License Agreement

By and Between

The City of Redlands

And

Theron and Geneil Vines

This License Agreement ("Agreement") is made and entered this 19th day of July 2016 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City"), and Theron and Geneil Vines ("Licensee"), owner and operator of Theron's Frozen Custard. City and Licensee are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

RECITALS

WHEREAS, Licensee is the owner and operator of the frozen custard facility located within the City of Redlands within the building located at 18 East State Street; and

WHEREAS, Licensee desires to provide the public with an outdoor dining venue within the City's Orange Street Alley Park ("Park"); and

WHEREAS, City and Licensee desire to cooperate to further the above-stated purpose in a way compatible with the public interest;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City and Licensee agree as follows:

AGREEMENT

Section 1. Premises. City hereby grants to Licensee a license to provide an outdoor dining venue within the City's Park in connection with Licensee's operation of the frozen custard facility located adjacent to the Park. The outdoor dining venue subject to this license consists of 126 square feet (the "Premises") and is more particularly described in Exhibit "A," which is attached hereto and incorporated herein by this reference.

Section 2. Term/Holdover Rent. The term of this Agreement shall commence on July 19, 2016, and be for a period of three (3) years unless earlier terminated as provided for herein. Either Party may terminate this Agreement by providing written notice of such termination to other Party, thirty (30) days prior to the proposed termination date. If Licensee remains in possession of the Premises after expiration or earlier termination of this Agreement without City's written consent, Licensee's continued occupancy of the Premises shall be on the basis of a tenancy at sufferance and Licensee shall pay as monthly rent during the holdover period the sum of one thousand dollars (\$1,000) per month.

<u>Section 3. Rent.</u> Licensee shall pay to City rent in the sum of two hundred nine dollars and sixteen cents (\$209.16) per month for use and occupancy of the Premises. The initial and final monthly rent

payment, and payment of a security deposit in the amount of one thousand dollars (\$1,000.00), shall be made to City prior to August 1, 2016. In recognition of Licensee's undertaking of the construction of improvements to the building and Premises, the second monthly rent payment shall be due and payable to City following the issuance of final occupancy permit from the City's Building and Safety Department for the frozen custard facility. All subsequent monthly rent payments shall be made prior to the tenth day of each month for which rent is then due. All payments are to be made payable to the City of Redlands, Finance Department/ Revenue Division, P.O Box 3005, Redlands, California, 92373. A late fee of fifty dollars (\$50) shall be added and due for any payment of rent made after the tenth of the month. Any dishonored check shall be considered as unpaid rent.

Section 4. Security Deposit. The security deposit shall be retained by City secure compliance with the terms and conditions of this Agreement and shall be refunded to Licensee within thirty (30) days after the Premises have been vacated by Licensee, less any amounts necessary to pay City for, (i) cleaning costs, (ii) cost for repair or damages to the Premises above ordinary wear and tear, and (iii) any other amount legally allowable under the terms of this Agreement. A written accounting of said charges shall be presented to Licensee within ten (10) days of the Premises being vacated. If the security deposit does not cover such costs and damages, Licensee shall immediately pay said additional costs for damages to City.

Section 5. Use of Premises.

- A. The Premises shall be used by Licensee solely for the purpose of outdoor dining associated with Licensee's operation of the frozen custard facility.
- B. The Premises shall be occupied within six months of the executed agreement or within thirty days of the issuance of the Final Occupancy Permit by the City, whichever occurs earlier.
- C. The Premises shall include a two foot easement, as illustrated in Exhibit "A", for the purpose of a collectively required four foot pedestrian pathway that must be maintained within the Park, as illustrated in Exhibit "A".
- D. During the term of this Agreement, Licensee shall comply with any other license related to the operation of the frozen custard facility and outdoor dining services, and all applicable state and local laws, and all applicable rules and regulations established by City including, but not limited to, City's Municipal Code provisions governing parks.
- E. During the term of this Agreement, City shall retain the right to close the Premises for itself and at the discretion of any third party bookings for up to three (3) events per calendar year, with ninety (90) days prior written notice given to Licensee of each such event.
- F. The hours of operation for the Premises shall be limited to 10:00 a.m. to 10:00 p.m., Monday through Sunday.
- G. The Premises shall not result in adverse effects to the health, welfare, peace or safety of persons visiting, residing, working, or conducting business in the surrounding area.
- H. The Premises shall not jeopardize or endanger the public health or safety of person visiting, residing, working, or conducting business in the surrounding area.
- I. That the Premises complies with all provisions of local, state and/or federal laws, regulations or orders, including but not limited to those of the California Business and Professions Code sections 24200,

24200.6, and 25612.5, as well as any condition imposed on any permits issued pursuant to applicable laws, regulations or orders. This includes compliance with annual City business license taxes.

- J. That the Premises upkeep and operating characteristics are compatible with, and will not adversely affect, the livability or appropriate development of abutting properties and the surrounding neighborhood.
- <u>Section 6. Alterations and Repairs</u>. Licensee accepts the Premises in its "as-is" condition as of the Effective Date of this Agreement, without any warranty, express or implied.

Section 7. Maintenance of Premises. Licensee shall, at his own cost, maintain the Premises in good order and repair. City shall also have the right to enter the Premises, at reasonable times, for inspection and maintenance purposes. Should an inspection disclose the need for maintenance or repairs, City shall provide Licensee with written notice of the items requiring repair or maintenance. If action is not taken on such items by Licensee within fifteen (15) days from the provision of such notice, City may enter the Premises and take whatever action is necessary to perform such maintenance or repairs at Licensee's expense.

Section 8. Improvements. Licensee shall not make any improvements to the Premises without the prior written consent of City except, that after making reasonable attempts to contact City for its approval, Licensee may undertake minor maintenance and repairs to the Premises which Licensee determines are immediately necessary to protect against injury to persons or property. Within three (3) days of performing any minor maintenance or repairs not verbally approved by City, Licensee shall provide written notification to City of the same. All proposals for improvements shall be submitted in writing to City for its consideration and prior approval. City shall approve or disapprove such proposals within twenty (20) days of their submission. Licensee shall have the right to remove all improvements made by him to the Premises provided such removal results in no damage to the Premises. Improvements not removed by Licensee shall, on expiration or earlier termination of this Agreement, remain on the Premises and become the property of City.

<u>Section 9. Indemnity</u>. Licensee shall defend, indemnify and hold harmless City, and its elected officials, officers, employees and agents from and against any and all claims, causes of action, damages and liability resulting from Licensee's negligent acts or omissions, and willful misconduct of Licensee, and his agents, employees and invitees during Licensee's occupation and use of the Premises during the term of this Agreement. This section shall survive any termination of this Agreement.

Section 10. Public Liability and Property Damage Insurance. Licensee shall maintain at his own cost for the term of this Agreement, public liability insurance in the amount of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate, issued by an insurance company acceptable to City. Licensee shall provide Licensor with a certificate of insurance and endorsements showing City as an additional insured on the policy prior to Licensee's use and occupancy of the Premises. Such insurance shall be primary with respect to City and non-contributory to any insurance or self-insurance maintained by City. The policy shall require that before amending or canceling the policy, the issuing insurance company shall give City at least thirty (30) days prior written notice. City and Licensee acknowledge and agree that the insurance required of Licensee is subject to annual review by City and subject to increases in the amount and scope of coverage, as reasonably determined by City.

<u>Section 11. Assignment Prohibited.</u> Licensee shall not encumber, assign, sublease or otherwise transfer this Agreement, or any right or interest therein, without the prior written consent of City. Any such encumbrance, assignment, sublease or transfer without such prior consent and approval of City shall constitute a breach of this Agreement and may, at the sole discretion of City, result in the immediate termination of this Agreement.

<u>Section 12. Attorneys' Fees.</u> In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

Section 13. Notices. Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the day of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile, if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a party may provide notice of in accordance with this section:

CITY:

THERON AND GENEIL VINES:

Quality of Life Chris Boatman, Director City of Redlands P.O. Box 3005 Redlands, CA 92373 Theron and Geneil Vines 303 Brookside Ave Redlands Ca 92373

<u>Section 14.</u> Entire Agreement/Amendment. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof. Any prior verbal or written representations or agreements respecting the Premises not expressly set forth herein are null and void. Any and all amendments to this Agreement shall be in writing and executed by the Parties.

Section 15. Breach and Default by Licensee. All covenants and agreements contained in this Agreement are declared to be conditions of this Agreement, and to the term for which the Premises are licensed to Licensee. Should Licensee fail to perform any covenant, condition or agreement contained in this Agreement and the default not be cured within fifteen (15) days after written notice of the default is served on Licensee by City, then Licensee shall be in default under this Agreement; provided, however, that if the default is one not capable of cure within such fifteen (15) days, Licensee shall so notify City in writing, shall commence action to cure within such fifteen (15) days and prosecute such cure diligently until completion within a reasonable time. Licensee's failure to complete such cure within a reasonable time shall also constitute a default by Licensee.

Section 16. Termination. In the event of any default of this Agreement by Licensee, in addition to any other rights or remedies City may have, City shall have the immediate right of reentry and may remove all property from the Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of Licensee. Further, in the event of a default of this Agreement by Licensee, City shall have the option of immediately terminating this Agreement. All remedies of City under this section shall be cumulative and in addition to any other legal or equitable rights and remedies which City may have.

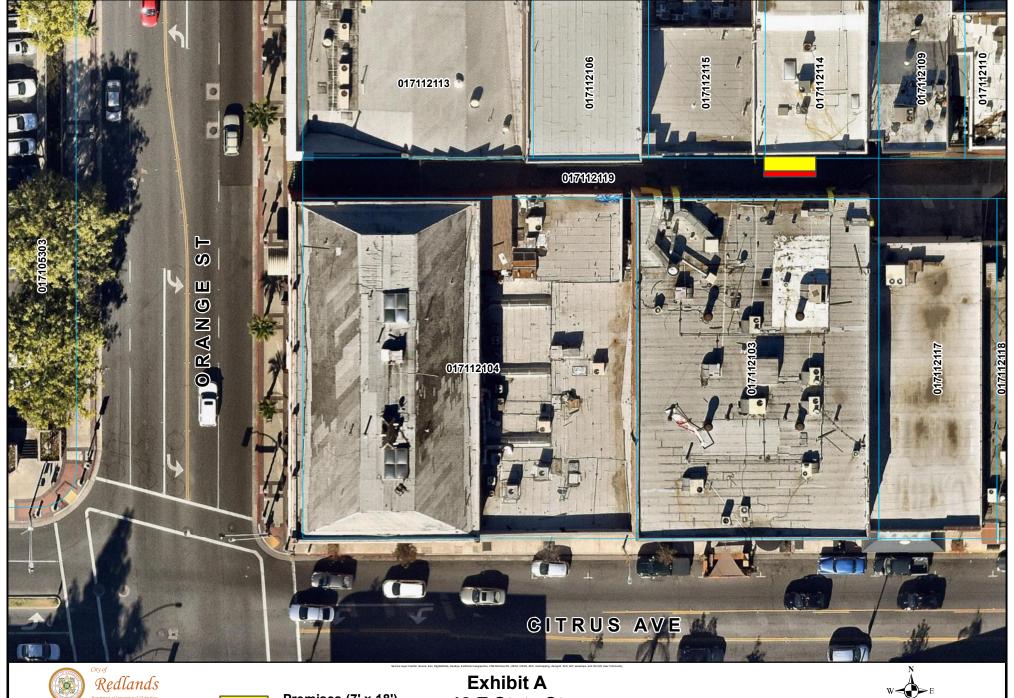
<u>Section 17. Waiver.</u> No waiver by either Party of any provision of this Agreement, or waiver of any breach of this Agreement, shall be deemed to be a waiver of any other provision of this Agreement, or of any subsequent breach by either Party of the same or any other provision of this Agreement.

<u>Section 18.</u> <u>Severability</u>. If any particular provision of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction, this Agreement shall otherwise remain

in full force and effect and shall be construed in all respects as if such invalid or unenforceable provision was omitted.

Executed on the 19th day of July, 2016, at Redlands, California

CITY OF REDLANDS	THERON AND GENEIL VINES
Paul W. Foster, Mayor	Theron Vines
ATTEST:	
	Geneil Vines
Sam Irwin, City Clerk	





Premises (7' x 18')
With 2' easment

Exhibit A 18 E State St Agreement

