

**SECOND LICENSE AGREEMENT**  
**[Seven Mile Casino]**

This SECOND LICENSE AGREEMENT [Seven Mile Casino] ("Second Agreement") is entered into effective as of April 1, 2018 ("Effective Date"), by and between THE CITY OF CHULA VISTA, a chartered municipal corporation ("City" or "Licensor"), and STONES SOUTH BAY CORP., a California corporation, doing business as Seven Mile Casino ("Licensee") with reference to the following facts:

A. City is the owner of certain real property improved with a parking lot located at the corner of F Street and Bay Boulevard in the City of Chula Vista, California as diagrammatically represented on **Exhibit A** attached hereto and incorporated herein by this reference ("Property").

B. Licensee desired access to the Property for parking of customers of the Seven Mile Casino located at 285 Bay Boulevard, Chula Vista, California ("Casino").

C. City provided Licensee access to the Property for Licensee's desired purpose subject to the terms and conditions of an Agreement, with a term of July 27, 2017 to December 31, 2017.

D. City and Licensee, desiring to temporarily extend the Agreement, entered into a First Amendment to the Agreement on January 1, 2018, which terminates on March 31, 2018.

E. City and Licensee now desire to extend the License for access to the Property for a longer term, subject to the terms and conditions of this Second Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge the parties agree as follows:

1. License Grant.

a. In General. Subject to the terms and conditions of this Second Agreement, City hereby grants to Licensee, its agents and contractors, a limited, non-exclusive License ("License") to enter upon, and use the Property, for the sole purposes of (a) providing customer parking for the Casino, and (b) fulfilling Licensee's obligations to maintain and secure the Property.

b. Specific Limits. Casino employee parking on the Property is prohibited at all times. During the hours of 7 a.m. to 5 p.m., Licensee's use of the Property for customer parking shall exclude that portion of the Property reserved for public parking identified as the cross hatched area on Exhibit A. Licensee is not allowed to make any improvements to the Property, nor post any signs at or adjacent to the Property without the prior written approval of City Manager, in his sole discretion.

2. Term. This License shall commence on April 1, 2018 and expire on March 31, 2019 (“Term”). Provided that Licensee has complied with all terms and conditions of this Agreement, upon written request from Licensee to the attention of the City Manager, the City Manager, in his sole discretion, may extend the Term for two consecutive one-year terms (April 1 to March 31), through March 31, 2021, by providing written notice of the grant of such extension to Licensee by no later than the last date of the Term. Upon the expiration of the Term, Licensee shall immediately cease all access to and use of the Property granted hereunder.

3. Consideration. In consideration for, and as a condition to, City’s grant of the License, at Licensee’s sole cost, Licensee shall do the following:

a. Property Maintenance and Clean-up. Throughout the Term, Licensee shall maintain the Property in a neat and clean condition. Licensee’s maintenance obligations shall include, at a minimum, collecting and removing trash and debris from the Property on a daily basis, or more often during the day if notified by City of a trash/debris incident. Licensee shall also collect and remove all items placed in the Property’s trash receptacles no less than three times per week.

1. Adopt a Park. Throughout the Term, Licensee or its contractor shall maintain the City park surrounding the Property in a neat and clean condition by doing the following:
  - a. Weekly removing leaf litter and graffiti, sanitizing trash receptacles, wiping down the park tables and benches, reporting vandalism to Park features to City, as needed.
  - b. Mowing the small lawn area once weekly in Spring and Summer and twice a month in Fall and Winter.
  - c. Managing the irrigation clock, with City giving Licensee access; making repairs of a minor nature to the irrigation system, as needed.

b. Security. Throughout the Term, during the hours of 5 p.m. until the time the gate to the Property is closed and secured by Licensee, Licensee shall (a) monitor and patrol the Property with a security guard on no less than an hourly basis, and (b) close and secure the gate to the parking lot at 2 a.m. on a daily basis. When the Licensee is hosting a special event at the Casino, Licensee shall staff the Property with an on-site security guard from thirty (30) minutes before the event is scheduled to begin until thirty (30) minutes after the event is scheduled to end. Licensee’s duties shall include, at a minimum, to cause its security staff to meet-and-confer with the City’s Chief of Police, or her designee, to establish appropriate security protocols for the Property and to implement those security protocols. Upon the request of the City’s Chief of Police, Licensee shall prepare, submit to the Chief for approval, and comply with a detailed security plan (“Detailed Security Plan”). All security staff and all security services provided shall comply with (1) the terms of this Agreement, (2) any approved Detailed Security Plan, and (3) the standards set forth in the Village Club Security Plan, approved on February 18, 2015, as it may be amended from time to time, other than those standards that relate solely to Casino operations.

4. General Conditions Applicable to License. This License is subject to all existing covenants, conditions, reservations, contracts, leases, licenses, easements, encumbrances, restrictions and rights of way with respect to the Property, whether or not of record.

5. No Assignment. Licensee may not assign or transfer this Second Agreement and the rights under it without City's prior written consent and such consent may be granted, conditioned, or withheld in City's sole discretion. If such written consent is given, the terms, conditions, rights, and obligations under this Second Agreement, and any and all conditions imposed on such approval, shall be binding upon and shall inure to Licensee's assigns. Any attempt by Licensee to assign all or any portion of its rights under this License without City's approval as required hereunder shall be void ab initio.

6. Permits and Regulations. Licensee shall be responsible for securing any required approvals, permits, and authorizations from any federal, state, or local agencies and shall comply with all applicable laws and regulations.

7. Breach and Cure. In the event that Licensee breaches any of its obligations under this License, City shall send Licensee written notice specifying the nature of such breach. Licensee shall have ten (10) days from the receipt of such notice within which to cure such breach. If more time is reasonably required for Licensee's performance, then Licensee shall notify City in writing of its proposed schedule for performance and commence performance within such ten (10) day period; thereafter, Licensee shall diligently proceed to completion. If Licensee fails to cure or to commence cure within such ten (10) day period, or fails to diligently pursue such cure to completion, then City shall have the right to terminate this License immediately by serving Licensee with written notice of termination.

8. Integration; Amendments in Writing. This License supersedes any and all prior understandings and agreements, whether written or oral, between the parties with respect to the subject matter of this License. No alteration or variation of this License shall be valid unless made in writing and signed by City and Licensee.

9. Notice. Any notice required hereunder shall be in writing and shall be addressed as follows:

**City:**

City of Chula Vista  
276 Fourth Avenue  
Chula Vista, CA 91910  
Attention: City Manager  
With a copy to: City Attorney

**Licensee:**

Seven Mile Casino  
285 Bay Blvd  
Chula Vista, CA 91910  
Attn: Joseph Olivieri, General Manager

or to such other address as either party may indicate in a written notice to the other. All notices and communications given under this Second Agreement shall be deemed to have been duly given and received: (i) upon personal delivery, or (ii) as of the third business day after mailing by United States certified mail, return receipt requested, postage prepaid, addressed as set forth above, or (iii) the immediately succeeding business day after deposit (for next day delivery) with Federal Express or other similar overnight courier system, or (iv) 24 hours after facsimile transmittal with confirmation of receipt and followed by personal delivery, United States mail, or overnight delivery as specified in this Paragraph.

10. Indemnification. Licensee shall indemnify, protect, defend, and hold harmless City, Successor Agency to the Redevelopment Agency of the City of Chula Vista, and each of their officers, directors, officials, agents, and employees, from and against any claims for damages, losses, costs (including reasonable attorneys' fees and court costs), expenses, or liabilities arising out of or in any way connected with this License including, without limitation, claims for loss or damage to any property, or for death or injury to any person or persons (collectively, "Losses") arising from the acts or omissions of Licensee, its officers, agents, partners, invitees (including, without limitation, Casino customers parking at the Property) employees or contractors. This indemnity shall exclude Losses ultimately and finally determined by a court competent jurisdiction to be attributable to the sole negligence or willful misconduct of City, or its officers, agents, or employees. The indemnity and duty to defend obligations under this section shall survive termination or expiration of this Second Agreement.

11. Insurance. Licensee, at its sole cost and expense, shall insure its activities in connection with this License and obtain, keep in force, and maintain insurance as specified on Exhibit B attached hereto and incorporated herein by this reference.

12. Lien Free Condition. Licensee shall not cause or permit any liens to be placed against the Property or against City's or Successor Agency to the Redevelopment Agency of the City of Chula Vista's other property as a result of Licensee's exercise of rights, actions, or omissions under this License. In the event of the filing of any such liens, Licensee shall promptly cause such liens to be removed. In no event shall such lien removal require more than thirty (30) days.

13. No Representations or Warranties. City makes no representations or warranties to Licensee regarding the physical condition of the Property or the suitability of the Property for Licensee's intended use.

[Next Page is Signature Page]

**SIGNATURE PAGE TO SECOND LICENSE AGREEMENT**

IN WITNESS WHEREOF, the parties have executed this Second License Agreement as of the day and year first above written.

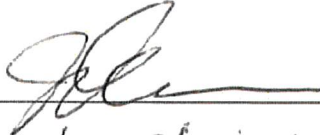
CITY:

LICENSEE:

THE CITY OF CHULA VISTA

STONES SOUTH BAY CORP.,

By: \_\_\_\_\_  
Gary Halbert, City Manager

By:  \_\_\_\_\_  
Its: Joe Olivieri  
General Manager

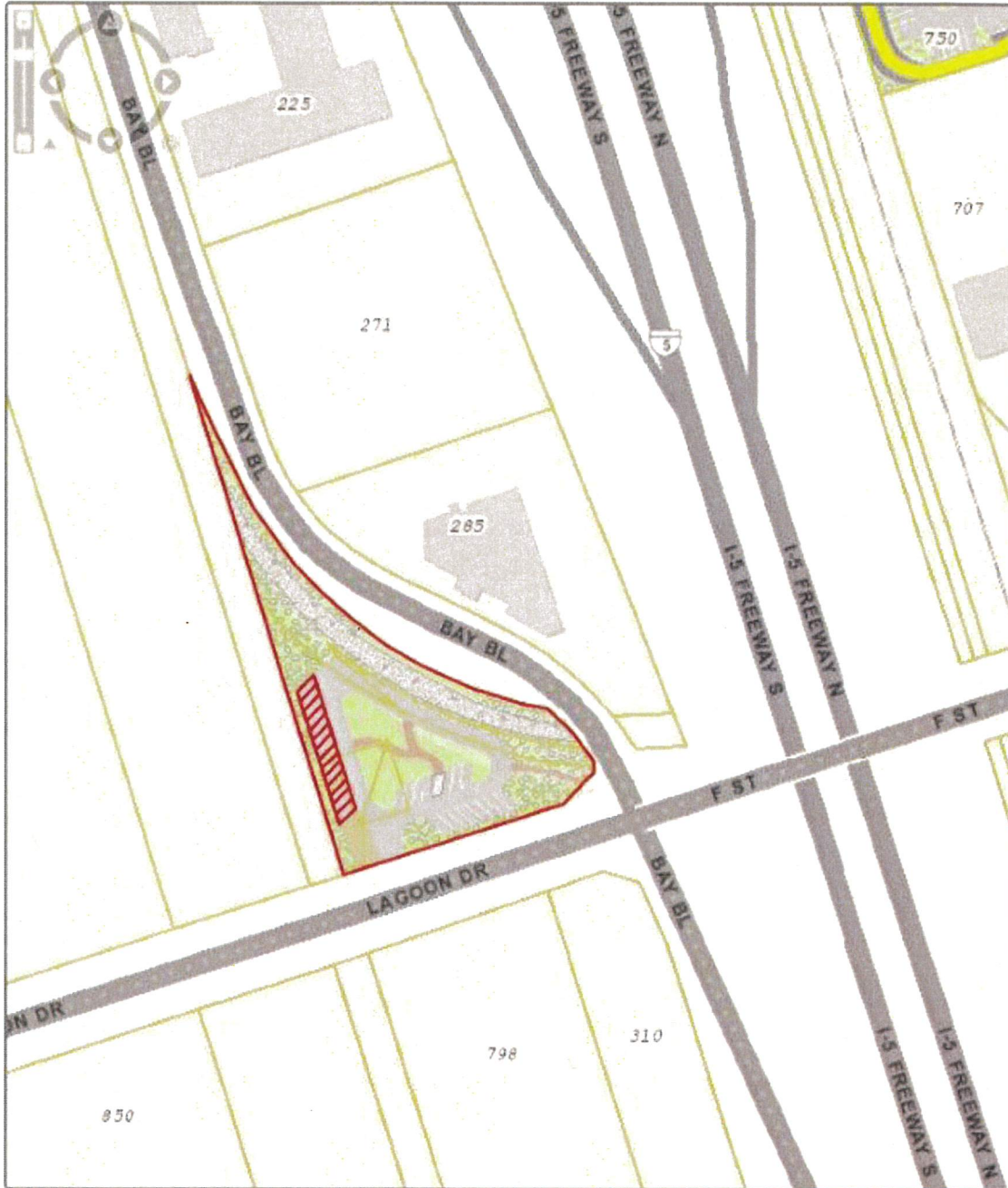
APPROVED AS TO FORM:

\_\_\_\_\_  
Glen Googins, City Attorney

# EXHIBIT A

## PROPERTY DESCRIPTION

[Click here to add Map Title or Notes](#)



*Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey or zoning verification.* **1 inch = 154 feet**  
2/15/2018

## EXHIBIT B

### INSURANCE REQUIREMENTS

#### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

**If the Licensee maintains higher limits than the minimums shown above, the Licensor requires and shall be entitled to coverage for the higher limits maintained by the contractor.**

#### **Other Insurance Provisions**

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

#### **Additional Insured Status**

The City of Chula Vista, the Successor Agency to the Redevelopment Agency of the City of Chula Vista, and their officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Licensee including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Licensee's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used). Specifically, endorsement must not exclude Products / Completed Operations.

#### **Primary Coverage**

For any claims related to this agreement, the Licensee's insurance coverage shall be primary insurance as to the City of Chula Vista, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Chula Vista, its officers, officials, employees, or volunteers shall be excess of the Licensee's insurance and shall not contribute with it.

### **Notice of Cancellation**

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Chula Vista.

### **Waiver of Subrogation**

Licensee hereby grants to Licensor a waiver of any right to subrogation which any insurer of said Licensee may acquire against the Licensor by virtue of the payment of any loss under such insurance. Licensee agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the Licensor has received a waiver of subrogation endorsement from the insurer.

### **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by the City of Chula Vista. The City of Chula Vista may require the Licensee to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

### **Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Chula Vista.

### **Claims Made Policies**

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the agreement or the beginning of the performance of the agreement.
2. Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after expiration or termination of the License.*
3. If coverage is canceled or non-renewed, and not replaced *with another claims-made policy form with a Retroactive Date prior to* the contract effective date, the Licensee must purchase "extended reporting" coverage for a minimum of *five (5) years* after expiration or termination of the License.

### **Verification of Coverage**

Licensee shall furnish the City of Chula Vista with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause prior to the commencement of the License Term. All certificates and endorsements are to be received and approved by the City of Chula Vista in writing before work commences.

However, failure to obtain the required documents prior to the work beginning shall not waive the Licensee's obligation to provide them. The City of Chula Vista reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

### **Special Risks or Circumstances**



The City of Chula Vista reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**Placement Date**

The insurance shall have a date of placement prior to or coinciding with the commencement of the Term of this License.

**No limit on Licensee liability**

The coverages required herein shall not limit the liability of Licensee.