall not be permitted.

- h. There shall be no requirement for patrons to purchase a minimum number of alcoholic drinks.
- Games or contests requiring or involving consumption of alcoholic beverages shall be prohibited.
- j. No reduced price or promotions of alcoholic beverages shall be allowed after 7:00 p.m.
 - k. Last call for drinks shall be no later than 15 minutes before closing.
- 1. Consumption of alcoholic beverages by on-duty employees; including servers, bartenders, kitchen staff, management and supervisory personnel is not permitted, except when training for knowledge of food pairing, if applicable.
- m. Mandatory Responsible Beverage Service (RBS) training and certification shall be required for new employees within 60 days of being hired and for existing employees every 12 months. Training shall be provided by ABC or an ABC approved RBS trainer and records of the training must be maintained on-site for review.
- n. All owners, employees, representatives, and agents must obey all federal, state, and local laws. In addition, all conditions of the Conditional Use Permit, Alcoholic Beverage Control License and any other regulations, provisions, or restrictions prescribed by an agency with jurisdiction over the premise are required as part of the CUP to be followed.
- o. The establishment shall employ a video surveillance security system with a minimum of one-month video library recorded to a DVR or Cloud based system. The cameras minimum requirements will be: clear, color, digital and

able to record in low light. The business shall ensure all public areas surrounding the business, including entrances and exits, are covered by video surveillance. Electronic copies of video must be made available to the Huntington Beach Police Department within 48 hours of request. Digital recordings shall be made available for viewing on-scene upon request by police personnel conducting investigations. You are required to have someone able to operate the system on duty during all business hours.

- p. There shall be no exterior advertising or sign of any kind or type, including advertising directed to the exterior from within, promoting or indicating the availability of alcoholic beverages. Exclusion: Itemized alcohol beverage items listed on menu boards which are permanently affixed to the interior or exterior of the building are allowed.
- q. There shall be no window coverings or advertisements that reduce the visibility inside of the business.
- r. Signage, posters, and advertising with "Do Not Drink and Drive" shall be posted in the business and/or outdoor dining areas.
- s. Signs shall be posted in a conspicuous space at the entrance/exit of the outdoor dining area which shall state, "NO ALCOHOLIC BEVERAGES BEYOND THIS POINT."
- t. Dancing and/or dance floor and/or live entertainment is prohibited.

 (Note: a new or amended Conditional Use Permit and an Entertainment Permit issued by the City is required for these additional activities).

- No alcoholic beverages shall be consumed on any property adjacent to the premises under the control of the Licensee.
- v. The patio shall have a physical barrier minimum 36 inches in height surrounding the outdoor dining area and designed in a manner that will prohibit passing of alcohol through the barrier.
- w. No dining or consumption of alcoholic beverages shall be permitted in the outdoor patio areas between the hours of 10:00 PM and 7:00 AM.

The ability to sell alcoholic beverages is conditioned upon Licensee's maintenance of an active license with the California Department of Alcoholic Beverage Control ("ABC"). In the event Licensee faces disciplinary action before the ABC that results in the ABC recommending revocation of Licensee's license, the City may suspend or terminate Licensee's right to sell alcoholic beverages by providing written notice to Licensee and Licensee expressly agrees that the City will not be subject to damages in law or equity if the City exercises such right.

2. Exhibit A – Depiction of Premises.

Exhibit A in the Original Agreement shall be replaced with Exhibit A-1 to this

First Amendment which updates the boundaries of the premises to more accurately depict
the location of the building and the adjacent outdoor area.

3. REAFFIRMATION

Except as specifically modified herein, all other terms and conditions of the Original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed by and through their authorized officers on _______, 2023. CITY: LICENSEE: CITY OF HUNTINGTON BEACH, PCH BEACH RESORT, LLC a municipal corporation of the a California limited liability company State of California Mayor (print or type name) ATTEST: Its: (circle one) Chairman/President/Vice President AND City Clerk By: _____ APPROVED AS TO FORM: (print or type name) Its: (circle one) Secretary/chief Financial Officer/ City Attorney Asst. Secretary-Treasurer INITIATED AND APPROVED: REVIEWED AND APPROVED: Director of Community Development City Manager

Exhibit A-1

Depiction of Premises

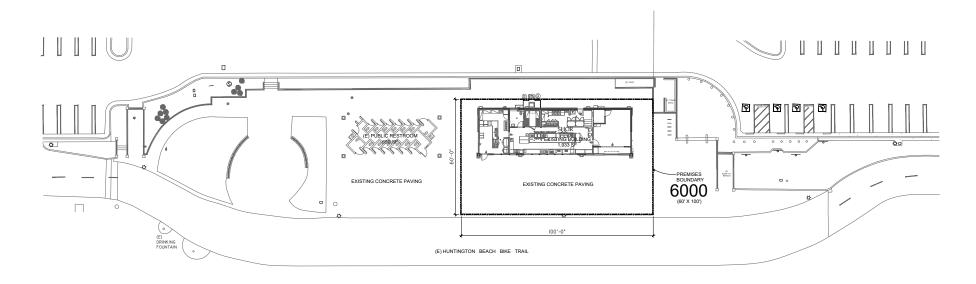


EXHIBIT A-1: PREMISES BOUNDARY