

LICENSE AGREEMENT

This License Agreement ("Agreement") is made and entered into on _____, by and between the Parking Authority of the City of Stockton, a public body corporate and politic organized and existing under and by virtue of the laws of the State of California ("Licensor"), and Cal Weber Associates LP, a California limited partnership ("Licensee").

RECITALS

WHEREAS, Licensor owns certain real property located within the City of Stockton described as:

In the City of Stockton, County of San Joaquin, State of California, 25 North American Street, (APN 149-170-22), as depicted on the map entitled Exhibit A, attached hereto and made a part hereof ("Property"); and

WHEREAS, the Property includes an existing surface parking lot that is owned and operated by the Licensor ("Lot K"); and

WHEREAS, Licensee will construct a parking deck in the air space above the Property, as more particularly described in Exhibit B (the "Project Parking") and develop forty (40) units of affordable housing, a parking structure, and an open space/play area known as Cal Weber 40 on the real property adjacent to the Property (the "Project"); and

WHEREAS, Licensee will need to construct columns on the Property and footings under the surface of the Property (the "Parking Foundation and Support") to provide structural support for the Project Parking; and

WHEREAS, Licensee requires a location to store construction supplies, materials, tools, vehicles and equipment during the development of the Project and the Project Parking (the "Construction Staging Area"); and

WHEREAS, it is to the mutual benefit of the Licensor and Licensee to authorize the Licensee to use the Property for the purposes of the Construction Staging Area and for constructing the Parking Foundation and Support as more particularly set forth in this Agreement.

Now therefore, in consideration of the mutual covenants set forth herein, the parties agree to the following:

AGREEMENT

1. **USE:** Licensors by this instrument grants to Licensee, and Licensee's employees, contractors, agents, successors and assigns, the exclusive right, permission and privilege to use the Property as a Construction Staging Area and to construct the City Improvements (defined in Section 3) and the Parking Foundation and Support (the "License") for the period set forth in Paragraph 2, or until such License is terminated as set forth in Section 11. The License is temporary in nature and does not purport to give any extended rights of occupancy beyond the Term or use of the Property for any use other than to construct the City Improvements, the Parking Foundation and Support and for use as a Construction Staging Area, as provided for herein. Licensors agree that during the License Term, the Property will be closed for use as public parking and that Licensee shall have exclusive use of the Property, including the ingress and egress from American Street. Licensors agree not to take any actions or fail to take any actions that would interfere with Licensee's rights under the License.

2. **ANTICIPATED PERIOD OF USE:** The License shall be effective commencing on March 15, 2015 and ending on June 15, 2016 unless extended in writing or otherwise terminated pursuant to Section 11 (the "License Term"). Licensors and Licensee may agree in writing to modify this period.

3. **COMPENSATION:** In consideration of the granting of the License, the Licensee agrees to pay the Licensors the amount of One Thousand Dollars (\$1,000.00) per month during the License Term. Payments shall be made to the City of Stockton Parking Authority, 425 North El Dorado Street, Stockton, CA 95202. The first payment is due on March 15, 2015, and on the fifteenth day of each month this License is in effect.

In addition, after completion of the Parking Foundation and Support and prior to the expiration of the License Term, the Licensee agrees to repair, resurface, seal and restripe Lot K to City standards (the "City Improvements"). Licensee shall obtain all necessary permits prior to any alterations being made to the Property and, upon completion of the Lot K improvements, the improvements shall be inspected and approved by the Licensors.

4. **LIMITATIONS ON USE:** The use of the Property is for construction of the Parking Foundation and Support and the City Improvements and for a Construction Staging Area, and the use of the Property by Licensee under the terms of this Agreement is limited solely to such activities. Other than the improvements expressly contemplated by this Agreement, Licensee shall make no alterations to the Property during the License Term without the express knowledge and written consent of Licensors. Licensee shall not create nor suffer to be created any lien or other encumbrance against said Property in connection with Licensee's rights or obligations under this Agreement, and if any such lien should be created, Licensee shall immediately discharge the same or provide Licensors with other assurance satisfactory to Licensors that the claim of lien will be paid or discharged and hold Licensors free and harmless therefrom. Licensors shall have the right to post and maintain on the Property such notices of non-responsibility as are permitted under the Mechanics Lien Law of California. Licensee

agrees to limit the use of the Property entirely to the construction of the Parking Foundation and Support, the construction of the City Improvements and the Construction Staging Area. Licensee agrees not to allow the Property to be used for any trade, business, manufacture, or occupation constituting a private or public nuisance at law or use or allow the same to be used for any business that will conflict with any state, federal or municipal ordinance now in force or which may hereafter be in force.

5. **INDEMNIFICATION OF LICENSEE:** Licensee shall defend, indemnify and hold Licensors harmless from any liability, including personal injury to any person and damage to the Property resulting solely from Licensee's use and occupancy of said Property under this Agreement. This indemnity shall not apply to any claim arising from a pre-existing condition on the Property or to the extent caused by Licensors' negligence or willful misconduct. The agreement to indemnify Licensors shall continue in full force for a period of 60 days after the end of the License Term as herein provided.

6. **HAZARDOUS MATERIALS PROHIBITED:** Licensee agrees to defend, indemnify, and hold Licensors harmless from and against all loss or expense (including reasonable costs and attorneys' fees) for damages caused solely by the use, storage, and/or release of any hazardous material (as defined in federal, state and local laws and regulations) by Licensee during Licensee's use of the Property during the License Term. Licensee agrees that no petroleum products or fractions thereof will be stored on site and that no hazardous materials of any type will be used or stored on the site except as is reasonable and common practice in connection with the use of the Property permitted by this Agreement. On expiration of the License Term, Licensee agrees to deliver the Property to Licensors free from any substance which may require investigation or remediation, unless such substance was a pre-existing condition of the Property or is on the Property due to an action or inaction by Licensors.

The term "hazardous materials" when used in this License Agreement shall mean any hazardous waste or hazardous substance as defined in any federal, state, or local statute, ordinance, rule, or regulation applicable to the property, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (Title 42 United States Code sections 9601-9675), the Resource Conservation and Recovery Act (Title 42 United States Code sections 6901-6992k), the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code sections 25300-25395.15), the Hazardous Waste Control Law (Health and Safety Code sections 25100-25250.25, and any state and federal underground tank laws, rules and regulations. "Hazardous materials" shall also include asbestos or asbestos-containing materials, radon gas, and petroleum or petroleum fractions, whether or not defined as a hazardous waste or hazardous substance in any such statute, ordinance, rule, or regulation.

7. **INSURANCE:** Licensee shall, at its own cost and expense, procure and keep in force during the License Term bodily injury liability and property damage liability insurance adequate to protect Licensors, its officers, agents and employees against liability resulting from injury or death of any person or damage to property arising out of an occurrence on or about the

Property, including any and all liability to Licensor for damage to vehicles parked on the Property. Such insurance shall be in the amount of not less than \$1,000,000 combined single limits for bodily injury or property damage. The limit of such insurance shall not limit the liability of Licensee. All insurance hereunder shall be with companies to be approved by Licensor, which approval shall not be unreasonably withheld or conditioned. Said policies shall name Licensor as an additional insured and shall insure against contingent liabilities, if any, of Licensor and officers, agents and employees of Licensor and shall obligate the insurance carriers to notify Licensor in writing, not less than thirty (30) days prior to the cancellation thereof, or as any other change affecting the coverage of the policies.

If said policies contain any exclusion concerning property in the care, custody or control of the insured, an endorsement shall be attached thereto stating that such exclusion shall not apply with regard to any liability of Licensor, its officers, agents and employees. Licensee shall furnish Licensor, evidence of insurance on Licensor's standard form Certificate of Insurance. Licensee agrees that, if Licensee does not keep such insurance in full force and effect, Licensor may immediately terminate this Agreement.

8. **CONDITION AND MAINTENANCE OF PROPERTY:** Licensee shall keep and maintain the Property in good order, condition, and repair, except for reasonable use and wear, and keep the premises and surrounding area free from accumulation of waste material or rubbish caused by operations performed under this Agreement.

9. **COMPLIANCE WITH LAWS:** Licensee agrees to comply with all state, federal, or municipal ordinances now in force or which may hereafter be in force during the term of this License Agreement.

10. **NO ASSIGNMENT:** Licensee shall not assign this License Agreement without the prior written consent of City, which shall not be unreasonably withheld. Any action to assign shall result in the immediate cancellation of this Agreement and surrender of the Property. Notwithstanding the foregoing, Licensor agrees to the assignment of this agreement as security for the construction loan from PNC Bank, National Association.

11. **DEFAULT:** In the event of any material breach of this Agreement by Licensee, Licensor may give Licensee written notice describing the breach and thirty (30) days in which to cure or, if such breach cannot be cured within thirty (30) days, Licensee shall be given at a minimum thirty (30) days to begin such cure and shall diligently pursue such cure until completion (the "Cure Period"). Should Licensee fail to cure such breach within the applicable Cure Period, Licensor may terminate this Agreement.

Licensor agrees to provide a copy of any notice of default sent to Licensee to the Investor (as defined in Section 17) and PNC Bank, National Association ("Lender") and that Investor and/or Lender shall have the right, but not the obligation to cure any such default.

12. **AUTHORITY TO EXECUTE:** The undersigned represent and warrant that they are each duly authorized with full power to execute, deliver, and perform the terms of this Agreement.

13. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with California law, without resort to choice of law principles.

14. **BINDING ON SUCCESSORS:** This Agreement and the parties' respective obligations hereunder shall be binding upon, and shall inure to the benefit of the parties' respective representatives, successors, and assigns.

15. **ENTIRE AGREEMENT:** This Agreement constitutes the sole understanding of the parties with respect to the subject matter of this Agreement, and may not be amended or modified except in writing signed by both of the parties.

16. **MULTIPLE ORIGINALS COUNTERPARTS:** This Agreement may be executed in counterparts and multiple originals, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

17. **NOTICE:** Any notice which either party may or is required to give shall be in writing and given by personal delivery or mailing same by certified mail, return receipt requested, postage prepaid, to the other party at the address shown below or at such other place as may be designated by the parties from time to time, and any notice so mailed shall be deemed received on the third day after mailing.

LICENSOR's address: **Parking Authority of the City of Stockton**
425 N. El Dorado Street
Stockton, CA 95202
Attn: Executive Director

LICENSEE's address: **Cal Weber Associates LP**
119 E. Weber Avenue
Stockton, CA 95202

With copies to: **RCC MGP LLC**
Managing General Partner, Cal Weber Associates LP
3803 E. Casselle Avenue
Orange, CA 92869

DFA Development LLC
Administrative General Partner, Cal Weber Associates LP
505A San Marin Drive, Suite 120B
Novato, CA 94945
Attn: Danny Fred

**PNC Real Estate Tax Credit Capital Institutional Fund
47 Limited Partnership, its successors and assigns
(the "Investor")**

Columbia Housing SLP Corporation
c/o PNC Real Estate
121 S.W. Morrison, Suite 1300
Portland, OR 97201

PNC Bank, National Association
500 West Jefferson Street, Suite 2300
Louisville, KY 40202
Attn: Loan Administration

IN WITNESS WHEREOF, the parties hereto have caused the execution of this Agreement on the day and year first above written.

CAL WEBER ASSOCIATES LP, a California limited partnership

By: RCC MGP LLC, a California limited liability company, its managing general partner

By: Riverside Charitable Corporation, Inc., a California nonprofit public benefit corporation, its Manager

By: _____
Kenneth S. Robertson, President

By: DFA Development LLC, a California limited liability company, its administrative general partner

By: _____
Daniel Fred, Managing Member

PARKING AUTHORITY OF THE CITY OF STOCKTON

By _____
LAURIE MONTES
DEPUTY CITY MANAGER

ATTEST

BONNIE PAIGE

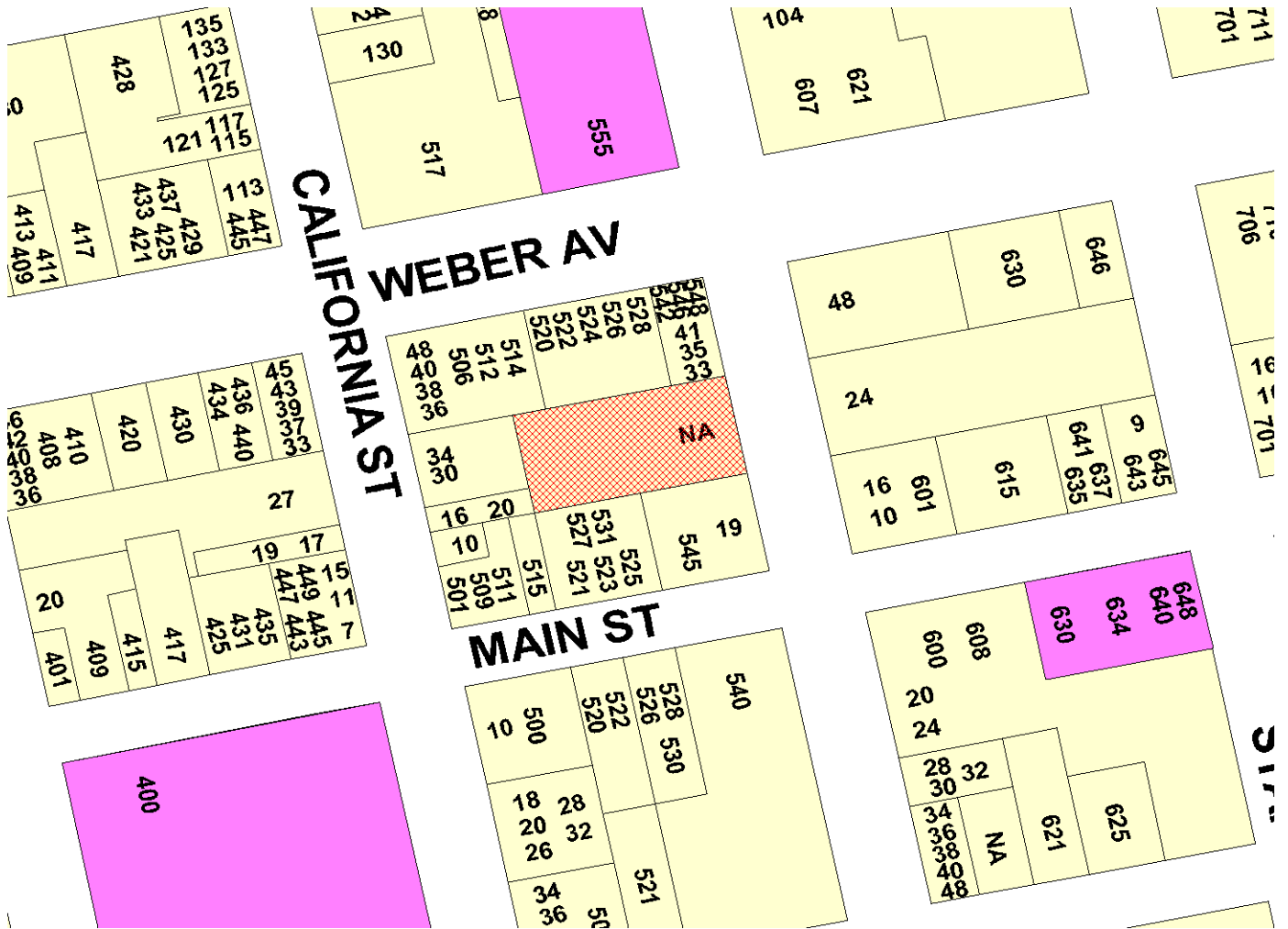
City Clerk of the City of Stockton

APPROVED AS TO FORM:

JOHN M. LUEBBERKE
CITY ATTORNEY

BY: _____
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EXHIBIT A
LOT K PARKING LOT



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EXHIBIT B
LEGAL DESCRIPTION OF AIR RIGHTS SPACE

THAT CERTAIN VERTICAL SPACE LYING WITH THE FOLLOWING DESCRIBED PARCEL AND BEGINNING 9.00 FEET ABOVE THE EXISTING GROUND SURFACE AND ENDING 69.00 FEET ABOVE THE EXISTING GROUND SURFACE OF THE HEREIN DESCRIBED PARCEL.

ALL THAT REAL PROPERTY SITUATE IN THE STATE OF CALIFORNIA, COUNTY OF SAN JOAQUIN, CITY OF STOCKTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL OF LOTS 15 AND 16, AND THE EAST 50.00 FEET OF LOTS 13 AND 14 IN BLOCK 6, "EAST OF CENTER STREET", IN SAID CITY OF STOCKTON ACCORDING TO THE MAP OR PLAT THEREOF, SAN JOAQUIN COUNTY RECORDS.

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