

LICENSE AGREEMENT BETWEEN
THE CITY OF SALINAS AND
AUSONIO INCORPORATED



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LICENSE AGREEMENT
10-12 Soledad Street
Salinas, California 93901

THIS LICENSE AGREEMENT is made and entered into this 1st day of May 2018, by and between the **City of Salinas**, a California charter city and municipal corporation, hereinafter called the "City," and Ausonio Incorporated, a California corporation, hereinafter called "Licensee."

RECITALS

WHEREAS, the City is the owner of that real property located at 10-12 Soledad Street in the city of Salinas, California, County of Monterey, and which is more particularly shown on **Attachment A**, attached hereto and incorporated herein by reference ("premises"); and

WHEREAS, Licensee will be constructing a housing project known as the "**Moon Gate Plaza**" Project which will be located at **21 Soledad St** in the city of Salinas; and

WHEREAS, Licensee desires to use **10-12 Soledad Street** as a staging area on which it will be used for **staging of construction materials including but not limited to shipping containers, equipment, construction trailer and vehicle parking**; and

WHEREAS, premises are not currently needed by the City for any municipal purpose and it is not anticipated that premises will be needed for any municipal purpose during the term of this License Agreement.

WHEREAS, the City desires to license the Licensed Premises to the Licensee for the term hereinafter provided and the Licensee desires to accept such License upon the terms and subject to the conditions contained herein.

NOW, THEREFORE, in mutual consideration of the covenants, terms and conditions set forth in this License Agreement, the Parties agree as follows:

TERMS

1. Grant of License. The City hereby grants to Licensee an exclusive, temporary, and revocable license to use premises.

2. Purpose of License. Use of Licensed Property. The sole purpose of this License Agreement is to allow Licensee to access premises for the purpose of staging and parking. Premises shall be put to no other use by Licensee or any of its officers, employees, agents or representatives or any of their officers, employees, agents or representatives. Neither Licensee, nor any of its officers, employees, agents or representatives nor any of their officers, employees, agents or representatives shall use premises in other than a careful and proper manner and will adequately maintain premises and all improvements thereon in a clean and safe condition, making any and all replacements and repairs necessary during the term of this license to keep premises in a clean and safe condition. Licensee covenants and agrees that it shall never at any time suffer, permit or allow any nuisance to be maintained upon all or any part of premises nor any mechanic's, materialmen's or laborer's liens to attach to said property.

Licensee shall also ensure to consult with the City Engineer regarding traffic and transportation and pedestrian safety before and during its use of premises.

3. Term. The term of this License Agreement shall be for a period of two (2) years, commencing on May 1, 2018, and terminating on April 30, 2020. This License Agreement may only be extended upon the express written consent of the City.

4. Termination. Either party shall have the right to terminate this License Agreement for any reason, or for no reason, upon no less than sixty (60) days prior written notice to the other party.

5. Consideration. Consideration for this License Agreement shall be Licensee's full and timely compliance with all the covenants, terms, and conditions of this License Agreement. In further consideration of the License granted hereunder, Licensee will maintain the premises free of litter and trespassers.

6. Condition of Licensed Premises. The Licensed Premises are licensed on an "As-Is, Where-Is" basis and the City has no obligation for maintenance, repair, improvement or alteration of the property or any part thereof, either before or during the term of this license.

7. Control of Licensed Premises. Throughout the Term of this License Agreement, the City shall retain the physical control and shall retain the management and the operation of the Licensed Premises and Licensee shall be subject to the rules and regulations adopted by the City and applicable to the Licensed Premises.

8. Structures. No structures or signs may be placed on or constructed upon the Licensed Premises, , except as may otherwise specifically authorized in writing by the City.

9. Liens and Encumbrances. Licensee shall have no authority, express or implied, to create or to place a lien or encumbrance of any kind upon any interest in the Property, including any mechanic, material or laborer's lien.

10. Laws and Ordinances. In the exercise of any privilege granted by this license, Licensee shall comply with all applicable federal, state, and local laws, rules, and regulations. Included within this obligation is compliance with all NPDES regulations and all other applicable storm water management and control regulations whether in effect now or which may later come into effect during the term of this license.

11. Hazardous Substances. Licensee shall not use any portion of Premises for the storage or use of flammable or hazardous substances or underground storage tanks. The City understands and acknowledges that vehicles or equipment parked at Premises will use hazardous substances in order to operate, including gasoline and oil. Licensee shall be solely responsible for the clean-up and remediation of any spill or discharge or any hazardous substances including, but not limited to, gasoline and oil from such vehicles and equipment. As required by law, Licensee shall immediately notify the City in writing of any material release of hazardous substances and of any hazardous substances that have come to be located on or beneath the Premises.

12. Insurance. Licensee shall, at its own cost and expense, maintain the insurance specified and required at Exhibit C hereto.

13. Indemnification. Licensee shall indemnify, defend, and hold the City and its officers, employees, and agents, harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to any property, or violation of any relevant federal, state or municipal law or ordinance, or other cause in connection with the City's grant of this license and Licensee and any of its officers, guests, invitees, licensees, agents or representatives use or occupancy of any part of the premises pursuant to such license. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages and shall survive the expiration or the earlier termination of this License Agreement.

14. Return of Licensed Premises. Licensee shall surrender the Licensed Premises at the termination of this License Agreement, in as good a condition, order, and repair as the same shall be on commencement date of the Term.

15. Assignment. Licensee shall not assign its rights under this license Agreement. Any attempt by Licensee to assign the rights and the obligations under this license agreement shall automatically terminate the License Agreement. Other than the rights specifically granted under this License Agreement, Licensee hereby expressly waives any claim to or interest or estate of any kind or extent whatsoever in the Premises arising out of this License Agreement or out of Licensee's use of the Premises., whether now existing or arising at any future date.

16. Destruction/Condemnation of Property. In the event the premises are partially or totally destroyed or condemned, this License Agreement shall automatically terminate.

17. Binding on Successors. The covenants, terms, and conditions contained herein shall apply to and shall bind the heirs, successors, and assigns of all parties hereto.

18. Notices and Notification. Any notices under this License Agreement shall be sent to the parties by personal delivery, by facsimile, or by certified mail, return receipt requested, postage prepared in the United States Postal service at the addresses set forth below.

City of Salinas
Public Works Director
200 Lincoln Avenue
Salinas, California 93901

Ausonio, Inc.
Andrew P. Ausonio
11420 A Commercial Parkway
Castroville, California 95012

19. Default by Licensee. If Licensee defaults under this License Agreement, the City shall give Licensee written notice requiring that the default be remedied by Licensee. If the default is not cured within the time set forth by the City (which shall be a reasonable time for curing the default and in no event shall be less than thirty (30) days), Licensee may take any action to cure such default.

20. Default by City. If the City defaults under this license Agreement, Licensee shall give the City written notice requiring that the default be remedied by the City. If the default is not cured within the time set forth by the Licensee (which shall be a reasonable time for curing the default and in no event shall be less than thirty (30) days), Licensee may take any action to cure such default.

- 21. Modification.** No amendments to or changes to this License Agreement may be made, except by a writing expressly authorized and signed by the City and by Licensee.
- 22. No Reliance on Representations.** Each party hereby represents and warrants that it is not relying upon, and had not relied upon, any representation or statement made by the other party with respect to the facts involved or its rights or its duties under this License Agreement.
- 23. Warrant of Authority.** Each party represents and warrants that it has the right, power, and authority to enter into this License Agreement. Each party further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this License Agreement for it, to enter into this License Agreement.
- 24. Severability.** If any part of this License Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the License Agreement shall continue to be in full force and effect.
- 25. Further Assurances.** Each party agrees to do such further acts and things and to execute and to deliver such additional agreements and instruments as the other may reasonably require to consummate, evidence or confirm the agreements contained herein in the manner contemplated hereby.
- 26. Counterparts.** This License Agreement may be executed in one or more counter parts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.
- 27. Integration and Agreement.** This License Agreement represents the entire understanding of the City and Licensee as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters contained herein.
- 28. Rights and Obligations Under Agreement.** By entering into this License Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create rights in any party not a signatory hereto.
- 29. Attorney's Fees.** In case suit shall be brought to interpret or to enforce this License Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorney's fees in addition to such costs as may be allowed by the court. City's attorney's fees, if awarded, shall be calculated at the market rate.
- 30. Jurisdiction.** This License Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this License Agreement shall be in the State of California, in the county of Monterey or in the appropriate federal court.
- 31. No Partnership or Joint Venture.** The provisions of this license Agreement are not intended to create, nor shall they in any way be interpreted or construed to create, a joint venture, partnership or similar relationship between the parties.

CITY OF SALINAS

AUSONIO, INC.

Ray E. Corpuz, Jr., City Manager

By: Andrew Ausonio
Its: President

APPROVED AS FORM:

Christopher A. Callihan, City Attorney

ATTEST:

Patricia Barajas, City Clerk

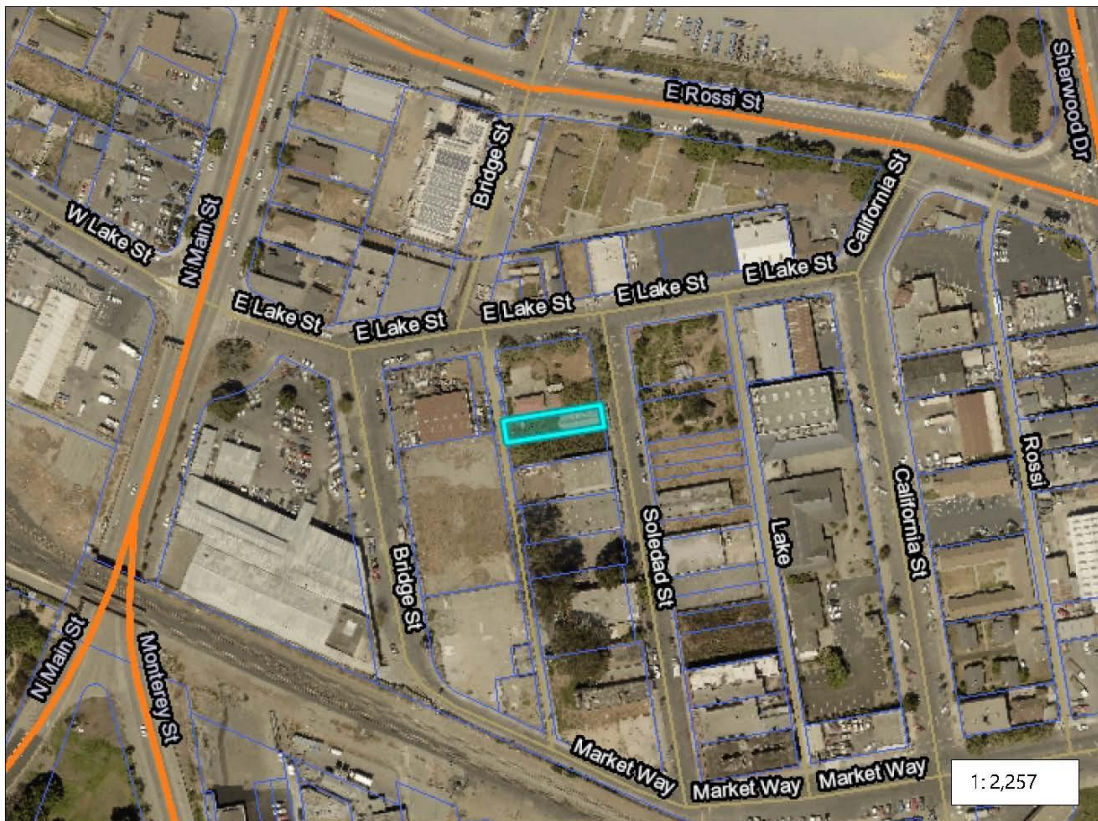
EXHIBIT A - Location map

Property Report

Assessor Parcel Number: 002194016000

Owner: CITY, OF SALINAS

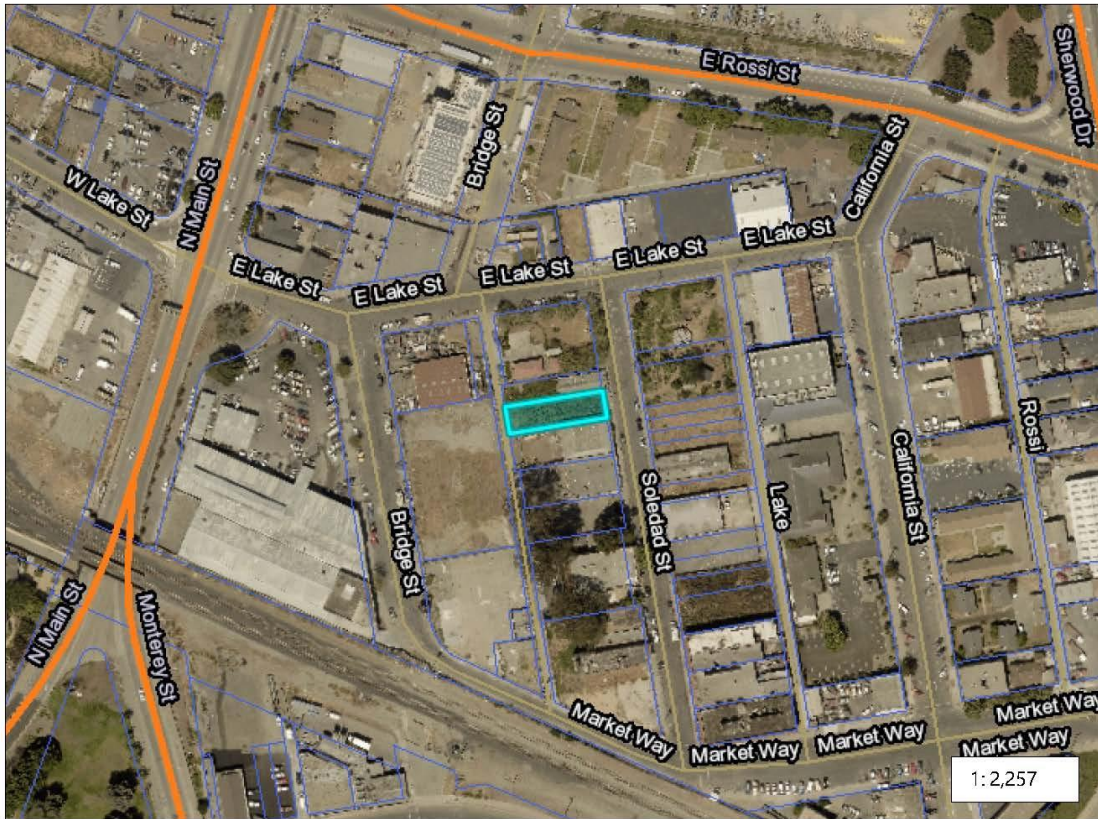
Address: 10 SOLEDAD ST, SALINAS, CA, 93901



Disclaimer: The City of Salinas has made every reasonable effort to provide accurate and timely information. The City of Salinas does not, however, assume any responsibility, implied or otherwise, and makes no representation, warrant, guarantee, or claim regarding accuracy, omissions, or the reliance on second party data. Users are advised to seek independent verification before relying on this information.

Report generated on: 06-Apr-2018

Assessor Parcel Number: 002194022000
Owner: CITY, OF SALINAS
Address: 12 SOLEDAD ST, SALINAS, CA, 93901



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Report generated on: 06-Apr-2018

EXHIBIT B –Acceptance of the Premises

I, Andrew Ausonio, the President, representing Ausonio, Inc. have inspected the premises at 10-12 Soledad Street, Salinas California, owned by the City of Salinas. I have determined that this building and property will be suitable for my business practices, and I hereby accept the Premises in “as-is, where-is” condition.

Signature: _____

Date _____

Exhibit C – Insurance Requirements Facility Use License

Licensee (renter/user), at Licensee's sole cost and expense, shall procure and maintain for the duration of the rental and/or use period insurance against claims for injuries to persons or damages to property which may arise from or in connection with the use of the facilities and the activities of the Licensee, his guests, invitees, agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Commercial General Liability ("CGL") Insurance: CGL Coverage shall be at least as broad as Insurance Services Form CG 00 01 covering CGL on an occurrence basis, including property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this use/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. If Licensee utilizes volunteers, Licensee shall provide evidence of coverage respecting the same.

Workers' Compensation ("WC") Insurance: If Licensee employs others for the event; Licensee shall maintain WC insurance as required by the State of California, with statutory limits, and employer's liability insurance with a limit of no less than \$1,000,000 per occurrence. If requested, Licensee shall provide an insurance endorsement waiving subrogation rights against the City of Salinas.

OTHER INSURANCE PROVISIONS

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

Additional Insured Status

The City of Salinas, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL. General liability coverage can be provided in the form of an endorsement to the Licensee's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage

Licensee's insurance coverage shall be primary insurance coverage as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Licensee's insurance and shall not contribute with it.

Waiver of Subrogation

Licensee hereby grants to City a waiver of any right to subrogation, which any insurer of said Licensee may acquire against the City by virtue of the payment of any loss under such insurance. Licensee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Verification of Coverage

Licensee shall furnish the City with Certificates of Insurance including an additional insured endorsement in favor of the City (or copies of the applicable policy language effecting coverage required by this clause).

All certificates and endorsements are to be received and approved by the City by the date certain specified by the City and, in any event, before Licensee commences activities or permit start date.

Notice of Cancellation

Each insurance policy required shall provide that coverage shall not be canceled, except with notice to the City.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City; an exception may be made for the State Compensation Insurance Fund for WC insurance.

Availability of Limits

If the Licensee maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Licensee.

Liquor Liability

If Licensee will be supplying alcoholic beverages, the general liability insurance shall include host liquor liability coverage. If Licensee is using a Licensee or other vendor to supply alcohol that vendor must have liquor liability coverage. If Licensee intends to sell alcohol, either the Licensee or vendor providing the alcohol for sale must have a valid liquor sales license and liquor liability insurance covering the sale of alcohol.

Homeowners Insurance

In some cases the Licensee's homeowner's liability insurance may provide coverage sufficient to meet these requirements. Licensee should provide these requirements to his or her agent to confirm and provide verification to the City.

Special Events Coverage

Special events coverage is available for an additional fee to provide the liability insurance required by this agreement. Licensee can obtain additional information and cost from City.

Special Risks or Circumstances

City reserves the right to modify these requirements based on the nature of the risk, prior events, insurance coverage, or other special circumstances.