LICENSE AGREEMENT

This LICENSE AGREEMENT ("License" or "Agreement") for Santa Monica Airport Tie-Down Space No. [SPACE] is entered into on ___________ "Effective Date") by and between the CITY OF SANTA MONICA (hereinafter "City" or "Licensor"), and _______ " (hereinafter "Licensee"), and is made with respect to the following:

RECITALS

A. The City of Santa Monica is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the laws of the State of California and the Charter of the City.

B. The City is the legal owner, operator, and lessor of real property commonly known and referred to as the Santa Monica Municipal Airport ("the Airport"), which is principally located in the City of Santa Monica, County of Los Angeles, California.

C. The City currently makes space at the Airport available to the general public for the tying down of aircraft. The City licenses this space for such purpose and it intends to continue granting licenses for tie-down spaces for aircraft for as long as the Santa Monica Airport continues to operate as a general aviation airport.

D. The City and Licensee desire to enter into this Agreement granting Licensee a conditional, limited, and revocable right to enter upon the Airport premises for the limited purpose of tying down, securing, storing, and removing an aircraft, and upon the terms and conditions set forth below.

E. Licensee represents to City that the information contained in Exhibit 4 is true and correct.

F. Tenant is a [INDIVIDUAL OR ENTITY, IF ENTITY INCLUDE STATE OF INCORPORATION] whose [PRINCIPAL OFFICES OR RESIDENCE] are located at [REGISTERED PLACE OF BUSINESS OR RESIDENCE]. [IF TENANT IS AN INDIVIDUAL, OR IS NOT REGISTERED WITH CAL SS, DELETE FOLLOWING SENTENCE] Tenant is registered with the California Secretary of State and represents to City that it may lawfully transact business in the State of California.

G. The City and Tenant desire to enter into the Lease Agreement, the execution of which shall allow the Tenant to occupy space at the Airport and to do so only upon the terms and conditions set forth herein. This Agreement is consistent with the City's obligation to comply with the terms of the Stipulation and Order/Consent Decree ("Consent Decree") filed in the matter of City of Santa Monica v. United States of America, et al., Case No. 13-CV-8046-JFW (VBKx) (C.D. Cal.), and which is attached as Exhibit 5 and incorporated herein by this reference. The City and Tenant
acknowledge that any interests, rights, or privileges created by this Agreement are subordinate to, and subject to, the City's obligation to comply with the terms of the Consent Decree or with any order issued by a court having jurisdiction of the Consent Decree.

E. Landlord City hereby rents to Tenant, and Tenant hereby hires from Landlord, those certain premises located at the Santa Monica Airport and more particularly defined in this agreement, below, upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed by and between the undersigned parties as follows:

AGREEMENT

SECTION 1. RECITALS

The above recitals are true and correct and are hereby incorporated as a term and condition of this License Agreement.

SECTION 2. PREMISES

2.1 The “Premises”, also referred to as the “tie-down area”, shall be defined as that area of the Airport licensed to Licensee under this Agreement, and which shall be used by Licensee solely for purposes of storing or tying down an aircraft. The location of the Premises within the Airport is determined at Licensor’s sole discretion and may be changed from time to time. This License shall be valid only for the permitted aircraft described in the attached Exhibit 3.

2.2 Subject to the exceptions stated in Paragraphs 2.3 and 9.4, Licensee shall not store any property other than an aircraft in the tie-down area.

2.3 Licensee may park one passenger vehicle within the tie-down area during the times that the space is not occupied by the permitted aircraft.

2.4 Licensee accepts the Premises “AS IS”, subject to all applicable municipal, state and federal laws, ordinances, regulations and policies governing and regulating the use of the Premises, and any covenants or restrictions of record. Licensee acknowledges that neither Licensor nor Licensor’s agents have made any representation or warranty as to the physical state of the Premises, or any present or future suitability of the Premises.

2.5 During the term of this Agreement Licensee shall report to the City immediately upon noticing any defective or damaged areas in the Premises requiring maintenance or repair.

2.6 Tenant acknowledges that in accordance with the terms of the Consent Decree the
operational length of the runway at the Airport will be 3,500 feet and that the Airport may cease to
be operated as an airport forever after December 31, 2028.

SECTION 3. TERM AND ASSIGNABILITY

3.1 The term of this license shall be month-to-month commencing from the Execution Date and continuing on a month-to-month basis thereafter.

3.2 This license is personal to the Licensee. It is non-assignable or transferable, and any attempt to assign or transfer this License shall automatically terminate it.

SECTION 4. LICENSE FEES

4.1 Commencing on MONTH, DATE, YEAR (“Commencement Date”), LICENSEE agrees to pay the City the sum of $____________ per month for the rights granted by this License Agreement. Each payment must be received by Licensor on or before the first day of the month. Should the effective date of this Agreement be other than the first day of a month, rent shall be prorated for the first month. Licensee’s failure to make a timely payment shall be considered a material breach of this Agreement and may result in the immediate termination this License. Thereafter, the daily tie-down rate will be that chargeable to users of the Transient Tie-downs.

No refund will be issued in the event Licensee removes the aircraft prior to completion of a monthly period which has been paid for in advance. No credit will be allowed towards the monthly fee for time during which the subject aircraft is away from the Premises.

4.2 INVOICES: The Licensor’s issuance of any invoice is a courtesy performed for the Licensee and is not determinative of the amount of rent due and owing or the date such obligations accrue, which are specified in the License Agreement.

4.3 LATE CHARGES: In the event that Licensee fails to pay the above-described License Fee within ten (10) calendar days after such payment is due, Licensee shall be obligated to pay a late charge in the amount of ten percent (10%) of the License Fee amount for that month (“Late Charges”). Late Charges shall constitute Additional Fees and shall be payable with the next installment of License Fee.

4.4 LICENSE FEE ADJUSTMENTS: The City of Santa Monica may adjust fees from time to time and agrees to give Licensee a thirty (30) day notice prior to an adjustment.

SECTION 5. TERMINATION

5.1 This Agreement may be terminated by either party for any reason and without cause upon thirty (30) days written notice to the other party. In the event of termination, the City of Santa Monica has no obligation to provide substitute tie-down space to Licensee. Upon the termination of this Agreement, and unless informed otherwise by the Airport Director or by his/her designee,
Licensee must immediately remove their aircraft from the Premises.

5.2 Upon termination of this Agreement, any sums due and owing to Licensor shall be paid by Licensee immediately.

SECTION 6. FAILURE TO PAY

6.1 Collection Costs. Licensees shall pay all costs and expenses incurred by the City of Santa Monica in enforcing the terms of this Agreement or in the collection of amounts due hereunder, including reasonable attorney’s fees.

6.2 Aircraft May Be Taken Under Possession And Control Of The City. If Licensee fails to pay outstanding license fees or other amounts owed to the City related to Licensee’s use of the tie-down area, and if Licensee’s account is at least sixty (60) days delinquent, City staff may use all legal and equitable remedies available to the City, including securing the aircraft within the airport facility so that the aircraft is in the possession and control of the City of Santa Monica until such time that Licensee can settle the outstanding amounts and reclaim the aircraft.

6.3 Aircraft May Be Sold At Public Auction To Satisfy The Airport Charges. If an aircraft has been secured by the City and is not released to the owner within ninety (90) days after notifying the owner at his or her last known address, the aircraft shall be conclusively presumed abandoned by the owner. City staff may dispose of the abandoned aircraft by way of a public sale and consistent with the laws of the state of California.

SECTION 7. COMPLIANCE

7.1 Applicable Law. Licensee shall comply with all applicable municipal, county, state or federal laws, ordinances, rules, regulations and programs in effect or hereinafter adopted by the City of Santa Monica, County of Los Angeles, State of California or the United States (“Applicable Law”). Licensee shall discontinue immediately any use of the Premises that is declared by any governmental authority to be a violation of Applicable Law.

7.2 Compliance with Noise Abatement Program. Licensee shall comply with all provisions of the Santa Monica Municipal Code, including Subchapter 10.04.04 (Aircraft Noise Abatement Code). Licensee shall also comply with all Santa Monica rules, regulations, administrative instructions, and operations manual.

7.3 Compliance with Cardkey Access System. Licensor has implemented security measures at the Santa Monica Municipal Airport to prevent unauthorized access to the Santa Monica Airport, including a Cardkey Access System. Tenant agrees to comply fully with all conditions of the Cardkey Access System and any other security program implemented by the Licensor. Licensee’s guests and their vehicles may have authorized access to Airport property only when Licensee’s guests’ access occurs with and simultaneous to Licensee’s access. Licensee assumes all responsibility for the acts and/or omissions of Licensee’s guests while on Airport property.
SECTION 8. LICENSEE’S OBLIGATION TO PAY TAXES

8.1 The term “Tax Year” shall mean and refer to each twelve (12) month period (deemed, for the purpose of this Section, to have 365 days) established as the real estate tax year by the taxing authorities having lawful jurisdiction over the Airport.

8.2 Licensee shall pay in each Tax Year during the Term, directly to the appropriate taxing authorities, all due and owing taxes, including real estate taxes, bonds, levies or charges, ad valorem taxes and assessments, possessory interest taxes, general and special assessments, taxes on the Premises, or any other tax imposed upon or levied upon Licensee.

SECTION 9. PERMITTED AND PROHIBITED USES

9.1 The permitted use of the Premises granted to Licensee under this License is solely for the tying down, securing, storing, and removing of the permitted aircraft listed in Exhibit 3. The aircraft must be airworthy, and if repairs are necessary, Licensee shall provide the Airport Director with a completion date for the repairs. Aircraft that are not airworthy are not permitted to remain on the Premises for more than sixty (60) days without expressed written permission of the Airport Director.

9.2 Licensee may also use the tie-down area for the making minor repairs to Licensee’s aircraft, or to other aircraft related equipment, in a manner consistent with FAA and the aircraft manufacturer's guidelines. Such minor work shall be limited to oil changes or spark plug replacement, or to other similar work, and shall be performed by the Licensee or by Licensee’s employee, agent, or contractor, and not by any third party. Licensee shall not make any repairs to the aircraft not authorized by the aircraft owner, even if Licensee is otherwise qualified and certified to make such repairs.

9.3 The rights granted under this Agreement do not permit a Licensee who does not already hold a Commercial Operations Permit issued by the City Manager under S.M.M.C. §10.04.06.240 to conduct or engage in any type of commercial activity from the tie-down area. Such prohibited activity includes, but is not limited to: charter service, aircraft rental, repair services, flight training services, flight instructional services, or any offer type of service or commercial activity provided in exchange for remuneration.

9.4 Licensee shall keep the tie-down area clean and free of debris and not place or allow to be placed any debris on Airport property. Maintenance boxes, ladders, or other items must be approved by the Airport Director prior to being placed on the premises.

9.5 Modifications, alterations, posting of signs or any change to the tie-down area is strictly prohibited. Licensee shall not modify or replace the existing tie-down device provided for the tie-down area. Licensee shall not park or leave aircraft on the Airport's taxiways or taxi lanes in a manner that interferes with or obstructs access to any other tie-down space, common area, public use space, or other Airport facility.
9.6 Furthermore, Tenant acknowledges and agrees that the permitted uses of the Premises as stated in this Section are consistent with the City’s obligations under the Consent Decree. However, it is expressly understood and agreed to by Tenant that in the event Tenant’s use of the Premises hereunder is or becomes inconsistent with the City’s obligations under the Consent Decree, the rights and the obligations of the parties hereto will be governed by the City’s obligations under the Consent Decree, but in no event will the City bear any responsibility or incur any liability to Tenant as a result of any such inconsistency.

SECTION 10. LICENSOR’S RIGHTS AND OBLIGATIONS

10.1 The City will keep the tie-down area, including all securing tethers, in good condition and repair.

10.2 The City will provide access to the tie-down area and to the public taxiways, ramps and runway as deemed appropriate by the Airport Director.

10.2 The City will keep the public taxiways adjacent to the tie-down area clear of debris.

10.3 The City shall install or remove tie-down pads as required.

10.4 The City reserves the right to substitute comparable tie-down facilities.

10.5 The City shall regulate, develop, improve, reconstruct or modify the tie-down area at the City’s sole discretion.

10.6 The City provides no other services of any kind or description unless specifically mentioned herein or added by amendment.

SECTION 11. INDEMNIFICATION

11.1 Licensee hereby agrees to defend, indemnify, and hold harmless Licensor, its City Council, boards and commissions, officers, agents, employees, volunteers and contractors from and against any and all loss, damage, cost, expense, liability, claims, demands, suits, attorneys’ fees and judgments arising from or in any manner related to Licensee’s occupancy or use of the Premises, regardless of any active or passive negligence by the City, except as otherwise stated herein.

SECTION 12. INSURANCE

12.1 Indemnity by Tenant. Except for Landlord’s negligence or willful misconduct, Tenant shall indemnify, protect, hold harmless and defend the Landlord, the City of Santa Monica, the City Council, its officers, agents, employees, board members, commissioners, volunteers, from and against any and all demands, claims, actions, suits, liens, judgments, damages, liabilities, costs and expense, arising out of, involving, or in connection with the use, occupancy, or enjoyment of the Premises by Tenant or any of its officers, agents, employees, customers, guests, or invitees. If any action or proceeding is brought against Landlord by reason of any of the foregoing matters,
Tenant shall upon notice defend the same at Tenant’s expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Landlord need not have first paid any such claim in order to be defended or indemnified. The obligations pertaining to indemnification and hold harmless set forth herein shall survive the expiration or termination of this Agreement.

12.2 Landlord Not Liable for Acts of Others. Neither Landlord nor its employees, officers, agents, board members, commissioners, or volunteers (collectively "Landlord"), shall be liable to Tenant for any personal injury, death, loss or damage to personal property which may occur by or through the acts or omissions of persons visiting the Premises, the Airport, or the surrounding area; or to persons occupying space adjoining, adjacent to, or connecting with the Premises or any part of the Airport.

12.3 Tenant's Insurance. As of the Commencement Date, and at all times during Tenant’s occupancy of the Premises, Tenant shall procure and maintain at Tenant's own cost and expense for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with Tenant's possession, occupancy, operation or use of the Premises, or that of Tenant’s agents, representatives, employees, guests, customers, and invitees as outlined in Exhibit 2.

SECTION 13. NOTICES

13.1 All notices, demands, requests, or approvals to be given under this Agreement, shall be given in writing and shall be deemed served when personally delivered or seventy-two (72) hours after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed hereinafter provided.

Any notice, request, demand, approval or consent given or required to be given under this Agreement (“Notices”) shall be in writing and shall be served as follows: (i) by personal delivery; or (ii) by deposit thereof in any mail facility maintained by the United States, postage prepaid, certified or registered mail, return receipt required; or (iii) by overnight delivery service, postage prepaid. All Notices shall be addressed as follows:

To Landlord at:  
Santa Monica Airport  
City of Santa Monica  
3223 Donald Douglas Loop South  
Santa Monica, CA 90405

with a copy to:  
City Attorney  
City of Santa Monica  
1685 Main Street, Third Floor  
Santa Monica, CA 90401

To the Tenant at:  
[TENANT'S CONTACT INFO]
All Notices shall be deemed effectively served upon hand delivery or three (3) business days after deposit in the United States mail or overnight delivery service as provided above. Either party may, at any time, change its address for receipt of Notice by sending a notice to the other party in accordance with this Article stating the change and setting forth the new address. Tenant certifies that the contact information that it has provided to Landlord, attached hereto as Exhibit 4, is correct and current as of the Execution Date. Tenant shall be responsible for ensuring that its contact information for the purposes of this Section is current, up to date, and has been provided to Landlord.

SECTION 14. REMEDIES

14.1 In the event of any material default or breach by Licensee, Licensor may at any time thereafter with or without notice or demand and without limiting Licensor in the exercise of any right or remedy which the Licensor may have reason of such default or breach, avail itself of the following remedies, which are cumulative and not exclusive:

A. Licensor may seek to recover possession of the Premises by any lawful means available to it, in which case this License Agreement shall terminate immediately, and Licensee shall immediately remove all personal property, including aircraft, from the Premises.

B. Licensor shall be entitled to recover from Licensee all damages incurred by Licensor by reason of Licensee’s default, including, but not limited to, the cost of recovering possession of the Premises, amount of delinquent license fees, interest at the maximum amounts allowed by law on the delinquent license fees, and reasonable attorneys’ fees.

C. Licensor may elect to pursue any other legal or equitable remedy now or hereafter available to Licensor under the laws of the State of California. Unpaid installments of License Fees or other unpaid monetary obligations of the Licensee under the terms of this License Agreement shall bear interest from the date due at the maximum rate then allowable by law.

SECTION 15. CONTROL OF ACCESS

15.1 The City of Santa Monica, at its option and in its sole discretion, may at any time control and limit access to, in or about, the Santa Monica Airport for the public health, safety, welfare, or any public purpose. Licensor shall not be liable or responsible for damages arising therefrom to the Premises, buildings, structures, installations or improvements thereon. Licensee further agrees any such action by Licensor does not entitle Licensee to a proration of any Licensing Fees.

SECTION 16. REMEDIES CUMULATIVE

16.1 No reference to any specific right remedy shall preclude Licensor from exercising
any other right or from having any other remedy or from maintaining any action to which it may otherwise be entitled at law or in equity. No failure by Licensor to insist upon the strict performance of any agreement, term, covenant or condition hereof, or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial License during the continuance of any such breach, shall constitute a waiver of any such breach, agreement, term, covenant or condition. No waiver by Licensor under this License Agreement or of any breach by any other tenant under any other lease of any portion of the Santa Monica Airport shall affect this License Agreement in any way whatsoever.

SECTION 17. CITY MUNICIPAL POWERS

17.1 The Licensor is entering into this Licensing Agreement in its proprietary capacity, and not in its regulatory or governmental capacity. Nothing in the License Agreement shall be construed as restraining, impairing or restricting the City of Santa Monica in its regulatory capacity, or granting any rights upon the Licensee with respect to the use, occupancy or operation of the Premises in a manner inconsistent with Law. This License Agreement does not grant any development rights upon the Licensee with respect to the Premises and any such development shall be subject to all applicable provisions of the Santa Monica Municipal Code, including, but not limited to the Technical Code and the Zoning Ordinance.

SECTION 18. COUNTERPARTS

18.1 This License Agreement may be executed in several counterparts, each of which is an original, and all of which together constitute but one in the same document.

SECTION 19. NONDISCRIMINATION

19.1 In connection with the use of the Premises, Licensee agrees to not to discriminate against any individual on the basis of race, color, national origin, ancestry, gender, religion, age, or disability, in accordance with the requirements of state and federal law.

SECTION 20. GOVERNING LAW

20.1 This License Agreement has been made and shall be construed and interpreted in accordance with the laws of the State of California.

SECTION 21. MERGER OF NEGOTIATIONS

21.1 This License Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof.
SECTION 22  EXHIBITS

The following exhibits are attached to this Agreement and are incorporated herein.

Exhibit 1 – Map of the Premises
Exhibit 2 – Insurance Requirements
Exhibit 3 – Permitted Aircraft
Exhibit 4 – Tenant Information
Exhibit 5 – Consent Decree

IN WITNESS WHEREOF, the parties have executed this Lease Agreement on the date set forth above.

ATTEST:    CITY OF SANTA MONICA, a municipal corporation

DENISE ANDERSON-WARREN    RICK COLE
City Clerk             City Manager

APPROVED AS TO FORM:    [TENANT]

LANE DILG    [TENANT SIGNATORY]
City Attorney

By:  

By:  

By:
Exhibit 2
Agreement Insurance Requirements

Tenant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the Tenant’s possession, occupancy, operation or use of the premises by the Tenant, its agents, representatives, employees, subcontractors, and guests.

Minimum Scope and Limits of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal and advertising injury, with limits of no less than $1,000,000 per occurrence.

2. **Aircraft Liability:** Insurance covering aircraft liability on an “occurrence” basis, including products and completed operations, property damage, and bodily injury, with limits of no less than $1,000,000 per occurrence.

3. **Automobile Liability:** Insurance Services Office Form CA 00 01 covering Code 1 (any auto), or if Tenant has no owned autos, Code 8 (hired) and Code 9 (non-owned), with limits of no less than $500,000 per accident for bodily injury and property damage.

If the Tenant maintains broader coverage or higher limits than the minimums shown above, the City of Santa Monica requires and shall be entitled to the broader coverage or higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Santa Monica.

Other Insurance Provisions

1. The insurance policies are to contain, or be endorsed to contain, the following provisions:

   a. **Additional Insured Status:** The City of Santa Monica, its officers, officials, employees and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of the use, occupancy, operations or maintenance of the leased premises, including work or operations performed by or on behalf of Tenant. CGL coverage can be provided in the form of an endorsement to the Tenant’s insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85, or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38 and CG 20 37).

   b. **Primary Coverage:** For any claims related to this Agreement, the Tenant’s insurance shall be primary coverage as least as broad as Insurance Services Office Form CG 20 01 04 13 as respects the City of Santa Monica, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City of Santa Monica, its officers, officials, employees or volunteers shall be in excess of the Tenant’s insurance and shall not contribute with it.
c. **Notice of Cancellation:** Each insurance policy required herein shall state that coverage shall not be cancelled except after notice has been given to the City of Santa Monica.

d. **Waiver of Subrogation:** Tenant hereby grants to the City of Santa Monica a waiver of any right of subrogation which any insurer of said Tenant may acquire against the City of Santa Monica by virtue of payment of any loss. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Santa Monica has received a waiver of subrogation endorsement from the insurer.

**Self-Insured Retentions**

Self-insured retentions must be declared to and approved by the City of Santa Monica. The City of Santa Monica may require the Tenant to purchase coverage with a lower retention or provide satisfactory proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the name insured or the City of Santa Monica.

**Acceptability of Insurers**

Insurance is to be placed with insurers authorized to conduct business in California with a current A.M. Best rating of no less than A:VII, unless otherwise acceptable to the City of Santa Monica.

**Verification of Coverage**

Tenant shall furnish the City of Santa Monica with original certificates and amendatory endorsements (or copies of the applicable policy language effecting coverage provided by this clause). All certificates and endorsements are to be received and approved by the City of Santa Monica before the lease commences. However, failure to obtain required documents prior to the lease beginning shall not waive the Tenant’s obligation to provide them. The City of Santa Monica reserves the right to require complete, certified copies of all required insurance policies, including the endorsements required herein, at any time.

**Failure to Maintain Insurance Coverage**

If Tenant, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. The City of Santa Monica, at its sole option, may terminate this Agreement and obtain damages from the Tenant resulting from said breach.