



CITY COUNCIL STAFF REPORT

DATE: September 16, 2009 CONSENT AGENDA
SUBJECT: Real Property License Agreement with U.S. Enterprises for Office Space
in Airport Terminal
FROM: David H. Ready, City Manager
BY: AVIATION DEPARTMENT

SUMMARY

The City Council approved a new airport advertising concession agreement with U.S. Enterprises Inc (d.b.a. Corey Airport Services) on June 3, 2009. This action would approve the rental of an onsite advertising office by this new firm.

RECOMMENDATION:

1. Approve Real Property License Agreement with U.S. Enterprises, Inc., doing business as Corey Airport Services effective September 16, 2009 through October 31, 2014 for an onsite advertising office at the rate of \$440.00 per month.
2. Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS

Corey Airport Services is the new airport advertising concessionaire and will be providing a full-time local manager that requires office space. There is a small 171 square foot vacant office located on the second floor of the main terminal building that is a perfect location for this manager both for the logistics of maintaining the advertising equipment and interacting with airport staff. This office rental arrangement will begin immediately and terminate at the same time as the advertising concession agreement. The agreement provides the concessionaire a 60-day cancellation should they decide they need a new location that provides more space.

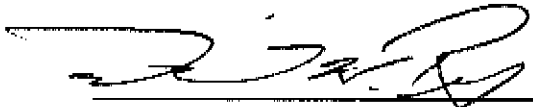
This agreement was recommended by the Airport Commission on September 9, 2009.

FISCAL IMPACT:

Rental revenue of \$5,280 per annum will be generated from this License Agreement.



Thomas Nolan, Executive Director, Airport



David H. Ready, City Manager

Attachment:

Real Property License Agreement

REAL PROPERTY LICENSE AGREEMENT

This License Agreement is made this _____ day of _____, 2009, by and between the City of Palm Springs ("City"), CA (hereinafter referred to as "Licensor"), and U.S. Enterprises, Inc., dba Corey Airport Services, a Georgia corporation, (hereinafter referred to as "Licensee").

Licensor and Licensee mutually agree as follows:

Section 1. Grant of License.

The City of Palm Springs has entered into a concession agreement with Licensee providing for Licensee's development and management of airport display advertisement. This license agreement assists in the implementation agreement by providing floor space for administrative office purposes.

Licensor hereby grants to Licensee a license to enter upon, install, and maintain office premises on Licensor's real property, in a triangular floor area consisting of approximately 171 square feet, as more particularly set forth in the site plan, attached as Exhibit "A", and incorporated herein by reference, for the limited purpose of administrative office support to the concession agreement.

Licensor shall allow Licensee and its employees and agents reasonable access to Licensee's property for purposes of establishing the administrative office support use.

Section 2. Term of License.

The term of this agreement shall be September 16, 2009 and terminate October 31, 2014 unless terminated in accordance with Section 7 of this agreement. Licensor reserves the right to designate another location for office purposes in the event that Licensor determines conditions affecting airport resources require redesignation.

Section 3. Licensee Fee.

Licensee shall pay a license fee in the amount of \$440.00 per month, payable to Licensor in advance on the first day of each month, in consideration of use of the subject property. Licensor agrees to provide all utilities.

Section 4. Licensee's Obligations/Permitted Uses.

In consideration of Licensor's agreement to allow Licensee's use of the property, Licensee and its authorized employees shall:

- (a) Maintain the premises in good and sanitary order, condition, and repair.
- (b) Refrain from causing undue annoyances, disturbances to others at the airport.
- (c) Not make or suffer to be made any permanent alterations or improvements to the premises without prior written consent of Licensor.
- (d) Comply with requests and directives from the City regarding emergency evacuations and training, wearing of identity badges and appropriate clothing

Section 5. Indemnity And Insurance.

(a) Licensee shall indemnify, defend, and hold harmless the City of Palm Springs, its elected and appointed officials and employees, from and against all claims, demands, loss or liability of any kind which Licensor may sustain or incur arising out of Licensee's office activities and Licensee's performance of any act in connection with this Agreement.

(b) Licensee shall insure that the insurance it is required to obtain for Licensee's "Non-Exclusive Operating & Lease Agreement-Palm Springs International Airport" also covers its use of the premises described in this agreement. Licensee shall present verification of proof of insurance coverage for these licensed premises to the City Attorney at the time of approval of this agreement by Licensor.

Section 6. Notices.

Any notices required to be given may be served personally or by United States mail, first class, as follows:

To: Licensor- City of Palm Springs
Office of City Manger
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

To: Licensee-
U.S. Enterprises, Inc., dba Corey Airport Services, attn: President
225 Corey Center
Atlanta, Georgia, 30312

Section 7. Termination Provisions of License Agreement.

(a) This agreement shall remain in full force and effect until its termination date, or by mutual rescission, or by Licensee's default of its obligations under the agreement, and a failure by Licensee to cure the default within a written noticed 30 day cure period.

(b) Licensor reserves the right to terminate this agreement without cause by providing 30 days written notice of termination to Licensee.

(c) In addition, the parties further agree that Licensee has the right to terminate this license agreement at any time by providing to Licensor 60 days advance written notice of termination.

Section 8. No Assignments/Subletting.

Licensee may not transfer any rights under this agreement to any third party without prior written approval of Licensor.

Section 9. Right of Inspection.

Licensor shall have the right to inspect the office premises at any time by providing advance twenty four hours oral or written notice to Licensee of Licensor's intent to conduct an inspection of the property.

Section 10. Compliance With Laws And California Law.

Licensee shall at its own cost comply with all applicable requirements of municipal, state, and federal authorities now in force or which may thereafter be in force pertaining to use of the premises.

This agreement shall be governed by the laws of the State of California.

Section 11. Entire Agreement.

This Agreement contains the entire Agreement of the parties hereto with respect to the matters covered hereby, and no other previous agreement, statement or promise made by any party hereto which is not contained herein shall be binding or valid.

N WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

CITY OF PALM SPRING
a municipal corporation

By: _____
City Clerk

By: _____
City Manager

APPROVED AS TO FORM:

By: *[Signature]*
City Attorney

CONTRACTOR: Check one: _____ Individual _____ Partnership _____ Corporation

Corporations require two notarized signatures: One from each of the following: A. Chairman of Board, President, or any Vice President; AND B. Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.

By: _____
Signature (notarized)

By: _____
Signature (notarized)

Name: _____

Name: _____

Title: _____

Title: _____

State of _____

State of _____

County of _____

County of _____

On _____ before me, _____

On _____ before me, _____

personally appeared _____
who proved to me on the basis of satisfactory
evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument
acknowledged to me that he/she/they
executed the same in his/her/their authorized
capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s),
or the entity upon behalf of which the person(s)
acted, executed the instrument.

personally appeared _____
who proved to me on basis of satisfactory
evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and
and acknowledged to me that he/she/they
executed the same in his/her/their authorized
capacity(ies), and that by his/her/their
signatures(s) on the instrument the person(s)
or the entity upon behalf of which the person(s)
acted, executed the instrument.

I certify under PENALTY OF PERJURY
under the laws of the State of California that
the foregoing paragraph is true and correct.

I certify under PENALTY OF PERJURY
under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

WITNESS my hand and official seal.

Notary Signature: _____

Notary Signature: _____

Notary Seal:

Notary Seal:

EXHIBIT A

Please see attached

EXHIBIT "A"
ADVERTISING OFFICE SPACE
171.67 SF

