

AN ORDINANCE 2010-04-08-0298

**AUTHORIZING FIVE-YEAR LICENSE AGREEMENTS
WITH FIVE MARKET SQUARE PATIO TENANTS FOR
OUTDOOR PATIO DISPLAY IN MARKET SQUARE.**

* * * * *

WHEREAS, the current Patio Display License Agreements for five privately-owned businesses using City owned property to display their merchandise will expire on March 31, 2010; and

WHEREAS, the five businesses are: El Merkadito, Los Arcos, El Mercado Glass Factory, Viriana Jewelry and Los Pueblitos; and

WHEREAS, these tenants are located in privately-owned buildings on Produce Row near Santa Rosa; and

WHEREAS, the tenants are retail operations and the purpose of the Patio Display License Agreement is to provide for the use of public space so that they can display their merchandise in front of their stores on City owned property; and

WHEREAS, the proposed rate for the patio license is \$1.34 per square foot based on a Fair Market Rental Study; and

WHEREAS, the rental rate will be adjusted by 2% each year for the remainder of the term;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or her designee, or the Director of the Downtown Operations Department or her designee is hereby authorized to execute Patio Display License Agreements with the following five businesses: El Merkadito, Los Arcos, El Mercado Glass Factory, Viriana Jewelry and Los Pueblitos. A copy of the patio display licenses are attached hereto and incorporated herein for all purposes as **Attachments I through V.**

SECTION 2. Funds generated by this ordinance will be deposited into Fund 29604001, Internal Order 219000000145, General Ledger 4407711.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Chief Financial Officer (CFO), City of San Antonio. The CFO may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SW/mgc
04/08/10
Item # 14

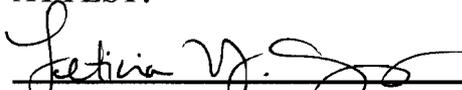
SECTION 4. This ordinance shall become effective immediately upon passage by eight (8) or more affirmative votes of the entire City Council; otherwise, said effective date shall be ten (10) days from the date of passage hereof.

PASSED AND APPROVED this 8th day of April, 2010.



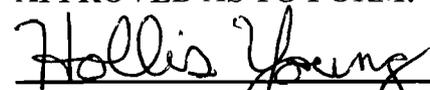
M A Y O R
Julián Castro

ATTEST:

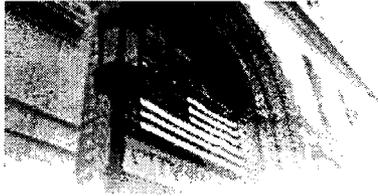


Leticia M. Vacek, City Clerk

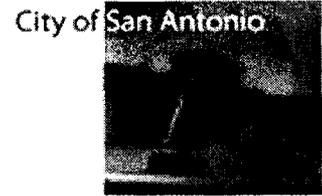
APPROVED AS TO FORM:



for Michael Bernard, City Attorney



Request for
COUNCIL
ACTION



Agenda Voting Results - 14

Name:	5, 6A, 7, 10, 11, 12, 13A, 13C, 13D, 13E, 14, 16, 20A, 20B, 20D, 22, 23, 24, 25, 28, 29						
Date:	04/08/2010						
Time:	10:23:20 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a five-year lease with five Market Square Patio tenants for outdoor patio display in Market Square. [Pat DiGiovanni, Deputy City Manager; Paula X. Stallcup, Director, Downtown Operations]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Mary Alice P. Cisneros	District 1		x				x
Ivy R. Taylor	District 2		x				
Jennifer V. Ramos	District 3	x				x	
Leticia Cantu	District 4		x				
David Medina Jr.	District 5	x					
Ray Lopez	District 6		x				
Justin Rodriguez	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
John G. Clamp	District 10		x				

PATIO DISPLAY LICENSE AGREEMENT

Market Square Plaza

This License Agreement is made and entered into by and between the **CITY OF SAN ANTONIO**, a Texas Municipal Corporation, acting herein through its City Manager pursuant to Ordinance No. _____ passed and approved on the _____ day of _____, 2010, (hereinafter referred to as "**CITY**"), and **Mr. Paulino Bernardo Velazquez and Ms. Petra Rivera Velazquez d/b/a El Merkadito** (hereinafter referred to as "**LICENSEE**"), acting by and through its duly authorized officers, WITNESSETH:

1. LICENSING OF PREMISES

1.1 **CITY**, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by **LICENSEE**, does hereby License to **LICENSEE**, and **LICENSEE** does hereby accept from **CITY** for the term hereinafter set out, the real property owned by the **CITY** at **112 Produce Row**, San Antonio, Bexar County, Texas, 78207 within the area commonly known as Market Square as outlined on the drawing which is attached hereto as **Exhibit A** and incorporated by reference herein for the purposes of this License Agreement, the same as if fully copied and set forth at length. Said real property and improvements (hereinafter referred to as the Licensed Premises) are further described as follows: Patio Display License area is adjacent to the front of the building at **112 Produce Row** in Market Square, San Antonio, Texas 78207 identified in **Exhibit A** for a total area of 295 square feet.

2. USE OF PREMISES

2.1 **CITY** hereby agrees to permit **LICENSEE** use of above described **CITY**-owned property located at **112 Produce Row, at Market Square Plaza in San Antonio, Bexar County, Texas 78207.**

2.2 **Permitted Uses:**

2.2.1 May be used for the sole purpose of outdoor display of goods sold in the store by **Mr. Paulino Bernardo Velazquez and Ms. Petra Rivera Velazquez d/b/a El Merkadito**, in accordance with applicable statutes, laws, ordinances, rules and regulations of the United States, the State of Texas and the City of San Antonio, Texas.

2.3 **Prohibited Uses:**

2.3.1 The use of this area for any **SALES and placement of cash registers.**

2.3.2 **LICENSEE** shall not be allowed to provide entertainment to its customers in any form to include live or recorded music.

2.3.3 The use of the area for the display of any Alcoholic Goods and/or merchandise that has any reference or depicts any type of Illegal Drug or obscenity.

2.3.4 The service of food and/or alcoholic beverages in the Patio License Area.

2.3.5 Any use prohibited by law including any Ordinances of the City of San Antonio.

2.4 **CITY'S** Reservation of Rights - In addition to the **CITY'S** Reservations set out in **Article 16** and other sections of the License Agreement, **CITY** reserves the right to a public right-of-way along

the common sidewalk area to follow a path designated by the CITY for safe passage by pedestrians and further described by the diagram attached hereto and incorporated herein as **Exhibit A**. LICENSEE shall keep said right of way free of obstructions in the form of either fixed or movable objects and shall not allow patrons to queue, or wait for entrance into LICENSEE'S business establishment, in said public right of way.

- 2.5 TENANT understands and agrees that any violation of the above use of premises and stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by CITY that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from CITY.
 - For each of the next three violations TENANT shall pay CITY \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for termination of License without opportunity to cure.

3. TERM AND EXPIRATION DATE

- 3.1 The term of this License Agreement is for a period beginning upon Commencement Date (as per Section 28 herein) and ending on March 31, 2015 unless sooner terminated as provided in this License.
- 3.2 **EITHER PARTY** may cancel this License by giving thirty Calendars (30) days written notice to **OTHER PARTY PER SECTION 20, NOTICES**.

4. RENTAL

- 4.1 LICENSEE shall pay rental in either one lump sum in advance for Annual Payment or in monthly installments **in advance, on, or before the first day of each month** in accordance with the following payment schedule. **Any payment of rent or other charges and fees received after the first (1st) day of the month will be considered late.**
- 4.2 Notwithstanding any other provision herein to the contrary, the monthly rental for the period beginning on Commencement Date through March 31, 2011 shall be **\$1.34** per square foot per month. The rental calculation is **\$1.34** per square foot times **295** square feet of the Licensed Patio Display Premises. This equals to monthly installments in the amount of **\$395.30** in advance on or before the first (1st) day of each month.
- 4.3 For the succeeding twelve (12) month periods during the term of this License Agreement, the monthly rental shall be adjusted by **2%** for each year as follows:

License term	Ratio per square foot	Monthly rental rate
Upon Awarded through March 31, 2011	1.34	395.30
April 1, 2011 through March 31, 2012	1.37	403.21
April 1, 2012 through March 31, 2013	1.39	411.27
April 1, 2013 through March 31, 2014	1.42	419.50
April 1, 2014 through March 31, 2015	1.45	427.89

4.4 Payment shall be submitted by LICENSEE to:

City of San Antonio
Treasury Division
Central Billing Section
P.O. Box 839975
San Antonio, Texas 78283-3975

5. ACCEPTANCE AND CONDITION OF PREMISES

- 5.1 **LICENSEE** has had full opportunity to examine the Licensed Premises and acknowledges that there is in and about them nothing dangerous to life, limb or health and hereby waives any claim for damages that may arise from defects of that character after occupancy. **LICENSEE'S** taking possession of the Licensed Premises shall be conclusive evidence of **LICENSEE'S** acceptance thereof in good order and satisfactory condition, and **LICENSEE** hereby accepts the Licensed Premises in its present **AS IS, WHERE IS, WITH ALL FAULTS CONDITION as suitable for the purpose for which licensed, LICENSEE accepts the Licensed Premises with the full knowledge, understanding and agreement that CITY disclaims any warranty of suitability for LICENSEE'S intended commercial purposes.**
- 5.2 **LICENSEE** agrees that no representations respecting the condition of the Licensed Premises, and no promises to decorate, alter, repair or improve the Licensed Premises, either before or after the execution hereof, have been made by **CITY** or its agents to **LICENSEE** unless the same are contained herein or made a part hereof by specific reference herein.

6. UTILITIES

- 6.1 **LICENSEE** shall furnish and pay for all utilities, if any, that may be necessary for its operations as authorized herein on the Patio Display Licensed Premises. **LICENSEE** further agrees to pay all monthly charges associated with effective maintenance of said operation. Should connection or reconnection of any utility become necessary, **LICENSEE** agrees to pay any expenses.

7. IMPROVEMENTS

- 7.1 **LICENSEE** shall not construct, or allow to be constructed, any improvements or structures on the Licensed Premises nor shall **LICENSEE** make, or allow to be made, any alterations to the Licensed Premises without the prior written approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission (HDRC).

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.

- The first violation shall result in a written notice from **CITY**.
- For each of the next three violations TENANT shall pay **CITY** \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 7.2 **LICENSEE** covenants that it shall not bind, or attempt to bind, **CITY** for the payment of any money in connection with the construction, repair, alteration, addition or reconstruction in, on or about the Licensed Premises. Further, **LICENSEE** agrees to remove, within thirty (30) calendar days after filing, by payment or provisions for bonding, any mechanic's or materialman's liens filed against the Licensed Premises and to indemnify **CITY** in connection with such liens to the extent of any damages, expenses, attorney's fees, or court costs incurred by **CITY**.

8. MAINTENANCE OF PROPERTY

- 8.1 **LICENSEE** shall, at all times, maintain the sidewalks adjacent to the Licensed Premises free from obstructions other than Displays for Merchandise sold by the business inside. **LICENSEE** shall keep the front of the business property neat and orderly, and if any tables or other fixed or movable property is placed in this area by **LICENSEE** it shall be organized so as not to create any tripping hazard or block the exit to the business in case of emergencies. **LICENSEE** shall not use any of said sidewalk area outside of the licensed patio display area in the exercise of privileges granted herein, except to pass to and from the Licensed Premises. **LICENSEE'S** use may at no time obstruct public access to the public right-of-way.
- 8.2 **LICENSEE** shall, at all times, keep or cause to be kept the Licensed Patio Display area free of litter, trash, paper, boxes and other waste and shall place same in standard trash containers in the appropriate locations and shall conform with all applicable garbage, sanitary and health regulations of the **CITY**. **LICENSEE** shall not place trash, garbage, waste, or any refuse generated at, on, or by **LICENSEE** within City owned or City Licensed dumpsters and/or trash containers.

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the

event of a violation.

- The first violation shall result in a written notice from CITY.
- For each of the next three violations TENANT shall pay CITY \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 8.3 **LICENSEE** shall be responsible for the condition of the Licensed Patio Display area. **LICENSEE** shall repair any damage to the Licensed Premises caused by **LICENSEE**, and shall maintain, or cause to be maintained, the Licensed Premises in a clean, neat, attractive and sanitary condition.
- 8.4 **LICENSEE** shall, at its sole expense, keep the Licensed Premises in good order, repair, and leasable condition at all times during the term hereof and shall promptly repair of all damages to the Licensed Premises or replace any broken fixtures or appurtenances within a reasonable period of time. All such repairs and replacements shall be subject to the approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards, or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. If **LICENSEE** does not promptly make such arrangements, **CITY** may, but is not required to, make such repairs and replacements and the costs paid or incurred by **CITY** for such repairs and replacements shall be deemed additional rent due and payable forthwith.
- 8.5 **LICENSEE** will, at the termination of this License Agreement, return the Licensed Premises to **CITY** in as good condition as at the commencement of the term hereof, usual wear and tear, acts of God, or unavoidable accident only accepted.
- 8.6 **LICENSEE** agrees to hold **CITY** harmless for any theft, damages or destruction of signs, goods and/or other property of **LICENSEE** both during the term of this License Agreement and as so left on the Licensed Premises after **LICENSEE** vacates the Patio Display Licensed Premises. If said signs, goods and any other property placed by **LICENSEE** upon the Licensed Premises are not removed by it after the close of business and the Licensed Patio Display area is vacated, then the **CITY** may remove same without further notice or liability therefore.

9. TAXES AND LICENSES

- 9.1 **LICENSEE** shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State and local taxes and fees which are now or may hereafter be levied upon the Licensed Premises, or upon **LICENSEE**, or upon the business conducted on the Licensed Premises, or upon any of **LICENSEE'S** property used in connection therewith; and shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by **LICENSEE**.

10. ASSIGNMENT AND SUBLETTING

- 10.1 Except as to the parent, subsidiary or similarly affiliated company, **LICENSEE** shall not assign this Patio Display License area, or allow same to be assigned by operation of law or otherwise, any part thereof without the prior written consent of **CITY**, which may be given only by or pursuant to an Ordinance enacted by the City Council of San Antonio, Texas. Any assignment by **LICENSEE** without such permission shall constitute an Event of Default. Subletting of any part of the Patio Display area is not authorized as part of this Patio Display License Agreement.

- 10.2 Without the prior written consent of **LICENSEE**, **CITY** shall have the right to transfer and assign, in whole or in part, any of its rights and obligations under this Patio Display License Agreement; and, to the extent that such assignee assumes **CITY'S** obligations hereunder, **CITY** shall, by virtue of such assignment, be reLicensed from such obligation.
- 10.3 The receipt by the **CITY** of rent from an assignee, or occupant of the Patio Display Licensed Premises shall not be deemed a waiver of the covenant in this License Agreement against assignment and/or an acceptance of the assignee, or occupant as a **LICENSEE**, or a reLicense of the **LICENSEE** from further observance or performance by the **LICENSEE** of the covenants contained in this Patio Display License Agreement. No provision of this License Agreement shall be deemed to have been waived by the **CITY** unless such waiver be in writing and signed by the **CITY**.

11. DISPLAY AREA

- 11.1 **LICENSEE'S** Patio Display Licensed Premises is an area adjacent to business but does not include any area outside of the licensed area as shown in **Exhibit A** attached hereto. **LICENSEE** may only use area adjacent to the store to display merchandise using acceptable display fixtures in this space. **LICENSEE** may not obstruct any entrance to the store with any type of display, counters, etc. **CITY** has the right to request the removal of display merchandise and fixtures, if **LICENSEE'S** display is not presentable, as determined by the Market Square Facilities Coordinator. **LICENSEE** must bring into his store any merchandise and display fixtures in said display space outside of store doors after closing each day. **LICENSEE** is not authorized to leave any merchandise or display fixtures in front of the **LICENSEE'S** store after closing.
- 11.2 The Display area **will not** be used for **SALES and placement of cash registers**. All sales will be processed inside of **LICENSEE'S** store.
- 11.3 **TENANT** understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.
- 11.4 **ENCROACHMENT** on the Common Area beyond the authorized Licensed Premises is not permitted, and violations of such will be fined at \$250.00 per day. More than two (2) repeat violations by Tenant in a twelve (12) month period shall be considered a condition of default and shall be grounds for License termination proceedings.

12. TERMINATIONS, DEFAULTS AND REMEDIES

- 12.1 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event this agreement is deemed to be inconsistent with the public use of the property.
- 12.2 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event the use of the premises shall have been deemed a nuisance by a court of competent jurisdiction.
- 12.3 In the event of termination in relation to 12.1 or 12.2 above, the **CITY** shall give **LICENSEE** notice in writing at least thirty (30) calendar days prior to the termination date.
- 12.4 **RENT** - Any Payment of rent received after the first (1st) day of the month will be considered late and will be considered an Event of Default by the following criteria:
- 12.4.1 Any rent not received by the tenth (10th) day of the month will be an Event of Default.
- 12.4.2 For the term of the agreement, **LICENSEE** may pay no more than two (2) payments of any type after the first (1st) day but no later than the tenth (10th) day of the month, with the addition of the late fee. The third (3rd) occurrence of any late payment will constitute an Event of Default.
- 12.4.3 Any payment after the first (1st) day is late; therefore, any payment received after the first (1st) day will be charged a late fee in the amount of \$50.00 per occurrence.
- 12.5 **DEFAULT WITHOUT AN OPPORTUNITY TO CURE.** The following events shall constitute Events of Default with no opportunity to cure:
- 12.5.1 Any rent not received by the tenth (10th) day of the month
- 12.5.2 The third (3rd) occurrence of any late payment;
- 12.5.3 Failure to comply with any and all Taxes and Licenses requirements as outlined **Article 9 TAXES AND LICENSES;**
- 12.5.4 Any assignment as specified in **Article 10 ASSIGNMENT AND SUBLETTING** not approved in writing by Ordinance by the City of San Antonio;
- 12.5.5 The subletting of any part of the Patio Display License area;
- 12.5.6 Encroachment unto the Common area beyond the authorized Licensed Patio Display area;
- 12.5.7 If **LICENSEE** fails to abide by the requirements of **Article 14 INSURANCE REQUIREMENTS** or allows the Insurance Certification to be cancelled without other approved Insurance replacement coverage. New or revised policy must overlap or immediately continue term of old policy. Expired policy must be replaced before

expiration date of current policy. Use of the Licensed Premises before **Approval** and **Acknowledgement** by the **City** of any new, revised, renewed or reinstated Certification;

- 12.5.8 The service of any food or beverages, in the Patio Display License area;
 - 12.5.9 Live or recorded music and outdoor entertainment to customers or any prohibited use of premises
 - 12.5.10 The fifth (5th) occurrence of any merchandise or display fixtures left in front **LICENSEE'S** store after closing;
 - 12.5.11 The fifth (5th) occurrence of the use of premises for any display of Alcoholic Beverages, any goods and/or merchandise related to Alcoholic Beverages and any goods or merchandise with any reference or which depict any type of Illegal Drug or Obscenity;
 - 12.5.12 The use of the premises for any type of **SALES**;
 - 12.5.13 The third (3rd) occurrence of any particular failure as outlined in section 12.6.1 below.
 - 12.5.14 The fifth (5th) occurrence of any particular failure as outlined in section 8 to include trash, boxes, bottles, garbage
- 12.6 **DEFAULTS WITH AN OPPORTUNITY TO CURE:**
- 12.6.1 **LICENSEE** shall fail to comply with any term, provision or covenant of this License Agreement and shall fail cure any such failure within three (3) calendar days of **CITY** providing notice of such failure, provided, however, in the event **LICENSEE** repeats any such particular failure twice more during the term of the contract then any such third failure shall constitute an Event of Default and there shall be no opportunity to cure.
- 12.7 Upon the occurrence of either an Event of Default without an opportunity to cure or an event of default for which **LICENSEE** has not satisfactorily cured within the allotted time period, as heretofore provided, **CITY** may, at its option, declare this License Agreement, and all rights and interests created by it, terminated. Upon **CITY** electing to terminate, this License Agreement shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof; or **CITY**, its agents or attorney may, at its option, resume possession of the Licensed Premises and re-let the same for the remainder of the original term for the best rent **CITY**, its agents or attorney may obtain for the account of **LICENSEE** without relieving **LICENSEE** of any liability hereunder as to rent or any other charges still due and owing in this License Agreement, or any extension thereof, as applicable. **LICENSEE** shall make good any deficiency.
- 12.8 Any termination of this License Agreement as herein provided shall not relieve **LICENSEE** from the payment of any sum or sums that shall then be due and payable or become due and payable to **CITY** hereunder, or any claim for damages then or theretofore accruing against **LICENSEE** hereunder, and any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from **LICENSEE** for any default hereunder. All

rights, options and remedies of **CITY** contained in this License Agreement shall be cumulative of the other, and **CITY** shall have the right to pursue any one or all of such remedies or any other remedy or relief available at law or in equity, whether or not stated in this License Agreement. No waiver by **CITY** of a breach of any of the covenants, conditions or restrictions of this License Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction herein contained.

- 12.9 Upon any such expiration or termination of this License Agreement, **LICENSEE** shall quit and peacefully surrender the Licensed Premises to **CITY**, and **CITY**, upon or at any time after such expiration or termination, may, without further notice, enter upon and re-enter the Licensed Premises and possess and repossess itself thereof, by force, summary proceedings, ejectment or otherwise, and may dispossess **LICENSEE** and remove **LICENSEE** and all other persons and property, including all signs, furniture, trade fixtures, and other personal property which may be disputed as to its status as fixtures, from the Licensed Premises, and such action by **CITY** shall not constitute **CITY'S** acceptance of abandonment and surrender of the Licensed Premises by **LICENSEE** nor prevent **CITY** from pursuing all legal remedies available to it.

13. INDEMNIFICATION

LICENSEE covenants and agrees to **FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the **CITY** directly or indirectly arising out of, resulting from or related to **LICENSEE'S** activities under this Agreement, including any acts or omissions of **LICENSEE**, any agent, officer, director, representative, employee, consultant or sub**LICENSEE** of **LICENSEE**, and their respective officers, agents employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of **CITY**, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT LICENSEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY**

AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LICENSEE shall advise the CITY in writing within 24 hours of any claim or demand against the CITY or LICENSEE known to LICENSEE related to or arising out of LICENSEE'S activities under this MEMORANDUM and shall see to the investigation and defense of such claim or demand at LICENSEE'S cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving LICENSEE of any of its obligations under this paragraph.

14. INSURANCE REQUIREMENTS

- 14.1 Prior to the commencement of any work under this **License Agreement**, LICENSEE shall furnish copies of all required endorsements and a completed Certificate(s) of Insurance to the CITY'S Downtown Operations Department, which shall be clearly labeled "El Merkadito Patio Display License Agreement" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The certificate(s) or form must have the agent's signature, including the signer's phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this **License Agreement** until such certificate and endorsements have been received and approved by the CITY'S Downtown Operations Department. No officer or employee, other than the CITY'S Risk Manager, shall have authority to waive this requirement.
- 14.2 The CITY reserves the right to review the insurance requirements of this Article during the effective period of this **License Agreement** and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by CITY'S Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this **License Agreement**. In no instance will CITY allow modification whereupon CITY may incur increased risk.
- 14.3 LICENSEE'S financial integrity is of interest to the CITY; therefore, subject to LICENSEE'S right to maintain reasonable deductibles in such amounts as are approved by the CITY, LICENSEE shall obtain and maintain in full force and effect for the duration of this **License Agreement**, and any extension hereof, at LICENSEE'S sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed:

	TYPE	AMOUNT
1.	Workers' Compensation and Employers Liability **	Statutory \$500,000/\$500,000/\$500,000
2.	Broad Form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/completed operations d. Personal Injury	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence and \$2,000,000.00 Aggregate, or its equivalent.
3.	Property Insurance: For physical damage to the property of LICENSEE , including improvements and betterment to the LICENSED PREMISES .	Coverage for a minimum of eighty percent (80%) of the Replacement Cost of LICENSEE'S property

** If Applicable.

- 14.4 As they apply to the limits required by the City, the **CITY** shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). **LICENSEE** shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to **CITY** at the address provided below within 10 days of the requested change. **LICENSEE** shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

- 14.5 **LICENSEE** agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:
- 14.5.1 Name the **CITY**, its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the **CITY**, with the exception of the workers' compensation and professional liability policies;
- 14.5.2 Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the **CITY** is an additional insured shown on the policy;

- 14.5.3 Workers' compensation, employers' liability and general liability policies will provide a waiver of subrogation in favor of the **CITY**.
- 14.5.4 Provide advance written notice directly to **CITY** of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.
- 14.6 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, **LICENSEE** shall provide a replacement Certificate of Insurance and applicable endorsements to **CITY**. **CITY** shall have the option to suspend **LICENSEE'S** performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this **License Agreement**.
- 14.7 If **LICENSEE** fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the **CITY** may initiate **License Agreement** termination proceedings on the first event of default. The **CITY** may upon **LICENSEE'S** failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the **CITY** shall have the right to order **LICENSEE** to stop the use of the Premises hereunder until **LICENSEE** demonstrates compliance with the requirements hereof.
- 14.8 Nothing herein contained shall be construed as limiting in any way the extent to which **LICENSEE** may be held responsible for payments of damages to persons or property resulting from **LICENSEE'S** or its subcontractors' performance of the work covered under this **License Agreement**.
- 14.9 It is agreed that **LICENSEE'S** insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this **License Agreement**.
- 14.10 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this **License Agreement** and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided.
- 14.11 **TENANT** understands and agrees that any failure to provide and maintain insurance would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

15. RULES AND REGULATIONS

- 15.1 **LICENSEE** shall observe and comply with all laws and ordinances of the **CITY** affecting **LICENSEE'S** business.
- 15.1.1 This includes and is not limited to, the **CITY'S** noise ordinance and the provisions concerning operation of businesses in the Market Square Plaza of the City of San Antonio. **LICENSEE** shall not place speakers, amplified music or similar equipment on or near the Patio Display Licensed Premises or in any other location outside the adjacent enclosed building on any side of the licensed premises. **LICENSEE** shall comply with **CITY'S** laws pertaining to noise. **LICENSEE** agrees to comply with any requests by the **CITY'S** Park Police, Downtown Operations Department Staff, City Police Officers or noise abatement officers. Failure to comply with this section may constitute an Event of default.
- 15.1.2 No advertisements, signs, decorations and/or displays shall be placed in, on, or about the Licensed Patio Display Premises without the prior written approval of the **CITY** through the Director of Downtown Operations Department or her authorized representative and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. **LICENSEE** agrees to remove all signs from the Licensed Display Premises when **LICENSEE** vacates the Licensed Premises.
- 15.2 **LICENSEE** will be allowed to place only tables, racks and fixtures as approved by City on the demised premises. All furnishing will be removed from the Patio Display area during non-business hours.
- 15.3 No activity or method of operation shall be allowed in, on, or about the Licensed Premises, which exposes patrons thereof to nudity or to partial nudity. For the purposes of this provision, the following definitions apply:
- 15.3.1 Nudity means total absence of clothing or covering for the human body.
- 15.3.2 Partial nudity means exposure of the female breast or the exposure of the male or female pubic area or buttocks.
- 15.4 Any nudity as specified above will constitute a violation of this Article and result in an Event of Default.
- 15.5 The operation of a massage business, tanning salon, or gambling of any nature shall not be allowed in, on, or about the Patio Display Licensed Premises.
- 15.6 Discrimination on account of race, color, sex, age, handicap, or national origin, directly or indirectly, in employment, or in the use of or admission to the Licensed Patio Display Premises is prohibited.

- 15.7 **LICENSEE** shall not, except as may otherwise be permitted by applicable laws and regulations, pay less than the minimum wage required by Federal and State statutes and **CITY** ordinances to persons employed in its operations hereunder.
- 15.8 No provision of this License Agreement shall operate in any manner to prevent **CITY** from permitting displays, tournaments, amusements, or parades for the benefit of the public.
- 15.9 **CITY** park police, police officers and other safety personnel shall have the right of entry on and into the Licensed Premises as needed to investigate any circumstances, conditions, or person(s) that may appear to be suspicious. **LICENSEE** shall cooperate with all reasonable requests by such personnel to facilitate public safety and orderly conduct by persons at Market Square in San Antonio. **LICENSEE** expressly understands and agrees that **CITY** has not agreed to act and does not act as an insurer of **LICENSEE'S** property and does not guarantee security against theft, vandalism, or injury of whatever nature and kind to persons or property.
- 15.10 Other specific uses of Licensed Patio Display area are outlined in **Article 2**.

16. RESERVATIONS: CITY

- 16.1 **CITY** reserves the right to enter the Patio Display Licensed Premises at all reasonable times for the purpose of examining, inspecting or making repairs as herein provided. **LICENSEE** shall not be entitled to an abatement or reduction of rent by reason of such entry, nor shall said entry be deemed to be an actual or constructive eviction of **LICENSEE** from the Licensed Premises. Should construction or other activity by **CITY** prevent **LICENSEE'S** use of the Patio Display Licensed Premises for the purposes outlined herein for longer than ten (10) days, then this License Agreement shall be automatically extended for the same number of days **LICENSEE'S** use of Licensed Premises was denied or an abatement for the period **LICENSEE** was not able to use the premises may be considered but not both. The City will determine which resolution will be executed.

17. HOLDING OVER

- 17.1 Should **LICENSEE** hold over the Licensed Premises, or any part thereof, after the expiration or termination of the term of this License Agreement, unless otherwise agreed in writing, such holding over shall constitute and be construed as a tenancy from month to month only, at a rental equal to **One Hundred Twenty-Five percent (125%)** the amount of the rent paid for the last month of the term of this Patio Display License Agreement. The inclusion of the preceding sentence shall not be construed as **CITY'S** consent for the **LICENSEE** to hold over.

18. CONFLICT OF INTEREST

- 18.1 **LICENSEE** acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined therein, from having financial interest in any contract with the City or any City Agency, such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies, or service, if any of the following individual(s) or entities is a party to the contract or sale: A City officer or employee, or his parent, child, or spouse; a business entity in which the officer or employee, or his parent, child, or spouse owns

ten (10%) percent or more of the voting stock or shares of the business entity, or ten (10%) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

- 18.2 **LICENSEE** warrants and certifies, and this license is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of the City or any of its agencies such as city owned utilities

19. SEPARABILITY

- 19.1 If any clause or provision of this License Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this License Agreement, then and in that event it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it is also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

20. NOTICES

- 20.1 Notices to **CITY** required or appropriate under this License Agreement shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, and addressed to:

City of San Antonio
Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

City of San Antonio
City Clerk's Office
City Hall-Second Floor
P.O. Box 839966
San Antonio, Texas 78283-3966

or to such other address as may have been designated in writing by the City Manager of the CITY OF SAN ANTONIO from time to time.

Notices to **LICENSEE** shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, addressed to **LICENSEE** at:

**Mr. Paulino Bernardo Velazquez or
Ms. Petra Rivera Velazquez
d/b/a El Merkadito
112 Produce Row
San Antonio, Texas 78207**

or to such other address on file with the City Clerk as **LICENSEE** may provide in writing to **CITY**.

21. PARTIES BOUND

- 21.1 If there shall be more than one party designated as **LICENSEE** in this License Agreement, they shall each be bound jointly and severally hereunder.

- 21.2 The covenants and agreements herein contained shall inure to the benefit of and be binding upon the parties hereto; their respective heirs, legal representatives, successors, and such assigns as have been approved by **CITY**.

22. TEXAS LAW TO APPLY

- 22.1 **THIS LICENSE AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**

23. RELATIONSHIP OF PARTIES

- 23.1 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationships between the parties hereto other than that of **LICENSOR** and **LICENSEE**.

24. GENDER

- 24.1 Words of any gender used in this License Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

25. CAPTIONS

- 25.1 The captions contained in this License Agreement are for convenience of reference only and in no way limit or enlarge the terms and conditions of this License Agreement.

26. ENTIRE AGREEMENT/AMENDMENT

- 26.1 This License Agreement, together with its attached exhibits and the authorizing ordinance, in writing, constitutes the entire agreement between the parties, any other written or parole agreement with **CITY** being expressly waived by **LICENSEE**.
- 26.2 No amendment, modification, or alteration of the terms of this License Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.
- 26.3 It is understood that the Charter of the **CITY** requires that all contracts with the **CITY** be in writing and adopted by ordinance. All amendments also need approval evidenced by an ordinance.

27. ACKNOWLEDGEMENT OF READING

- 27.1 The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

28. AUTHORITY

28.1 If the signer of this License Agreement is an entity or other than an individual who is the **LICENSEE**, then the signer hereof for **LICENSEE** hereby represents and warrants that he or she has full authority to execute this License Agreement on behalf of **LICENSEE**.

WITNESS, the signature of the parties hereto in multiple originals, this, the _____ day of _____, 2010 (Commencement Date).

**CITY OF SAN ANTONIO,
A Texas Municipal Corporation**

LICENSEE:

**Mr. Paulino Bernardo Velazquez and
Ms. Petra Rivera Velazquez
d/b/a El Merkadito**

By: _____
Sheryl L. Sculley, City Manager

Mr. Paulino Bernardo Velazquez

ATTEST:

City Clerk

Ms. Petra Rivera Velazquez

APPROVED AS TO FORM:

City Attorney

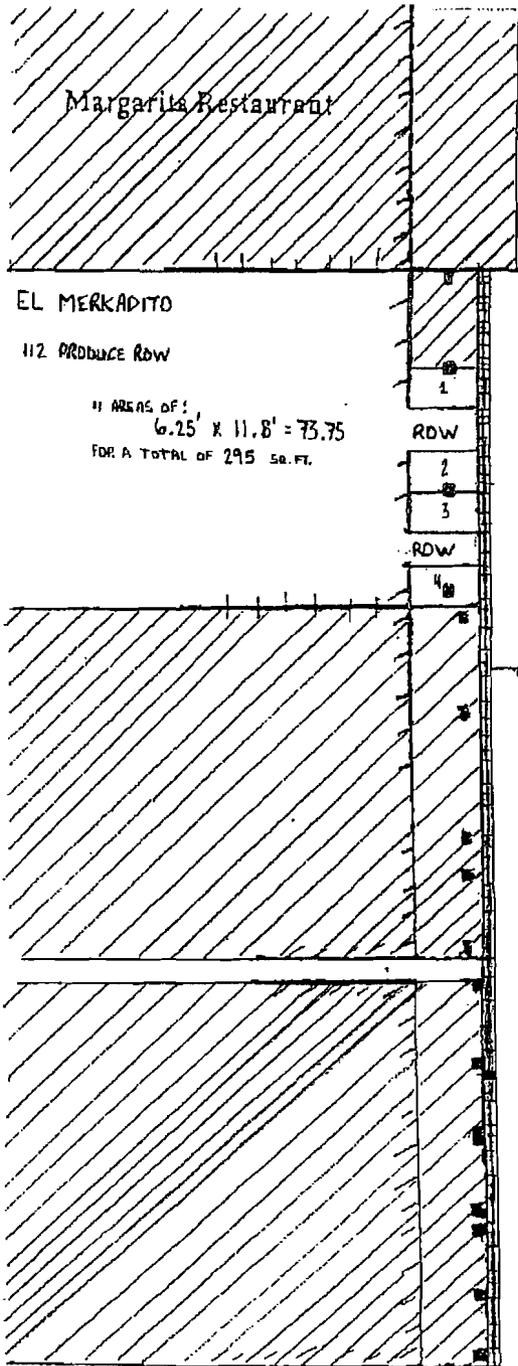
112 PRODUCE ROW
Address

SAN ANTONIO TEX 78207
City, State, and Zip Code

(210) 349-1083
Area Code/Telephone Number Residence

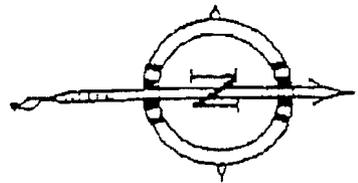
(210) 264-9694
Area Code/Telephone Number Business

CONCHO STREET Right-of-Way



EL MERKADITO
 112 PRODUCE ROW
 11 AREAS OF:
 $6.25' \times 11.8' = 73.75$
 FOR A TOTAL OF 295 SQ. FT.

To San Saba Street



Produce Row
 Right of Way

Exhibit A.

Santa Rosa Street

PATIO DISPLAY LICENSE AGREEMENT**Market Square Plaza**

This License Agreement is made and entered into by and between the **CITY OF SAN ANTONIO**, a Texas Municipal Corporation, acting herein through its City Manager pursuant to Ordinance No. _____ passed and approved on the _____ day of _____, 2010, (hereinafter referred to as "**CITY**"), and **Ms. Sandra Diaz d/b/a Los Arcos** (hereinafter referred to as "**LICENSEE**"), acting by and through its duly authorized officers, WITNESSETH:

1. LICENSING OF PREMISES

- 1.1 **CITY**, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by **LICENSEE**, does hereby License to **LICENSEE**, and **LICENSEE** does hereby accept from **CITY** for the term hereinafter set out, the real property owned by the **CITY** at **206 Produce Row**, San Antonio, Bexar County, Texas, 78207 within the area commonly known as Market Square as outlined on the drawing which is attached hereto as **Exhibit A** and incorporated by reference herein for the purposes of this License Agreement, the same as if fully copied and set forth at length. Said real property and improvements (hereinafter referred to as the Licensed Premises) are further described as follows: Patio Display License area is adjacent to the front of the building at **206 Produce Row** in Market Square, San Antonio, Texas 78207 identified in **Exhibit A** for a total area of 337.12 square feet.

2. USE OF PREMISES

- 2.1 **CITY** hereby agrees to permit **LICENSEE** use of above described **CITY**-owned property located at **206 Produce Row, at Market Square Plaza in San Antonio, Bexar County, Texas 78207**.
- 2.2 **Permitted Uses:**
- 2.2.1 May be used for the sole purpose of outdoor display of goods sold in the store by **Ms. Sandra Diaz d/b/a Los Arcos**, in accordance with applicable statutes, laws, ordinances, rules and regulations of the United States, the State of Texas and the City of San Antonio, Texas.
- 2.3 **Prohibited Uses:**
- 2.3.1 The use of this area for any **SALES and placement of cash registers**.
- 2.3.2 **LICENSEE** shall not be allowed to provide entertainment to its customers in any form to include live or recorded music.
- 2.3.3 The use of the area for the display of any Alcoholic Goods and/or merchandise that has any reference or depicts any type of Illegal Drug or obscenity.
- 2.3.4 The service of food and/or alcoholic beverages in the Patio License Area.
- 2.3.5 Any use prohibited by law including any Ordinances of the City of San Antonio.
- 2.4 **CITY'S** Reservation of Rights - In addition to the **CITY'S** Reservations set out in **Article 16** and other sections of the License Agreement, **CITY** reserves the right to a public right-of-way along the common sidewalk area to follow a path designated by the **CITY** for safe passage by

pedestrians and further described by the diagram attached hereto and incorporated herein as **Exhibit A. LICENSEE** shall keep said right of way free of obstructions in the form of either fixed or movable objects and shall not allow patrons to queue, or wait for entrance into **LICENSEE'S** business establishment, in said public right of way.

- 2.5 TENANT understands and agrees that any violation of the above use of premises and stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by CITY that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from CITY.
 - For each of the next three violations TENANT shall pay CITY \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for termination of License without opportunity to cure.

3. TERM AND EXPIRATION DATE

- 3.1 The term of this License Agreement is for a period beginning upon Commencement Date (as per Section 28 herein) and ending on March 31, 2015 unless sooner terminated as provided in this License.
- 3.2 **EITHER PARTY** may cancel this License by giving thirty Calendars (30) days written notice to **OTHER PARTY PER SECTION 20, NOTICES.**

4. RENTAL

- 4.1 **LICENSEE** shall pay rental in either one lump sum in advance for Annual Payment or in monthly installments **in advance, on, or before the first day of each month** in accordance with the following payment schedule. **Any payment of rent or other charges and fees received after the first (1st) day of the month will be considered late.**
- 4.2 Notwithstanding any other provision herein to the contrary, the monthly rental for the period beginning on Commencement Date through March 31, 2011 shall be **\$1.34** per square foot per month. The rental calculation is **\$1.34** per square foot times **337.12** square feet of the Licensed Patio Display Premises. This equals to monthly installments in the amount of **\$451.74** in advance on or before the first (1st) day of each month.
- 4.3 For the succeeding twelve (12) month periods during the term of this License Agreement, the monthly rental shall be adjusted by **2%** for each year as follows:

License Year	Ratio rate per square foot per year	Monthly rental rate
Upon Awarded through March 31, 2011	1.34	451.74
April 1, 2011 through March 31, 2012	1.37	460.78
April 1, 2012 through March 31, 2013	1.39	469.99
April 1, 2013 through March 31, 2014	1.42	479.39
April 1, 2014 through March 31, 2015	1.45	488.98

4.4 Payment shall be submitted by LICENSEE to:

City of San Antonio
Treasury Division
Central Billing Section
P.O. Box 839975
San Antonio, Texas 78283-3975

5. ACCEPTANCE AND CONDITION OF PREMISES

- 5.1 **LICENSEE** has had full opportunity to examine the Licensed Premises and acknowledges that there is in and about them nothing dangerous to life, limb or health and hereby waives any claim for damages that may arise from defects of that character after occupancy. **LICENSEE'S** taking possession of the Licensed Premises shall be conclusive evidence of **LICENSEE'S** acceptance thereof in good order and satisfactory condition, and **LICENSEE** hereby accepts the Licensed Premises in its present **AS IS, WHERE IS, WITH ALL FAULTS CONDITION as suitable for the purpose for which licensed, LICENSEE accepts the Licensed Premises with the full knowledge, understanding and agreement that CITY disclaims any warranty of suitability for LICENSEE'S intended commercial purposes.**
- 5.2 **LICENSEE** agrees that no representations respecting the condition of the Licensed Premises, and no promises to decorate, alter, repair or improve the Licensed Premises, either before or after the execution hereof, have been made by **CITY** or its agents to **LICENSEE** unless the same are contained herein or made a part hereof by specific reference herein.

6. UTILITIES

- 6.1 **LICENSEE** shall furnish and pay for all utilities, if any, that may be necessary for its operations as authorized herein on the Patio Display Licensed Premises. **LICENSEE** further agrees to pay all monthly charges associated with effective maintenance of said operation. Should connection or reconnection of any utility become necessary, **LICENSEE** agrees to pay any expenses.

7. IMPROVEMENTS

7.1 **LICENSEE** shall not construct, or allow to be constructed, any improvements or structures on the Licensed Premises nor shall **LICENSEE** make, or allow to be made, any alterations to the Licensed Premises without the prior written approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission (**HDRC**).

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.

- The first violation shall result in a written notice from **CITY**.
- For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

7.2 **LICENSEE** covenants that it shall not bind, or attempt to bind, **CITY** for the payment of any money in connection with the construction, repair, alteration, addition or reconstruction in, on or about the Licensed Premises. Further, **LICENSEE** agrees to remove, within thirty (30) calendar days after filing, by payment or provisions for bonding, any mechanic's or materialman's liens filed against the Licensed Premises and to indemnify **CITY** in connection with such liens to the extent of any damages, expenses, attorney's fees, or court costs incurred by **CITY**.

8. MAINTENANCE OF PROPERTY

8.1 **LICENSEE** shall, at all times, maintain the sidewalks adjacent to the Licensed Premises free from obstructions other than Displays for Merchandise sold by the business inside. **LICENSEE** shall keep the front of the business property neat and orderly, and if any tables or other fixed or movable property is placed in this area by **LICENSEE** it shall be organized so as not to create any tripping hazard or block the exit to the business in case of emergencies. **LICENSEE** shall not use any of said sidewalk area outside of the licensed patio display area in the exercise of privileges granted herein, except to pass to and from the Licensed Premises. **LICENSEE'S** use may at no time obstruct public access to the public right-of-way.

8.2 **LICENSEE** shall, at all times, keep or cause to be kept the Licensed Patio Display area free of litter, trash, paper, boxes and other waste and shall place same in standard trash containers in the appropriate locations and shall conform with all applicable garbage, sanitary and health regulations of the **CITY**. **LICENSEE** shall not place trash, garbage, waste, or any refuse generated at, on, or by **LICENSEE** within City owned or City Licensed dumpsters and/or trash containers.

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the

event of a violation.

- The first violation shall result in a written notice from CITY.
- For each of the next three violations TENANT shall pay CITY \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

8.3 **LICENSEE** shall be responsible for the condition of the Licensed Patio Display area. **LICENSEE** shall repair any damage to the Licensed Premises caused by **LICENSEE**, and shall maintain, or cause to be maintained, the Licensed Premises in a clean, neat, attractive and sanitary condition.

8.4 **LICENSEE** shall, at its sole expense, keep the Licensed Premises in good order, repair, and leasable condition at all times during the term hereof and shall promptly repair of all damages to the Licensed Premises or replace any broken fixtures or appurtenances within a reasonable period of time. All such repairs and replacements shall be subject to the approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards, or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. If **LICENSEE** does not promptly make such arrangements, **CITY** may, but is not required to, make such repairs and replacements and the costs paid or incurred by **CITY** for such repairs and replacements shall be deemed additional rent due and payable forthwith.

8.5 **LICENSEE** will, at the termination of this License Agreement, return the Licensed Premises to **CITY** in as good condition as at the commencement of the term hereof, usual wear and tear, acts of God, or unavoidable accident only accepted.

8.6 **LICENSEE** agrees to hold **CITY** harmless for any theft, damages or destruction of signs, goods and/or other property of **LICENSEE** both during the term of this License Agreement and as so left on the Licensed Premises after **LICENSEE** vacates the Patio Display Licensed Premises. If said signs, goods and any other property placed by **LICENSEE** upon the Licensed Premises are not removed by it after the close of business and the Licensed Patio Display area is vacated, then the **CITY** may remove same without further notice or liability therefore.

9. TAXES AND LICENSES

9.1 **LICENSEE** shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State and local taxes and fees which are now or may hereafter be levied upon the Licensed Premises, or upon **LICENSEE**, or upon the business conducted on the Licensed Premises, or upon any of **LICENSEE'S** property used in connection therewith; and shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by **LICENSEE**.

10. ASSIGNMENT AND SUBLETTING

10.1 Except as to the parent, subsidiary or similarly affiliated company, **LICENSEE** shall not assign this Patio Display License area, or allow same to be assigned by operation of law or otherwise, any part thereof without the prior written consent of **CITY**, which may be given only by or pursuant to an Ordinance enacted by the City Council of San Antonio, Texas. Any assignment by **LICENSEE** without such permission shall constitute an Event of Default. Subletting of any part of the Patio Display area is not authorized as part of this Patio Display License Agreement.

- 10.2 Without the prior written consent of **LICENSEE**, **CITY** shall have the right to transfer and assign, in whole or in part, any of its rights and obligations under this Patio Display License Agreement; and, to the extent that such assignee assumes **CITY'S** obligations hereunder, **CITY** shall, by virtue of such assignment, be reLicensed from such obligation.
- 10.3 The receipt by the **CITY** of rent from an assignee, or occupant of the Patio Display Licensed Premises shall not be deemed a waiver of the covenant in this License Agreement against assignment and/or an acceptance of the assignee, or occupant as a **LICENSEE**, or a reLicense of the **LICENSEE** from further observance or performance by the **LICENSEE** of the covenants contained in this Patio Display License Agreement. No provision of this License Agreement shall be deemed to have been waived by the **CITY** unless such waiver be in writing and signed by the **CITY**.

11. DISPLAY AREA

- 11.1 **LICENSEE'S** Patio Display Licensed Premises is an area adjacent to business but does not include any area outside of the licensed area as shown in **Exhibit A** attached hereto. **LICENSEE** may only use area adjacent to the store to display merchandise using acceptable display fixtures in this space. **LICENSEE** may not obstruct any entrance to the store with any type of display, counters, etc. **CITY** has the right to request the removal of display merchandise and fixtures, if **LICENSEE'S** display is not presentable, as determined by the Market Square Facilities Coordinator. **LICENSEE** must bring into his store any merchandise and display fixtures in said display space outside of store doors after closing each day. **LICENSEE** is not authorized to leave any merchandise or display fixtures in front of the **LICENSEE'S** store after closing.
- 11.2 The Display area **will not** be used for **SALES and placement of cash registers**. All sales will be processed inside of **LICENSEE'S** store.
- 11.3 **TENANT** understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.
- 11.4 **ENCROACHMENT** on the Common Area beyond the authorized Licensed Premises is not permitted, and violations of such will be fined at \$250.00 per day. More than two (2) repeat violations by **Tenant** in a twelve (12) month period shall be considered a condition of default and shall be grounds for License termination proceedings.

12. TERMINATIONS, DEFAULTS AND REMEDIES

- 12.1 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event this agreement is deemed to be inconsistent with the public use of the property.
- 12.2 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event the use of the premises shall have been deemed a nuisance by a court of competent jurisdiction.
- 12.3 In the event of termination in relation to 12.1 or 12.2 above, the **CITY** shall give **LICENSEE** notice in writing at least thirty (30) calendar days prior to the termination date.
- 12.4 **RENT** - Any Payment of rent received after the first (1st) day of the month will be considered late and will be considered an Event of Default by the following criteria:
- 12.4.1 Any rent not received by the tenth (10th) day of the month will be an Event of Default.
- 12.4.2 For the term of the agreement, **LICENSEE** may pay no more than two (2) payments of any type after the first (1st) day but no later than the tenth (10th) day of the month, with the addition of the late fee. The third (3rd) occurrence of any late payment will constitute an Event of Default.
- 12.4.3 Any payment after the first (1st) day is late; therefore, any payment received after the first (1st) day will be charged a late fee in the amount of \$50.00 per occurrence.
- 12.5 **DEFAULT WITHOUT AN OPPORTUNITY TO CURE.** The following events shall constitute Events of Default with no opportunity to cure:
- 12.5.1 Any rent not received by the tenth (10th) day of the month
- 12.5.2 The third (3rd) occurrence of any late payment;
- 12.5.3 Failure to comply with any and all Taxes and Licenses requirements as outlined **Article 9 TAXES AND LICENSES;**
- 12.5.4 Any assignment as specified in **Article 10 ASSIGNMENT AND SUBLETTING** not approved in writing by Ordinance by the City of San Antonio;
- 12.5.5 The subletting of any part of the Patio Display License area;
- 12.5.6 Encroachment unto the Common area beyond the authorized Licensed Patio Display area;
- 12.5.7 If **LICENSEE** fails to abide by the requirements of **Article 14 INSURANCE REQUIREMENTS** or allows the Insurance Certification to be cancelled without other approved Insurance replacement coverage. New or revised policy must overlap or immediately continue term of old policy. Expired policy must be replaced before

expiration date of current policy. Use of the Licensed Premises before **Approval** and **Acknowledgement** by the **City** of any new, revised, renewed or reinstated Certification;

- 12.5.8 The service of any food or beverages, in the Patio Display License area;
- 12.5.9 Live or recorded music and outdoor entertainment to customers or any prohibited use of premises
- 12.5.10 The fifth (5th) occurrence of any merchandise or display fixtures left in front **LICENSEE'S** store after closing;
- 12.5.11 The fifth (5th) occurrence of the use of premises for any display of Alcoholic Beverages, any goods and/or merchandise related to Alcoholic Beverages and any goods or merchandise with any reference or which depict any type of Illegal Drug or Obscenity;
- 12.5.12 The use of the premises for any type of **SALES**;
- 12.5.13 The third (3rd) occurrence of any particular failure as outlined in section 12.6.1 below.
- 12.5.14 The fifth (5th) occurrence of any particular failure as outlined in section 8 to include trash, boxes, bottles, garbage

12.6 DEFAULTS WITH AN OPPORTUNITY TO CURE:

- 12.6.1 **LICENSEE** shall fail to comply with any term, provision or covenant of this License Agreement and shall fail cure any such failure within three (3) calendar days of **CITY** providing notice of such failure, provided, however, in the event **LICENSEE** repeats any such particular failure twice more during the term of the contract then any such third failure shall constitute an Event of Default and there shall be no opportunity to cure.
- 12.7 Upon the occurrence of either an Event of Default without an opportunity to cure or an event of default for which **LICENSEE** has not satisfactorily cured within the allotted time period, as heretofore provided, **CITY** may, at its option, declare this License Agreement, and all rights and interests created by it, terminated. Upon **CITY** electing to terminate, this License Agreement shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof; or **CITY**, its agents or attorney may, at its option, resume possession of the Licensed Premises and re-let the same for the remainder of the original term for the best rent **CITY**, its agents or attorney may obtain for the account of **LICENSEE** without relieving **LICENSEE** of any liability hereunder as to rent or any other charges still due and owing in this License Agreement, or any extension thereof, as applicable. **LICENSEE** shall make good any deficiency.
 - 12.8 Any termination of this License Agreement as herein provided shall not relieve **LICENSEE** from the payment of any sum or sums that shall then be due and payable or become due and payable to **CITY** hereunder, or any claim for damages then or theretofore accruing against **LICENSEE** hereunder, and any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from **LICENSEE** for any default hereunder. All

rights, options and remedies of **CITY** contained in this License Agreement shall be cumulative of the other, and **CITY** shall have the right to pursue any one or all of such remedies or any other remedy or relief available at law or in equity, whether or not stated in this License Agreement. No waiver by **CITY** of a breach of any of the covenants, conditions or restrictions of this License Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction herein contained.

- 12.9 Upon any such expiration or termination of this License Agreement, **LICENSEE** shall quit and peacefully surrender the Licensed Premises to **CITY**, and **CITY**, upon or at any time after such expiration or termination, may, without further notice, enter upon and re-enter the Licensed Premises and possess and repossess itself thereof, by force, summary proceedings, ejection or otherwise, and may dispossess **LICENSEE** and remove **LICENSEE** and all other persons and property, including all signs, furniture, trade fixtures, and other personal property which may be disputed as to its status as fixtures, from the Licensed Premises, and such action by **CITY** shall not constitute **CITY'S** acceptance of abandonment and surrender of the Licensed Premises by **LICENSEE** nor prevent **CITY** from pursuing all legal remedies available to it.

13. INDEMNIFICATION

LICENSEE covenants and agrees to **FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the **CITY** directly or indirectly arising out of, resulting from or related to **LICENSEE'S** activities under this Agreement, including any acts or omissions of **LICENSEE**, any agent, officer, director, representative, employee, consultant or sub**LICENSEE** of **LICENSEE**, and their respective officers, agents employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of **CITY**, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT LICENSEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY**

AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LICENSEE shall advise the CITY in writing within 24 hours of any claim or demand against the CITY or LICENSEE known to LICENSEE related to or arising out of LICENSEE'S activities under this MEMORANDUM and shall see to the investigation and defense of such claim or demand at LICENSEE'S cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving LICENSEE of any of its obligations under this paragraph.

14. INSURANCE REQUIREMENTS

- 14.1 Prior to the commencement of any work under this **License Agreement**, LICENSEE shall furnish copies of all required endorsements and a completed Certificate(s) of Insurance to the **CITY'S** Downtown Operations Department, which shall be clearly labeled "Los Arcos Patio Display License Agreement" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The certificate(s) or form must have the agent's signature, including the signer's phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this **License Agreement** until such certificate and endorsements have been received and approved by the **CITY'S** Downtown Operations Department. No officer or employee, other than the **CITY'S** Risk Manager, shall have authority to waive this requirement.
- 14.2 The CITY reserves the right to review the insurance requirements of this Article during the effective period of this **License Agreement** and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by **CITY'S** Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this **License Agreement**. In no instance will CITY allow modification whereupon CITY may incur increased risk.
- 14.3 LICENSEE'S financial integrity is of interest to the CITY; therefore, subject to LICENSEE'S right to maintain reasonable deductibles in such amounts as are approved by the CITY, LICENSEE shall obtain and maintain in full force and effect for the duration of this **License Agreement**, and any extension hereof, at LICENSEE'S sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed:

	TYPE	AMOUNT
1.	Workers' Compensation and Employers Liability **	Statutory \$500,000/\$500,000/\$500,000
2.	Broad Form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/completed operations d. Personal Injury	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence and \$2,000,000.00 Aggregate, or its equivalent.
3.	Property Insurance: For physical damage to the property of LICENSEE , including improvements and betterment to the LICENSED PREMISES.	Coverage for a minimum of eighty percent (80%) of the Replacement Cost of LICENSEE'S property

** If Applicable.

- 14.4 As they apply to the limits required by the City, the **CITY** shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). **LICENSEE** shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to **CITY** at the address provided below within 10 days of the requested change. **LICENSEE** shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

- 14.5 **LICENSEE** agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:
- 14.5.1 Name the **CITY**, its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the **CITY**, with the exception of the workers' compensation and professional liability policies;
- 14.5.2 Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the **CITY** is an additional insured shown on the policy;

- 14.5.3 Workers' compensation, employers' liability and general liability policies will provide a waiver of subrogation in favor of the **CITY**.
- 14.5.4 Provide advance written notice directly to **CITY** of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.
- 14.6 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, **LICENSEE** shall provide a replacement Certificate of Insurance and applicable endorsements to **CITY**. **CITY** shall have the option to suspend **LICENSEE'S** performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this **License Agreement**.
- 14.7 If **LICENSEE** fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the **CITY** may initiate **License Agreement** termination proceedings on the first event of default. The **CITY** may upon **LICENSEE'S** failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the **CITY** shall have the right to order **LICENSEE** to stop the use of the Premises hereunder until **LICENSEE** demonstrates compliance with the requirements hereof.
- 14.8 Nothing herein contained shall be construed as limiting in any way the extent to which **LICENSEE** may be held responsible for payments of damages to persons or property resulting from **LICENSEE'S** or its subcontractors' performance of the work covered under this **License Agreement**.
- 14.9 It is agreed that **LICENSEE'S** insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this **License Agreement**.
- 14.10 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this **License Agreement** and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided.
- 14.11 **TENANT** understands and agrees that any failure to maintain insurance would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

15. RULES AND REGULATIONS

- 15.1 **LICENSEE** shall observe and comply with all laws and ordinances of the **CITY** affecting **LICENSEE'S** business.
- 15.1.1 This includes and is not limited to, the **CITY'S** noise ordinance and the provisions concerning operation of businesses in the Market Square Plaza of the City of San Antonio. **LICENSEE** shall not place speakers, amplified music or similar equipment on or near the Patio Display Licensed Premises or in any other location outside the adjacent enclosed building on any side of the licensed premises. **LICENSEE** shall comply with **CITY'S** laws pertaining to noise. **LICENSEE** agrees to comply with any requests by the **CITY'S** Park Police, Downtown Operations Department Staff, City Police Officers or noise abatement officers. Failure to comply with this section may constitute an Event of default.
- 15.1.2 No advertisements, signs, decorations and/or displays shall be placed in, on, or about the Licensed Patio Display Premises without the prior written approval of the **CITY** through the Director of Downtown Operations Department or her authorized representative and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. **LICENSEE** agrees to remove all signs from the Licensed Display Premises when **LICENSEE** vacates the Licensed Premises.
- 15.2 **LICENSEE** will be allowed to place only tables, racks and fixtures as approved by City on the demised premises. All furnishing will be removed from the Patio Display area during non-business hours.
- 15.3 No activity or method of operation shall be allowed in, on, or about the Licensed Premises, which exposes patrons thereof to nudity or to partial nudity. For the purposes of this provision, the following definitions apply:
- 15.3.1 Nudity means total absence of clothing or covering for the human body.
- 15.3.2 Partial nudity means exposure of the female breast or the exposure of the male or female pubic area or buttocks.
- 15.4 Any nudity as specified above will constitute a violation of this Article and result in an Event of Default.
- 15.5 The operation of a massage business, tanning salon, or gambling of any nature shall not be allowed in, on, or about the Patio Display Licensed Premises.
- 15.6 Discrimination on account of race, color, sex, age, handicap, or national origin, directly or indirectly, in employment, or in the use of or admission to the Licensed Patio Display Premises is prohibited.

- 15.7 **LICENSEE** shall not, except as may otherwise be permitted by applicable laws and regulations, pay less than the minimum wage required by Federal and State statutes and **CITY** ordinances to persons employed in its operations hereunder.
- 15.8 No provision of this License Agreement shall operate in any manner to prevent **CITY** from permitting displays, tournaments, amusements, or parades for the benefit of the public.
- 15.9 **CITY** park police, police officers and other safety personnel shall have the right of entry on and into the Licensed Premises as needed to investigate any circumstances, conditions, or person(s) that may appear to be suspicious. **LICENSEE** shall cooperate with all reasonable requests by such personnel to facilitate public safety and orderly conduct by persons at Market Square in San Antonio. **LICENSEE** expressly understands and agrees that **CITY** has not agreed to act and does not act as an insurer of **LICENSEE'S** property and does not guarantee security against theft, vandalism, or injury of whatever nature and kind to persons or property.
- 15.10 Other specific uses of Licensed Patio Display area are outlined in **Article 2**.

16. RESERVATIONS: CITY

- 16.1 **CITY** reserves the right to enter the Patio Display Licensed Premises at all reasonable times for the purpose of examining, inspecting or making repairs as herein provided. **LICENSEE** shall not be entitled to an abatement or reduction of rent by reason of such entry, nor shall said entry be deemed to be an actual or constructive eviction of **LICENSEE** from the Licensed Premises. Should construction or other activity by **CITY** prevent **LICENSEE'S** use of the Patio Display Licensed Premises for the purposes outlined herein for longer than ten (10) days, then this License Agreement shall be automatically extended for the same number of days **LICENSEE'S** use of Licensed Premises was denied or an abatement for the period **LICENSEE** was not able to use the premises may be considered but not both. The City will determine which resolution will be executed.

17. HOLDING OVER

- 17.1 Should **LICENSEE** hold over the Licensed Premises, or any part thereof, after the expiration or termination of the term of this License Agreement, unless otherwise agreed in writing, such holding over shall constitute and be construed as a tenancy from month to month only, at a rental equal to **One Hundred Twenty-Five percent (125%)** the amount of the rent paid for the last month of the term of this Patio Display License Agreement. The inclusion of the preceding sentence shall not be construed as **CITY'S** consent for the **LICENSEE** to hold over.

18. CONFLICT OF INTEREST

- 18.1 **LICENSEE** acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined therein, from having financial interest in any contract with the City or any City Agency, such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies, or service, if any of the following individual(s) or entities is a party to the contract or sale: A City officer or employee, or his parent, child, or spouse; a business entity in which the officer or employee, or his parent, child, or spouse owns

ten (10%) percent or more of the voting stock or shares of the business entity, or ten (10%) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

- 18.2 **LICENSEE** warrants and certifies, and this license is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of the City or any of its agencies such as city owned utilities

19. SEPARABILITY

- 19.1 If any clause or provision of this License Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this License Agreement, then and in that event it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it is also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

20. NOTICES

- 20.1 Notices to **CITY** required or appropriate under this License Agreement shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, and addressed to:

City of San Antonio
Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

City of San Antonio
City Clerk's Office
City Hall-Second Floor
P.O. Box 839966
San Antonio, Texas 78283-3966

or to such other address as may have been designated in writing by the City Manager of the CITY OF SAN ANTONIO from time to time.

Notices to **LICENSEE** shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, addressed to **LICENSEE** at:

**Ms. Sandra Diaz
d/b/a Los Arcos
206 Produce Row
San Antonio, Texas 78207**

or to such other address on file with the City Clerk as **LICENSEE** may provide in writing to **CITY**.

21. PARTIES BOUND

- 21.1 If there shall be more than one party designated as **LICENSEE** in this License Agreement, they shall each be bound jointly and severally hereunder.

- 21.2 The covenants and agreements herein contained shall inure to the benefit of and be binding upon the parties hereto; their respective heirs, legal representatives, successors, and such assigns as have been approved by CITY.

22. TEXAS LAW TO APPLY

- 22.1 **THIS LICENSE AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**

23. RELATIONSHIP OF PARTIES

- 23.1 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationships between the parties hereto other than that of **LICENSOR** and **LICENSEE**.

24. GENDER

- 24.1 Words of any gender used in this License Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

25. CAPTIONS

- 25.1 The captions contained in this License Agreement are for convenience of reference only and in no way limit or enlarge the terms and conditions of this License Agreement.

26. ENTIRE AGREEMENT/AMENDMENT

- 26.1 This License Agreement, together with its attached exhibits and the authorizing ordinance, in writing, constitutes the entire agreement between the parties, any other written or parole agreement with **CITY** being expressly waived by **LICENSEE**.
- 26.2 No amendment, modification, or alteration of the terms of this License Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.
- 26.3 It is understood that the Charter of the **CITY** requires that all contracts with the **CITY** be in writing and adopted by ordinance. All amendments also need approval evidenced by an ordinance.

27. ACKNOWLEDGEMENT OF READING

- 27.1 The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

28. AUTHORITY

28.1 If the signer of this License Agreement is an entity or other than an individual who is the **LICENSEE**, then the signer hereof for **LICENSEE** hereby represents and warrants that he or she has full authority to execute this License Agreement on behalf of **LICENSEE**.

WITNESS, the signature of the parties hereto in multiple originals, this, the _____ day of _____, 2010 (Commencement Date).

CITY OF SAN ANTONIO,
A Texas Municipal Corporation

LICENSEE:

Ms. Sandra Diaz
d/b/a Los Arcos

By: _____
Sheryl L. Sculley, City Manager


Ms. Sandra Diaz

ATTEST:

City Clerk

PO. BOX 681206
Address

APPROVED AS TO FORM:

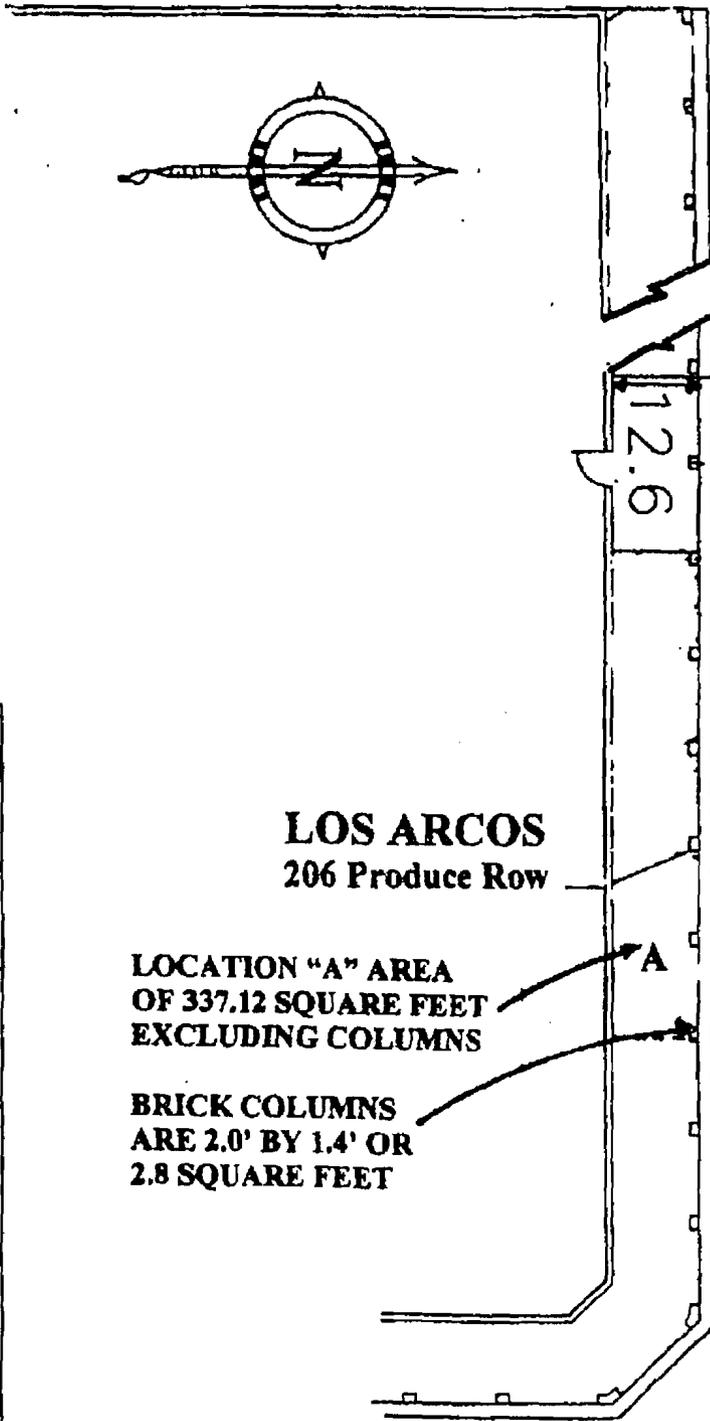
SAN ANTONIO TX 78268
City, State, and Zip Code

City Attorney

210 / 695-5552
Area Code/Telephone Number Residence

210 / 225-8382
Area Code/Telephone Number Business

N. San Saba Street



**Produce Row
Right of Wa**

LOS ARCOS
206 Produce Row

**LOCATION "A" AREA
OF 337.12 SQUARE FEET
EXCLUDING COLUMNS**

**BRICK COLUMNS
ARE 2.0' BY 1.4' OR
2.8 SQUARE FEET**

Concho Street - Right of Way

Date: 04-30-03 Date Revised: 05-05-03 N.C.B. 428 REVISED 04-30-04 TRENKELBACH, C.K. CHECKED BY:	CITY OF SAN ANTONIO PARK PROJECT SERVICES LOS ARCOS FULL SCALE & ORIENTATION MARKET SQUARE DWG. SHEET: 1 OF 1
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PATIO DISPLAY LICENSE AGREEMENT

Market Square Plaza

This License Agreement is made and entered into by and between the **CITY OF SAN ANTONIO**, a Texas Municipal Corporation, acting herein through its City Manager pursuant to Ordinance No. _____ passed and approved on the _____ day of _____, 2010, (hereinafter referred to as "**CITY**"), and **Ms. Petra Rivera Velazquez and Ms. Magali Velazquez d/b/a El Mercado Glass Factory** (hereinafter referred to as "**LICENSEE**"), acting by and through its duly authorized officers, WITNESSETH:

1. LICENSING OF PREMISES

- 1.1 **CITY**, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by **LICENSEE**, does hereby License to **LICENSEE**, and **LICENSEE** does hereby accept from **CITY** for the term hereinafter set out, the real property owned by the **CITY** at **110 Produce Row**, San Antonio, Bexar County, Texas, 78207 within the area commonly known as Market Square as outlined on the drawing which is attached hereto as **Exhibit A** and incorporated by reference herein for the purposes of this License Agreement, the same as if fully copied and set forth at length. Said real property and improvements (hereinafter referred to as the Licensed Premises) are further described as follows: Patio Display License area is adjacent to the front of the building at **110 Produce Row** in Market Square, San Antonio, Texas 78207 identified in **Exhibit A** for a total area of 165.2 square feet.

2. USE OF PREMISES

- 2.1 **CITY** hereby agrees to permit **LICENSEE** use of above described **CITY**-owned property located at **110 Produce Row, at Market Square Plaza in San Antonio, Bexar County, Texas 78207.**
- 2.2 **Permitted Uses:**
- 2.2.1 May be used for the sole purpose of outdoor display of goods sold in the store by **Ms. Petra Rivera Velazquez and Ms. Magali Velazquez d/b/a El Mercado Glass Factory**, in accordance with applicable statutes, laws, ordinances, rules and regulations of the United States, the State of Texas and the City of San Antonio, Texas.
- 2.3 **Prohibited Uses:**
- 2.3.1 The use of this area for any **SALES and placement of cash registers.**
- 2.3.2 **LICENSEE** shall not be allowed to provide entertainment to its customers in any form to include live or recorded music.
- 2.3.3 The use of the area for the display of any Alcoholic Goods and/or merchandise that has any reference or depicts any type of Illegal Drug or obscenity.
- 2.3.4 The service of food and/or alcoholic beverages in the Patio License Area.
- 2.3.5 Any use prohibited by law including any Ordinances of the City of San Antonio.
- 2.4 **CITY'S** Reservation of Rights - In addition to the **CITY'S** Reservations set out in **Article 16** and other sections of the License Agreement, **CITY** reserves the right to a public right-of-way along

the common sidewalk area to follow a path designated by the **CITY** for safe passage by pedestrians and further described by the diagram attached hereto and incorporated herein as **Exhibit A. LICENSEE** shall keep said right of way free of obstructions in the form of either fixed or movable objects and shall not allow patrons to queue, or wait for entrance into **LICENSEE'S** business establishment, in said public right of way.

- 2.5 **TENANT** understands and agrees that any violation of the above use of premises and stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for termination of License without opportunity to cure.

3. TERM AND EXPIRATION DATE

- 3.1 The term of this License Agreement is for a period beginning upon Commencement Date (as per Section 28 herein) and ending on March 31, 2015 unless sooner terminated as provided in this License.
- 3.2 **EITHER PARTY** may cancel this License by giving thirty Calendars (30) days written notice to **OTHER PARTY PER SECTION 20, NOTICES**.

4. RENTAL

- 4.1 **LICENSEE** shall pay rental in either one lump sum in advance for Annual Payment or in monthly installments **in advance, on, or before the first day of each month** in accordance with the following payment schedule. **Any payment of rent or other charges and fees received after the first (1st) day of the month will be considered late.**
- 4.2 Notwithstanding any other provision herein to the contrary, the monthly rental for the period beginning on Commencement Date through March 31, 2011 shall be **\$1.34** per square foot per month. The rental calculation is **\$1.34** per square foot times **165.20** square feet of the Licensed Patio Display Premises. This equals to monthly installments in the amount of **\$221.37** in advance on or before the first (1st) day of each month.
- 4.3 For the succeeding twelve (12) month periods during the term of this License Agreement, the monthly rental shall be adjusted by **2%** for each year as follows:

License Year	Ratio rate per Square Footage	Monthly rental rate
Upon Awarded through March 31, 2011	1.34	221.37
April 1, 2011 through March 31, 2012	1.37	225.80
April 1, 2012 through March 31, 2013	1.39	230.31
April 1, 2013 through March 31, 2014	1.42	234.92
April 1, 2014 through March 31, 2015	1.45	239.62

4.4 Payment shall be submitted by **LICENSEE** to:

**City of San Antonio
Treasury Division
Central Billing Section
P.O. Box 839975
San Antonio, Texas 78283-3975**

5. ACCEPTANCE AND CONDITION OF PREMISES

- 5.1 **LICENSEE** has had full opportunity to examine the Licensed Premises and acknowledges that there is in and about them nothing dangerous to life, limb or health and hereby waives any claim for damages that may arise from defects of that character after occupancy. **LICENSEE'S** taking possession of the Licensed Premises shall be conclusive evidence of **LICENSEE'S** acceptance thereof in good order and satisfactory condition, and **LICENSEE** hereby accepts the Licensed Premises in its present **AS IS, WHERE IS, WITH ALL FAULTS CONDITION as suitable for the purpose for which licensed, LICENSEE accepts the Licensed Premises with the full knowledge, understanding and agreement that CITY disclaims any warranty of suitability for LICENSEE'S intended commercial purposes.**
- 5.2 **LICENSEE** agrees that no representations respecting the condition of the Licensed Premises, and no promises to decorate, alter, repair or improve the Licensed Premises, either before or after the execution hereof, have been made by **CITY** or its agents to **LICENSEE** unless the same are contained herein or made a part hereof by specific reference herein.

6. UTILITIES

- 6.1 **LICENSEE** shall furnish and pay for all utilities, if any, that may be necessary for its operations as authorized herein on the Patio Display Licensed Premises. **LICENSEE** further agrees to pay all monthly charges associated with effective maintenance of said operation. Should connection or reconnection of any utility become necessary, **LICENSEE** agrees to pay any expenses.

7. IMPROVEMENTS

- 7.1 **LICENSEE** shall not construct, or allow to be constructed, any improvements or structures on the Licensed Premises nor shall **LICENSEE** make, or allow to be made, any alterations to the Licensed Premises without the prior written approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the **Historic and Design Review Commission (HDRC)**.

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.

- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations TENANT shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.
- 7.2 **LICENSEE** covenants that it shall not bind, or attempt to bind, **CITY** for the payment of any money in connection with the construction, repair, alteration, addition or reconstruction in, on or about the Licensed Premises. Further, **LICENSEE** agrees to remove, within thirty (30) calendar days after filing, by payment or provisions for bonding, any mechanic's or materialman's liens filed against the Licensed Premises and to indemnify **CITY** in connection with such liens to the extent of any damages, expenses, attorney's fees, or court costs incurred by **CITY**.

8. MAINTENANCE OF PROPERTY

- 8.1 **LICENSEE** shall, at all times, maintain the sidewalks adjacent to the Licensed Premises free from obstructions other than Displays for Merchandise sold by the business inside. **LICENSEE** shall keep the front of the business property neat and orderly, and if any tables or other fixed or movable property is placed in this area by **LICENSEE** it shall be organized so as not to create any tripping hazard or block the exit to the business in case of emergencies. **LICENSEE** shall not use any of said sidewalk area outside of the licensed patio display area in the exercise of privileges granted herein, except to pass to and from the Licensed Premises. **LICENSEE'S** use may at no time obstruct public access to the public right-of-way.
- 8.2 **LICENSEE** shall, at all times, keep or cause to be kept the Licensed Patio Display area free of litter, trash, paper, boxes and other waste and shall place same in standard trash containers in the appropriate locations and shall conform with all applicable garbage, sanitary and health regulations of the **CITY**. **LICENSEE** shall not place trash, garbage, waste, or any refuse generated at, on, or by **LICENSEE** within City owned or City Licensed dumpsters and/or trash containers.

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the

event of a violation.

- The first violation shall result in a written notice from CITY.
- For each of the next three violations TENANT shall pay CITY \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 8.3 **LICENSEE** shall be responsible for the condition of the Licensed Patio Display area. **LICENSEE** shall repair any damage to the Licensed Premises caused by **LICENSEE**, and shall maintain, or cause to be maintained, the Licensed Premises in a clean, neat, attractive and sanitary condition.
- 8.4 **LICENSEE** shall, at its sole expense, keep the Licensed Premises in good order, repair, and leasable condition at all times during the term hereof and shall promptly repair of all damages to the Licensed Premises or replace any broken fixtures or appurtenances within a reasonable period of time. All such repairs and replacements shall be subject to the approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards, or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. If **LICENSEE** does not promptly make such arrangements, **CITY** may, but is not required to, make such repairs and replacements and the costs paid or incurred by **CITY** for such repairs and replacements shall be deemed additional rent due and payable forthwith.
- 8.5 **LICENSEE** will, at the termination of this License Agreement, return the Licensed Premises to **CITY** in as good condition as at the commencement of the term hereof, usual wear and tear, acts of God, or unavoidable accident only accepted.
- 8.6 **LICENSEE** agrees to hold **CITY** harmless for any theft, damages or destruction of signs, goods and/or other property of **LICENSEE** both during the term of this License Agreement and as so left on the Licensed Premises after **LICENSEE** vacates the Patio Display Licensed Premises. If said signs, goods and any other property placed by **LICENSEE** upon the Licensed Premises are not removed by it after the close of business and the Licensed Patio Display area is vacated, then the **CITY** may remove same without further notice or liability therefore.

9. TAXES AND LICENSES

- 9.1 **LICENSEE** shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State and local taxes and fees which are now or may hereafter be levied upon the Licensed Premises, or upon **LICENSEE**, or upon the business conducted on the Licensed Premises, or upon any of **LICENSEE'S** property used in connection therewith; and shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by **LICENSEE**.

10. ASSIGNMENT AND SUBLETTING

- 10.1 Except as to the parent, subsidiary or similarly affiliated company, **LICENSEE** shall not assign this Patio Display License area, or allow same to be assigned by operation of law or otherwise, any part thereof without the prior written consent of **CITY**, which may be given only by or pursuant to an Ordinance enacted by the City Council of San Antonio, Texas. Any assignment by **LICENSEE** without such permission shall constitute an Event of Default. Subletting of any part of the Patio Display area is not authorized as part of this Patio Display License Agreement.

- 10.2 Without the prior written consent of **LICENSEE**, **CITY** shall have the right to transfer and assign, in whole or in part, any of its rights and obligations under this Patio Display License Agreement; and, to the extent that such assignee assumes **CITY'S** obligations hereunder, **CITY** shall, by virtue of such assignment, be reLicensed from such obligation.
- 10.3 The receipt by the **CITY** of rent from an assignee, or occupant of the Patio Display Licensed Premises shall not be deemed a waiver of the covenant in this License Agreement against assignment and/or an acceptance of the assignee, or occupant as a **LICENSEE**, or a reLicense of the **LICENSEE** from further observance or performance by the **LICENSEE** of the covenants contained in this Patio Display License Agreement. No provision of this License Agreement shall be deemed to have been waived by the **CITY** unless such waiver be in writing and signed by the **CITY**.

11. DISPLAY AREA

- 11.1 **LICENSEE'S** Patio Display Licensed Premises is an area adjacent to business but does not include any area outside of the licensed area as shown in **Exhibit A** attached hereto. **LICENSEE** may only use area adjacent to the store to display merchandise using acceptable display fixtures in this space. **LICENSEE** may not obstruct any entrance to the store with any type of display, counters, etc. **CITY** has the right to request the removal of display merchandise and fixtures, if **LICENSEE'S** display is not presentable, as determined by the Market Square Facilities Coordinator. **LICENSEE** must bring into his store any merchandise and display fixtures in said display space outside of store doors after closing each day. **LICENSEE** is not authorized to leave any merchandise or display fixtures in front of the **LICENSEE'S** store after closing.
- 11.2 The Display area **will not** be used for **SALES and placement of cash registers**. All sales will be processed inside of **LICENSEE'S** store.
- 11.3 **TENANT** understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.
- 11.4 **ENCROACHMENT** on the Common Area beyond the authorized Licensed Premises is not permitted, and violations of such will be fined at \$250.00 per day. More than two (2) repeat violations by **Tenant** in a twelve (12) month period shall be considered a condition of default and shall be grounds for License termination proceedings.

12. TERMINATIONS, DEFAULTS AND REMEDIES

- 12.1 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event this agreement is deemed to be inconsistent with the public use of the property.
- 12.2 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event the use of the premises shall have been deemed a nuisance by a court of competent jurisdiction.
- 12.3 In the event of termination in relation to 12.1 or 12.2 above, the **CITY** shall give **LICENSEE** notice in writing at least thirty (30) calendar days prior to the termination date.
- 12.4 **RENT** - Any Payment of rent received after the first (1st) day of the month will be considered late and will be considered an Event of Default by the following criteria:
- 12.4.1 Any rent not received by the tenth (10th) day of the month will be an Event of Default.
- 12.4.2 For the term of the agreement, **LICENSEE** may pay no more than two (2) payments of any type after the first (1st) day but no later than the tenth (10th) day of the month, with the addition of the late fee. The third (3rd) occurrence of any late payment will constitute an Event of Default.
- 12.4.3 Any payment after the first (1st) day is late; therefore, any payment received after the first (1st) day will be charged a late fee in the amount of \$50.00 per occurrence.
- 12.5 **DEFAULT WITHOUT AN OPPORTUNITY TO CURE.** The following events shall constitute Events of Default with no opportunity to cure:
- 12.5.1 Any rent not received by the tenth (10th) day of the month
- 12.5.2 The third (3rd) occurrence of any late payment;
- 12.5.3 Failure to comply with any and all Taxes and Licenses requirements as outlined **Article 9 TAXES AND LICENSES;**
- 12.5.4 Any assignment as specified in **Article 10 ASSIGNMENT AND SUBLETTING** not approved in writing by Ordinance by the City of San Antonio;
- 12.5.5 The subletting of any part of the Patio Display License area;
- 12.5.6 Encroachment unto the Common area beyond the authorized Licensed Patio Display area;
- 12.5.7 If **LICENSEE** fails to abide by the requirements of **Article 14 INSURANCE REQUIREMENTS** or allows the Insurance Certification to be cancelled without other approved Insurance replacement coverage. New or revised policy must overlap or immediately continue term of old policy. Expired policy must be replaced before

expiration date of current policy. Use of the Licensed Premises before **Approval** and **Acknowledgement** by the **City** of any new, revised, renewed or reinstated Certification;

- 12.5.8 The service of any food or beverages, in the Patio Display License area;
 - 12.5.9 Live or recorded music and outdoor entertainment to customers or any prohibited use of premises
 - 12.5.10 The fifth (5th) occurrence of any merchandise or display fixtures left in front **LICENSEE'S** store after closing;
 - 12.5.11 The fifth (5th) occurrence of the use of premises for any display of Alcoholic Beverages, any goods and/or merchandise related to Alcoholic Beverages and any goods or merchandise with any reference or which depict any type of Illegal Drug or Obscenity;
 - 12.5.12 The use of the premises for any type of **SALES**;
 - 12.5.13 The third (3rd) occurrence of any particular failure as outlined in section 12.6.1 below.
 - 12.5.14 The fifth (5th) occurrence of any particular failure as outlined in section 8 to include trash, boxes, bottles, garbage
- 12.6 **DEFAULTS WITH AN OPPORTUNITY TO CURE:**
- 12.6.1 **LICENSEE** shall fail to comply with any term, provision or covenant of this License Agreement and shall fail cure any such failure within three (3) calendar days of **CITY** providing notice of such failure, provided, however, in the event **LICENSEE** repeats any such particular failure twice more during the term of the contract then any such third failure shall constitute an Event of Default and there shall be no opportunity to cure.
- 12.7 Upon the occurrence of either an Event of Default without an opportunity to cure or an event of default for which **LICENSEE** has not satisfactorily cured within the allotted time period, as heretofore provided, **CITY** may, at its option, declare this License Agreement, and all rights and interests created by it, terminated. Upon **CITY** electing to terminate, this License Agreement shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof; or **CITY**, its agents or attorney may, at its option, resume possession of the Licensed Premises and re-let the same for the remainder of the original term for the best rent **CITY**, its agents or attorney may obtain for the account of **LICENSEE** without relieving **LICENSEE** of any liability hereunder as to rent or any other charges still due and owing in this License Agreement, or any extension thereof, as applicable. **LICENSEE** shall make good any deficiency.
- 12.8 Any termination of this License Agreement as herein provided shall not relieve **LICENSEE** from the payment of any sum or sums that shall then be due and payable or become due and payable to **CITY** hereunder, or any claim for damages then or theretofore accruing against **LICENSEE** hereunder, and any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from **LICENSEE** for any default hereunder. All

rights, options and remedies of **CITY** contained in this License Agreement shall be cumulative of the other, and **CITY** shall have the right to pursue any one or all of such remedies or any other remedy or relief available at law or in equity, whether or not stated in this License Agreement. No waiver by **CITY** of a breach of any of the covenants, conditions or restrictions of this License Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction herein contained.

- 12.9 Upon any such expiration or termination of this License Agreement, **LICENSEE** shall quit and peacefully surrender the Licensed Premises to **CITY**, and **CITY**, upon or at any time after such expiration or termination, may, without further notice, enter upon and re-enter the Licensed Premises and possess and repossess itself thereof, by force, summary proceedings, ejectment or otherwise, and may dispossess **LICENSEE** and remove **LICENSEE** and all other persons and property, including all signs, furniture, trade fixtures, and other personal property which may be disputed as to its status as fixtures, from the Licensed Premises, and such action by **CITY** shall not constitute **CITY'S** acceptance of abandonment and surrender of the Licensed Premises by **LICENSEE** nor prevent **CITY** from pursuing all legal remedies available to it.

13. INDEMNIFICATION

LICENSEE covenants and agrees to **FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the **CITY** directly or indirectly arising out of, resulting from or related to **LICENSEE'S** activities under this Agreement, including any acts or omissions of **LICENSEE**, any agent, officer, director, representative, employee, consultant or sub**LICENSEE** of **LICENSEE**, and their respective officers, agents employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of **CITY**, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT LICENSEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY**

AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LICENSEE shall advise the CITY in writing within 24 hours of any claim or demand against the CITY or LICENSEE known to LICENSEE related to or arising out of LICENSEE'S activities under this MEMORANDUM and shall see to the investigation and defense of such claim or demand at LICENSEE'S cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving LICENSEE of any of its obligations under this paragraph.

14. INSURANCE REQUIREMENTS

- 14.1 Prior to the commencement of any work under this **License Agreement**, LICENSEE shall furnish copies of all required endorsements and a completed Certificate(s) of Insurance to the **CITY'S** Downtown Operations Department, which shall be clearly labeled "*El Mercado Glass Factory Patio Display License Agreement*" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The **CITY** will not accept Memorandum of Insurance or Binders as proof of insurance. The certificate(s) or form must have the agent's signature, including the signer's phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the **CITY**. The **CITY** shall have no duty to pay or perform under this **License Agreement** until such certificate and endorsements have been received and approved by the **CITY'S** Downtown Operations Department. No officer or employee, other than the **CITY'S** Risk Manager, shall have authority to waive this requirement.
- 14.2 The **CITY** reserves the right to review the insurance requirements of this Article during the effective period of this **License Agreement** and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by **CITY'S** Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this **License Agreement**. In no instance will **CITY** allow modification whereupon **CITY** may incur increased risk.
- 14.3 LICENSEE'S financial integrity is of interest to the **CITY**; therefore, subject to LICENSEE'S right to maintain reasonable deductibles in such amounts as are approved by the **CITY**, LICENSEE shall obtain and maintain in full force and effect for the duration of this **License Agreement**, and any extension hereof, at LICENSEE'S sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed:

	TYPE	AMOUNT
1.	Workers' Compensation and Employers Liability **	Statutory \$500,000/\$500,000/\$500,000
2.	Broad Form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/completed operations d. Personal Injury	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence and \$2,000,000.00 Aggregate, or its equivalent.
3.	Property Insurance: For physical damage to the property of LICENSEE , including improvements and betterment to the LICENSED PREMISES .	Coverage for a minimum of eighty percent (80%) of the Replacement Cost of LICENSEE'S property

** If Applicable.

- 14.4 As they apply to the limits required by the City, the **CITY** shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). **LICENSEE** shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to **CITY** at the address provided below within 10 days of the requested change. **LICENSEE** shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

- 14.5 **LICENSEE** agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:
- 14.5.1 Name the **CITY**, its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the **CITY**, with the exception of the workers' compensation and professional liability policies;
- 14.5.2 Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the **CITY** is an additional insured shown on the policy;

- 14.5.3 Workers' compensation, employers' liability and general liability policies will provide a waiver of subrogation in favor of the **CITY**.
- 14.5.4 Provide advance written notice directly to **CITY** of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.
- 14.6 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, **LICENSEE** shall provide a replacement Certificate of Insurance and applicable endorsements to **CITY**. **CITY** shall have the option to suspend **LICENSEE'S** performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this **License Agreement**.
- 14.7 If **LICENSEE** fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the **CITY** may initiate **License Agreement** termination proceedings on the first event of default. The **CITY** may upon **LICENSEE'S** failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the **CITY** shall have the right to order **LICENSEE** to stop the use of the Premises hereunder until **LICENSEE** demonstrates compliance with the requirements hereof.
- 14.8 Nothing herein contained shall be construed as limiting in any way the extent to which **LICENSEE** may be held responsible for payments of damages to persons or property resulting from **LICENSEE'S** or its subcontractors' performance of the work covered under this **License Agreement**.
- 14.9 It is agreed that **LICENSEE'S** insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this **License Agreement**.
- 14.10 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this **License Agreement** and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided.
- 14.11 **TENANT** understands and agrees that any failure to maintain insurance would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

15. RULES AND REGULATIONS

- 15.1 **LICENSEE** shall observe and comply with all laws and ordinances of the **CITY** affecting **LICENSEE'S** business.
- 15.1.1 This includes and is not limited to, the **CITY'S** noise ordinance and the provisions concerning operation of businesses in the Market Square Plaza of the City of San Antonio. **LICENSEE** shall not place speakers, amplified music or similar equipment on or near the Patio Display Licensed Premises or in any other location outside the adjacent enclosed building on any side of the licensed premises. **LICENSEE** shall comply with **CITY'S** laws pertaining to noise. **LICENSEE** agrees to comply with any requests by the **CITY'S** Park Police, Downtown Operations Department Staff, City Police Officers or noise abatement officers. Failure to comply with this section may constitute an Event of default.
- 15.1.2 No advertisements, signs, decorations and/or displays shall be placed in, on, or about the Licensed Patio Display Premises without the prior written approval of the **CITY** through the Director of Downtown Operations Department or her authorized representative and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. **LICENSEE** agrees to remove all signs from the Licensed Display Premises when **LICENSEE** vacates the Licensed Premises.
- 15.2 **LICENSEE** will be allowed to place only tables, racks and fixtures as approved by City on the demised premises. All furnishing will be removed from the Patio Display area during non-business hours.
- 15.3 No activity or method of operation shall be allowed in, on, or about the Licensed Premises, which exposes patrons thereof to nudity or to partial nudity. For the purposes of this provision, the following definitions apply:
- 15.3.1 Nudity means total absence of clothing or covering for the human body.
- 15.3.2 Partial nudity means exposure of the female breast or the exposure of the male or female pubic area or buttocks.
- 15.4 Any nudity as specified above will constitute a violation of this Article and result in an Event of Default.
- 15.5 The operation of a massage business, tanning salon, or gambling of any nature shall not be allowed in, on, or about the Patio Display Licensed Premises.
- 15.6 Discrimination on account of race, color, sex, age, handicap, or national origin, directly or indirectly, in employment, or in the use of or admission to the Licensed Patio Display Premises is prohibited.

- 15.7 **LICENSEE** shall not, except as may otherwise be permitted by applicable laws and regulations, pay less than the minimum wage required by Federal and State statutes and **CITY** ordinances to persons employed in its operations hereunder.
- 15.8 No provision of this License Agreement shall operate in any manner to prevent **CITY** from permitting displays, tournaments, amusements, or parades for the benefit of the public.
- 15.9 **CITY** park police, police officers and other safety personnel shall have the right of entry on and into the Licensed Premises as needed to investigate any circumstances, conditions, or person(s) that may appear to be suspicious. **LICENSEE** shall cooperate with all reasonable requests by such personnel to facilitate public safety and orderly conduct by persons at Market Square in San Antonio. **LICENSEE** expressly understands and agrees that **CITY** has not agreed to act and does not act as an insurer of **LICENSEE'S** property and does not guarantee security against theft, vandalism, or injury of whatever nature and kind to persons or property.
- 15.10 Other specific uses of Licensed Patio Display area are outlined in **Article 2**.

16. RESERVATIONS: CITY

- 16.1 **CITY** reserves the right to enter the Patio Display Licensed Premises at all reasonable times for the purpose of examining, inspecting or making repairs as herein provided. **LICENSEE** shall not be entitled to an abatement or reduction of rent by reason of such entry, nor shall said entry be deemed to be an actual or constructive eviction of **LICENSEE** from the Licensed Premises. Should construction or other activity by **CITY** prevent **LICENSEE'S** use of the Patio Display Licensed Premises for the purposes outlined herein for longer than ten (10) days, then this License Agreement shall be automatically extended for the same number of days **LICENSEE'S** use of Licensed Premises was denied or an abatement for the period **LICENSEE** was not able to use the premises may be considered but not both. The City will determine which resolution will be executed.

17. HOLDING OVER

- 17.1 Should **LICENSEE** hold over the Licensed Premises, or any part thereof, after the expiration or termination of the term of this License Agreement, unless otherwise agreed in writing, such holding over shall constitute and be construed as a tenancy from month to month only, at a rental equal to **One Hundred Twenty-Five percent (125%)** the amount of the rent paid for the last month of the term of this Patio Display License Agreement. The inclusion of the preceding sentence shall not be construed as **CITY'S** consent for the **LICENSEE** to hold over.

18. CONFLICT OF INTEREST

- 18.1 **LICENSEE** acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined therein, from having financial interest in any contract with the City or any City Agency, such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies, or service, if any of the following individual(s) or entities is a party to the contract or sale: A City officer or employee, or his parent, child, or spouse; a business entity in which the officer or employee, or his parent, child, or spouse owns

ten (10%) percent or more of the voting stock or shares of the business entity, or ten (10%) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

- 18.2 **LICENSEE** warrants and certifies, and this license is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of the City or any of its agencies such as city owned utilities

19. SEPARABILITY

- 19.1 If any clause or provision of this License Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this License Agreement, then and in that event it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it is also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

20. NOTICES

- 20.1 Notices to **CITY** required or appropriate under this License Agreement shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, and addressed to:

City of San Antonio
Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

City of San Antonio
City Clerk's Office
City Hall-Second Floor
P.O. Box 839966
San Antonio, Texas 78283-3966

or to such other address as may have been designated in writing by the City Manager of the CITY OF SAN ANTONIO from time to time.

Notices to **LICENSEE** shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, addressed to **LICENSEE** at:

**Ms. Petra Rivera Velazquez
And Ms. Magali Velazquez
d/b/a El Mercado Glass Factory
110 Produce Row
San Antonio, Texas 78207**

or to such other address on file with the City Clerk as **LICENSEE** may provide in writing to **CITY**.

21. PARTIES BOUND

- 21.1 If there shall be more than one party designated as **LICENSEE** in this License Agreement, they shall each be bound jointly and severally hereunder.

- 21.2 The covenants and agreements herein contained shall inure to the benefit of and be binding upon the parties hereto; their respective heirs, legal representatives, successors, and such assigns as have been approved by **CITY**.

22. TEXAS LAW TO APPLY

- 22.1 **THIS LICENSE AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**

23. RELATIONSHIP OF PARTIES

- 23.1 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationships between the parties hereto other than that of **LICENSOR** and **LICENSEE**.

24. GENDER

- 24.1 Words of any gender used in this License Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

25. CAPTIONS

- 25.1 The captions contained in this License Agreement are for convenience of reference only and in no way limit or enlarge the terms and conditions of this License Agreement.

26. ENTIRE AGREEMENT/AMENDMENT

- 26.1 This License Agreement, together with its attached exhibits and the authorizing ordinance, in writing, constitutes the entire agreement between the parties, any other written or parole agreement with **CITY** being expressly waived by **LICENSEE**.
- 26.2 No amendment, modification, or alteration of the terms of this License Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.
- 26.3 It is understood that the Charter of the **CITY** requires that all contracts with the **CITY** be in writing and adopted by ordinance. All amendments also need approval evidenced by an ordinance.

27. ACKNOWLEDGEMENT OF READING

- 27.1 The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

28. AUTHORITY

28.1 If the signer of this License Agreement is an entity or other than an individual who is the LICENSEE, then the signer hereof for LICENSEE hereby represents and warrants that he or she has full authority to execute this License Agreement on behalf of LICENSEE.

WITNESS, the signature of the parties hereto in multiple originals, this, the _____ day of _____, 2010 (Commencement Date).

CITY OF SAN ANTONIO,
A Texas Municipal Corporation

By: _____
Sheryl L. Sculley, City Manager

ATTEST:

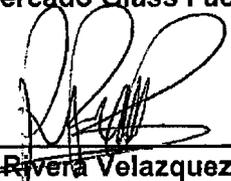
City Clerk

APPROVED AS TO FORM:

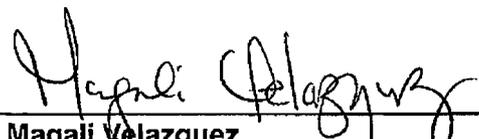
City Attorney

LICENSEE:

Ms. Petra Rivera Velazquez and
Ms. Magali Velazquez
d/b/a El Mercado Glass Factory



Ms. Petra Rivera Velazquez



Ms. Magali Velazquez

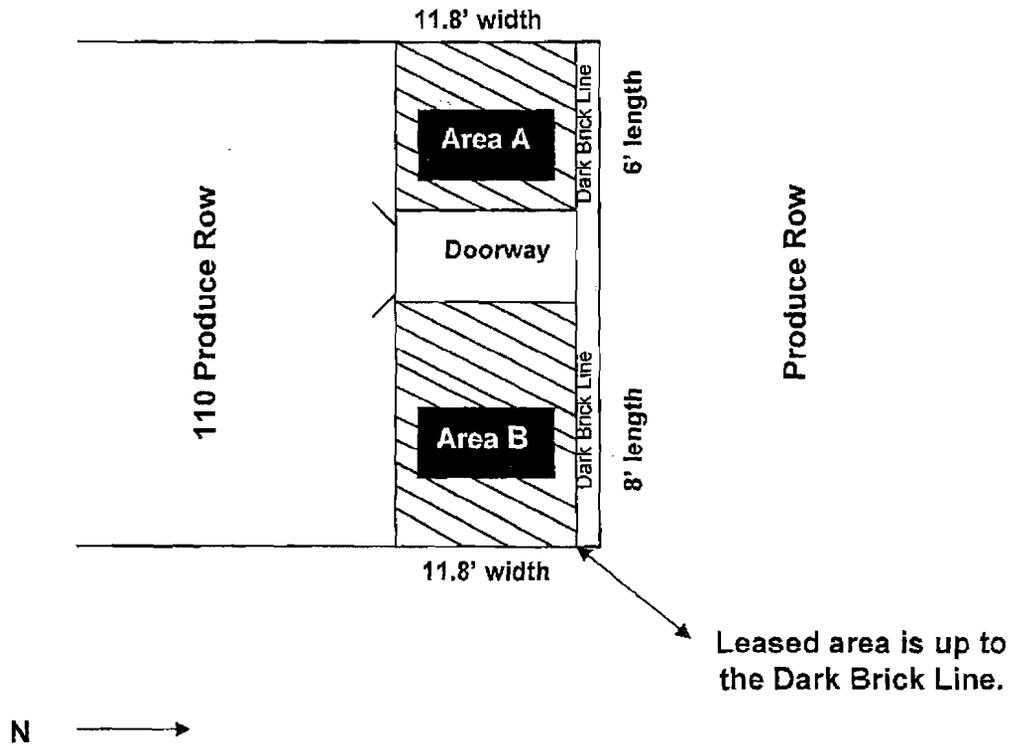
218 Lundblade LN
Address

San Antonio TX 78213
City, State, and Zip Code

210-349-1083
Area Code/Telephone Number Residence

210-223-0411
Area Code/Telephone Number Business

Exhibit A
El Mercado Glass Factory
(Not to scale)



El Mercado Glass Factory = two areas

Area A =

6' length X 11.8' width

Total Area A = 70.8 square feet

Area B =

8' length X 11.8' width

Total Area B = 94.4 square feet

Total square footage for Areas A and B = 165.2

PATIO DISPLAY LICENSE AGREEMENT

Market Square Plaza

This License Agreement is made and entered into by and between the **CITY OF SAN ANTONIO**, a Texas Municipal Corporation, acting herein through its City Manager pursuant to Ordinance No. _____ passed and approved on the _____ day of _____, 2010, (hereinafter referred to as "**CITY**"), and **Mr. Jesus Valenzuela d/b/a Viriana's Jewelry and Crafts** (hereinafter referred to as "**LICENSEE**"), acting by and through its duly authorized officers, WITNESSETH:

1. LICENSING OF PREMISES

1.1 **CITY**, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by **LICENSEE**, does hereby License to **LICENSEE**, and **LICENSEE** does hereby accept from **CITY** for the term hereinafter set out, the real property owned by the **CITY** at **112 C Produce Row**, San Antonio, Bexar County, Texas, 78207 within the area commonly known as Market Square as outlined on the drawing which is attached hereto as **Exhibit A** and incorporated by reference herein for the purposes of this License Agreement, the same as if fully copied and set forth at length. Said real property and improvements (hereinafter referred to as the Licensed Premises) are further described as follows: Patio Display License area is adjacent to the front of the building at **112 C Produce Row** in Market Square, San Antonio, Texas 78207 identified in **Exhibit A** for a total area of 213.75 square feet.

2. USE OF PREMISES

2.1 **CITY** hereby agrees to permit **LICENSEE** use of above described **CITY**-owned property located at **112 Produce Row, at Market Square Plaza in San Antonio, Bexar County, Texas 78207**.

2.2 Permitted Uses:

2.2.1 May be used for the sole purpose of outdoor display of goods sold in the store by **Mr. Jesus Valenzuela d/b/a Viriana's Jewelry and Crafts**, in accordance with applicable statutes, laws, ordinances, rules and regulations of the United States, the State of Texas and the City of San Antonio, Texas.

2.3 Prohibited Uses:

2.3.1 The use of this area for any **SALES and placement of cash registers**.

2.3.2 **LICENSEE** shall not be allowed to provide entertainment to its customers in any form to include live or recorded music.

2.3.3 The use of the area for the display of any Alcoholic Goods and/or merchandise that has any reference or depicts any type of Illegal Drug or obscenity.

2.3.4 The service of food and/or alcoholic beverages in the Patio License Area.

2.3.5 Any use prohibited by law including any Ordinances of the City of San Antonio.

2.4 **CITY'S** Reservation of Rights - In addition to the **CITY'S** Reservations set out in **Article 16** and other sections of the License Agreement, **CITY** reserves the right to a public right-of-way along the common sidewalk area to follow a path designated by the **CITY** for safe passage by

pedestrians and further described by the diagram attached hereto and incorporated herein as **Exhibit A**. **LICENSEE** shall keep said right of way free of obstructions in the form of either fixed or movable objects and shall not allow patrons to queue, or wait for entrance into **LICENSEE'S** business establishment, in said public right of way.

- 2.5 TENANT understands and agrees that any violation of the above use of premises and stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by CITY that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from CITY.
 - For each of the next three violations TENANT shall pay CITY \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for termination of License without opportunity to cure.

3. TERM AND EXPIRATION DATE

- 3.1 The term of this License Agreement is for a period beginning upon Commencement Date (as per Section 28 herein) and ending on March 31, 2015 unless sooner terminated as provided in this License.
- 3.2 **EITHER PARTY** may cancel this License by giving thirty Calendars (30) days written notice to **OTHER PARTY PER SECTION 20, NOTICES**.

4. RENTAL

- 4.1 **LICENSEE** shall pay rental in either one lump sum in advance for Annual Payment or in monthly installments **in advance, on, or before the first day of each month** in accordance with the following payment schedule. **Any payment of rent or other charges and fees received after the first (1st) day of the month will be considered late.**
- 4.2 Notwithstanding any other provision herein to the contrary, the monthly rental for the period beginning on Commencement Date through March 31, 2011 shall be **\$1.34** per square foot per month. The rental calculation is **\$1.34** per square foot times **213.75** square feet of the Licensed Patio Display Premises. This equals to monthly installments in the amount of **\$286.43** in advance on or before the first (1st) day of each month.
- 4.3 For the succeeding twelve (12) month periods during the term of this License Agreement, the monthly rental shall be adjusted by **2%** for each year as follows:

License Year	Patio rate per square footage	Monthly rental rate
Upon Awarded through March 31, 2011	1.34	286.43
April 1, 2011 through March 31, 2012	1.37	292.15
April 1, 2012 through March 31, 2013	1.39	298.00
April 1, 2013 through March 31, 2014	1.42	303.96
April 1, 2014 through March 31, 2015	1.45	310.04

4.4 Payment shall be submitted by LICENSEE to:

City of San Antonio
Treasury Division
Central Billing Section
P.O. Box 839975
San Antonio, Texas 78283-3975

5. ACCEPTANCE AND CONDITION OF PREMISES

- 5.1 **LICENSEE** has had full opportunity to examine the Licensed Premises and acknowledges that there is in and about them nothing dangerous to life, limb or health and hereby waives any claim for damages that may arise from defects of that character after occupancy. **LICENSEE'S** taking possession of the Licensed Premises shall be conclusive evidence of **LICENSEE'S** acceptance thereof in good order and satisfactory condition, and **LICENSEE** hereby accepts the Licensed Premises in its present **AS IS, WHERE IS, WITH ALL FAULTS CONDITION as suitable for the purpose for which licensed, LICENSEE accepts the Licensed Premises with the full knowledge, understanding and agreement that CITY disclaims any warranty of suitability for LICENSEE'S intended commercial purposes.**
- 5.2 **LICENSEE** agrees that no representations respecting the condition of the Licensed Premises, and no promises to decorate, alter, repair or improve the Licensed Premises, either before or after the execution hereof, have been made by **CITY** or its agents to **LICENSEE** unless the same are contained herein or made a part hereof by specific reference herein.

6. UTILITIES

- 6.1 **LICENSEE** shall furnish and pay for all utilities, if any, that may be necessary for its operations as authorized herein on the Patio Display Licensed Premises. **LICENSEE** further agrees to pay all monthly charges associated with effective maintenance of said operation. Should connection or reconnection of any utility become necessary, **LICENSEE** agrees to pay any expenses.

7. IMPROVEMENTS

- 7.1 **LICENSEE** shall not construct, or allow to be constructed, any improvements or structures on the Licensed Premises nor shall **LICENSEE** make, or allow to be made, any alterations to the Licensed Premises without the prior written approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission (**HDRC**).

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.

- The first violation shall result in a written notice from **CITY**.
- For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 7.2 **LICENSEE** covenants that it shall not bind, or attempt to bind, **CITY** for the payment of any money in connection with the construction, repair, alteration, addition or reconstruction in, on or about the Licensed Premises. Further, **LICENSEE** agrees to remove, within thirty (30) calendar days after filing, by payment or provisions for bonding, any mechanic's or materialman's liens filed against the Licensed Premises and to indemnify **CITY** in connection with such liens to the extent of any damages, expenses, attorney's fees, or court costs incurred by **CITY**.

8. MAINTENANCE OF PROPERTY

- 8.1 **LICENSEE** shall, at all times, maintain the sidewalks adjacent to the Licensed Premises free from obstructions other than Displays for Merchandise sold by the business inside. **LICENSEE** shall keep the front of the business property neat and orderly, and if any tables or other fixed or movable property is placed in this area by **LICENSEE** it shall be organized so as not to create any tripping hazard or block the exit to the business in case of emergencies. **LICENSEE** shall not use any of said sidewalk area outside of the licensed patio display area in the exercise of privileges granted herein, except to pass to and from the Licensed Premises. **LICENSEE'S** use may at no time obstruct public access to the public right-of-way.
- 8.2 **LICENSEE** shall, at all times, keep or cause to be kept the Licensed Patio Display area free of litter, trash, paper, boxes and other waste and shall place same in standard trash containers in the appropriate locations and shall conform with all applicable garbage, sanitary and health regulations of the **CITY**. **LICENSEE** shall not place trash, garbage, waste, or any refuse generated at, on, or by **LICENSEE** within City owned or City Licensed dumpsters and/or trash containers.

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the

event of a violation.

- The first violation shall result in a written notice from CITY.
- For each of the next three violations TENANT shall pay CITY \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 8.3 **LICENSEE** shall be responsible for the condition of the Licensed Patio Display area. **LICENSEE** shall repair any damage to the Licensed Premises caused by **LICENSEE**, and shall maintain, or cause to be maintained, the Licensed Premises in a clean, neat, attractive and sanitary condition.
- 8.4 **LICENSEE** shall, at its sole expense, keep the Licensed Premises in good order, repair, and leasable condition at all times during the term hereof and shall promptly repair of all damages to the Licensed Premises or replace any broken fixtures or appurtenances within a reasonable period of time. All such repairs and replacements shall be subject to the approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards, or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. If **LICENSEE** does not promptly make such arrangements, **CITY** may, but is not required to, make such repairs and replacements and the costs paid or incurred by **CITY** for such repairs and replacements shall be deemed additional rent due and payable forthwith.
- 8.5 **LICENSEE** will, at the termination of this License Agreement, return the Licensed Premises to **CITY** in as good condition as at the commencement of the term hereof, usual wear and tear, acts of God, or unavoidable accident only accepted.
- 8.6 **LICENSEE** agrees to hold **CITY** harmless for any theft, damages or destruction of signs, goods and/or other property of **LICENSEE** both during the term of this License Agreement and as so left on the Licensed Premises after **LICENSEE** vacates the Patio Display Licensed Premises. If said signs, goods and any other property placed by **LICENSEE** upon the Licensed Premises are not removed by it after the close of business and the Licensed Patio Display area is vacated, then the **CITY** may remove same without further notice or liability therefore.

9. TAXES AND LICENSES

- 9.1 **LICENSEE** shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State and local taxes and fees which are now or may hereafter be levied upon the Licensed Premises, or upon **LICENSEE**, or upon the business conducted on the Licensed Premises, or upon any of **LICENSEE'S** property used in connection therewith; and shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by **LICENSEE**.

10. ASSIGNMENT AND SUBLETTING

- 10.1 Except as to the parent, subsidiary or similarly affiliated company, **LICENSEE** shall not assign this Patio Display License area, or allow same to be assigned by operation of law or otherwise, any part thereof without the prior written consent of **CITY**, which may be given only by or pursuant to an Ordinance enacted by the City Council of San Antonio, Texas. Any assignment by **LICENSEE** without such permission shall constitute an Event of Default. Subletting of any part of the Patio Display area is not authorized as part of this Patio Display License Agreement.

- 10.2 Without the prior written consent of **LICENSEE**, **CITY** shall have the right to transfer and assign, in whole or in part, any of its rights and obligations under this Patio Display License Agreement; and, to the extent that such assignee assumes **CITY'S** obligations hereunder, **CITY** shall, by virtue of such assignment, be reLicensed from such obligation.
- 10.3 The receipt by the **CITY** of rent from an assignee, or occupant of the Patio Display Licensed Premises shall not be deemed a waiver of the covenant in this License Agreement against assignment and/or an acceptance of the assignee, or occupant as a **LICENSEE**, or a reLicense of the **LICENSEE** from further observance or performance by the **LICENSEE** of the covenants contained in this Patio Display License Agreement. No provision of this License Agreement shall be deemed to have been waived by the **CITY** unless such waiver be in writing and signed by the **CITY**.

11. DISPLAY AREA

- 11.1 **LICENSEE'S** Patio Display Licensed Premises is an area adjacent to business but does not include any area outside of the licensed area as shown in **Exhibit A** attached hereto. **LICENSEE** may only use area adjacent to the store to display merchandise using acceptable display fixtures in this space. **LICENSEE** may not obstruct any entrance to the store with any type of display, counters, etc. **CITY** has the right to request the removal of display merchandise and fixtures, if **LICENSEE'S** display is not presentable, as determined by the Market Square Facilities Coordinator. **LICENSEE** must bring into his store any merchandise and display fixtures in said display space outside of store doors after closing each day. **LICENSEE** is not authorized to leave any merchandise or display fixtures in front of the **LICENSEE'S** store after closing.
- 11.2 The Display area **will not** be used for **SALES and placement of cash registers**. All sales will be processed inside of **LICENSEE'S** store.
- 11.3 **TENANT** understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.
- 11.4 **ENCROACHMENT** on the Common Area beyond the authorized Licensed Premises is not permitted, and violations of such will be fined at \$250.00 per day. More than two (2) repeat violations by **Tenant** in a twelve (12) month period shall be considered a condition of default and shall be grounds for License termination proceedings.

12. TERMINATIONS, DEFAULTS AND REMEDIES

- 12.1 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event this agreement is deemed to be inconsistent with the public use of the property.
- 12.2 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event the use of the premises shall have been deemed a nuisance by a court of competent jurisdiction.
- 12.3 In the event of termination in relation to 12.1 or 12.2 above, the **CITY** shall give **LICENSEE** notice in writing at least thirty (30) calendar days prior to the termination date.
- 12.4 **RENT** - Any Payment of rent received after the first (1st) day of the month will be considered late and will be considered an Event of Default by the following criteria:
- 12.4.1 Any rent not received by the tenth (10th) day of the month will be an Event of Default.
- 12.4.2 For the term of the agreement, **LICENSEE** may pay no more than two (2) payments of any type after the first (1st) day but no later than the tenth (10th) day of the month, with the addition of the late fee. The third (3rd) occurrence of any late payment will constitute an Event of Default.
- 12.4.3 Any payment after the first (1st) day is late; therefore, any payment received after the first (1st) day will be charged a late fee in the amount of \$50.00 per occurrence.
- 12.5 **DEFAULT WITHOUT AN OPPORTUNITY TO CURE.** The following events shall constitute Events of Default with no opportunity to cure:
- 12.5.1 Any rent not received by the tenth (10th) day of the month
- 12.5.2 The third (3rd) occurrence of any late payment;
- 12.5.3 Failure to comply with any and all Taxes and Licenses requirements as outlined **Article 9 TAXES AND LICENSES;**
- 12.5.4 Any assignment as specified in **Article 10 ASSIGNMENT AND SUBLETTING** not approved in writing by Ordinance by the City of San Antonio;
- 12.5.5 The subletting of any part of the Patio Display License area;
- 12.5.6 Encroachment unto the Common area beyond the authorized Licensed Patio Display area;
- 12.5.7 If **LICENSEE** fails to abide by the requirements of **Article 14 INSURANCE REQUIREMENTS** or allows the Insurance Certification to be cancelled without other approved Insurance replacement coverage. New or revised policy must overlap or immediately continue term of old policy. Expired policy must be replaced before

expiration date of current policy. Use of the Licensed Premises before **Approval and Acknowledgement** by the **City** of any new, revised, renewed or reinstated Certification;

- 12.5.8 The service of any food or beverages, in the Patio Display License area;
- 12.5.9 Live or recorded music and outdoor entertainment to customers or any prohibited use of premises
- 12.5.10 The fifth (5th) occurrence of any merchandise or display fixtures left in front **LICENSEE'S** store after closing;
- 12.5.11 The fifth (5th) occurrence of the use of premises for any display of Alcoholic Beverages, any goods and/or merchandise related to Alcoholic Beverages and any goods or merchandise with any reference or which depict any type of Illegal Drug or Obscenity;
- 12.5.12 The use of the premises for any type of **SALES**;
- 12.5.13 The third (3rd) occurrence of any particular failure as outlined in section 12.6.1 below.
- 12.5.14 The fifth (5th) occurrence of any particular failure as outlined in section 8 to include trash, boxes, bottles, garbage

12.6 DEFAULTS WITH AN OPPORTUNITY TO CURE:

- 12.6.1 **LICENSEE** shall fail to comply with any term, provision or covenant of this License Agreement and shall fail cure any such failure within three (3) calendar days of **CITY** providing notice of such failure, provided, however, in the event **LICENSEE** repeats any such particular failure twice more during the term of the contract then any such third failure shall constitute an Event of Default and there shall be no opportunity to cure.
- 12.7 Upon the occurrence of either an Event of Default without an opportunity to cure or an event of default for which **LICENSEE** has not satisfactorily cured within the allotted time period, as heretofore provided, **CITY** may, at its option, declare this License Agreement, and all rights and interests created by it, terminated. Upon **CITY** electing to terminate, this License Agreement shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof; or **CITY**, its agents or attorney may, at its option, resume possession of the Licensed Premises and re-let the same for the remainder of the original term for the best rent **CITY**, its agents or attorney may obtain for the account of **LICENSEE** without relieving **LICENSEE** of any liability hereunder as to rent or any other charges still due and owing in this License Agreement, or any extension thereof, as applicable. **LICENSEE** shall make good any deficiency.
- 12.8 Any termination of this License Agreement as herein provided shall not relieve **LICENSEE** from the payment of any sum or sums that shall then be due and payable or become due and payable to **CITY** hereunder, or any claim for damages then or theretofore accruing against **LICENSEE** hereunder, and any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from **LICENSEE** for any default hereunder. All

rights, options and remedies of **CITY** contained in this License Agreement shall be cumulative of the other, and **CITY** shall have the right to pursue any one or all of such remedies or any other remedy or relief available at law or in equity, whether or not stated in this License Agreement. No waiver by **CITY** of a breach of any of the covenants, conditions or restrictions of this License Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction herein contained.

- 12.9 Upon any such expiration or termination of this License Agreement, **LICENSEE** shall quit and peacefully surrender the Licensed Premises to **CITY**, and **CITY**, upon or at any time after such expiration or termination, may, without further notice, enter upon and re-enter the Licensed Premises and possess and repossess itself thereof, by force, summary proceedings, ejectment or otherwise, and may dispossess **LICENSEE** and remove **LICENSEE** and all other persons and property, including all signs, furniture, trade fixtures, and other personal property which may be disputed as to its status as fixtures, from the Licensed Premises, and such action by **CITY** shall not constitute **CITY'S** acceptance of abandonment and surrender of the Licensed Premises by **LICENSEE** nor prevent **CITY** from pursuing all legal remedies available to it.

13. INDEMNIFICATION

LICENSEE covenants and agrees to **FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the **CITY** directly or indirectly arising out of, resulting from or related to **LICENSEE'S** activities under this Agreement, including any acts or omissions of **LICENSEE**, any agent, officer, director, representative, employee, consultant or sub**LICENSEE** of **LICENSEE**, and their respective officers, agents employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of **CITY**, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT LICENSEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY**

AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LICENSEE shall advise the CITY in writing within 24 hours of any claim or demand against the CITY or LICENSEE known to LICENSEE related to or arising out of LICENSEE'S activities under this MEMORANDUM and shall see to the investigation and defense of such claim or demand at LICENSEE'S cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving LICENSEE of any of its obligations under this paragraph.

14. INSURANCE REQUIREMENTS

- 14.1 Prior to the commencement of any work under this **License Agreement**, LICENSEE shall furnish copies of all required endorsements and a completed Certificate(s) of Insurance to the **CITY'S** Downtown Operations Department, which shall be clearly labeled "Viriana's Jewelry and Crafts Patio Display License Agreement" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The **CITY** will not accept Memorandum of Insurance or Binders as proof of insurance. The certificate(s) or form must have the agent's signature, including the signer's phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the **CITY**. The **CITY** shall have no duty to pay or perform under this **License Agreement** until such certificate and endorsements have been received and approved by the **CITY'S** Downtown Operations Department. No officer or employee, other than the **CITY'S** Risk Manager, shall have authority to waive this requirement.
- 14.2 The **CITY** reserves the right to review the insurance requirements of this Article during the effective period of this **License Agreement** and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by **CITY'S** Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this **License Agreement**. In no instance will **CITY** allow modification whereupon **CITY** may incur increased risk.
- 14.3 **LICENSEE'S** financial integrity is of interest to the **CITY**; therefore, subject to **LICENSEE'S** right to maintain reasonable deductibles in such amounts as are approved by the **CITY**, **LICENSEE** shall obtain and maintain in full force and effect for the duration of this **License Agreement**, and any extension hereof, at **LICENSEE'S** sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed:

	TYPE	AMOUNT
1.	Workers' Compensation and Employers Liability **	Statutory \$500,000/\$500,000/\$500,000
2.	Broad Form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/completed operations d. Personal Injury	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence and \$2,000,000.00 Aggregate, or its equivalent.
3.	Property Insurance: For physical damage to the property of LICENSEE , including improvements and betterment to the LICENSED PREMISES .	Coverage for a minimum of eighty percent (80%) of the Replacement Cost of LICENSEE'S property

** If Applicable.

- 14.4 As they apply to the limits required by the City, the **CITY** shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). **LICENSEE** shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to **CITY** at the address provided below within 10 days of the requested change. **LICENSEE** shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

- 14.5 **LICENSEE** agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:
- 14.5.1 Name the **CITY**, its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the **CITY**, with the exception of the workers' compensation and professional liability policies;
- 14.5.2 Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the **CITY** is an additional insured shown on the policy;

- 14.5.3 Workers' compensation, employers' liability and general liability policies will provide a waiver of subrogation in favor of the **CITY**.
- 14.5.4 Provide advance written notice directly to **CITY** of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.
- 14.6 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, **LICENSEE** shall provide a replacement Certificate of Insurance and applicable endorsements to **CITY**. **CITY** shall have the option to suspend **LICENSEE'S** performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this **License Agreement**.
- 14.7 If **LICENSEE** fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the **CITY** may initiate **License Agreement** termination proceedings on the first event of default. The **CITY** may upon **LICENSEE'S** failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the **CITY** shall have the right to order **LICENSEE** to stop the use of the Premises hereunder until **LICENSEE** demonstrates compliance with the requirements hereof.
- 14.8 Nothing herein contained shall be construed as limiting in any way the extent to which **LICENSEE** may be held responsible for payments of damages to persons or property resulting from **LICENSEE'S** or its subcontractors' performance of the work covered under this **License Agreement**.
- 14.9 It is agreed that **LICENSEE'S** insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this **License Agreement**.
- 14.10 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this **License Agreement** and that **no claim or action by or on behalf of the City shall be limited to insurance coverage provided**.
- 14.11 **TENANT** understands and agrees that any failure to provide and maintain insurance would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

15. RULES AND REGULATIONS

- 15.1 **LICENSEE** shall observe and comply with all laws and ordinances of the **CITY** affecting **LICENSEE'S** business.
- 15.1.1 This includes and is not limited to, the **CITY'S** noise ordinance and the provisions concerning operation of businesses in the Market Square Plaza of the City of San Antonio. **LICENSEE** shall not place speakers, amplified music or similar equipment on or near the Patio Display Licensed Premises or in any other location outside the adjacent enclosed building on any side of the licensed premises. **LICENSEE** shall comply with **CITY'S** laws pertaining to noise. **LICENSEE** agrees to comply with any requests by the **CITY'S** Park Police, Downtown Operations Department Staff, City Police Officers or noise abatement officers. Failure to comply with this section may constitute an Event of default.
- 15.1.2 No advertisements, signs, decorations and/or displays shall be placed in, on, or about the Licensed Patio Display Premises without the prior written approval of the **CITY** through the Director of Downtown Operations Department or her authorized representative and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. **LICENSEE** agrees to remove all signs from the Licensed Display Premises when **LICENSEE** vacates the Licensed Premises.
- 15.2 **LICENSEE** will be allowed to place only tables, racks and fixtures as approved by City on the demised premises. All furnishing will be removed from the Patio Display area during non-business hours.
- 15.3 No activity or method of operation shall be allowed in, on, or about the Licensed Premises, which exposes patrons thereof to nudity or to partial nudity. For the purposes of this provision, the following definitions apply:
- 15.3.1 Nudity means total absence of clothing or covering for the human body.
- 15.3.2 Partial nudity means exposure of the female breast or the exposure of the male or female pubic area or buttocks.
- 15.4 Any nudity as specified above will constitute a violation of this Article and result in an Event of Default.
- 15.5 The operation of a massage business, tanning salon, or gambling of any nature shall not be allowed in, on, or about the Patio Display Licensed Premises.
- 15.6 Discrimination on account of race, color, sex, age, handicap, or national origin, directly or indirectly, in employment, or in the use of or admission to the Licensed Patio Display Premises is prohibited.

- 15.7 **LICENSEE** shall not, except as may otherwise be permitted by applicable laws and regulations, pay less than the minimum wage required by Federal and State statutes and **CITY** ordinances to persons employed in its operations hereunder.
- 15.8 No provision of this License Agreement shall operate in any manner to prevent **CITY** from permitting displays, tournaments, amusements, or parades for the benefit of the public.
- 15.9 **CITY** park police, police officers and other safety personnel shall have the right of entry on and into the Licensed Premises as needed to investigate any circumstances, conditions, or person(s) that may appear to be suspicious. **LICENSEE** shall cooperate with all reasonable requests by such personnel to facilitate public safety and orderly conduct by persons at Market Square in San Antonio. **LICENSEE** expressly understands and agrees that **CITY** has not agreed to act and does not act as an insurer of **LICENSEE'S** property and does not guarantee security against theft, vandalism, or injury of whatever nature and kind to persons or property.
- 15.10 Other specific uses of Licensed Patio Display area are outlined in **Article 2**.

16. RESERVATIONS: CITY

- 16.1 **CITY** reserves the right to enter the Patio Display Licensed Premises at all reasonable times for the purpose of examining, inspecting or making repairs as herein provided. **LICENSEE** shall not be entitled to an abatement or reduction of rent by reason of such entry, nor shall said entry be deemed to be an actual or constructive eviction of **LICENSEE** from the Licensed Premises. Should construction or other activity by **CITY** prevent **LICENSEE'S** use of the Patio Display Licensed Premises for the purposes outlined herein for longer than ten (10) days, then this License Agreement shall be automatically extended for the same number of days **LICENSEE'S** use of Licensed Premises was denied or an abatement for the period **LICENSEE** was not able to use the premises may be considered but not both. The City will determine which resolution will be executed.

17. HOLDING OVER

- 17.1 Should **LICENSEE** hold over the Licensed Premises, or any part thereof, after the expiration or termination of the term of this License Agreement, unless otherwise agreed in writing, such holding over shall constitute and be construed as a tenancy from month to month only, at a rental equal to **One Hundred Twenty-Five percent (125%)** the amount of the rent paid for the last month of the term of this Patio Display License Agreement. The inclusion of the preceding sentence shall not be construed as **CITY'S** consent for the **LICENSEE** to hold over.

18. CONFLICT OF INTEREST

- 18.1 **LICENSEE** acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined therein, from having financial interest in any contract with the City or any City Agency, such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies, or service, if any of the following individual(s) or entities is a party to the contract or sale: A City officer or employee, or his parent, child, or spouse; a business entity in which the officer or employee, or his parent, child, or spouse owns

ten (10%) percent or more of the voting stock or shares of the business entity, or ten (10%) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

- 18.2 **LICENSEE** warrants and certifies, and this license is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of the City or any of its agencies such as city owned utilities

19. SEPARABILITY

- 19.1 If any clause or provision of this License Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this License Agreement, then and in that event it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it is also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

20. NOTICES

- 20.1 Notices to **CITY** required or appropriate under this License Agreement shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, and addressed to:

City of San Antonio
Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

City of San Antonio
City Clerk's Office
City Hall-Second Floor
P.O. Box 839966
San Antonio, Texas 78283-3966

or to such other address as may have been designated in writing by the City Manager of the CITY OF SAN ANTONIO from time to time.

Notices to **LICENSEE** shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, addressed to **LICENSEE** at:

**Mr. Jesus Valenzuela
d/b/a Viriana's Jewelry and Crafts
112 C Produce Row
San Antonio, Texas 78207**

or to such other address on file with the City Clerk as **LICENSEE** may provide in writing to **CITY**.

21. PARTIES BOUND

- 21.1 If there shall be more than one party designated as **LICENSEE** in this License Agreement, they shall each be bound jointly and severally hereunder.

- 21.2 The covenants and agreements herein contained shall inure to the benefit of and be binding upon the parties hereto; their respective heirs, legal representatives, successors, and such assigns as have been approved by **CITY**.

22. TEXAS LAW TO APPLY

- 22.1 **THIS LICENSE AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**

23. RELATIONSHIP OF PARTIES

- 23.1 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationships between the parties hereto other than that of **LICENSOR** and **LICENSEE**.

24. GENDER

- 24.1 Words of any gender used in this License Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

25. CAPTIONS

- 25.1 The captions contained in this License Agreement are for convenience of reference only and in no way limit or enlarge the terms and conditions of this License Agreement.

26. ENTIRE AGREEMENT/AMENDMENT

- 26.1 This License Agreement, together with its attached exhibits and the authorizing ordinance, in writing, constitutes the entire agreement between the parties, any other written or parole agreement with **CITY** being expressly waived by **LICENSEE**.
- 26.2 No amendment, modification, or alteration of the terms of this License Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.
- 26.3 It is understood that the Charter of the **CITY** requires that all contracts with the **CITY** be in writing and adopted by ordinance. All amendments also need approval evidenced by an ordinance.

27. ACKNOWLEDGEMENT OF READING

- 27.1 The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

28. AUTHORITY

28.1 If the signer of this License Agreement is an entity or other than an individual who is the **LICENSEE**, then the signer hereof for **LICENSEE** hereby represents and warrants that he or she has full authority to execute this License Agreement on behalf of **LICENSEE**.

WITNESS, the signature of the parties hereto in multiple originals, this, the _____ day of _____, 2010 (Commencement Date).

CITY OF SAN ANTONIO,
A Texas Municipal Corporation

LICENSEE:

Mr. Jesus Valenzuela
d/b/a Viriana's Jewelry and Crafts

By: _____
Sheryl L. Sculley, City Manager



Mr. Jesus Valenzuela

ATTEST:

City Clerk

112 C Produce Row
Address

APPROVED AS TO FORM:

City Attorney

San Antonio TX 78207
City, State, and Zip Code

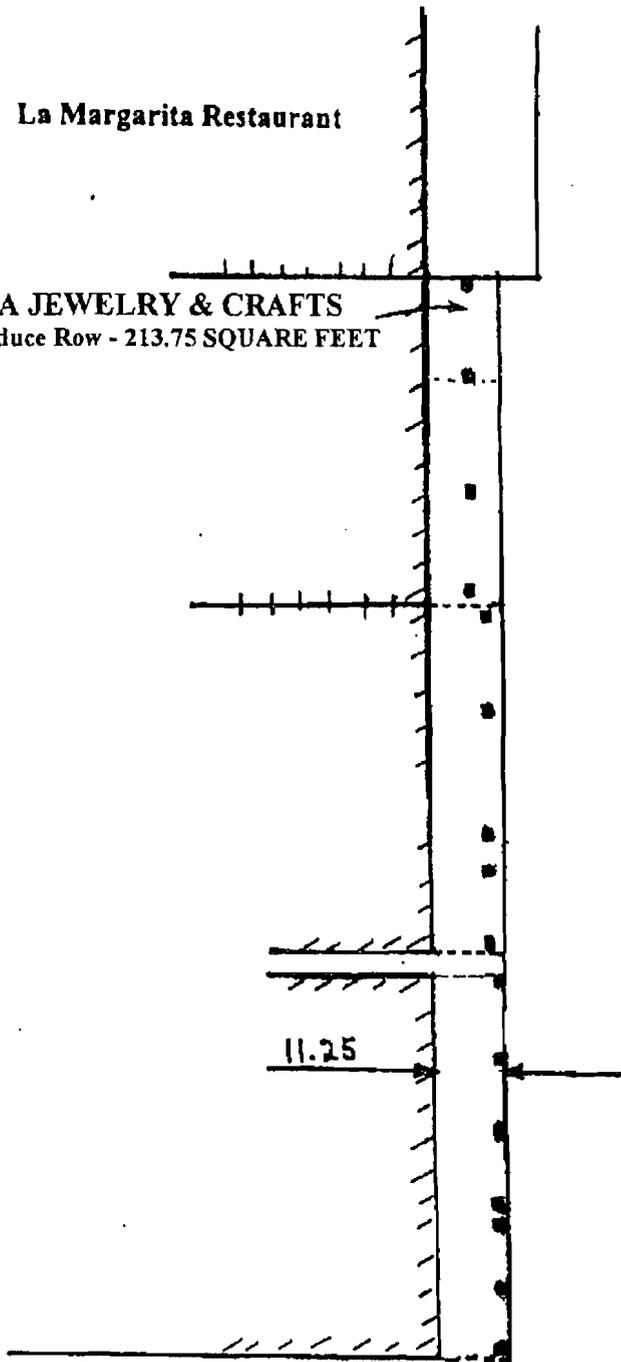
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Area Code/Telephone Number Residence

210 340 7045
Area Code/Telephone Number Business

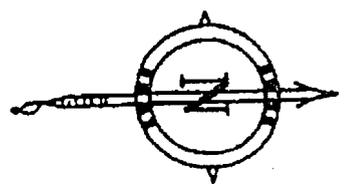
CONCHO STREET Right-of-Way

La Margarita Restaurant

VIRIANA JEWELRY & CRAFTS
112 C Produce Row - 213.75 SQUARE FEET



To San Saba Street



Produce Row
Right of Way

Santa Rosa Street

Exhibit A

PATIO DISPLAY LICENSE AGREEMENT

Market Square Plaza

This License Agreement is made and entered into by and between the **CITY OF SAN ANTONIO**, a Texas Municipal Corporation, acting herein through its City Manager pursuant to Ordinance No. _____ passed and approved on the _____ day of _____, 2010, (hereinafter referred to as "**CITY**"), and **Ms. Edalia Hernandez d/b/a Los Pueblitos** (hereinafter referred to as "**LICENSEE**"), acting by and through its duly authorized officers, WITNESSETH:

1. LICENSING OF PREMISES

1.1 **CITY**, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by **LICENSEE**, does hereby License to **LICENSEE**, and **LICENSEE** does hereby accept from **CITY** for the term hereinafter set out, the real property owned by the **CITY** at **202 Produce Row**, San Antonio, Bexar County, Texas, 78207 within the area commonly known as Market Square as outlined on the drawing which is attached hereto as **Exhibit A** and incorporated by reference herein for the purposes of this License Agreement, the same as if fully copied and set forth at length. Said real property and improvements (hereinafter referred to as the Licensed Premises) are further described as follows: Patio Display License area is adjacent to the front of the building at **202 Produce Row** in Market Square, San Antonio, Texas 78207 identified in **Exhibit A** for a total area of 456.82 square feet.

2. USE OF PREMISES

2.1 **CITY** hereby agrees to permit **LICENSEE** use of above described **CITY**-owned property located at **202 Produce Row, at Market Square Plaza in San Antonio, Bexar County, Texas 78207.**

2.2 Permitted Uses:

2.2.1 May be used for the sole purpose of outdoor display of goods sold in the store by **Ms. Edalia Hernandez d/b/a Los Pueblitos**, in accordance with applicable statutes, laws, ordinances, rules and regulations of the United States, the State of Texas and the City of San Antonio, Texas.

2.3 Prohibited Uses:

2.3.1 The use of this area for any **SALES and placement of cash registers.**

2.3.2 **LICENSEE** shall not be allowed to provide entertainment to its customers in any form to include live or recorded music.

2.3.3 The use of the area for the display of any Alcoholic Goods and/or merchandise that has any reference or depicts any type of Illegal Drug or obscenity.

2.3.4 The service of food and/or alcoholic beverages in the Patio License Area.

2.3.5 Any use prohibited by law including any Ordinances of the City of San Antonio.

2.4 **CITY'S** Reservation of Rights - In addition to the **CITY'S** Reservations set out in **Article 16** and other sections of the License Agreement, **CITY** reserves the right to a public right-of-way along the common sidewalk area to follow a path designated by the **CITY** for safe passage by

pedestrians and further described by the diagram attached hereto and incorporated herein as **Exhibit A. LICENSEE** shall keep said right of way free of obstructions in the form of either fixed or movable objects and shall not allow patrons to queue, or wait for entrance into **LICENSEE'S** business establishment, in said public right of way.

- 2.5 TENANT understands and agrees that any violation of the above use of premises and stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by CITY that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from CITY.
 - For each of the next three violations TENANT shall pay CITY \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for termination of License without opportunity to cure.

3. TERM AND EXPIRATION DATE

- 3.1 The term of this License Agreement is for a period beginning upon Commencement Date (as per Section 28 herein) and ending on March 31, 2015 unless sooner terminated as provided in this License.
- 3.2 **EITHER PARTY** may cancel this License by giving thirty Calendars (30) days written notice to **OTHER PARTY PER SECTION 20, NOTICES.**

4. RENTAL

- 4.1 **LICENSEE** shall pay rental in either one lump sum in advance for Annual Payment or in monthly installments **in advance, on, or before the first day of each month** in accordance with the following payment schedule. **Any payment of rent or other charges and fees received after the first (1st) day of the month will be considered late.**
- 4.2 Notwithstanding any other provision herein to the contrary, the monthly rental for the period beginning on Commencement Date through March 31, 2011 shall be **\$1.34** per square foot per month. The rental calculation is **\$1.34** per square foot times **456.82** square feet of the Licensed Patio Display Premises. This equals to monthly installments in the amount of **\$612.14** in advance on or before the first (1st) day of each month.
- 4.3 For the succeeding twelve (12) month periods during the term of this License Agreement, the monthly rental shall be adjusted by **2%** for each year as follows:

License Year	Patio rate per square foot per	Monthly rental rate
Upon Awarded through March 31, 2011	1.34	612.14
April 1, 2011 through March 31, 2012	1.37	624.38
April 1, 2012 through March 31, 2013	1.39	636.87
April 1, 2013 through March 31, 2014	1.42	649.61
April 1, 2014 through March 31, 2015	1.45	662.60

4.4 Payment shall be submitted by LICENSEE to:

City of San Antonio
Treasury Division
Central Billing Section
P.O. Box 839975
San Antonio, Texas 78283-3975

5. ACCEPTANCE AND CONDITION OF PREMISES

- 5.1 LICENSEE has had full opportunity to examine the Licensed Premises and acknowledges that there is in and about them nothing dangerous to life, limb or health and hereby waives any claim for damages that may arise from defects of that character after occupancy. LICENSEE'S taking possession of the Licensed Premises shall be conclusive evidence of LICENSEE'S acceptance thereof in good order and satisfactory condition, and LICENSEE hereby accepts the Licensed Premises in its present **AS IS, WHERE IS, WITH ALL FAULTS CONDITION as suitable for the purpose for which licensed, LICENSEE accepts the Licensed Premises with the full knowledge, understanding and agreement that CITY disclaims any warranty of suitability for LICENSEE'S intended commercial purposes.**
- 5.2 LICENSEE agrees that no representations respecting the condition of the Licensed Premises, and no promises to decorate, alter, repair or improve the Licensed Premises, either before or after the execution hereof, have been made by CITY or its agents to LICENSEE unless the same are contained herein or made a part hereof by specific reference herein.

6. UTILITIES

- 6.1 LICENSEE shall furnish and pay for all utilities, if any, that may be necessary for its operations as authorized herein on the Patio Display Licensed Premises. LICENSEE further agrees to pay all monthly charges associated with effective maintenance of said operation. Should connection or reconnection of any utility become necessary, LICENSEE agrees to pay any expenses.

7. IMPROVEMENTS

- 7.1 **LICENSEE** shall not construct, or allow to be constructed, any improvements or structures on the Licensed Premises nor shall **LICENSEE** make, or allow to be made, any alterations to the Licensed Premises without the prior written approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission (**HDRC**).

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.

- The first violation shall result in a written notice from **CITY**.
- For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 7.2 **LICENSEE** covenants that it shall not bind, or attempt to bind, **CITY** for the payment of any money in connection with the construction, repair, alteration, addition or reconstruction in, on or about the Licensed Premises. Further, **LICENSEE** agrees to remove, within thirty (30) calendar days after filing, by payment or provisions for bonding, any mechanic's or materialman's liens filed against the Licensed Premises and to indemnify **CITY** in connection with such liens to the extent of any damages, expenses, attorney's fees, or court costs incurred by **CITY**.

8. MAINTENANCE OF PROPERTY

- 8.1 **LICENSEE** shall, at all times, maintain the sidewalks adjacent to the Licensed Premises free from obstructions other than Displays for Merchandise sold by the business inside. **LICENSEE** shall keep the front of the business property neat and orderly, and if any tables or other fixed or movable property is placed in this area by **LICENSEE** it shall be organized so as not to create any tripping hazard or block the exit to the business in case of emergencies. **LICENSEE** shall not use any of said sidewalk area outside of the licensed patio display area in the exercise of privileges granted herein, except to pass to and from the Licensed Premises. **LICENSEE'S** use may at no time obstruct public access to the public right-of-way.
- 8.2 **LICENSEE** shall, at all times, keep or cause to be kept the Licensed Patio Display area free of litter, trash, paper, boxes and other waste and shall place same in standard trash containers in the appropriate locations and shall conform with all applicable garbage, sanitary and health regulations of the **CITY**. **LICENSEE** shall not place trash, garbage, waste, or any refuse generated at, on, or by **LICENSEE** within City owned or City Licensed dumpsters and/or trash containers.

TENANT understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the

event of a violation.

- The first violation shall result in a written notice from CITY.
- For each of the next three violations TENANT shall pay CITY \$50.00.
- The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

- 8.3 **LICENSEE** shall be responsible for the condition of the Licensed Patio Display area. **LICENSEE** shall repair any damage to the Licensed Premises caused by **LICENSEE**, and shall maintain, or cause to be maintained, the Licensed Premises in a clean, neat, attractive and sanitary condition.
- 8.4 **LICENSEE** shall, at its sole expense, keep the Licensed Premises in good order, repair, and leasable condition at all times during the term hereof and shall promptly repair of all damages to the Licensed Premises or replace any broken fixtures or appurtenances within a reasonable period of time. All such repairs and replacements shall be subject to the approval of the **CITY** through the **DIRECTOR** and any and all other necessary departments, boards, or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. If **LICENSEE** does not promptly make such arrangements, **CITY** may, but is not required to, make such repairs and replacements and the costs paid or incurred by **CITY** for such repairs and replacements shall be deemed additional rent due and payable forthwith.
- 8.5 **LICENSEE** will, at the termination of this License Agreement, return the Licensed Premises to **CITY** in as good condition as at the commencement of the term hereof, usual wear and tear, acts of God, or unavoidable accident only accepted.
- 8.6 **LICENSEE** agrees to hold **CITY** harmless for any theft, damages or destruction of signs, goods and/or other property of **LICENSEE** both during the term of this License Agreement and as so left on the Licensed Premises after **LICENSEE** vacates the Patio Display Licensed Premises. If said signs, goods and any other property placed by **LICENSEE** upon the Licensed Premises are not removed by it after the close of business and the Licensed Patio Display area is vacated, then the **CITY** may remove same without further notice or liability therefore.

9. TAXES AND LICENSES

- 9.1 **LICENSEE** shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State and local taxes and fees which are now or may hereafter be levied upon the Licensed Premises, or upon **LICENSEE**, or upon the business conducted on the Licensed Premises, or upon any of **LICENSEE'S** property used in connection therewith; and shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by **LICENSEE**.

10. ASSIGNMENT AND SUBLETTING

- 10.1 Except as to the parent, subsidiary or similarly affiliated company, **LICENSEE** shall not assign this Patio Display License area, or allow same to be assigned by operation of law or otherwise, any part thereof without the prior written consent of **CITY**, which may be given only by or pursuant to an Ordinance enacted by the City Council of San Antonio, Texas. Any assignment by **LICENSEE** without such permission shall constitute an Event of Default. Subletting of any part of the Patio Display area is not authorized as part of this Patio Display License Agreement.

- 10.2 Without the prior written consent of **LICENSEE**, **CITY** shall have the right to transfer and assign, in whole or in part, any of its rights and obligations under this Patio Display License Agreement; and, to the extent that such assignee assumes **CITY'S** obligations hereunder, **CITY** shall, by virtue of such assignment, be reLicensed from such obligation.
- 10.3 The receipt by the **CITY** of rent from an assignee, or occupant of the Patio Display Licensed Premises shall not be deemed a waiver of the covenant in this License Agreement against assignment and/or an acceptance of the assignee, or occupant as a **LICENSEE**, or a reLicense of the **LICENSEE** from further observance or performance by the **LICENSEE** of the covenants contained in this Patio Display License Agreement. No provision of this License Agreement shall be deemed to have been waived by the **CITY** unless such waiver be in writing and signed by the **CITY**.

11. DISPLAY AREA

- 11.1 **LICENSEE'S** Patio Display Licensed Premises is an area adjacent to business but does not include any area outside of the licensed area as shown in **Exhibit A** attached hereto. **LICENSEE** may only use area adjacent to the store to display merchandise using acceptable display fixtures in this space. **LICENSEE** may not obstruct any entrance to the store with any type of display, counters, etc. **CITY** has the right to request the removal of display merchandise and fixtures, if **LICENSEE'S** display is not presentable, as determined by the Market Square Facilities Coordinator. **LICENSEE** must bring into his store any merchandise and display fixtures in said display space outside of store doors after closing each day. **LICENSEE** is not authorized to leave any merchandise or display fixtures in front of the **LICENSEE'S** store after closing.
- 11.2 The Display area **will not** be used for **SALES and placement of cash registers**. All sales will be processed inside of **LICENSEE'S** store.
- 11.3 **TENANT** understands and agrees that any violation of the above stated restrictions would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.
- 11.4 **ENCROACHMENT** on the Common Area beyond the authorized Licensed Premises is not permitted, and violations of such will be fined at \$250.00 per day. More than two (2) repeat violations by **Tenant** in a twelve (12) month period shall be considered a condition of default and shall be grounds for License termination proceedings.

12. TERMINATIONS, DEFAULTS AND REMEDIES

- 12.1 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event this agreement is deemed to be inconsistent with the public use of the property.
- 12.2 The right is expressly reserved to the **CITY**, to terminate this Agreement in the event the use of the premises shall have been deemed a nuisance by a court of competent jurisdiction.
- 12.3 In the event of termination in relation to 12.1 or 12.2 above, the **CITY** shall give **LICENSEE** notice in writing at least thirty (30) calendar days prior to the termination date.
- 12.4 **RENT** - Any Payment of rent received after the first (1st) day of the month will be considered late and will be considered an Event of Default by the following criteria:
 - 12.4.1 Any rent not received by the tenth (10th) day of the month will be an Event of Default.
 - 12.4.2 For the term of the agreement, **LICENSEE** may pay no more than two (2) payments of any type after the first (1st) day but no later than the tenth (10th) day of the month, with the addition of the late fee. The third (3rd) occurrence of any late payment will constitute an Event of Default.
 - 12.4.3 Any payment after the first (1st) day is late; therefore, any payment received after the first (1st) day will be charged a late fee in the amount of \$50.00 per occurrence.
- 12.5 **DEFAULT WITHOUT AN OPPORTUNITY TO CURE.** The following events shall constitute Events of Default with no opportunity to cure:
 - 12.5.1 Any rent not received by the tenth (10th) day of the month
 - 12.5.2 The third (3rd) occurrence of any late payment;
 - 12.5.3 Failure to comply with any and all Taxes and Licenses requirements as outlined **Article 9 TAXES AND LICENSES**;
 - 12.5.4 Any assignment as specified in **Article 10 ASSIGNMENT AND SUBLETTING** not approved in writing by Ordinance by the City of San Antonio;
 - 12.5.5 The subletting of any part of the Patio Display License area;
 - 12.5.6 Encroachment unto the Common area beyond the authorized Licensed Patio Display area;
 - 12.5.7 If **LICENSEE** fails to abide by the requirements of **Article 14 INSURANCE REQUIREMENTS** or allows the Insurance Certification to be cancelled without other approved Insurance replacement coverage. New or revised policy must overlap or immediately continue term of old policy. Expired policy must be replaced before

expiration date of current policy. Use of the Licensed Premises before **Approval** and **Acknowledgement** by the **City** of any new, revised, renewed or reinstated Certification;

- 12.5.8 The service of any food or beverages, in the Patio Display License area;
- 12.5.9 Live or recorded music and outdoor entertainment to customers or any prohibited use of premises
- 12.5.10 The fifth (5th) occurrence of any merchandise or display fixtures left in front **LICENSEE'S** store after closing;
- 12.5.11 The fifth (5th) occurrence of the use of premises for any display of Alcoholic Beverages, any goods and/or merchandise related to Alcoholic Beverages and any goods or merchandise with any reference or which depict any type of Illegal Drug or Obscenity;
- 12.5.12 The use of the premises for any type of **SALES**;
- 12.5.13 The third (3rd) occurrence of any particular failure as outlined in section 12.6.1 below.
- 12.5.14 The fifth (5th) occurrence of any particular failure as outlined in section 8 to include trash, boxes, bottles, garbage

12.6 **DEFAULTS WITH AN OPPORTUNITY TO CURE:**

- 12.6.1 **LICENSEE** shall fail to comply with any term, provision or covenant of this License Agreement and shall fail cure any such failure within three (3) calendar days of **CITY** providing notice of such failure, provided, however, in the event **LICENSEE** repeats any such particular failure twice more during the term of the contract then any such third failure shall constitute an Event of Default and there shall be no opportunity to cure.
- 12.7 Upon the occurrence of either an Event of Default without an opportunity to cure or an event of default for which **LICENSEE** has not satisfactorily cured within the allotted time period, as heretofore provided, **CITY** may, at its option, declare this License Agreement, and all rights and interests created by it, terminated. Upon **CITY** electing to terminate, this License Agreement shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof; or **CITY**, its agents or attorney may, at its option, resume possession of the Licensed Premises and re-let the same for the remainder of the original term for the best rent **CITY**, its agents or attorney may obtain for the account of **LICENSEE** without relieving **LICENSEE** of any liability hereunder as to rent or any other charges still due and owing in this License Agreement, or any extension thereof, as applicable. **LICENSEE** shall make good any deficiency.
- 12.8 Any termination of this License Agreement as herein provided shall not relieve **LICENSEE** from the payment of any sum or sums that shall then be due and payable or become due and payable to **CITY** hereunder, or any claim for damages then or theretofore accruing against **LICENSEE** hereunder, and any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from **LICENSEE** for any default hereunder. All

rights, options and remedies of **CITY** contained in this License Agreement shall be cumulative of the other, and **CITY** shall have the right to pursue any one or all of such remedies or any other remedy or relief available at law or in equity, whether or not stated in this License Agreement. No waiver by **CITY** of a breach of any of the covenants, conditions or restrictions of this License Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction herein contained.

- 12.9 Upon any such expiration or termination of this License Agreement, **LICENSEE** shall quit and peacefully surrender the Licensed Premises to **CITY**, and **CITY**, upon or at any time after such expiration or termination, may, without further notice, enter upon and re-enter the Licensed Premises and possess and repossess itself thereof, by force, summary proceedings, ejectment or otherwise, and may dispossess **LICENSEE** and remove **LICENSEE** and all other persons and property, including all signs, furniture, trade fixtures, and other personal property which may be disputed as to its status as fixtures, from the Licensed Premises, and such action by **CITY** shall not constitute **CITY'S** acceptance of abandonment and surrender of the Licensed Premises by **LICENSEE** nor prevent **CITY** from pursuing all legal remedies available to it.

13. INDEMNIFICATION

LICENSEE covenants and agrees to **FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the **CITY** directly or indirectly arising out of, resulting from or related to **LICENSEE'S** activities under this Agreement, including any acts or omissions of **LICENSEE**, any agent, officer, director, representative, employee, consultant or sub**LICENSEE** of **LICENSEE**, and their respective officers, agents employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of **CITY**, it s officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT LICENSEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY**

AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LICENSEE shall advise the CITY in writing within 24 hours of any claim or demand against the CITY or LICENSEE known to LICENSEE related to or arising out of LICENSEE'S activities under this MEMORANDUM and shall see to the investigation and defense of such claim or demand at LICENSEE'S cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving LICENSEE of any of its obligations under this paragraph.

14. INSURANCE REQUIREMENTS

- 14.1 Prior to the commencement of any work under this **License Agreement**, LICENSEE shall furnish copies of all required endorsements and a completed Certificate(s) of Insurance to the **CITY'S** Downtown Operations Department, which shall be clearly labeled "Los Pueblitos Patio Display License Agreement" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The certificate(s) or form must have the agent's signature, including the signer's phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this **License Agreement** until such certificate and endorsements have been received and approved by the **CITY'S** Downtown Operations Department. No officer or employee, other than the **CITY'S** Risk Manager, shall have authority to waive this requirement.
- 14.2 The CITY reserves the right to review the insurance requirements of this Article during the effective period of this **License Agreement** and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by **CITY'S** Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this **License Agreement**. In no instance will CITY allow modification whereupon CITY may incur increased risk.
- 14.3 LICENSEE'S financial integrity is of interest to the CITY; therefore, subject to LICENSEE'S right to maintain reasonable deductibles in such amounts as are approved by the CITY, LICENSEE shall obtain and maintain in full force and effect for the duration of this **License Agreement**, and any extension hereof, at LICENSEE'S sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed:

	TYPE	AMOUNT
1.	Workers' Compensation and Employers Liability **	Statutory \$500,000/\$500,000/\$500,000
2.	Broad Form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/completed operations d. Personal Injury	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence and \$2,000,000.00 Aggregate, or its equivalent.
3.	Property Insurance: For physical damage to the property of LICENSEE , including improvements and betterment to the LICENSED PREMISES .	Coverage for a minimum of eighty percent (80%) of the Replacement Cost of LICENSEE'S property

** If Applicable.

- 14.4 As they apply to the limits required by the City, the **CITY** shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). **LICENSEE** shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to **CITY** at the address provided below within 10 days of the requested change. **LICENSEE** shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

- 14.5 **LICENSEE** agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

14.5.1 Name the **CITY**, its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the **CITY**, with the exception of the workers' compensation and professional liability policies;

14.5.2 Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the **CITY** is an additional insured shown on the policy;

- 14.5.3 Workers' compensation, employers' liability and general liability policies will provide a waiver of subrogation in favor of the **CITY**.
- 14.5.4 Provide advance written notice directly to **CITY** of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.
- 14.6 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, **LICENSEE** shall provide a replacement Certificate of Insurance and applicable endorsements to **CITY**. **CITY** shall have the option to suspend **LICENSEE'S** performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this **License Agreement**.
- 14.7 If **LICENSEE** fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the **CITY** may initiate **License Agreement** termination proceedings on the first event of default. The **CITY** may upon **LICENSEE'S** failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the **CITY** shall have the right to order **LICENSEE** to stop the use of the Premises hereunder until **LICENSEE** demonstrates compliance with the requirements hereof.
- 14.8 Nothing herein contained shall be construed as limiting in any way the extent to which **LICENSEE** may be held responsible for payments of damages to persons or property resulting from **LICENSEE'S** or its subcontractors' performance of the work covered under this **License Agreement**.
- 14.9 It is agreed that **LICENSEE'S** insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this **License Agreement**.
- 14.10 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this **License Agreement** and that **no claim or action by or on behalf of the City shall be limited to insurance coverage provided**.
- 14.11 **TENANT** understands and agrees that any failure to maintain insurance would be a material breach of this Agreement and that just compensation for the harm suffered by **CITY** that would be caused by such violations cannot be accurately estimated and would be difficult to quantify, and that the following charges and procedures are a reasonable and good faith estimate by the parties of the extent of the damage which is reasonably certain to occur in the event of a violation.
- The first violation shall result in a written notice from **CITY**.
 - For each of the next three violations **TENANT** shall pay **CITY** \$50.00.
 - The fifth violation shall be deemed a material breach and default and cause for License termination without opportunity to cure.

15. RULES AND REGULATIONS

- 15.1 **LICENSEE** shall observe and comply with all laws and ordinances of the **CITY** affecting **LICENSEE'S** business.
- 15.1.1 This includes and is not limited to, the **CITY'S** noise ordinance and the provisions concerning operation of businesses in the Market Square Plaza of the City of San Antonio. **LICENSEE** shall not place speakers, amplified music or similar equipment on or near the Patio Display Licensed Premises or in any other location outside the adjacent enclosed building on any side of the licensed premises. **LICENSEE** shall comply with **CITY'S** laws pertaining to noise. **LICENSEE** agrees to comply with any requests by the **CITY'S** Park Police, Downtown Operations Department Staff, City Police Officers or noise abatement officers. Failure to comply with this section may constitute an Event of default.
- 15.1.2 No advertisements, signs, decorations and/or displays shall be placed in, on, or about the Licensed Patio Display Premises without the prior written approval of the **CITY** through the Director of Downtown Operations Department or her authorized representative and any and all other necessary departments, boards or commissions of the **CITY OF SAN ANTONIO**, including, but not limited to, the Historic and Design Review Commission. **LICENSEE** agrees to remove all signs from the Licensed Display Premises when **LICENSEE** vacates the Licensed Premises.
- 15.2 **LICENSEE** will be allowed to place only tables, racks and fixtures as approved by City on the demised premises. All furnishing will be removed from the Patio Display area during non-business hours.
- 15.3 No activity or method of operation shall be allowed in, on, or about the Licensed Premises, which exposes patrons thereof to nudity or to partial nudity. For the purposes of this provision, the following definitions apply:
- 15.3.1 Nudity means total absence of clothing or covering for the human body.
- 15.3.2 Partial nudity means exposure of the female breast or the exposure of the male or female pubic area or buttocks.
- 15.4 Any nudity as specified above will constitute a violation of this Article and result in an Event of Default.
- 15.5 The operation of a massage business, tanning salon, or gambling of any nature shall not be allowed in, on, or about the Patio Display Licensed Premises.
- 15.6 Discrimination on account of race, color, sex, age, handicap, or national origin, directly or indirectly, in employment, or in the use of or admission to the Licensed Patio Display Premises is prohibited.

- 15.7 **LICENSEE** shall not, except as may otherwise be permitted by applicable laws and regulations, pay less than the minimum wage required by Federal and State statutes and **CITY** ordinances to persons employed in its operations hereunder.
- 15.8 No provision of this License Agreement shall operate in any manner to prevent **CITY** from permitting displays, tournaments, amusements, or parades for the benefit of the public.
- 15.9 **CITY** park police, police officers and other safety personnel shall have the right of entry on and into the Licensed Premises as needed to investigate any circumstances, conditions, or person(s) that may appear to be suspicious. **LICENSEE** shall cooperate with all reasonable requests by such personnel to facilitate public safety and orderly conduct by persons at Market Square in San Antonio. **LICENSEE** expressly understands and agrees that **CITY** has not agreed to act and does not act as an insurer of **LICENSEE'S** property and does not guarantee security against theft, vandalism, or injury of whatever nature and kind to persons or property.
- 15.10 Other specific uses of Licensed Patio Display area are outlined in **Article 2**.

16. RESERVATIONS: CITY

- 16.1 **CITY** reserves the right to enter the Patio Display Licensed Premises at all reasonable times for the purpose of examining, inspecting or making repairs as herein provided. **LICENSEE** shall not be entitled to an abatement or reduction of rent by reason of such entry, nor shall said entry be deemed to be an actual or constructive eviction of **LICENSEE** from the Licensed Premises. Should construction or other activity by **CITY** prevent **LICENSEE'S** use of the Patio Display Licensed Premises for the purposes outlined herein for longer than ten (10) days, then this License Agreement shall be automatically extended for the same number of days **LICENSEE'S** use of Licensed Premises was denied or an abatement for the period **LICENSEE** was not able to use the premises may be considered but not both. The City will determine which resolution will be executed.

17. HOLDING OVER

- 17.1 Should **LICENSEE** hold over the Licensed Premises, or any part thereof, after the expiration or termination of the term of this License Agreement, unless otherwise agreed in writing, such holding over shall constitute and be construed as a tenancy from month to month only, at a rental equal to **One Hundred Twenty-Five percent (125%)** the amount of the rent paid for the last month of the term of this Patio Display License Agreement. The inclusion of the preceding sentence shall not be construed as **CITY'S** consent for the **LICENSEE** to hold over.

18. CONFLICT OF INTEREST

- 18.1 **LICENSEE** acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined therein, from having financial interest in any contract with the City or any City Agency, such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies, or service, if any of the following individual(s) or entities is a party to the contract or sale: A City officer or employee, or his parent, child, or spouse; a business entity in which the officer or employee, or his parent, child, or spouse owns

ten (10%) percent or more of the voting stock or shares of the business entity, or ten (10%) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

- 18.2 **LICENSEE** warrants and certifies, and this license is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of the City or any of its agencies such as city owned utilities

19. SEPARABILITY

- 19.1 If any clause or provision of this License Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this License Agreement, then and in that event it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it is also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

20. NOTICES

- 20.1 Notices to **CITY** required or appropriate under this License Agreement shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, and addressed to:

City of San Antonio
Downtown Operations Department
P.O. Box 839966
San Antonio, Texas 78283-3966

City of San Antonio
City Clerk's Office
City Hall-Second Floor
P.O. Box 839966
San Antonio, Texas 78283-3966

or to such other address as may have been designated in writing by the City Manager of the CITY OF SAN ANTONIO from time to time.

Notices to **LICENSEE** shall be deemed sufficient if in writing and mailed, Certified mail, Postage Prepaid, addressed to **LICENSEE** at:

**Ms. Edalia Hernandez
d/b/a Los Pueblitos
202 Produce Row
San Antonio, Texas 78207**

or to such other address on file with the City Clerk as **LICENSEE** may provide in writing to **CITY**.

21. PARTIES BOUND

- 21.1 If there shall be more than one party designated as **LICENSEE** in this License Agreement, they shall each be bound jointly and severally hereunder.

- 21.2 The covenants and agreements herein contained shall inure to the benefit of and be binding upon the parties hereto; their respective heirs, legal representatives, successors, and such assigns as have been approved by **CITY**.

22. TEXAS LAW TO APPLY

- 22.1 **THIS LICENSE AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**

23. RELATIONSHIP OF PARTIES

- 23.1 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationships between the parties hereto other than that of **LICENSOR** and **LICENSEE**.

24. GENDER

- 24.1 Words of any gender used in this License Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

25. CAPTIONS

- 25.1 The captions contained in this License Agreement are for convenience of reference only and in no way limit or enlarge the terms and conditions of this License Agreement.

26. ENTIRE AGREEMENT/AMENDMENT

- 26.1 This License Agreement, together with its attached exhibits and the authorizing ordinance, in writing, constitutes the entire agreement between the parties, any other written or parole agreement with **CITY** being expressly waived by **LICENSEE**.
- 26.2 No amendment, modification, or alteration of the terms of this License Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.
- 26.3 It is understood that the Charter of the **CITY** requires that all contracts with the **CITY** be in writing and adopted by ordinance. All amendments also need approval evidenced by an ordinance.

27. ACKNOWLEDGEMENT OF READING

- 27.1 The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

28. AUTHORITY

28.1 If the signer of this License Agreement is an entity or other than an individual who is the **LICENSEE**, then the signer hereof for **LICENSEE** hereby represents and warrants that he or she has full authority to execute this License Agreement on behalf of **LICENSEE**.

WITNESS, the signature of the parties hereto in multiple originals, this, the _____ day of _____, 2010 (Commencement Date).

CITY OF SAN ANTONIO,
A Texas Municipal Corporation

LICENSEE:

Ms. Edalia Hernandez
d/b/a Los Pueblitos

By: _____
Sheryl L. Sculley, City Manager



Ms. Edalia Hernandez

ATTEST:

City Clerk

202 Produce Row
Address

APPROVED AS TO FORM:

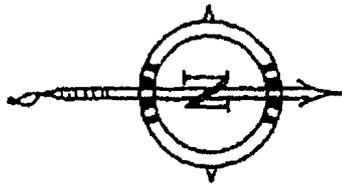
City Attorney

San Antonio, TX 78207
City, State, and Zip Code

(210) 212 4898
Area Code/Telephone Number Residence

(210) 379 7481
Area Code/Telephone Number Business

N. San Saba Street



12.6

**Produce Row
Right of Way**

LOS PUEBILITOS 202 Produce Row

LOCATION "A" AREA
OF 456.82 SQUARE FEET
EXCLUDING COLUMNS

BRICK COLUMNS
ARE 2.0' BY 1.4' OR
2.8 SQUARE FEET

A

Concho Street – Right of Way

DATE: 04-30-03	CITY OF SAN ANTONIO	
DATE: 05-05-03	PARK PROJECT SERVICES	
N.C.B. 428	LOS PUEBILITOS	
REVISED 04-30-04	MARKETSQUARE.DWG	
TRENKELBACH, C.K.	SCALE: 1:30	SHEET: 1 OF 1

Exhibit A