

GRAZING LICENSE AGREEMENT

Location of Premises:
Agency: Real Property No: SPI Number:

File No.:
Project No.:

Licensee:

THIS SAMPLE LEASE IS PROVIDED FOR POTENTIAL LICENSE AGREEMENT CONSIDERATION AS PART OF THE DUE DILLIGENCE AND UNDERWRITING EFFORTS. THE STATE RESERVES THE RIGHT TO MAKE MODIFICATIONS DURING THE SUBMITTAL PROCESS, EVALUATION AND NEGOTIATING PHASES

This License Agreement, hereinafter referred to as "License", dated for reference purposes only, *[date]*, by and between the State of California at the direction of the Department of (Department), acting by and through the Director of the Department of General Services (DGS), hereinafter collectively referred to as "State", and , as Sole Proprietor, hereinafter referred to as "Licensee". State and Licensee may also be referred to as "Party" or "Parties".

RECITALS

WHEREAS, pursuant to Section 14670(a)(1) of the Government Code, the DGS with the consent of the State agency concerned, may let real property owned by the State for a period not to exceed five (5) years; and

WHEREAS, has under its jurisdiction certain real property located at , City of , County of , State of California commonly referred to as the; and

WHEREAS, it is in the best interests of the State that such a License be consummated between the State and Licensee on the terms and conditions herein contained;

WHEREAS, the California Board of Forestry and Fire Protection has provided a guidebook available on their website at <https://bof.fire.ca.gov/> for general guidance regarding grazing agreements and site management.

NOW THEREFORE, the Parties agree to the provisions of the License set forth herein as follows:

- Section 1: License Specific Provisions
- Section 2: Standard Provisions

[site name]

License No.:

SECTION 1 –LICENSE SPECIFIC PROVISIONS

WITNESSETH:

PROPERTY
DESCRIPTION

1. State does hereby license to Licensee and Licensee hereby hires from State, an area of approximately acres of land situated within the , County of , State of California, hereinafter referred to as “Premises”, as outlined on the attached map, referenced as Exhibit “A” and more particularly described as follows:

State, at its option, may reduce the size of the licensed area at any time and for any reason by giving Licensee ninety (90) days written notice. Monthly rent due will be adjusted accordingly based on the ratio of the current monthly rate to total acres.

DURATION

2. The Term of this License shall be for five (5) years, commencing , and ending , with such rights of termination as are hereinafter expressly set forth.

The Licensee shall have *[number of renewal options]* renewal options for a period of years which shall renew automatically unless written notice is provided to the State thirty (30) days prior to the expiration of each renewal term. Should the Licensee exercise all available renewal options, the expiration date of this agreement shall be .

EARLY
TERMINATION

3. State and Licensee agree that either party may terminate this License at any time during the term hereof by giving written notice to the other party thirty (30) days prior to the date when such termination shall become effective. If Licensee fails to complete its move out within the notice period and remains on the Premises, additional rent shall be paid and prorated based on a thirty (30) day month, and on the actual number of days Licensee occupies the Premises following the effective date of termination. State reserves the right to terminate the License immediately if safety and security are at risk and mutual resolution cannot be agreed upon.

HOLDING OVER
AND LICENSE
RENEWAL

4. Any holding over after the expiration of the term of this License with the consent of the State, expressed or implied, shall be deemed to be a tenancy only from month-to-month. During hold over, Licensee’s rental rate shall increase at a rate of five percent

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SECTION 1 –LICENSE SPECIFIC PROVISIONS

(5%) annually but may be adjusted to the current market rent at the sole discretion of the State.

Said month-to-month tenancy shall be otherwise subject to all the terms and conditions of this License insofar as applicable.

State offers and Licensee accepts no assurance that the Premises or any other comparable space or facilities at the site described herein will be made available to Licensee beyond the term stated above or as said term is reduced as provided herein.

**RENT & FEE
CREDITS**

- 5. State has determined the “Fair Market Rent” for the use of the Premises and is outlined in the table below. Rent shall be paid annually, in advance, by Licensee to State within ten (10) days of the month during the term of this License with annual increases as set forth below:

Begin Date	End Date	Payment/Year

Licensee’s payments shall display State’s File Number and shall be mailed to the following address:

Department of General Services
 Attn: Accounts Receivable
 P.O. Box 989053
 West Sacramento, CA 95798-9053

Licensee acknowledges that rent and past due rent shall be due and payable to State whether or not an actual invoice is sent by State or received by Licensee.

State acknowledges that Licensee will make public benefit contributions, as outlined in the attached Exhibit “B”, consisting of one (1) page and incorporated by this reference, to be accepted as “Fee Credits” toward the monthly rent due for said space. The total amount shown as contributions will be amortized over the initial term of the License.

Said contributions are offsets to the payment of rent and are considered to benefit the public by providing assistance to projects at the site utilizing the State’s resources.

If at any time during the term of this License, State shall discover that Licensee has failed to provide their contribution as defined, said failure shall constitute a forfeiture by Licensee of said “Fee Credit”. Upon written notice by State of forfeiture, Licensee shall pay a monthly rent equivalent to the monthly rental value identified above, or the profit made by Licensee during the term of the License, whichever amount is determined to be greater.

UTILITIES

- 6. Licensee agrees to separately meter the Premises for all utility costs such as electricity and in connection with Licensee’s use of the Premises during the term of this License.

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This expense excludes trash pick-up. Utility payments shall be made payable to and sent directly to the utility provider. State shall not provide such services and shall have no responsibility for the existence or lack of existence of utilities or any other services to the Premises.

Licensee shall, if the use of the land, as described herein, is contingent upon the need for utility services, provide for the separate metering of all utility services required by the Licensee. Licensee shall provide documented proof of the separately metered service, as often as may be reasonably requested by the State.

State shall not be liable to Licensee or third parties for failure to provide electricity due to rolling blackouts or other causes beyond State's control.

Licensee shall comply with energy conservation measures, Governor's Executive Orders, other orders required by law, or reasonably required by State as the result of a crisis of any kind. In the event any utility service to the building is interrupted, State shall use its best efforts to restore such utility service within twenty-four (24) hours.

**TAXES,
ASSESSMENTS,
AND
POSSESSORY
INTEREST**

7. Licensee agrees to pay all lawful taxes, assessments or charges that at any time may be levied upon any interest in this License.

It is understood that this License may create a possessory interest subject to property taxation and Licensee may be subject to the payment of property taxes levied on such interest.

PROPERTY USES

8. The Premises shall be used by Licensee during the Term hereof for the purpose of grazing livestock and the growing of hay and/or grain as indicated in the "Description Paragraph" and further described in the "Management Action Plan" attached and incorporated hereto as Exhibit "C" and shall be used for no other purposes whatsoever.

**PERMITS AND
APPROVALS**

9. State and Licensee agree that Licensee's ability to use the Premises is dependent upon Licensee obtaining all of the certificates, permits, licenses, and other approvals that may be required from any third party. State will cooperate with Licensee, at no expense to State, in Licensee's effort to obtain such approvals in connection with said permits, licenses or other approvals.

**GRANTS OR
CREDITS**

10. Should Licensee apply for any grant or credit for the growing or non-growing of any crop, or the use or non-use of any water, or any other type of activity on the licensed area; Licensee shall notify State in writing prior to submitting any application for such grant or credit. Licensee is required to forward a copy of the submitted application to State for review prior to submittal to granting authority.

**ACCESS TO
PREMISES**

11. Only the Licensee, its properly qualified and authorized agents, employees, contractors, and Permitted Users shall have the right of ingress to and egress from said Premises. The Premises may only be accessed by the gates identified on Exhibit A.

RIGHT TO ENTER

12. During the term of this License, there shall be and is hereby expressly reserved to State and to any of its agencies, contractors, agents, employees, representatives or

SECTION 1 –LICENSE SPECIFIC PROVISIONS

licensees, the right at all times, and all places, to temporarily enter upon said Premises for survey, inspection, or any other lawful State purposes.

**ROAD ACCESS
AND FEES**

13. Licensee agrees to the following terms and conditions regarding the use of said access road:

(a) Licensee shall exercise its right personally or through its authorized agents, employees, contractors, and Permitted Users whenever it is necessary.

(b) Licensee shall use said road at its sole risk and avoid traveling upon it to the greatest practical extent at all times when weather conditions are such that excessive damage to the road surface may result from such use, and further, Licensee shall, at its expense, promptly repair any road damage caused by its use, including such road surface protective features as water drains, berms, or culverts

**REPAIR AND
MAINTENANCE**

14. It is acknowledged that Licensee is the current occupant of the space and that at time of initial occupancy, the site was considered to be in good condition.

Licensee shall maintain said Premises in compliance with all health, safety, and sanitation laws, ordinances, and regulations of the State, Federal, and local authorities.

Licensee agrees to maintain the Premises at their sole cost and expense.

**IMPROVEMENTS
&
MODIFICATIONS**

15. Licensee at its sole cost and expense may, subject to the approval of State, from time to time during its tenancy of the Premises:

(a) Furnish, install and use at the Premises such improvements and property of whatsoever kind and nature as Licensee and State mutually deems necessary consistent with the purpose of this License as set forth in "Use" Section hereof.

(b) Improve the Premises in a manner consistent with the purposes of this License as set forth in "Use" Section hereof, and provided further that plans for the construction or enlargement of any improvement will be submitted to State in advance of such construction or enlargement and will be subject to written approval by State. Such approval by State shall not relieve Licensee of the obligation of complying with all terms and conditions of this License; Licensee shall provide a minimum of thirty (30) days prior written notice of the construction to State.

(c) In making any excavation and/or installation of equipment on the Premises and/or easement areas, Licensee shall make the same in such manner as will cause the least injury to the surface of the ground around such excavation and/or construction, and shall replace the earth so removed by it and restore the surface of the ground and any improvement thereon to as near the same condition as they were prior to such excavation as is practicable.

SECTION 1 –LICENSE SPECIFIC PROVISIONS**EQUIPMENT**

16. Licensee agrees, at his sole cost and expense, to repair and to maintain in good operating condition any existing fencing, watering facilities, water pumps, including waterlines, barns, roads, buildings, or other improvements on the Premises or constructed upon the Premises by Licensee.

Licensee shall not interfere with State's solar related transmission lines or cause shading of the solar facility located in the same general area as the grazing land. Licensee shall be responsible for any damages to the solar transmission lines or the fence surrounding the solar site caused by Licensee or its operation.

FENCING

17. Licensee shall at Licensee's sole cost and expense, provide and maintain in good repair at all times, necessary boundary fences to prevent trespass of livestock to adjacent property. State does not warrant the existence of required fences in and around the Premises. Such fences, corrals, and cross fences that are now installed may not be the property of State, and State does not warrant their availability for Licensee's use. Licensee may, with prior approval of State, and at Licensee's sole cost and expense, provide other fencing not inconsistent with State's use of adjoining lands. Such other fences so installed by Licensee shall remain the property of Licensee and shall be removed by Licensee upon termination of this license, or with prior approval of State, such fences may remain in place and shall become the property of State upon termination of this agreement.

**MAINTAINING
PREMISES**

18. Licensee shall not cut or allow any other person to cut or carry off from said Premises any tree or wood; nor burn any stubble, grass, weeds or any substance growing upon said land, or any part thereof, without first having obtained the written consent of State; and Licensee expressly covenants and agrees to hold State free and harmless from all damage cause by fire resulting from the use or operation of said lands by Licensee or any of his or employees; and agrees that any damage done to any water pipe, water pumps, ditch, bridge or culvert, upon said lands by Licensee, or any of their agents or employees, shall be repaired at their own cost and expense. Any burning operations on the Premises will be carried on pursuant to local ordinances and at Licensee's own cost and expense.

Licensee agrees to utilize optimum weed and pest management practices on the Premises in order to prevent any adverse impact on the adjacent properties.

All accessible ground included in the Premises is to be grazed, farmed or cultivated at a minimum of twice a year.

State reserves the right to request additional cultivation of the Premises in the event there is an increase in fire danger or security concerns.

**CUSTODIAL AND
TRASH**

19. Licensee shall have or hire custodial services sufficient to maintain the Premises in a clean and well-maintained condition.

Licensee shall pick up trash and debris at Premises and deposit trash in trash bins provided by State. State shall, at its expense, arrange for trash disposal for the contents of Licensee as part of its regularly scheduled trash collection.

**CONDITION OF
PREMISES**

20. It is acknowledged by all parties, that the Premises will be licensed "as-is" with no guarantees as to the condition or quality of soil, water or irrigation system in any form.

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There will be no allowance as credit for work performed during the Term without prior approval.

Licensee accepts the Premises as being in good order, condition and repair, and agrees that on the last day of the term, or sooner termination of this License, to surrender up to State the Premises with any appurtenances or improvements therein, in the same condition as when received, reasonable use and wear thereof and damage by act of nature, or by the elements excepted.

Licensee has visited and inspected said Premises and it is agreed that the acreage stated herein and on the attached Exhibit "A" is only approximate and the State does not hereby warrant or guarantee the actual acreage included hereunder.

**DEBT LIABILITY
DISCLAIMER**

21. State, including but not limited to the State's General Fund or any special self-insurance programs, is not liable for any debts, liabilities, settlements, liens or any other obligations of the Licensee or its heirs, successors or assigns.

State and its agencies, departments and divisions will not be liable for and will be held harmless by Licensee and for any claims or damages associated with any contract, tort, action or inaction, error in judgment, act of negligence, intentional tort, mistakes, or other acts taken or not taken by the LICENSEE, its employees, agents, invitees, guests or anyone acting in concert with or on behalf of Licensee. State has no obligation to defend or undertake the defense on behalf of Licensee or its heirs, successors or assigns.

**WATER AND
IRRIGATION**

22. It is understood and agreed between the Licensee and State hereto, that State does not guarantee the availability, quality, or quantity of water to the Premises. Licensee will be responsible to confirm available water if provided.

**AERIAL
APPLICATIONS**

23. Aerial applications of any pesticides on the Premises shall be in compliance with the California Food and Agriculture Code (FAC), Section 12972 and Title 3, California Code of Regulations (3 CCR), Section 6614.

Licensee shall notify the Department in writing within three (3) business days in advance, of any aerial application and a completed Safety Data Sheet (SDS) shall accompany the notice. Licensee shall ensure that there will be minimal to no drift over the sites adjacent to the subject Premises.

**ANIMAL
HUSBANDRY**

24. Licensee shall follow good grazing and animal husbandry management practices to preclude over-grazing. State may, at any time, make an analysis by an independent expert, as to whether an overgrazing condition exists. Such analysis will indicate over-grazed or under-grazed conditions and may include a determination of forage levels, at various times, during the yearly grazing period. State shall have the right to require Licensee to move cattle to or from any area within the premises, where an over-grazing or under-grazing situation may exist, for a period of time consistent with the analysis. At the commencement of the license term, information will be supplied to State, by Licensee, concerning the size and character of the herd. State may require the Licensee to report this data using the Animal Unit Month standard as specified by the State. Upon request by State, this information will be updated monthly and reported to the State, using the State's established written reporting format, no later than fifteen (15) days from the end of the preceding month. If

SECTION 1 –LICENSE SPECIFIC PROVISIONS

authorized in writing by State, supplemental feeding may be implemented. If supplemental feeding is utilized, distribution of feed will be such that livestock are not concentrated so as to cause damage to vegetation and soil.

LIVESTOCK

25. All livestock brought or kept upon the Premises shall be free from disease. Licensee agrees immediately to bury or remove any livestock which may die or be killed on said Premises.

PROTECTION OF PREMISES

26. No removal of soil or dumping of refuse by Licensee is permitted in any area of the Premises, and Licensee shall not commit or suffer to be committed any waste or nuisance upon the Premises; and Licensee agrees not to cut or remove any trees or brush thereon except as approved in writing by State and Licensee further agrees that he shall at all times exercise due diligence in the protection of the Premises against damage or destruction by fire or other cause.

Licensee shall maintain the Premises, including all irrigation and drainage ditches, in weed free and pest free condition and in good repair, and otherwise operate the Premises during the term hereof in a businesslike manner in accordance with generally accepted and recommended farming and grazing practices.

PROPERTY RESTRICTIONS

27. The following activities are strictly prohibited on the Premises:

(a) No hunting is allowed on Premises.

(b) The grazing of livestock shall not be under the terms of any sub-license, as identified under Section 3, Clause 5, Subletting. Compliance to any and all local, State and Federal rules, laws and regulations of this practice must be strictly adhered to.

(c) Dumping of hazardous material or waste is strictly prohibited. No use or storage of any hazardous substance or chemical, as those terms are used in CERCLA (42 USC 9601.14) or SARA (42 USC 11021.e) or any similar State law, or use of any pesticide, oil, petroleum product or fuel; except only materials packaged and purchased for consumer use in containers not to exceed one (1) gallon, or fuel in a vehicle fuel tank.

(d) Use of pesticides should be minimized and will be applied only by authorized personnel and in accordance with all applicable laws, regulations and instructions. State does however reserve the right to disapprove the use of any pesticide.

(e) No accumulation, storage treatment or disposal of any waste material, excepting only temporary storage not to exceed 14 days, or non-hazardous solid refuse produced from activities on the property for pick up by a municipal or licensed commercial refuse service and lawful use of sanitary sewers (if any) for domestic sewage.

(f) No manufacturing or maintenance of equipment or vehicles, or use, installation or construction of vessels, tanks, dikes, sumps or ponds or any activity for which a license or permit is required from any government agency for (1) transportation, storage, treatment, or disposal of any waste (2) discharge of any pollutant including but not limited to discharge to air, water or a sewer system.

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(g) Any spill or release of a hazardous material to the air, soil, surface water or ground water will be immediately reported to the State as well as to the appropriate governmental agencies and shall be promptly and fully cleaned up and the property (including soils and surface water and ground water) restored to its original condition.

(h) Should Licensee desire to use pesticides on the area (either herbicides, rodenticides or insecticides) all applicable Environmental Protection Agency (EPA) both State and Federal, standards must be met and prior approval must be received from State as not all EPA approved pesticides will be permitted.

(i) No aerial applications will be permitted without prior approval.

(j) Licensee shall obtain any and all local, state or federal permits required including: restricted pesticide use permit and burning permits and comply with all conditions noted.

PROPERTY INSPECTIONS

28. Licensee has visited and inspected the Premises, and it is agreed that the area described herein is only approximate in size and State does not hereby warrant or guarantee the actual area included hereunder.

SUB-CONTRACTING

29. Licensee shall not assign this License in any event and shall not sublet the Premises or any part thereof and will not permit the use of the Premises by anyone other than the Licensee without prior written consent by State, which may be withheld for any reason.

INSURANCE

30. Prior to or at License execution Licensee shall furnish to State a certificate of insurance, along with all policy endorsements, with State’s File Number indicated on the face of said certificate or endorsements, issued to State with evidence of insurance as follows:

COMMERCIAL GENERAL LIABILITY

Licensee shall maintain general liability coverage with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate annually for bodily injury and property damage liability combined and Fire Legal Liability of at least \$500,000.

The policy shall include coverage for liabilities arising out of Premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract.

The policy must include State of California, their officers, agents, and employees as additional insureds, but only insofar as the operations under the License are concerned. The additional insured endorsement must be provided with the certificate of insurance.

AUTOMOBILE LIABILITY

Licensee shall maintain motor vehicle liability with limits of not less than \$1,000,000 per accident for bodily injury and property damage. The State of California and Department of General Services are to be additional insureds with respect to liability arising out of all vehicles owned, hired and non-owned. The additional insured endorsement must be provided with the certificate of insurance.

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WORKERS' COMPENSATION

Licensee shall maintain statutory workers' compensation and employer's liability coverage for all its employees who will be engaged in the performance of the License, including special coverage extensions where applicable. Employer's liability limits of \$1,000,000 shall be required, and the policy shall include a waiver of subrogation in favor of the State of California. The waiver of subrogation endorsement must be provided with the certificate of insurance.

GENERAL REQUIREMENTS

Licensee shall ensure that the following general requirements are met:

Insurance Companies must be acceptable to Department of General Services, Office of Risk and Insurance Management.

Coverage needs to be in-force for complete term of this License. If insurance expires during the term of the License, a new certificate must be received by State within thirty (30) days of the expiration date of the existing policy. This new insurance must still meet the terms of the original contract.

Licensee shall notify the State within five business days of Licensee's receipt of any notice of cancellation or non-renewal of any insurance required by this License.

Licensee is responsible for any deductible or self-insured retention contained within the insurance program.

In the event Licensee fails to keep in effect at all times the specified insurance coverage, State may, in addition to any other remedies it may have, terminate this License upon the occurrence of such event, subject to the provisions of this License.

Any insurance required to be carried shall be primary, and not excess, to any other insurance carried by State.

If Licensee is self-insured in whole or in part as to any of the above described types and levels of coverage, Licensee shall provide State with written acknowledgment of this fact at the time of the execution of this License. The State may require financial information to justify Licensee's self-insured status. If, at any time after the execution of this License, Licensee abandons its self-insured status, Licensee shall immediately notify State of this fact and shall comply with all of the terms and conditions of this Insurance clause pertaining to policies of insurance in regard to those types and levels of insurance.

It is agreed that State shall not be liable for the payment of any premiums or assessments on the required insurance coverage.

HOLD HARMLESS INDEMNIFICATION

31. This License is made upon the express condition that the State of California is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Licensee, or property of any kind whatsoever and to whomsoever belonging, including Licensee, from any cause or causes whatsoever while in, upon, or in any way connected with the Premises during the term of this License or any occupancy hereunder, holdover periods or any other occupancy of the Premises by

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Licensee, except those arising out of the sole negligence or willful misconduct of State, its employees, agents, and invitees.

Licensee agrees to defend, indemnify, and hold harmless State from all liability, loss, cost or obligation on account of or arising out of any such injury or loss, however occurring.

AMERICANS WITH
DISABILITIES ACT;
UNRUH CIVIL
RIGHTS ACT;
DISABLED
PERSONS ACT

32. Licensee shall comply with all federal requirements established under 28 Code of Regulations, Part 36, Americans with Disabilities Act, and with all California State requirements established under Civil Code section 51 et seq., Unruh Civil Rights Act and Civil Code section 54 et seq., Disabled Persons Act, in order to make programs accessible to all participants and to provide equally effective communications.

By signing this License, Licensee assures State it complies with the Federal and State statutes described above, prohibiting discrimination on the basis of disability. Licensee also assures State it complies with any applicable regulations and guidelines issued pursuant to the Federal and State statutes described above.

PROPERTY
DAMAGE

33. State, its agents or employees shall not be liable or responsible for any damage to crops, equipment, personal property, or persons on the licensed Premises pursuant to this license caused by acts of the Department or its employees while in the performance of their duties in respect to the Premises. The Department reserves the right to go on the Premises for search and to preserve law and order, or to perform any other act or acts necessary or advisable for the welfare of its property.

Farming activities will be conducted hereunder only in a manner which will not interfere with the Department's operations.

FIRE AND
CASUALTY
DAMAGES

34. State will not keep improvements which are constructed or installed by Licensee under the provisions of this License insured against fire or casualty, and Licensee shall make no claim of any nature against State by reason of any damage to the business or property of Licensee in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the State in the course of their employment.

LOSSES

35. State will not be responsible for losses or damage to personal property, equipment or materials of Licensee and all losses shall be reported to State immediately upon discovery.

DISPOSITION OF
LICENSEE'S
PERSONAL
PROPERTY

36. (a) During the term of this License, all personal property placed in, upon, or under the Premises by Licensee shall remain the property of Licensee and shall be removed by Licensee, at its sole cost and expense within thirty (30) days after expiration or termination of Licensee's tenancy.

(b) Should Licensee fail to remove said equipment and personal property within thirty (30) days after expiration or termination of the License, State may do so at the risk of Licensee. Upon written demand by State, Licensee shall immediately pay all costs and expenses of the removal of Licensee's personal property and equipment.

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(c) Licensee may, however, with written consent of State, abandon in place any and all of Licensee’s equipment and personal property, whereupon, as abandoned, title to said improvements will vest in State.

(d) Upon termination of this License for any cause, Licensee shall remove any and all of Licensee’s equipment and personal property and restore the entire Premises to its condition prior to the execution of this License, except however, State may approve, in writing, any deviation from this requirement.

RECOVERY OF
LEGAL FEES

37. If action is brought by State for the recovery of any rent due under the provisions hereof or for any breach hereof, or to restrain the breach of any agreement contained herein, or for the recovery of possession of said Premises, or to protect any rights given to the State against Licensee, and if State will prevail in such action, Licensee shall pay to State such amount in attorney's fees in said action as the court shall determine to be reasonable, which shall be fixed by the court as part of the costs of said action.

NOTICES

38. All notices or other communications required or permitted hereunder shall be in writing, with the File Number referenced, and sent by overnight courier, registered mail, certified mail or postage prepaid mail to the addresses set forth below. All such notices shall be deemed received on the date of delivery receipt or rejection to the address of the person to receive such notice if received Monday through Friday during business hours, so long as such day is not a State or Federal holiday or Saturday or Sunday then such notice shall be effective on the following business day.

Licensee:

Attn:

[city, state zip]

Phone:

Email:

State:

Department of General Services
Real Estate Services Division
License Management,
707 3rd Street, 5th Floor
West Sacramento, CA 95605
Phone: (916) 375-4172
Email: Licensemanagement@dgs.ca.gov

With Copies to:

Phone:

Email:

Notice of change of address or telephone number shall be given by written notice in the manner described in this section. Licensee is obligated to notice all State offices listed above and the failure to provide notice to all State offices shall constitute a lack

SECTION 1 –LICENSE SPECIFIC PROVISIONS

of notice. Nothing contained herein shall preclude the giving of any such notice by personal service.

SECTION 2 – STANDARD PROVISIONS

REGULATION BY
STATE

39. State shall have the full power and right to determine and regulate the operations of the Licensee insofar as they affect the operations, safety, and effective use of State activities conducted at the same location.

(a) All contractors, agents, employees, representatives, or licensees of the Licensee shall be subject to the rules and regulations of the State as they relate to conduct on the grounds, security, and general use of facilities. Licensee will conduct its operations in such a manner so as to minimize any interference with the activities associated with the site.

(b) Licensee will comply with all building rules and regulations adopted by said authorities in charge. No article or material deemed by said authorities in charge to be considered as contraband shall be brought on said real property. Contraband includes, but is not limited to, alcoholic beverages, possession or use of firearms, explosives or edged weapons, and restricted controlled substances.

Any willful violation of said rules and regulations are grounds for immediate termination of the License.

LICENSE
MODIFICATION
FEES

40. An administration fee may be assessed for any action originated by Licensee requiring license administration or technical review staff work by State which result in an amendment to, or assignment of this License. To initiate such services, Licensee must submit a written request to State. The administration fee will be assessed at the prevailing rate in effect at the time the request is received.

LICENSEE'S
SECURITY

41. Licensee shall be responsible for the security of the Premises and all persons in its program while such persons are in, on or about the Premises. In the event of a serious security emergency the State shall cooperate with the staff of Licensee, but such assistance shall not interfere with the State's normal treatment program. Rules and regulations governing employees and customers of the State which are applicable to Licensee shall be strictly adhered to by Licensee's staff.

MEDICAL

42. Medical support shall not be provided by State. Necessary emergency medical or surgical care of Licensee's clients and employees will be Licensee's responsibility.

As used herein, this is intended to mean that Licensee shall be liable for any and all medical and/or surgical care costs for Licensee's employees served by Licensee's program.

EMERGENCY
PREPAREDNESS

43. Licensee agrees to be responsible for maintaining an emergency preparedness program for Licensee. Licensee shall not rely on State to provide food or supplies during a local or area wide disaster. State will, if time and material allow, assist Licensee during a disaster.

FIRE/POLICE
PROTECTION

44. Licensee is a separate and distinct entity from the State and shall so inform the local Fire and Police Agencies. State shall in no way be responsible or liable for such protection to Licensee.

SECTION 2 – STANDARD PROVISIONS**LICENSEE
GUARANTEES**

45. Licensee hereby guarantees any and all work or services performed by Licensee or Licensee's properly qualified or authorized agents, employees, contractors and servants, in order to accomplish the installation and/or maintenance of their communications equipment at State's facilities. Should the interruption or failure of State's existing computer or building support systems occur due to, or in any way be connected with Licensee's installation and/or maintenance of Licensee's equipment, all costs to repair or replace State's existing systems will be the sole responsibility of Licensee.

DEFAULT

46. Licensee shall make all payments to the State without deduction (except for offsets explicitly allowed hereunder), default or delay. In the event of the failure of Licensee to do so, or in the event of a breach of any of the other terms, covenants or conditions herein contained on the part of Licensee or State to be kept and performed, and if such default continues for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party of such default, this License may, at the non-defaulting party's sole discretion, be terminated.

Notwithstanding the foregoing, if a non-monetary default may not be reasonably cured within such thirty (30) day period and the defaulting party commences to cure such default within the thirty (30) day period, the time to cure may be extended through a writing signed by both parties, to a time frame and deadline mutually agreeable to the parties. So long as the defaulting party diligently prosecutes the cure to completion under the mutually agreed upon extended deadline, then this License may not be terminated under this Clause. However, if the defaulting party operates with unreasonable delay in curing the default or otherwise does not cure within the mutually agreed upon time frame, the non-defaulting party may terminate immediately.

In the event of termination of this License due to a Licensee default, it shall be lawful for State to reenter into and upon the License Area and every part thereof and to remove and store at Licensee's expense all property there from and to repossess and occupy the License Area. In the event State terminates this License pursuant to this Clause, State shall not be required to pay Licensee any sum or sums whatsoever.

**COMPLIANCE
WITH LAWS**

47. Licensee shall at its sole cost and expense comply with all the statutes, laws, ordinances and regulations of all municipal, state and federal authorities now in force or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this License.

**FAILURE TO
PERFORM**

48. In the event of the failure, neglect, or refusal of Licensee to do, or perform work, or any part thereof, or any act or thing in this License provided to be done and performed by Licensee, State will, at its option, have the right to do and perform the same, and Licensee hereby covenants and agrees to pay State the cost thereof on demand.

**RIGHTS
RESERVED BY
STATE**

49. (a) State reserves the right to use the real property involved (not including real property installed, erected or constructed by Licensee) in any manner, including but not limited to the right to construct, place, maintain, use, operate, repair,

SECTION 2 – STANDARD PROVISIONS

replace, alter and move pipelines, conduits, culverts, ducts, fences, poles, electrical energy, power and communication lines, roads, bridges, subways, sidewalks, to grant easements over, across, upon and under said real property, and the continuous right of ingress to and egress from any portion or portions of said real property in such manner as not to create any unreasonable interference with the exercise of the rights granted to Licensee.

(b) Any grant herein contained is subject to all valid and existing contracts, Licenses, licenses, easements, encumbrances and claims of title which may affect said facility.

(c) No priority or other rights will attach to the use of any space in State’s building or on said facility.

ACTS OF NATURE 50. If any of Licensee’s improvements or equipment is destroyed by acts of nature, Licensee may replace them with improvements or equipment of the same general type that meet or exceed the technical specifications of the original equipment, which occupies no more physical space, and consumes no more electrical power.

Licensee shall immediately notify State of such items and the date the replacement is completed.

HAZARDOUS SUBSTANCE 51. Licensee agrees that it shall comply with all laws, federal, state, or local, existing during the term of this License pertaining to the use, storage, transportation, and disposal of any hazardous substance as that term is defined in such applicable law.

(a) In the event State or any of its affiliates, successors, principals, employees, or agents incur any liability, cost, or expense, including attorney’s fees and costs, as a result of Licensee’s illegal use, storage, transportation, or disposal of any hazardous substance, including any petroleum derivative, Licensee shall indemnify, defend, and hold harmless any of these individuals against such liability.

(b) Where Licensee is found to be in breach of this Paragraph due to the issuance of a government order directing Licensee to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition caused by Licensee or any person acting under Licensee’s direct control and authority, Licensee shall be responsible for all costs and expenses of complying with such order, including any and all expenses imposed on or incurred by State in connection with or in response to such government order.

VACATING THE PREMISES 52. Licensee shall, on the last day of said term or sooner termination of this License, peaceably and quietly leave, surrender, and yield up to State, the Premises in good order, condition, and repair, reasonable use and wear thereof and damage by acts of nature, excepted.

SECTION 2 – STANDARD PROVISIONS

Licensee will coordinate its move-out with the Building Manager’s office to complete a walkthrough and return keys, key cards, or any other State provided items.

AUDIT

- 53. Licensee agrees that the Department of General Services, California State Auditor, or their designated representative shall have the right to review and to copy any of Licensee’s non-redacted records and supporting documentation pertaining to the performance of this License. In the event State discovers any irregularities in Licensee’s revenue statements Licensee shall bear all costs associated with said audit.

Licensee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment. Licensee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records.

Further, Licensee agrees to include in any sublicense a similar right of the State to audit records and interview Sublicensee related to any performance of this License.

State may audit Licensee’s accounting books at any time upon reasonable request. Further to the extent Licensee provides the State with proprietary information, the State will hold it in the strictest confidence, and will return it when it is no longer necessary to support any audit exceptions.

Licensee understands the State is subject to the Public Records Act.

NON-DISCRIMINATION

- 54. In the performance of this License, Licensee shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, medical condition, age (over 40), marital status, sex, sexual orientation, use of family care leave, or any other Federal, State or local laws.

Licensee shall insure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment.

Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Licensee shall comply with provisions of the Fair Employment and Housing Act (Government Code (GC) Section 12990 (a-f) et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.).

The applicable regulations of the Fair Employment and Housing Commission implementing GC Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this License by reference and made a part thereof as if set forth in full.

SECTION 2 – STANDARD PROVISIONS

Licensee shall give written notice of its obligations under this clause to any labor organizations with which they have collective bargaining or other agreement.

Further, Licensee shall post in conspicuous places available to employees and applicants for employment, notices to be provided by the State setting forth the provisions of this Fair Employment Practices Section. (GC Section 12920-12994).

Remedies for Willful Violations:

(1) State may determine a willful violation of the Fair Employment Practices provision to have occurred upon the receipt of a final judgment having that effect from a court in an action to which Licensee was a party, or upon receipt of a written notice from the Fair Employment Practices Commission that it has investigated and determined that the Licensee has violated the Fair Employment Practices Act and has issued an order pursuant to the appropriate provisions of the GC.

(2) State will have the right to terminate this License and any loss or damage sustained by State by reason thereof will be borne and paid for by Licensee.

RELOCATION

55. (a) In the event that State terminates this License pursuant to its terms, Licensee acknowledges and agrees that it has no claim against the State for Relocation Payments, Relocation Advisory Assistance, or costs pursuant to the Government Code sections 7260 et seq., or any regulations implementing or interpreting such sections. Licensee further agrees that it has no claim in either law or equity against the State for damages or other relief should the License be terminated, and waives any such claims it may have.

(b) In the event subleasing, under the terms of this License, is permitted, Licensee shall incorporate this Paragraph into the sublicense. Failure to do so may obligate Licensee for damages and costs resulting from claims for relocation payments by sublicensee.

(c) The location of the Premises to be used by Licensee for the purpose of this License may be changed as required by State in the event of circumstances arising to warrant such a change. Licensee agrees to accept another functionally equivalent location within the facility grounds within which to operate under the same general provisions of this License.

In the event the new quarters are different in size from present quarters, there shall be an adjustment in rental rate on a proportionate square footage basis at the discretion of the State, either greater or smaller, as the case may be.

In the event State is unable to relocate the Licensee within the facility grounds, State, upon reasonable notice, may require Licensee to leave State premises. Reasonable notice is defined herein as to be at least thirty (30) days.

SMOKING RESTRICTIONS

56. Per Government Code 7597, Smoking shall not be allowed inside any building, or within 20 feet of any entrance or operable window of any building.

Licensee, its employees, invitees, or patrons shall compensate and reimburse State the cost of damage and destruction of any such fire caused by Licensee,

SECTION 2 – STANDARD PROVISIONS

its employees, invitees, contractors, or patrons, including State's out-of-pocket expenses for same.

- RECORDING 57. Licensee shall not record this License or a short form memorandum thereof. Any such recordation will, at the option of State, constitute a non-curable default by Licensee hereunder.
- AUTHORITY TO CONTRACT 58. If Licensee is a public, private or non-profit corporation, each individual executing this License on behalf of said Licensee shall provide evidence, which is acceptable to State, that he/she is duly authorized to execute and deliver this License on behalf of said Licensee in accordance with a duly adopted resolution of the Board of Directors or in accordance with the Bylaws of said Board, and that this License is binding upon said Board of Directors in accordance with its terms.
- PARTNERSHIP DISCLAIMER 59. Licensee its agents and employees shall act in an independent capacity and not as officers or employees of State. Nothing herein contained will be construed as constituting the parties herein as partners.
- MINERAL RIGHTS 60. Licensee agrees not to interfere, in any way, with the interests of any person or persons that may hold presently, or in the future, oil, gas, or other mineral interests upon or under said Premises; nor shall Licensee, in any way, interfere with the rights of ingress and egress of said interest holders.
- CEQA 61. Any physical changes made to the improvements by Licensee or its agents shall comply with the California Environmental Quality Act (CEQA).
- BANKRUPTCY 62. In no event shall this License become an asset of Licensee in bankruptcy, receivership or other judicial proceedings. Licensee shall be in default under this License in the event of any of the following: (a) Licensee becomes insolvent or makes an assignment for the benefit of creditors, (b) a petition in bankruptcy is filed by or against Licensee, (c) a writ of execution is levied against this License or the estate, (d) Licensee abandons or vacates or does not continuously occupy or safeguard the Premises.
- AMENDMENTS AND MODIFICATIONS 63. No amendment, modification, or supplement to this License shall be binding on either party unless it is in writing and signed by the party to be bound by the modification.
- MUTUAL CONSENT 64. Notwithstanding anything herein contained to the contrary, this License may be terminated and the provisions of the License may be altered, changed, or amended by mutual consent of the parties hereto in writing.
- FORCE MAJEURE 65. If either Licensee or State will be delayed or prevented from the performance of any act required hereunder by reason of acts of Nature, governmental restrictions, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this License) or other cause without fault and beyond the control of the party obligated (except financial inability), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Nothing in this Paragraph shall excuse Licensee from prompt payment of any rent, taxes, insurance or any other

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charge required of Licensee, except as may be expressly provided in this License.

WAIVER

66. If State waives the performance of any term, covenant or condition contained in this License, such waiver shall not be deemed to be a waiver of that or any subsequent term, covenant or condition.

Failure by State to enforce any of the terms, covenants or conditions of this License for any length of time shall not be deemed to waive or decrease State's right to insist thereafter upon strict performance by Licensee.

Waiver by State of any term, covenant, or condition contained in this License may only be made by a written document properly signed by an authorized State representative.

ENTIRE AGREEMENT

67. This License and its exhibits constitute the entire agreement between State and Licensee. No prior written concurrent or subsequent oral promises or representations shall be binding.

PARAGRAPH HEADINGS

68. All Paragraph headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this License.

SEVERABILITY

69. If any term, covenant, condition, or provision of this License or any application thereof, to any extent, is found invalid, void, or unenforceable by a court of competent jurisdiction, the remainder of this License will not be affected thereby, and will be valid and enforceable to the fullest extent permitted by law.

SEPARATE COUNTERPARTS

70. This License may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Agreement. The exchange of copies of this License and of signature pages by electronic mail in "portable document format" ("pdf") form or by any other electronic means shall constitute effective execution and delivery of this License. In the event the License is executed by wet ink signatures, the original signatures shall also be exchanged between the parties via mail, in addition to any exchange via electronic means.

SUPERSEDURE

71. This License supersedes and voids any prior license or agreement of any kind between State and Licensee identified in this License with regards to the Premises.

BINDING

72. The terms of this License and covenants and agreements herein contained shall apply to and shall bind and inure to the benefit of the heirs, representatives, assigns and successors in interest of the parties hereto.

ESSENCE OF TIME

73. Time is of the essence for each and all of the provisions, covenants and conditions of this License.

EXECUTIVE ORDER N-6-22 – RUSSIA SANCTIONS

74. On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities

SECTION 2 – STANDARD PROVISIONS

that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least thirty (30) calendar days to provide a written response. Termination shall be at the sole discretion of the State.

IN WITNESS WHEREOF, this License has been executed by the parties hereto as of the date written below.

STATE OF CALIFORNIA

APPROVED:

LICENSEE:

DIRECTOR OF DEPARTMENT OF
GENERAL SERVICES

By: _____
 , Manager
 State Owned Leasing and Development

By: _____

APPROVAL RECOMMENDED:

CONSENT:

STATE OWNED LEASING AND
DEVELOPMENT

By: _____
By: _____

By: _____
 [,
 Associate Real Estate Officer

Exhibit "A"
Site Map

Exhibit "B"
"Public Benefit Contributions"

Exhibit "C"
"Management Action Plan"