## **LICENSE AGREEMENT**

This License Agreement ("Agreement") is made and entered into as of the later of the dates on which the parties did execute this Agreement by and between **City of Commerce**, California individual hereinafter called "Licensor" and **FedEx Ground Package System**, **Inc.**, a Delaware corporation hereinafter called "Licensee." Licensee and Licensor are sometimes referred to individually as "Party" and collectively as the "Parties". In consideration for the payment by Licensee and the performance of the covenants herein contained, Licensor hereby licenses to Licensee the right to use the real property described below, subject to the following terms and conditions:

- 1. <u>Licensed Premises</u>: The Licensed Premises consists of the paved parking area located at 5733 Sheila St. & 5736 E. Washington St., Commerce, California 90040 as further described on **Exhibit "A"** attached hereto and incorporated herein by reference (the "Licensed Premises").
- 2. <u>The License</u>: Licensor hereby gives Licensee an exclusive right to use (the "<u>License</u>") the Licensed Premises twenty-four hours per day, three hundred sixty-five days per year during the License Term (as defined below) for the purpose described in **Section 4** below.
- 3. <u>License Fee</u>: (A) Licensee shall pay to Licensor, as consideration for the License, the rate of \$37,000 per month (the "<u>License Fee</u>") during the License Term. The License Fee shall be paid on or before the first business day of each and every calendar month of the License Term. If Licensee becomes delinquent with respect to the payment of the License Fee by more than five (5) days after receipt of notice thereof from Licensor, Licensee shall pay a late charge of 3% on account of such delinquency and for every delinquency thereafter during the License Term. (B) If the Licensed Premises are rendered unusable in whole or in part, for a period of five (5) consecutive business days, by the making of repairs, replacements, or additions, other than those made with Licensee's consent or caused by misuse or neglect by Licensee or Licensee's agents, servants, visitors, or licensees, Licensee may terminate this Agreement or proportionately reduce the License Fee for any period the Licensed Premises are not useable for Licensee's intended Use.
- 4. <u>Use of Licensed Premises</u>: This License is personal to Licensee, cannot be assigned or transferred. The Licensed Premises shall be used solely for the purpose of parking/storing not more than approximately 0 personal use vehicles, 0 pickup and delivery vans, 0 tractors, and 60 trailers (the "Vehicles").
- 5. <u>License Term:</u> The term of the License commences on November 1, 2019 ("<u>Commencement Date</u>") and ends January 31, 2020 ("<u>Expiration Date</u>"). The period of time from the Commencement Date through the Expiration Date is referred to herein as the "<u>License Term</u>". This License is immediately terminable by either party if any governmental authority determines that Licensee's use of the Licensed Premises is impermissible.

6. Notices: All notices to be given under this Agreement shall be in writing and either: sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States mail; or sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with this courier; or by fax or similar means, if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by telecopier or other similar means provided that a transmission report is generated reflecting the accurate transmission of the notices, as follows:

Notices to Licensor shall be addressed as follows:

**Licensor:** City of Commerce

2535 Commerce Way

Commerce, California 90040 ATTN: Edgar Cisneros

Notices to Licensee shall be addressed as follows:

Licensee: FEDEX GROUND PACKAGE SYSTEM, INC.

Attention: Real Estate Department

1000 FedEx Drive

Moon Township, PA 15108

Tel: (412) 269-1000 Fax: (412) 859-2655 Station # 5902

- 7. <u>General Restrictions and Maintenance</u>: No storage of hazardous materials shall be allowed on the Licensed Premises. Licensee shall at all times keep the Licensed Premises in good order and condition, clean, and free from rubbish, public nuisances, weeds, brush, flammable materials, growth, debris and waste. Licensee shall be responsible for snow plowing and landscape maintenance.
- 8. <u>Alterations</u>: Licensee shall not make or allow to be made any alterations of the Licensed Premises without the prior written consent of licensor in each instance.
- 9. Environmental Compliance:
  - (A) Licensee shall not engage in, nor shall it permit any third party to engage in, activities upon the Licensed Premises, or any portion thereof, for the purpose of or anyway involving the handling, manufacturing, treatment, storage, use, transportation except in compliance with all applicable laws, spillage, leakage, dumping, discharge or disposal (whether legal or illegal, accidental or intentional) of any hazardous or toxic substances, materials or wastes, or any wastes regulated under any local, state or federal law. Licensee agrees to indemnify Licensor pursuant to the provisions of **Section 11** hereof against any Losses incurred by Licensee arising out of any toxic or hazardous condition created by Licensee on the Premises or out of any Hazardous Substances brought onto the Premises by Licensee, its employees or business invitees

- (B) Licensor, to the best of Licensor's knowledge, represents for the benefit of Licensee that the Premises does not now contain any material classified as toxic or hazardous under applicable federal, state and local laws, ordinances and requirements of governmental authorities with competent jurisdiction (collectively, a "Hazardous Substance"). If a toxic or hazardous condition is discovered on the Premises, to the extent the condition existed prior to Licensee's possession of the Licensed Premises, then (i) Licensor shall: (a) promptly give Licensee written notice of such condition; and (b) promptly cause such toxic or hazardous condition to be cleaned up and brought into compliance with applicable laws, ordinances and requirements of governmental authorities with competent jurisdiction; and, (ii) Licensor agrees to indemnify Licensee pursuant to the provisions of Section 11 hereof against any Losses as defined therein incurred by Licensee arising out of any such toxic or hazardous condition.
- 10. Compliance with Law: Licensee shall comply with all laws, ordinances, codes, zoning ordinances, and regulations of any federal, state, local or other public body or agency exercising jurisdiction over Licensee's use of the Licensed Premises. Licensee shall use the Licensed Premises and any improvements according to zoning, and other standards. Licensee shall notify Licensor immediately of any non-compliance with any laws, ordinances, codes, zoning ordinances, and regulations of any federal, state, local or other public body or agency exercising jurisdiction over the Licensed Premises. Licensee shall further indemnify and hold harmless Licensor from any claim, loss, damage or injury, including any fines or penalties assessed by any agency, body or court, resulting from any violation of such standards in connection with Licensee's use of the Licensed Premises and improvements, whether such claim, loss, damage or injury arises in whole or in part from the negligence or intentional acts of Licensee. Licensee shall, at its cost, undertake to respond to all such claims.
- 11. Mutual Indemnification: Each party (the "Indemnitor") agrees to indemnify, defend and hold the other party (the "Indemnitee") harmless from and against any and all losses, damages, claims, suits, actions, judgments, liabilities and expenses, including, without limitation, environmental damages and remediation expenses, reasonable attorneys' fees (collectively, "Losses"), arising out of, or with respect to: (A) any breach of any warranty or representation or any covenant or agreement of the Indemnitor under this License; or (B) any injury to, or death of, persons and/or any damage to, or destruction of, property, on or about the Licensed Premises and attributable to the negligence or misconduct of the Indemnitor, or its officers, employees, agents, contractors or invitees, except to the extent any such breach, any injury or death or any damage or destruction is attributable to the negligence or misconduct of the Indemnitee, or any of its officers, employees, agents, contractors or invitees, or as otherwise specifically provided in this License; provided, however, that the indemnification obligation created by this Section shall be expressly conditioned upon the Indemnitee (i) delivering to the Indemnitor prompt notice of any event giving rise to such indemnification obligation and (ii) providing the Indemnitor the opportunity to defend itself from and against any Losses. This indemnification shall survive the expiration or earlier termination of this License.

- 12. <u>Liability Insurance</u>: Licensee shall, at its own expense, secure and maintain in effect during the License Term insurance coverages as described herein, in amounts not less than the minimum limits specified, to protect Licensor and Licensee from claims or liabilities in any way arising out of the use of the Licensed Premises: (A) Workers' Compensation Insurance and Employer's Liability Insurance in accordance with statutory requirements and limits, (B) Comprehensive General Liability insurance and contractual liability coverage for liability assumed by Licensee under this License, and automobile liability insurance, with limits of not less than \$1,000,000.00 each occurrence for bodily injury and property damage combined. Such liability insurance shall name Licensor as additional insured, shall contain severability of interest or cross liability clause and shall be primary for all purposes. Certificates of insurance evidencing the coverages and provisions required in (A) and (B) above shall be furnished to Licensor prior to any use of the Licensed Premises by Licensee.
- 13. Licensee Default; Licensor Remedies: There shall be a default under this Agreement if: (A) proceedings are commenced against the Licensee in any court under a bankruptcy act or for the appointment of a trustee or receiver of the Licensee's property either before or after the commencement of the License Term; (B) there shall be a default in the payment of the License Fee and payment has not been made within five (5) days after receipt of notice form Licensor; (C) if there shall be default in the performance of any other covenant, condition, rule, or regulation herein contained or hereafter established on the part of the Licensee or Licensor respectively, for more than fifteen (15) days after written notice of such default from either Licensee or Licensor, as the case may be. The foregoing notwithstanding, if the defaulting Party shall exercise in good faith diligent efforts within such fifteen (15) day period to cure the failure specified in the notice, but shall not be able to do so because of acts of God, riots, or labor strikes, then any such failure shall not be considered a default of this Agreement so long as such Party shall continue to exercise in good faith such diligent efforts to cure such failure and shall do so within a reasonable period of time. Upon the event of an uncured default, either Party may terminate this Agreement, Licensor shall have the right to reenter or repossess the Licensed Premises, and dispossess or remove therefrom the Licensee, or other occupants thereof, and their effects, without being liable to any prosecution therefore. Licensee shall be responsible for paying the License Fee until the expiration or earlier termination of this Agreement. The Licensee waives and will waive all right to trial by jury in any summary proceeding hereafter instituted by the Licensor against the Licensee in respect to the licensed property.
- 14. No Waiver: Licensor's waiver of any one or more of the covenants, conditions, or agreements of this License shall not be construed to be a waiver of any subsequent or other breach of the same or any other covenant, condition, or agreement of this License. Licensor's failure to require or exact full or complete compliance with any of the covenants, conditions, or agreements of this License shall not be construed as changing the terms hereof, and such failure shall not preclude Licensor from enforcing the full provisions hereof. The terms of this License shall be amended only in writing and signed by Licensor and Licensee.

- 15. <u>Condition of Premises at Possession:</u> Licensor is licensing the Licensed Premises to Licensee in its existing "as is" condition as of the commencement date indicated above in **Section 5.**
- 16. <u>Condition of Premises End of Term</u>: Upon termination or revocation of this License, Licensee shall surrender the Licensed Premises to Licensor in its condition at the commencement of this Agreement. If, within ten (10) days after the expiration or earlier termination of this Agreement, Licensee has failed to remove its property and/or return the Licensed Premises to its original condition, ordinary wear and tear excepted, Licensor may, at its option, remove Licensee's property and restore the Licensed Premises to its original condition.
- 17. <u>Governing Law</u>: This License shall be governed by and construed in accordance with the laws of the state in which the Licensed Premises is located. By execution and delivery of this Agreement, each of the Parties hereby accepts and submits to the jurisdiction of said courts in connection with any such action or proceeding.
- 18. <u>Severability</u>: If any part, section or provision of this Agreement should be declared invalid, then all the remaining parts, sections and provisions shall continue in full force and effect.

## 19. Miscellaneous:

- A. The terms, provisions and covenants and conditions contained in this Agreement shall apply to, inure to the benefit of, and be binding upon the Parties hereto and upon their respective heirs, legal representatives, successors and permitted assigns, except as otherwise herein expressly provided.
- B. This Agreement may not be altered, changed or amended except by an instrument in writing signed by both parties hereto.
- C. The terms of this Agreement shall remain confidential between the Parties, except for disclosures required in the ordinary course of business. Without Licensee's prior written consent in each instance, Licensor shall not use Licensee's name or logotype in any manner associated with Licensor or the Licensed Premises, and will not issue any press release or other information pertaining to this Agreement or the Licensee.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the later of the dates on which the Parties did execute this Agreement.

City of Commerce	FedEx Ground Package System, Inc.
By:	By:
Name: City of Commerce	Name: Andrew MacDonald
Title: Title:	Title: Manager, Real Estate Projects
Date:	Date:

## **EXHIBIT A**

