## <u>LICENSE AGREEMENT BETWEEN</u> CITY OF CARSON AND WIN CHEVROLET, INC.

THIS LICENSE AGREEMENT ("Agreement") dated November 5, 2019 ("Effective Date"), is made by and between the CITY OF CARSON, a Charter City as of January 1, 2019, ("City" or "Licensor"), and WIN CHEVROLET, INC., a California Corporation ("Licensee").

#### **RECITALS**

- **A.** City of Carson is the owner of that certain undeveloped real property located at 2403 E. 223rd Street, City of Carson, County of Los Angeles (Assessor's Parcel Nos. 7315-012-900) as more particularly described in <a href="Exhibit">Exhibit "A"</a> ("**Property**").
- **B.** Licensee wishes to use an area of approximately 33,615 square feet within the Property as more particularly described in Exhibit "B" ("License Area").
- **C.** Licensee currently operates a Chevrolet automobile dealership on 223rd Street, Carson ("**Auto Dealership**") and is interested in expanding the amount of inventory available to the Auto Dealership. Licensee desires to store additional automobile inventory on the Property ("**License Activities**").
- **D.** City is willing to permit Licensee to access the Property and engage in the License Activities upon the terms and conditions stated in this Agreement.

NOW, THEREFORE, the Licensor and Licensee agree as follows:

### 1. LICENSE.

- **A. Grant of License.** Subject to Licensees' compliance with all the terms and provisions of this Agreement (including but not limited to the payment of the Monthly License Fee (as defined in Section 5), Licensor grants to Licensee a non-exclusive temporary license to the Property for the sole purpose of the License Activities during the Term (defined in Section 3).
- **B.** Cooperation Obligation. Licensee shall cooperate with Licensor and any other licensee or other party of whom Licensee receives written notice from Licensor ("Other User") using or occupying the Property, to establish and enforce rules and procedures governing those portions of the Property being used in common by Licensee and any Other User.
- **C. Reservation.** Licensor reserves the right to enter the Property to conduct various environmental studies upon three (3) days prior written notice to Licensee provided that any such work shall not unreasonably interfere with Licensee's use of the Property. Licensor has the right to designate third parties to conduct any such tests or studies.
- **EXECUTION.** Prior to the Effective Date, Licensee shall execute and acknowledge two (2) copies of this Agreement and deliver same to City together with the Monthly License Fee for the month of November and the insurance certificate as provided in Section 12. Upon City's approval of this Agreement, City shall execute and acknowledge two (2) copies of this Agreement and deliver an original copy to Licensee.

01007.0001/439463.1

### 3. TERM.

- **A. Term.** This Agreement shall commence on the Effective Date and terminate automatically one-hundred twenty (120) days thereafter ("**Term**") unless extended or terminated as provided below.
- **B.** Right to Terminate. Notwithstanding the foregoing, either party may terminate this Agreement at any time upon thirty (30) days written notice to the other party.
- **C. Extensions.** Any extension of the Term must be in writing executed by both parties.
- **D.** City Manager Authority. Licensor's City Manager may execute extensions on behalf of Lessor from time to time.
- **E. Termination.** Upon termination of this Agreement for any reason, Licensee shall cooperate and execute, acknowledge and deliver any documents reasonably required to confirm such termination of this Agreement and Licensee's possession of the Property. This obligation shall survive termination of this Agreement and Licensee's failure to provide the requested documents may result in material damage to the Licensor and Licensee shall indemnify Licensor for all such damages including attorney's fees.
- **4.** <u>USE.</u> During the Term, Licensee may only use the Property for the License Activities and no other purposes. Licensee shall not permit any waste or damage to be done to the Property. Licensee is responsible for obtaining all permits, licenses, and any other governmental authorizations required for the License Activities. Licensee may not make any modifications or improvements to the Property without the prior written consent of Licensor.
- 5. <u>LICENSE FEE</u>. During the Term, Licensee shall pay a monthly fee of Four Thousand Two Hundred One Dollars (\$4,201.00) ("Monthly License Fee") to be paid in advance. The first Monthly License Fee must be paid by concurrently with Licensee's execution and delivery of this Agreement to City. All subsequent Monthly License Fee payments shall be paid by Licensee to Licensor on the first date of each month during the Term. Payments shall be mailed to:

City of Carson Attn: Saied Naaseh, Director of Community Development 701 E. Carson Street Carson, CA 90745

If this Agreement is terminated pursuant to Section 3.B, Licensee shall be entitled to be paid the prorated portion of the Monthly Licensee Fee for the days in the month after termination is effective. However, if this Agreement is terminated due to breach by Licensee, Licensee shall not be entitled to any proration portion for the balance of the applicable month.

**6.** <u>UTILITIES.</u> Licensee shall pay all charges for electricity and all other utility services, if any, used by the Licensee in or about the Property during the Term.

- **INDEMNIFICATION.** To the full extent permitted by law, Licensee agrees to indemnify, defend, protect and hold harmless Licensor and the City, their respective officers, directors, agents, representatives, City Council members and employees (collectively, "Licensor and City") from and against all liens and encumbrances of any nature whatsoever which may arise in the exercise of, or failure to exercise, Licensee's rights hereunder, and from any and all claims, causes of action, liabilities, costs, penalties, obligations, errors, omissions, expenses (including reasonable attorneys' fees), losses and/or damages arising from, or in connection with, Licensee's (or Licensee's agents, employees, or invitees') use of the Property during the Term, or any breach of this Agreement by Licensee (or by Licensee's agents, employees, or invitees), except those arising out of the sole negligence or intentional misconduct of the Licensor or City. The indemnification obligations contained in this Section 7 shall survive the termination of this Agreement and shall be binding on the successors and assigns of Licensee. City is a third party beneficiary of this provision.
- 8. <u>DAMAGE OR LOSS</u>. As a material part of the consideration to Licensor, Licensee assumes all risk of damage to its property or injury to persons in or upon the Property during the Term. Licensee hereby releases and relieves Licensor and City, and waives its entire right of recovery against Licensor and City, for any loss or damage arising out of or incident to the Licensee's activity on the Property, whether due to the negligence of the Licensor and City or Licensee or its agents, employees and/or contractors, but except for any loss or damage arising out of the sole negligence or intentional misconduct of the Licensor or City. The release contained in this Section shall survive the termination of this Agreement and shall be binding on the successors and assigns of Licensee. City is a third party beneficiary of this provision.

#### 9. ENVIRONMENTAL IMPAIRMENT.

- A. Licensee shall not use, generate, manufacture, store, transport or dispose of, on or over the Property any flammable liquids, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances (collectively referred to as "Hazardous Materials") as those terms are defined by federal and state laws. The foregoing sentence shall not be deemed to include in any way any Hazardous Materials in existence or present in, on, beneath or under the Property prior to the time of Licensee's access to the Property pursuant to this Agreement or Hazardous Materials customarily used in the License Activities but only to the extent such use is in compliance with all applicable laws. Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Property as a result of Licensee's use and occupancy thereof, Licensee shall provide notice as required by law, and Licensee, at its sole cost and expense, promptly shall undertake all appropriate remediation on all the property affected thereby, whether owned or controlled by Licensor, to the extent required by applicable law and by any governmental body having jurisdiction thereof.
- **B.** Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Property (collectively referred to as "**Discharge**") as a result of Licensee's use, Licensee shall indemnify, hold harmless and defend Licensor and City against all liability arising from any injuries to any person and damage to property, including without limitation, employees and property of Licensee and City, and all related expenses, investigators' fees, and litigation expenses, resulting in whole or in part from any such Discharge, regardless of whether such liability, cost or expense arises during or after the License term. The remediation and

indemnification obligations contained in this Section 9 shall survive the Termination of this Agreement.

## **10. RESTRICTIONS.** Licensee acknowledges and agrees to the following:

- i. As of the Effective Date, Licensee accepts the Property subject to all conditions, covenants and restrictions of record, and all applicable zoning, municipal, county and state laws, ordinances, regulations and any changes thereto, governing the use and occupancy of the Property. Licensee shall not obtain or cause to be issued any permit, zone change or other entitlement that will be binding upon Licensor or the Property.
- ii. Licensee shall keep the Property clean and safe condition and shall remove all weeds and other debris during the Term.
- iii. Licensee shall keep the Property free from all liens, taxes and assessments resulting from or caused by Licensee's use of the Property, and Licensee shall reimburse Licensor as necessary to protect its title against any such lien, tax or assessment. Licensee recognizes and understands that this Agreement may create a possessory interest subject to taxes levied upon such interest.
- iv. Licensee shall keep the Property clear of all litter and debris caused by Licensee or Licensee's use of the Property.
- v. Upon termination of this Agreement for any reason, Licensee shall promptly remove all its personal property from the Property.
- vi. Licensee shall not disturb the neighboring businesses, residences or other neighboring land uses. Licensee shall ensure that License Activities do not impede neighboring businesses from conducting business as usual.
- 11. <u>SURRENDER</u>. Upon the termination of this Agreement, all right, title, and interest of Licensee in and to this Agreement shall be surrendered peaceably to the Licensor. Licensee shall promptly remove any personal property from the Property.
- INSURANCE. Licensee shall maintain in full force and effect during the Term, at Licensee's sole cost and expense, a policy of comprehensive general liability insurance in terms and amounts satisfactory to Licensor, but in any event no less than Two Million Dollars (\$2,000,000.00) combined single limit per occurrence combined single limit bodily injury, personal injury, death and property damage, subject to such increases in amount as Licensor may reasonably require from time to time, covering any accident or incident arising in connection with the presence of Licensee or its agents, employees, subcontractors, construction workers, guests, or invitees on the Property. Such coverage shall also contain endorsements: (a) deleting any employee exclusion on personal injury coverage; (b) deleting any liquor liability exclusion; and (c) providing for coverage of employer's automobile non-ownership liability. Coverage shall include, but not be limited to, personal injury liability, property and operation, blanket contractual, cross liability, severability of interest, broad form property damage, and independent contractors. Licensor and the City shall be named as additional insureds under such insurance policy. Such insurance shall be primary and noncontributing, and shall not be cancelable or subject to reduction of coverage or other

modification without thirty (30) days prior written notice to Licensor. Licensee shall concurrently with the execution of this Agreement deliver to Licensor a copy of such insurance policy, or a certificate of insurance evidencing such coverage. In the event Licensee's insurance policy is renewed, replaced or modified, Licensee shall promptly furnish Licensor with a copy of such policy, or a certificate of insurance, as renewed, replaced or modified.

- **<u>DEFAULT</u>**. In the event of a breach by Licensee of any of the terms of this 13. Agreement that continues beyond five (5) days after written notice from Licensor of such breach ("Default"), all rights of Licensee shall cease and terminate, and in addition to all other rights Licensor may have at law or in equity, Licensor may re-enter the Property and take possession thereof without further notice, and remove any and all persons and personal property from the Property. Furthermore, upon Licensee's Default, in addition to all other remedies, Licensee shall pay Licensor the sum of FIVE THOUSAND DOLLARS (\$5,000) per day while Licensee is in Default. LICENSEE IS AWARE THAT LICENSOR INTENDS TO SELL THIS PROPERTY AND IF LICENSEE FAILS TO SURRENDER THE PROPERTY IN A TIMELY MANNER, SUCH FAILURE MAY RESULT IN LICENSOR BEING IN DEFAULT WITH ITS BUYER AND, THEREFORE, RESPONSIBLE FOR DAMAGES. Licensee has been advised that Licensor intends to sell the Property and any holdover by Licensee may cause Licensor to be in breach of any sale agreement if it can not deliver the Property free of all rights of possession including this Agreement. Licensee's obligations under this Agreement for (i) indemnity, and (ii) payment of the Monthly Licensee Fee which accrued prior to the termination, shall remain in effect. Licensee shall not be entitled to any proration of the Monthly Licensee Fee for early termination due to a breach by Licensee.
- **14.** <u>RULES AND REGULATIONS</u>. Upon not less than two (2) business days prior written notice to Licensee, Licensor shall have the right to:
  - a. Establish and enforce reasonable rules and regulations concerning the management, use, and operation of the Property;
  - b. Close any portion of the Property to whatever extent required in the reasonable opinion of the Licensor's counsel to prevent a dedication of any of the Property or the accrual of any prescriptive rights of any person or of the public to the Property, provided that such closures do not materially and adversely affect Licensee's use of the Property;
  - c. Close temporarily any portion of the Property for maintenance purposes, provided that such closures do not materially and adversely affect Licensee's use of the Property; and
    - d. Disapprove a person or entity retained by Licensee to maintain the Property.
- 15. <u>SECURITY MEASURES</u>. Licensor is not obligated to provide security of any kind to the Property, and Licensor shall not be liable for any defects or negligence in the implementation of any security measures that Licensor may, in its sole discretion, elect to provide. Licensee assumes all responsibility for the protection of its personal property or that of its agents, employees, or invitees from the acts of third parties.

- **16. WAIVER.** The waiver by Licensor of any breach of Licensee hereunder, or the failure on the part of Licensor to enforce any right it may have hereunder, shall not constitute a waiver of any other or subsequent, similar, or different breaches, or a waiver of Licensor's power to enforce such rights.
- **ASSIGNMENT.** This Agreement and the rights granted hereunder are personal to Licensee. Licensee may not assign, sell, transfer (including, but not limited to, any sublease or sublicense), encumber, pledge, or otherwise hypothecate ("**Transfer**") any part of this Agreement or any rights hereunder without the prior written consent of Licensor, which may be withheld in Licensor's sole and absolute discretion. Any Transfer by Licensee shall be void *ab initio* and a basis for immediate termination of this Agreement. In the event that Licensor does consent to a Transfer in writing, such consent shall not relieve Licensee of liability under this Agreement.
- 18. <u>ATTORNEY'S FEES</u>. If either party brings an action to enforce the terms hereof or to declare its rights hereunder, the prevailing party in any such action, on trial and appeal, shall be entitled to recover its costs and reasonable attorneys' fees including those of in-house counsel.
- 19. NOTICE. All notices, consents, requests, demands, approvals, waivers, and other communications desired or required to be given hereunder (referred to collectively as "notices") shall be in writing and signed by the party so giving the notice, and shall be effectively given or served: (i) on the date of personal service upon the person to whom it is directed; or (ii) on the date the notice is received or rejected provided it is sent U.S. first class registered or certified mail, postage prepaid, return receipt requested; or (iii) on the date the notice is delivered by a nationally recognized courier service to the address of the person to whom it is directed provided it is sent postage prepaid to the address of the person to whom it is directed (whichever occurs first in time). Notice shall be provided to each party as follows:

To Licensor: City of Carson

701 E. Carson Street Carson, California 90745 Attn: City Manager

With a copy to: Aleshire & Wynder, LLP

18881 Von Karman Avenue, Suite 400

Irvine, CA 92612

Attn: City Attorney Sunny K. Soltani, Esq.

To Licensee: WIN CHEVROLET, INC.

2301 East 223<sup>rd</sup> Street Carson, CA 90745

Attn: Jerry Heuer, President

Hani Nassif, Vice President / Secretary

Either party may, from time to time, change its address by giving written notice thereof in the manner outlined above.

**20. GOVERNING LAW.** This Agreement shall be interpreted, enforced and governed by the laws of the State of California. Legal actions concerning any dispute, claim or matter arising

out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

- **21. AMENDMENTS.** This Agreement may only be amended or modified in writing executed by both parties.
- **SEVERABILITY.** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and the remainder of the provisions of this Agreement shall continue in full force and effect without impairment.
- **23. SOLE AGREEMENT.** This Agreement constitutes the sole agreement between Licensor and Licensee with respect to Licensee's use of the Property.
- **24. NO RECORDATION.** Neither this Agreement nor a memorandum of it shall be recorded in the Official Records of Los Angeles County.
- **25. CONSENTS OF PARTIES.** Any requirements under this Agreement that Licensee obtain consents or approvals of Licensor are in addition to and not in lieu of any requirements of law that Licensee obtains approvals or permits.
- **26. COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.
- **27. INTERPRETATION.** The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.
- **28. AUTHORITY.** Each individual executing this Agreement on behalf of Licensee represents, warrants and covenants to the Licensor that (a) such person is duly authorized to execute and deliver this Agreement on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (b) such entity is bound under the terms of this Agreement.
- **29. INTEREST.** If Licensee fails to pay any amounts due under this Agreement when due, the amounts shall bear interest at the rate of ten percent (10%) per annum from the due date until paid in full.
  - **30. EXHIBIT.** Exhibit A is attached hereto and incorporated herein by reference.

### [SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, each of the parties has caused its authorized representative to execute duplicate original counterparts of this Agreement.

LICENSOR/ CITY:	LICENSEE:
CITY OF CARSON a charter city as of January 1, 2019	WIN CHEVROLET, INC., a California corporation
By:Albert Robles, Mayor  October, 2019	By:
ATTEST:	By: Hani Nassif Vice President / Secretary
By: Donesia Gause-Aldana, MMC City Clerk	
APPROVED AS TO FORM:	
ALESHIRE & WYNDER, LLP  By: Sunny Soltani (AL) City Attorney	

## EXHIBIT A LEGAL DESCRIPTION OF PROPERTY

That certain real property located in the City of Carson, County of Los Angeles, State of California legally described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CARSON IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

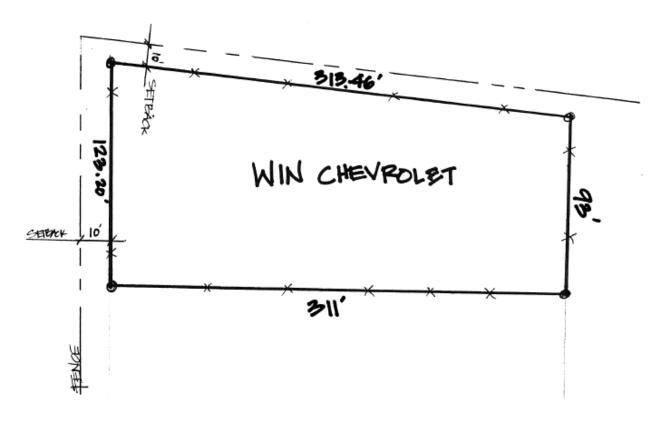
THAT PORTION OF LOT 6 IN BLOCK "C" OF THE SUBDIVISION OF A PART OF THE RANCHO SAN PEDRO, (ALSO KNOWN AS DOMINGUEZ COLONY), IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAPS RECORDED IN BOOK 1, PAGES 601 AND 602, AND BOOK 32, PAGES 97 AND 98 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS:

ON THE NORTH BY THE SOUTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, AS RECORDED IN **BOOK D748, PAGE 676, OFFICIAL RECORDS**, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, (NOW KNOWN AS THE SAN DIEGO FREEWAY); ON THE SOUTH BOUNDED SOUTHERLY BY NORTHERLY LINE OF 100' STRIP OF LAND DESCRIBED PER (PARCEL 12-13:) IN DECREE OF CONDEMNATION, RECORDED OCTOBER 5, 1973, INSTRUMENT NO. 4331, OFFICIAL RECORDS; ON THE WEST BY A LINE WHICH IS AT RIGHT ANGLES TO SAID LAST MENTIONED CENTERLINE AND WHICH PASSES THROUGH A POINT IN SAID CENTERLINE, DISTANT EASTERLY HEREON, 1607.85 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 5 OF SAID BLOCK "C", AND ON THE EAST BY THE WESTERLY LINE OF THAT CERTAIN 250 FOOT STRIP OF LAND DESCRIBED FIRST IN DEED TO THE PACIFIC ELECTRIC LAND COMPANY RECORDED AS **INSTRUMENT NO. 1314 ON JANUARY 24, 1924, IN BOOK 2683, PAGE 358, OFFICIAL RECORDS**.

APN: 7315-012-900

## EXHIBIT B LICENSED AREA





01007.0001/439463.1

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE	OF CALIFORNIA			
COUNT	Y OF LOS ANGELES			
On, 2019 before me,, personally appeared, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.				
I certify true and		f the State of California that the foregoing paragraph is		
WITNE	SS my hand and official seal.			
Signature:				
<b>OPTIONAL</b> Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.				
	CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT		
	INDIVIDUAL CORPORATE OFFICER TITLE(S)	TITLE OR TYPE OF DOCUMENT		
	PARTNER(S) LIMITED GENERAL ATTORNEY-IN-FACT TRUSTEE(S)	NUMBER OF PAGES		
	GUARDIAN/CONSERVATOR OTHER	DATE OF DOCUMENT		
	R IS REPRESENTING: OF PERSON(S) OR ENTITY(IES))	SIGNER(S) OTHER THAN NAMED ABOVE		

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE	OF CALIFORNIA			
COUNT	Y OF LOS ANGELES			
On, 2019 before me,, personally appeared, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.				
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.				
WITNE	SS my hand and official seal.			
Signature:				
<b>OPTIONAL</b> Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.				
	CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT		
	INDIVIDUAL CORPORATE OFFICER TITLE(S)	TITLE OR TYPE OF DOCUMENT		
	PARTNER(S) LIMITED GENERAL ATTORNEY-IN-FACT TRUSTEE(S)	NUMBER OF PAGES		
	GUARDIAN/CONSERVATOR OTHER	DATE OF DOCUMENT		
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))  SIGNER(S) OTHER THAN NAMED ABOVE				