

## TEMPORARY LICENSE AGREEMENT

THIS TEMPORARY LICENSE AGREEMENT (this "License") is dated to be effective as of August 27, 2017 (the "Effective Date"), by and between LCG STOUT DRIVE, LLC ("Licensor") and City of San Antonio, a Texas municipal corporation ("Licensee").

### RECITALS:

WHEREAS, Licensor is the owner of that certain office/warehouse building located at 4958 Stout Drive, Unit B, San Antonio, TX 78219 containing approximately 102,485 rentable square feet (the "Building");

WHEREAS, Licensor and Licensee desire to enter into this License for the purpose of evidencing their mutual understanding and agreement regarding Licensee's desire to utilize a Proportionate Share of the Building, a 2.5 acre yard adjacent to the Building, and parking areas related thereto (the "Licensed Area") to temporarily house displaced individuals, personal property, staff, volunteers and associated supplies and equipment as necessary (the "Permitted Use");

WHEREAS, "Proportionate Share" with respect to the Building, as used in this License, shall mean a fraction, the numerator of which is the gross rentable area contained in the Premises and the denominator of which is the gross rentable area contained in the entire Building. In the event the Premises or the Building is part of a project or business park owned, managed or leased by Licensor or an affiliate of Licensor (the "Project"), Licensee's "Proportionate Share" of the Project, as used in this License, shall mean a fraction, the numerator of which is the gross rentable area contained in the Premises and the denominator of which is the gross rentable area contained in all of the buildings (including the Building) within the Project. **Licensee's Proportionate Share of the Building is 58.62%.**

NOW THEREFORE, in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Licensor and Licensee, each intending to be legally bound, agree as follows:

1. **Grant and Use.**

(a) Subject to the terms and conditions contained herein Licensee is hereby granted a license to use the Licensed Area solely for the Permitted Use. This License creates no estate or interest in the Licensed Area or the Building, including without limitation, an easement, and shall terminate as set forth in the Paragraph 3 below.

(b) Licensee shall be responsible for compliance with all laws, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, zoning ordinances, building codes, covenants and restrictions now or hereafter applicable to the Licensed Area and Licensee's use of the same, including without limitation, the Americans With Disabilities Act, and all Environmental Requirements as applicable to a governmental entity operating under a state Disaster Declaration (hereinafter defined)(collectively, the "Legal Requirements").

(c) Licensee shall be responsible for and maintain the Licensed Area in a good and safe condition, and shall keep the same in compliance with all applicable laws, rules and regulations. Licensee shall not permit the use of the License Area by any party other than Licensee, its contractors or agents. Licensee will not commit, nor allow others to commit, any waste upon the License Area, and Licensee agrees not to use or permit the use of the License Area for any purpose which is illegal, dangerous to life, limb or property or which, in Licensor's reasonable business judgment, creates a nuisance or which would increase the cost of insurance coverage with respect to the Building.

2. **Condition of Licensed Area.** Licensee accepts the Licensed Area "AS IS". Licensor shall not be required to make any repairs and/or improvements to the Licensed Area. No improvements, alterations, additions or other changes shall be made to the Licensed Area. Licensor has made no

representation or warranty as to the suitability of the Licensed Area for the conduct of Licensee's business, and Licensee waives any implied warranty that the Licensed Area are suitable for Licensee's intended purposes.

3. **Term of License.** This License shall commence on **August 27, 2017** and shall expire on **September 30, 2017**. On or before the expiration of the term of this License, Licensee agrees to remove all of its personal effects from the License Area and to deliver up the License Area to Licensor in its original condition as at the date of the commencement of the term of this License, reasonable wear and tear excepted. In the event Licensee fails to remove its equipment and personal property, then Licensee shall be deemed to have abandoned such personal property and the same shall become the property of Licensor for Licensor to use, remove, destroy or otherwise dispose of at its discretion and without responsibility for accounting to Licensee.

4. **License Payments.** In consideration of this license, Licensee shall pay to Licensor the amount of \$19,284.77 for the period August 27, 2017 through August 31, 2017, and \$85,404.00 for the period September 1, 2017 through September 30, 2017 for a the total License Fee of \$104,688.77 (the "**License Fee**"). The License Fee for a fractional calendar month shall be prorated.

5. **Security Deposit.** In addition, Licensee agrees to deposit with Licensor on the date hereof the sum of Forty Thousand Dollars and 00/100 Dollars (\$40,000.00) (the "Security Deposit") of which shall be held by Licensor, without obligation for interest or segregation from other funds of Licensor, as security for the performance of Licensee's obligations under this License Agreement, it being expressly understood and agreed that the Security Deposit is not an advance rental deposit or a measure of Licensor's damages in case of Licensee's default. Upon occurrence of an Event of Default, Licensor may use all or part of the Security Deposit to pay past due rent or other payments due Licensor under this License or the cost of any other damage, injury, expense or liability caused by such Event of Default, without prejudice to any other remedy provided herein or provided by law. On demand, Licensee shall pay Licensor the amount that will restore the Security Deposit to its original amount. The Security Deposit shall be deemed the property of Landlord. Provided that no Event of Default has occurred due to Licensee's failure to fulfill all of its present and future obligations under the License, any remaining balance of the Security Deposit shall be returned by Licensor together with a written description and itemization of any deductions to Licensee not later than sixty (60) days after Licensee has surrendered the Premises, and Licensee has provided Licensor with written notice of Licensee's forwarding address for purpose of returning the Security Deposit.

6. **Insurance.** Licensee is a governmental entity subject to the Texas Tort Claims Act, and is self-insured. Licensor can provide a letter of self-insurance to Licensor upon request.

7. **Indemnity.** Licensee is subject to, and complies with the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practices and Remedies Code, Section 101.001 et seq. and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties, including but not limited to those resulting or arising from any and all injuries or death of any person or damage to any property arising from or related to the Premises or this License Agreement.

8. **Licensor's Liability.** IF LICENSOR IS IN DEFAULT WITH RESPECT TO ITS OBLIGATIONS UNDER THIS LICENSE, LICENSEE SHALL LOOK SOLELY TO THE EQUITY OF LICENSOR IN AND TO THE BUILDING FOR SATISFACTION OF LICENSEE'S REMEDIES, IF ANY. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT LICENSOR'S LIABILITY UNDER THE TERMS OF THIS LICENSE SHALL IN NO EVENT EXCEED THE AMOUNT OF ITS INTEREST IN AND TO THE BUILDING. IN NO EVENT SHALL ANY PARTNER OF LICENSOR OR ANY OFFICER, DIRECTOR OR SHAREHOLDER OF LICENSOR OR ANY SUCH PARTNER OF LICENSOR BE PERSONALLY LIABLE WITH RESPECT TO ANY OF THE PROVISIONS OF THIS LICENSE.

9. **Utilities, Right to Market, Delivery at End of License.**

(a) Licensee will be responsible for the cost of the utilities directly metered to the Premises during the term of the License. These costs shall be billed to Licensee each month upon receipt by Licensor of utility bills.

(b) During the term of the License Licensor shall have the right to enter onto the premises for purposes of marketing the property for rent to prospective tenants. Licensee acknowledges that this is a short-term License and the property will remain on the market for lease. Licensor shall use its best efforts to not interfere with Licensee's quiet enjoyment of the Premises while showing the building to prospective tenants during the License term.

(c) At the end of the License Term, Licensee shall deliver the Premises in a broom clean condition and shall repair any damages caused by Licensee's use of the Premises. Licensor's representatives shall walk the premises with Licensee at the end of the License Term and confirm the condition of the Premises and upon acceptance by Licensor, Licensee's obligations shall have been met.

10. **Default.** If default shall at any time be made by Licensee with respect to any covenant, agreement or condition contained herein, and such default shall continue for a period of more than five (5) days after the date of written notice from Licensor to Licensee, excluding payment of the License Fee or Operating Expenses, for which no notice shall be required, Licensor shall have the right to terminate this License with no further obligations or liabilities on the part of Licensor. Licensor may then immediately evict Licensee upon written notice and Licensee shall immediately vacate and peaceably surrender the Licensed Area.

11. **Holdover.** If Licensee fails to vacate the Licensed Area after the termination of this License, Licensee shall be a Licensee at will or at sufferance, and Licensee shall pay, in addition to any other rent or other sums then due Licensor, a daily base rental equal to the License Fee in effect on the expiration or termination date, even if Licensor consents to such holdover (which consent shall be effective only if in writing).

12. **Miscellaneous.** This License is personal to Licensee and may not be assigned or transferred in any manner to any other party. If any clause or provision of the License is illegal, invalid or unenforceable under present or future laws, the remainder of this License shall not be affected thereby, and in lieu of each clause or provision of this License which is illegal, invalid or unenforceable, there shall be added as a part of this License a clause or provision as nearly identical to the said clause or provision as may be legal, valid and enforceable.

13. **Entire Agreement.** This License sets forth the entire agreement between the parties and any prior writings or conversations are merged herein and extinguished. No failure of Licensor to exercise any power given Licensor hereunder, or to insist upon strict compliance by Licensee with any obligation of Licensee hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Licensor's right to demand exact compliance with the terms hereof. No amendment, alteration or other change of this License shall be enforceable unless set forth in writing signed by both parties hereto, provided, however, that this License and any further modifications hereto shall be binding when executed and delivered by facsimile, and the parties may rely upon facsimile signature as an original execution counterpart, when received.

14. **Attorneys' Fees.** If there is any litigation between the parties to enforce or interpret any provision of this License or rights arising under this License, the unsuccessful party in the litigation, as determined by the court, shall pay to the successful party, as determined by the court, all costs and expenses, including but not limited to reasonable attorneys' fees incurred by the successful party.

15. **Governing Law.** This License is governed by, and construed and enforced in accordance with, the laws of the State of Texas and Bexar County.

16. **Notices.** All notices, demands, consents and requests required or permitted hereunder shall be in writing and shall be deemed given when delivered by hand, or deposited with the United States Postal Service and sent by prepaid certified mail, return receipt requested, or deposited prepaid with a reputable national courier service and sent for next day delivery, properly addressed to the party to be notified at the address for such party set forth below their respective signature lines below

THIS TEMPORARY LICENSE AGREEMENT is dated as of the Effective Date.

[SIGNATURES FOLLOW]

**LICENSOR:**

**LCG STOUT DRIVE, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Notice

Address: \_\_\_\_\_

**LICENSEE:**

**City of San Antonio, a Texas municipal corporation**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Notice

Address: \_\_\_\_\_

*Erik J. Walsh*

*Erik J. Walsh*

*Deputy City Manager*

*8/27/17*

*100 Military Plaza*

[SIGNATURES FOLLOW]

**LICENSOR:**

LCG STOUT DRIVE, LLC

By:	Anthony T. Perez
Name:	Anthony T. Perez
Title:	MANAGING PARTNER
Date:	8-27-17
Notice Address:	670 Leda Way Los Angeles CA 90049

**LICENSEE:**

City of San Antonio, a Texas municipal corporation

By:	
Name:	
Title:	
Date:	
Notice Address:	