LICENSE AGREEMENT

This License Agreement ("**Agreement**") is made between Market Creek Partners, LLC ("**Licensor**"), a California Corporation, whose address is 404 Euclid Avenue, San Diego, CA 92114, San Diego, California, and the City of San Diego, a California municipal corporation, on behalf of the San Diego Police Department ("**Licensee**"), whose address is 1401 Broadway, San Diego, California 92101. Licensor and Licensee are also singularly and collectively referred to as the "**Party**" or "**Parties**".

WHEREAS, Licensor is the owner of the real property and improvements thereon, commonly known as Market Creek Plaza, located at 336 Euclid Avenue, San Diego, California 92114. Licensor and Licensee desire to enter into this Agreement to permit Licensee to use and occupy a portion of Market Creek Plaza, as further described herein, and depicted on **Exhibit A,** attached hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. License to Use. Licensor grants Licensee a revocable license to use that certain portion of Market Creek Plaza known as "Suite 503" and two (2) marked and identified reserved parking spaces, depicted on **Exhibit A** and hereinafter referred to as the "Property", for the License Term and in accordance with the terms and conditions set forth herein.

2. Term. The term of this Agreement shall commence on May 1, 2016 (the "**Commencement Date**"), continue for thirty (30) months from the Commencement Date, and terminate on October 31, 2018 (the "**License Term**").

3. Scope. The Property may be used by on-duty sworn San Diego Police Department officers, Police Investigative Service Officers, and RSVP (Retired Senior Volunteer Patrol) members, hereinafter jointly referred to as "Law Enforcement Personnel". Licensee may use all interior and exterior areas of the Property, and all the furniture and fixtures located within and at the Property. Licensor and Licensee intend to enter into a license agreement only for limited use of the Property; they do not intend to enter into a landlord/tenant relationship.

4. No Monthly License Fee. Licensee shall have no obligation to pay any fee, or any other type of compensation, to Licensor for the use of the Property, nor shall Licensee be obligated to pay for any utilities which will not exceed $1,000.00 per month, services or other costs allocable to the Property during the License Term; however, in no event shall Licensor be liable for any interruption or failure in the supply of any such utility services to Licensee and the Property. Licensees Law Enforcement Personnel shall utilize due care in the consumption of utilities, so as not to constitute waste of any such resource.

5. Use. Law Enforcement Personnel shall have use of the Property seven (7) days a week, twenty-four (24) hours a day, for general office purposes, meal breaks, rest breaks, and restroom breaks, and no other use or purpose without the prior written authorization of Licensor. Licensee shall supply its own office equipment (e.g., laptop computers). No formal workstations or network connections are required to be supplied by Licensor. No

signage will be installed by Licensee without Licensor's prior approval, all signage to be consistent with center advertising and aesthetic criteria.

Licensee does not intend to store any of its personal property at the Property. Instead, it is Licensee's intent that all Law Enforcement Personnel will remove all personal property from the Property after each such Law Enforcement Personnel's use of the Property.

Although the Property is to be identified by Licensee as a "satellite office" for Licensee's purposes, Licensor acknowledges and agrees that Licensee shall not be obligated at any time during the License Term to ensure that the satellite office is staffed with any of Licensee's personnel; that Licensee shall not be obligated to have Law Enforcement Personnel at the Property at any set time periods or to ever have Law Enforcement Personnel at the Property; that Licensee shall not be obligated to provide any type of security services for Licensor, or Licensor's real property and/or the improvements located at 336 Euclid Avenue, San Diego, California 92114, in any manner greater than Licensee's police department would provide to any other property owner or property located within its jurisdiction; and that Licensor shall not use Licensee's presence at the Property, and/or advertise/publish the Licensee's presence at the Property, as an inducement for potential tenants at the Property.

6. Licensor's Improvements to Property. Licensor shall install an access keypad at the entrance door of the Property's space to be used as a satellite office. Knowledge of the code for the access keypad shall be limited to Law Enforcement Personnel, Licensor's management team, and appropriate maintenance/janitorial personnel employed by Licensor. If desired by Licensor, alternative access codes can be issued to the various groups of authorized persons for security purposes (e.g., maintenance/janitorial staff can be given a code different from the code given to Law Enforcement Personnel and/or Licensor's management team). Licensor agrees to make the suite modifications designated on the attached Exhibit B at its sole cost and expense prior to the Commencement Date.

7. Licensee's Responsibilities to the Property. Licensee shall return the Property to Licensor in the same condition as it was received, less reasonable wear and tear.

8. Maintenance/Janitorial Services for the Property. Licensor shall be responsible for all maintenance and janitorial services for the Property. Notwithstanding the foregoing, Licensee shall be responsible for the payment of the cost of all repairs to the Property caused by Licensee which result from damages to the Property which are in excess of reasonable wear and tear.

9. Indemnification. Licensee agrees to indemnify and defend (with reasonable counsel of Licensee's choice) Licensor from and against all damages and liability arising directly from Licensee's use of the Property.

10. Termination. Each Party can terminate this Agreement without cause with 60 days written notice to the other Party.

11. Notices. All notices required by this Agreement shall be in writing and personally delivered or sent via first class mail to:

Licensor:

Market Creek Partners, LLC
404 Euclid Avenue
San Diego, CA 92114

Licensee:

City of San Diego Police Department
c/o Fiscal Management Department MS 715
Attn: Program Manager
1401 Broadway
San Diego, CA 92101

with copy to:

City of San Diego
c/o Real Estate Assets Department
Attn: Asset Manager, Corporate Services
1200 Third Avenue, Suite 1700 MS 51A
San Diego, CA 92101

13. Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the invalidity, illegality or unenforceability will not affect any other provision, and this Agreement will be construed as if the invalid, illegal or unenforceable provision had never been contained in this Agreement.

IN WITNESS WHEREOF, this Agreement is executed to be effective as of the later date the Agreement is signed by the Parties and approved by the City Attorney.

Licensor:
MARKET CREEK PARTNERS, LLC

By:_____
Name: Reginald Jones
Title: President and Chief Executive Officer
Date: 5/5/16

Licensee:
CITY OF SAN DIEGO, a California municipal corporation

By:_____
Name: Cybele Thompson
Title: Director, Real Estate Assets Department
Date: 5/9/16

ENVIRONMENTAL ANALYSIS SECTION ENVIRONMENTAL CLEARANCE:

This activity is exempt from CEQA pursuant to CEQA Section 15301 (Existing Facilities).

Date: 5/17/16

By: [signature]
Name: Alyssa Muto
Title: Deputy Director, Environmental Planning Dept. Policy Analysis

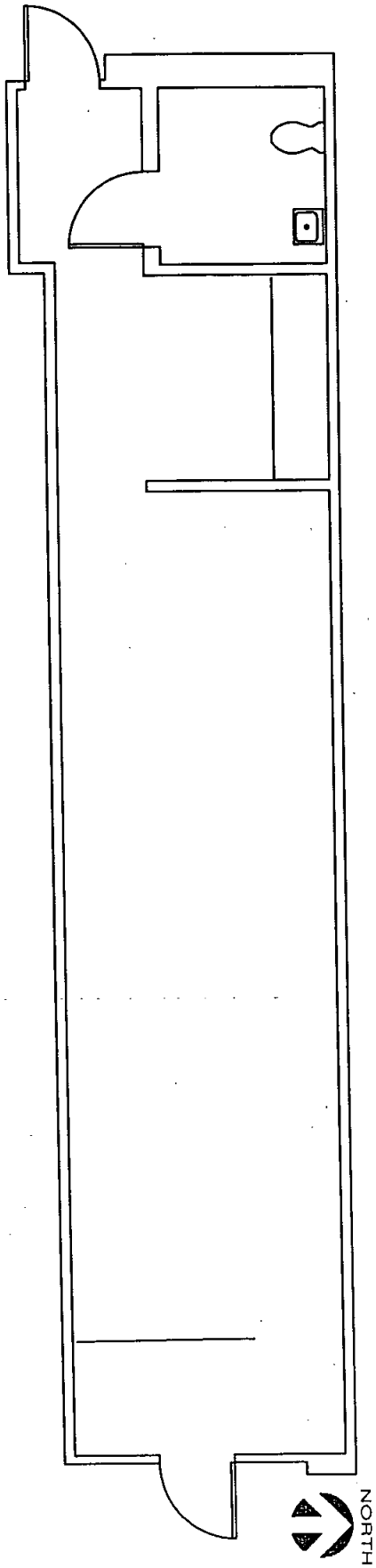
Approved as to form this 1st day of June, 2016

JAN I. GOLDSMITH, City Attorney

By: [signature]
Name: Debra J. Bevier
Title: Deputy City Attorney

SUITE 503

EXHIBIT A



700SF RENTABLE

Mobile
SUBWAY
Sempra Energy
PARKING FOR SAN DIEGO POLICE DEPARTMENT ONLY
SUBWAY
504
SUBWAY
NEW! PREMIUM CARVED TURKEY

EXHIBIT B

Modifications to be made to the Property by Licsensor

- New flooring throughout as represented
- Verify the proper working order of all systems/equipment servicing the Suite including but not limited to light fixtures-including light switching, electrical outlets, all doors/locks, plumbing, HVAC, smoke detectors, exit signs.
- Remove the exiting display case inside the suite entrance. Paint and patch walls.
- Tint all glass storefront entrance windows including door and back storefront glass exits.
- Install new fire "crash bar" at suite entrance which may require a new storefront door.
- Construct inside the lobby area and drywall wall approx. 7.5 feet wide and 8 feet tall to shield officers from open view on either side of storefront glass doors. City to provide sketch
- Add new countertop work surface between walls next to back room. City to provide sketch

Date of Notice: May 17, 2016

NOTICE OF RIGHT TO APPEAL ENVIRONMENTAL DETERMINATION

PLANNING DEPARTMENT

PROJECT NAME/NUMBER: License Agreement

COMMUNITY PLAN AREA: Encanto Neighborhood Planning Group
COUNCIL DISTRICT: 4
LOCATION: 336 Euclid Avenue, San Diego, CA 92114

PROJECT DESCRIPTION: Authorize the Mayor or his designee to sign a License Agreement allowing Permittee to use and occupy a portion of the Market Creek Plaza known as "Suite 503" and two (2) marked and identified reserved parking spaces located at 336 Euclid Avenue, San Diego, California 92114.

ENTITY CONSIDERING PROJECT APPROVAL: City of San Diego Mayor-Appointed Designee

ENVIRONMENTAL DETERMINATION: CEQA Exemption Section 15301- Existing facilities

ENTITY MAKING ENVIRONMENTAL DETERMINATION: City of San Diego Mayor-Appointed Designee, Environmental & Policy Analysis, Planning Department

STATEMENT SUPPORTING REASON FOR ENVIRONMENTAL DETERMINATION: This activity has been determined to be exempt from CEQA pursuant to CEQA Section 15301 (Existing Facilities) which allows for the operation, repair, maintenance, permitting, leasing, licensing or minor alterations of existing public or private structures or facilities involving negligible or no expansion of use; and where the exceptions listed in CEQA Section 15300.2 would not apply in that no cumulative impacts were identified; no significant effect on the environment were identified; the project is not adjacent to a scenic highway; no historical resources would be affected by the action, and the project was not identified on a list of hazardous waste sites pursuant to Section 65962.5 of the Government Code.

PROJECT MANAGER: Brad Bennett, Asset Manager
Real Estate Assets Department
MAILING ADDRESS: 1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101
PHONE NUMBER: (619) 236-6191

On May 17, 2016, the City of San Diego made the above-referenced environmental determination pursuant to the California Environmental Quality Act (CEQA). This determination is appealable to the City Council. If you have any questions about this determination, contact the City Project Manager listed above.

Applications to appeal CEQA determination made by staff (including the City Manager) to the City Council must be filed in the office of the City Clerk within 10 business days from the date of the posting of this Notice (**May 31, 2016**). The appeal application can be obtained from the City Clerk, 202 'C' Street, Second Floor, San Diego, CA 92101.

This information will be made available in alternative formats upon request.

POSTED IN THE OFFICE OF DSD

POSTED: 5-17-16

REMOVED: 5-31-16

POSTED: M.Herrmann