

LICENSE AGREEMENT

This License Agreement ("**Agreement**") is made between Promenade Acquisition LLC, a Delaware limited liability company ("**Licensor**"), whose address is 2185 Station Village Way, San Diego, CA 92108, 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 The Promenade ("**Project**"), located at 2185 Station Village Way, San Diego, CA 92108. Licensor and Licensee desire to enter into this Agreement to permit Licensee to use and occupy a portion of the Project, 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 the Project known as 8555 Station Village Lane, Suite 3F, 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 October 1, 2018 (the "**Commencement Date**"), continue for twelve (12) months from the Commencement Date, and expire on September 30, 2019 (the "**License Term**"). Upon expiration of the License Term, this Agreement shall automatically renew for a period of twelve (12) months unless written notice is given by either Party sixty (60) days prior to the expiration date.
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 this 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, 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.
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.

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 (1) that Licensee shall not be obligated at any time during the License Term to ensure that the Property is staffed with any of Licensee's personnel; (2) 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; (3) that Licensee shall not be obligated to provide any type of security services for Licensor, or Licensor's Project, in any manner greater than Licensee's police department would provide to any other property owner or property located within its jurisdiction; and (4) 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 Project.

6. Licensor's Improvements to Property. Licensor shall deliver the Property to Licensee AS-IS upon final mutual execution and delivery of this Agreement to Licensee (except as provided herein) provided, as an express condition precedent to Licensee's right to use the Property, Licensee has furnished to Licensor certificates and/or other evidence satisfactory to Licensor of the insurance that Licensee is required to carry hereunder. Licensor shall install a lockbox at the entrance door of the Property. Knowledge of the code for the access keypad shall be limited to Law Enforcement Personnel, Licensor's management team, and appropriate maintenance 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 staff can be given a code different from the code given to Law Enforcement Personnel and/or Licensor's management team). Further, Licensor agrees to make the Property 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. At the expiration or earlier termination of the License Term, Licensee shall immediately surrender, vacate and return the Property to Licensor in the same condition as it was received, less reasonable wear and tear. Licensee shall not have the right at any time to make any alterations, modifications or additions to the Property.
8. Maintenance Services for the Property. Licensee has inspected the Property and acknowledges that the Property is in a good, clean and safe condition and repair. Licensor shall be responsible for all maintenance services for the Property. Notwithstanding the foregoing, Licensee (or its employees, agents or invitees) shall be responsible for the payment 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. Parking. Licensor shall, at Licensor's sole cost and expense, provide Licensee with three (3) reserved parking spaces at a mutually agreed upon location, as further described on **Exhibit A**.
10. Indemnification. Licensee agrees to hold Licensor and Licensor Parties (defined as its members, partners, trustees, ancillary trustees and their respective members, partners, officers, directors, shareholders, beneficiaries, agents, servants, employees, and

independent contractors) harmless from and against all claims, rights, causes of action or alleged injuries arising from Licensee's use of the Property. In addition, Licensee agrees to indemnify and defend (with reasonable counsel of Licensor's choice) Licensor and Licensor Parties from and against all loss, costs, reasonable attorney's fees, damages, claims and liability arising from any claim, right, cause of action or alleged injury arising out of Licensee's use of the Property.

11. Termination. Each Party can terminate this Agreement without cause with 60 days written notice to the other Party; provided, however, Licensor shall have the absolute right to immediately terminate and revoke this Agreement if Licensee has failed to perform any of its duties or obligations under this Agreement and such failure shall continue for five (5) days following Licensor's delivery of written notice thereof to Licensee.
12. Notices. All notices required by this Agreement shall be in writing and personally delivered or sent via first class mail to:

Licensor:

Promenade Acquisition LLC
c/o Community Manager, Brenda Gradert
2185 Station Village Way
San Diego, CA 92108
(619) 293-3888

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.
14. Applicable Law, Venue, and Jurisdiction. This Agreement shall be governed by and construed in accordance with California law. Any action by a Party to this Agreement to enforce or interpret its terms shall be maintained in the San Diego County Superior Court or the Federal District Court for the Southern District of California.

15. California Public Records Act. Licensee shall determine, in its sole discretion, whether this Agreement or information provided to Licensee by Licensors pursuant to this Agreement is or is not a public record subject to disclosure under the California Public Records Act ("CPRA").
- a. Licensee shall not be liable or obligated for any burden or loss (financial or otherwise) incurred by Licensors as a result of Licensee's disclosure or non-disclosure of this Agreement or Licensors information requested pursuant to the CPRA. LICENSOR EXPRESSLY WAIVES ANY CLAIM AGAINST LICENSEE AND ITS ELECTED OFFICIALS, OFFICERS, EMPLOYEES, REPRESENTATIVES AND AGENTS FOR ANY BURDEN, EXPENSE OR LOSS WHICH LICENSOR INCURS AS A RESULT OF LICENSEE'S DISCLOSURE OR NON-DISCLOSURE OF THIS AGREEMENT OR ANY LICENSOR INFORMATION REQUESTED PURSUANT TO THE CPRA.
16. No Personal Liability. It is expressly understood and agreed that notwithstanding anything in this Agreement to the contrary, and notwithstanding any applicable law to the contrary, neither Licensors, nor any of its members, partners, trustees, ancillary trustees and their respective members, partners, officers, directors, shareholders, beneficiaries, agents, servants, employees, and independent contractors hereunder (including any successor licensors) (collectively, the "**Licensors Parties**") shall have any personal liability under this Agreement, and Licensee hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Licensee.
17. Licensee's Assumption of Risk and Waiver. Except to the extent such matter is not covered by the insurance required to be maintained by Licensee under this Agreement and such matter is attributable to the gross negligence or willful misconduct of Licensors, Licensors shall not be liable to Licensee, Licensee's employees, agents or invitees for: (i) any loss of or damage to property of Licensee, or of others, located in, on or about the Property, nor for (ii) any injury or damage to persons or property by any cause of whatsoever nature. Licensors shall in no event be liable to Licensee for any consequential damages or for loss of revenue or income and Licensee waives any and all claims for any such damages. Notwithstanding anything to the contrary contained in this Paragraph 17, all property of Licensee, its agents, employees and invitees kept or stored on the Property, whether licensed or owned by any such parties, shall be so kept or stored at the sole risk of Licensee and Licensee shall hold Licensors harmless from any claims arising out of damage to the same, including subrogation claims by Licensee's insurance carriers, unless such damage shall be caused by the gross negligence or willful misconduct of Licensors.
18. Personal License. This Agreement is personal to Licensee and Licensee shall not have the right to assign its rights hereunder to, or to allow the use of all or any portion of the Property at any time by, any other person or entity.
19. Insurance. Licensee shall, at its own cost and expense, at all times during the License Term secure and maintain a broad form commercial general liability policy of insurance insuring Licensee and Licensors against liability, claims, losses, damages, expenses and costs of defense caused by or connected with Licensee's use of the Property, with limits of liability not less than One Million Dollars (\$1,000,000.00), and on terms reasonably acceptable to Licensors. Notwithstanding any provision to the contrary in this Agreement,

Licensee shall have the right to self-insure with respect to any of the insurance required to be carried by Licensee under this Agreement; provided, the foregoing right to self-insure is personal to the original Licensee executing this Agreement.

20. CASp. For purposes of Section 1938(a) of the California Civil Code, Licensors hereby disclose to Licensee, and Licensee hereby acknowledges, that neither the Property nor the Project have undergone inspection by a Certified Access Specialist (CASp). In addition, the following notice is hereby provided pursuant to Section 1938(e) of the California Civil Code: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

*[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK;
SIGNATURES ON FOLLOWING PAGE]*

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 San Diego City Attorney.

Licensor:

PROMENADE ACQUISITION LLC,
a Delaware limited liability company

By: Michael Mcquire

Name: Michael Mcquire

Title: Asset Manager, JP Morgan

Date: 10/18/18

Licensee:

CITY OF SAN DIEGO, a California
municipal corporation

By: Cybele Thompson

Name: Cybele Thompson

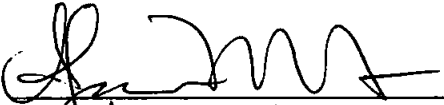
Title: Director, Real Estate Assets
Department

Date: 10/24/18

ENVIRONMENTAL ANALYSIS SECTION ENVIRONMENTAL CLEARANCE:

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

Date: 10/23/18

By: 
Name: Alyssa Muto
Title: Deputy Director, Planning Dept

Approved as to form this 25th day
of October, 2018

MARA W. ELLIOTT, City Attorney

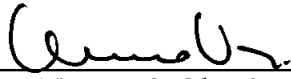
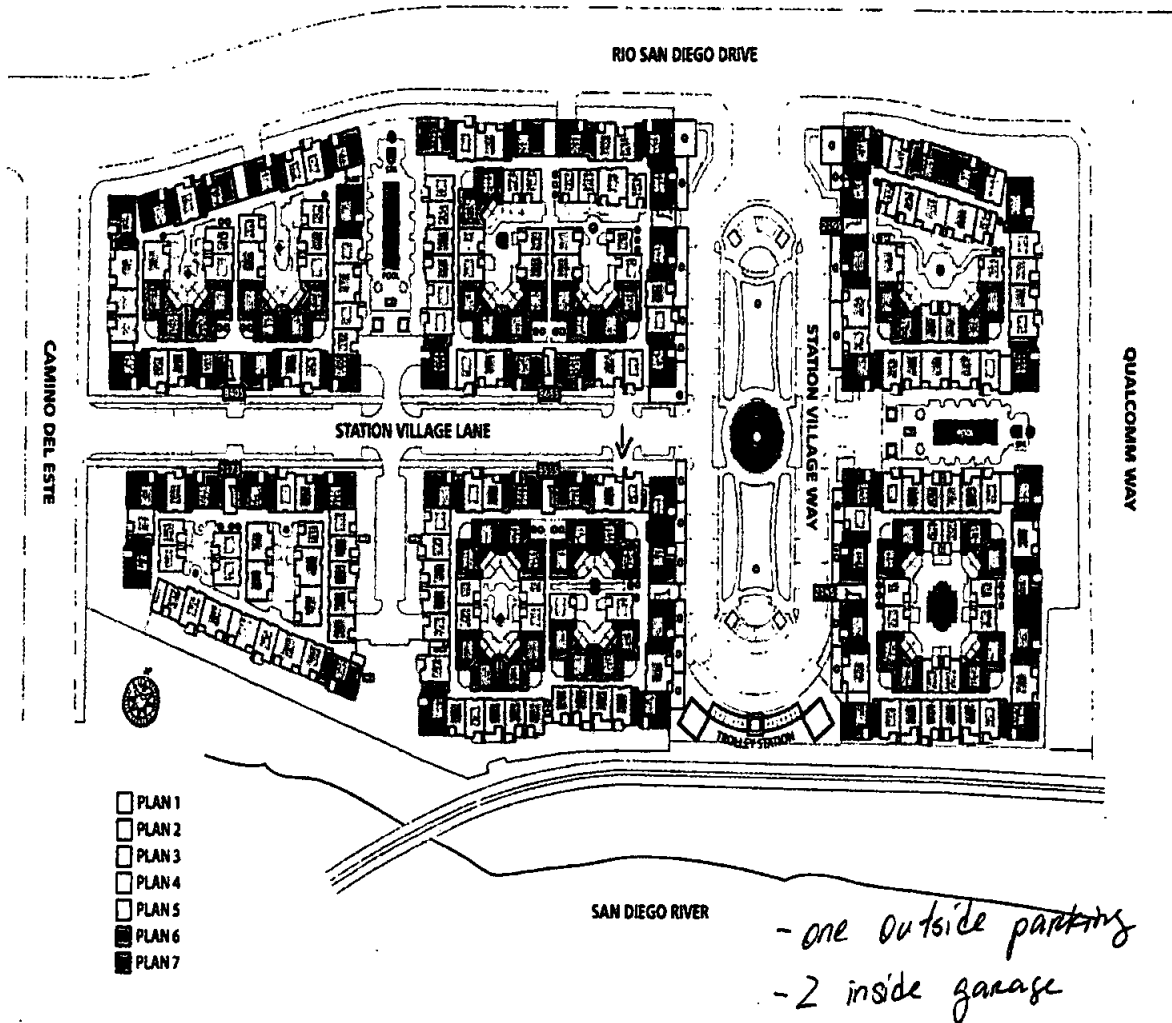
By: 
Name: Marco A. Verdugo
Title: Deputy City Attorney

EXHIBIT A



The Property is located directly in front of the one (1) yellow highlighted parking space reserved for Licensee in accordance with Paragraph 9. The remaining two (2) reserved parking spaces are inside of the garage on Station Village Lane located at the arrow.

EXHIBIT B

Modifications to be made to the Property by Licensor

1. Concrete floor shall be sanded, stained and varnished.
2. Licensor shall verify the proper working order of all systems/equipment servicing the Property including but not limited to light fixtures – including light switching, electrical outlets, all doors/locks, plumbing, HVAC, smoke detectors, and exit signs.
3. Licensor shall paint and patch walls.
4. Licensor shall tint entire glass storefront entrance windows including door and back storefront glass exits.
5. Licensor shall install new fire “crash bar” at suite entrance and new storefront door if required by the “crash bar” installation.
6. Licensor shall add new countertop, sink and faucet in back room.