

LICENSE AGREEMENT

This License Agreement (this “Agreement”) is made as of _____, 2020 by and between

LICENSOR: Town of Chapel Hill

and

LICENSEE: Grubb Management LLC

as follows:

WHEREAS, Licensor and Licensee are parties to that certain Economic Development Agreement for the Rosemary Street Redevelopment – Opportunity Zone Project dated _____, 2020 (the “EDA”); and

WHEREAS, Licensor is the owner of a certain parcel of land located along E. Rosemary Street in Chapel Hill, North Carolina and depicted as “Staging Area” on the map attached hereto as Exhibit “A” (the “Property”); and

WHEREAS, Licensee intends to construct a new parking deck and a new office building, and to renovate existing buildings owned by an affiliate of Licensee, each of which is shown on Exhibit A and are referred to as the “New Parking Deck,” the “New Office Building” and 136 E Rosemary (collectively, the “Improvements”); and

WHEREAS, in order to facilitate construction of the Improvements, pursuant to the EDA, Licensor has agreed to permit Licensee certain temporary access to and use of the Property for storage of materials and equipment in connection with the construction of the Improvements.

NOW THEREFORE, the parties agree as follows:

1. When used herein, the term (a) “Staging Area” means the Property depicted on the map attached hereto as Exhibit “A” as “Staging Area”, and (b) “Term” means the period commencing on the date of this Agreement and expiring on _____ (unless earlier terminated as provided herein).
2. Licensor hereby grants to Licensee an exclusive license to enter upon the Staging Area during the Term solely for the purposes described in this Agreement. Licensee acknowledges and agrees that any activities conducted by Licensee or Licensee’s agents and representatives pursuant to this Agreement shall be solely at the risk of Licensee.
3. For all activities carried out on the Staging Area pursuant to this Agreement, Licensee shall provide adequate security, personnel and management. Licensee shall conduct all activities on the Staging Area using good commercial practices, and shall cause Licensee’s employees, agents, representatives, contractors and vendors to conduct their activities on the Staging Area with due care.

Licensee shall take all necessary actions in order that all persons, vehicles and equipment that may be present at the Staging Area in connection with Licensee's use shall be confined within the boundaries of the Staging Area.

4. In no event shall Licensee allow any toxic liquids or other hazardous materials to be released on the Property or within the Staging Area, and Licensee hereby indemnifies and holds Licensor harmless from any claims for recovery of costs associated with conduct of any voluntary action or any remedial responses, corrective action or closure under any applicable federal, state or local environmental laws ("**Environmental Laws**"). For purposes of this Agreement, the term "Environmental Laws" shall include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act 42 U.S.C. § 9601 *et seq.*, as amended from time to time ("**CERCLA**"), and the Resource Conservation and Recovery Act ("**RCRA**"), 42 U.S.C. § 6901 *et seq.*, as amended from time to time; and any similar federal, state and local laws and ordinances and the regulations and rules implementing such statutes, laws and ordinances.

5. Licensee shall, at its sole cost, obtain and maintain in effect all licenses, permits, consents and authorizations of federal, state and local authorities which may be necessary, required or appropriate for all activities of Licensee and its contractors, vendors and representatives at or upon the Staging Area. In the event that due to the activities of Licensee (and its contractors, vendors and representatives) on the Property, Licensor is assessed any fines or fees, Licensee shall reimburse Licensor for the costs expended by Licensor upon request.

6. Licensor makes no representations or warranties of any nature whatsoever regarding the condition of the Staging Area or its suitability for the activities planned by Licensee. Licensee agrees that Licensor shall not be required to undertake or exercise any duty of care or other safeguards with respect to the Staging Area or for the safety of persons or for the prevention of damage to property in connection with any activities of Licensee on or around the Staging Area, other than to notify Licensee of any known conditions that may pose a risk to Licensee.

7. All activities of Licensee and its contractors, vendors and representatives on and about the Staging Area shall be in compliance with all applicable federal, state and municipal laws, regulations, ordinances and orders.

8. At all times during the Term, Licensee shall keep the Staging Area and everything thereon in a clean, safe and orderly condition and clean and free from trash, rubbish, waste and debris. Before expiration of the Term, Licensee shall remove all materials, equipment, personal property and other items of any nature which were placed or brought upon the Staging Area by or for Licensee.

9. Once Licensee has completed construction of the Improvements, in consideration of Licensor allowing Licensee to use the Staging Area, Licensee shall make the following changes to the Staging Area, at Licensee's sole cost and expense:

- a. Licensee will remove all asphalt and curbing within the Staging Area;
- b. Licensee will seed the Staging Area with grass;

c. Licensee will define a walkway from Rosemary Street through the Staging Area to Franklin Street (and will cut off the access between the currently existing upper and lower portions of the Staging Area); and

d. Licensee will construct any appropriate retaining walls.

10. Licensee shall be liable for, and shall defend, indemnify and hold harmless Licensor, its beneficiaries, shareholders, employees and agents (collectively the "Indemnitees") from and against any and all liability, claims, suits, judgments, damages, losses, costs and expenses (including costs of defense and legal fees), which any or all of the said Indemnitees may suffer, incur, be responsible for or pay, on account of any injury to or death of any person, or damage to or loss or destruction of any property (including property of Licensee and Licensor) or any damage or impairment to the environment, occurring to, or caused in whole or in part by Licensee (or any of its employees, agents, representatives, contractors, vendors, guests or invitees), or arising out of or in connection with this license or the exercise of any license or privilege herein granted or the conduct of any activity on or about the Staging Area or any act or omission of Licensee (or any of their employees, agents, representatives, contractors, vendors, guests or invitees).

11. Licensee shall cause the following insurance to be in place during the Term with insurance carriers duly licensed to do business in the State of North Carolina:

a. Commercial General Liability insurance, affording coverage for bodily injury and property damage, with limits not less than \$1,000,000.00 per occurrence, combined single limit, which shall include premises operations, independent contractors, products, completed operations and contractual liability coverages, with all coverages thereunder to be on an occurrence basis and not a claims made basis.

b. Workers compensation insurance as required by applicable law and regulations; and

c. Employers' Liability insurance with limits not less than \$500,000.00 each accident, \$500,000.00 each employee, and \$1,000,000.00 policy aggregate.

Licensee shall cause Licensor to be named as an additional insured on the policy affording the coverage described in the above clause (a) of this paragraph, and coverage for each additional insured shall be primary to any other insurance maintained or available to any additional insured. The insurance required herein shall be applicable to and provide coverage with respect to the Staging Area and all operations and activities of Licensee at the Staging Area. Licensee shall obtain from the Workers Compensation insurance carrier a waiver of the carrier's rights of subrogation against Licensor and its employees. Licensee shall provide to Licensor a certificate or certificates of insurance, issued by the carrier(s), evidencing the insurance herein required and providing that the carrier(s) will give Licensor thirty (30) days prior written notice of any cancellation, non-renewal or reduction of the required insurance.

12. Licensee may assign its interest in this Agreement to an Affiliate of Licensee, and upon the assumption of such by such Affiliate, Licensee shall be released from any and all duties under this

IN WITNESS WHEREOF, each of the parties hereto has caused this License Agreement to be signed and executed on its behalf as of the date and year first above written.

LICENSOR: **TOWN OF CHAPEL HILL,**
a political subdivision of the State of North Carolina

CLERK

LEGAL

LICENSEE: **GRUBB MANAGEMENT, LLC,**
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

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EXHIBIT A
STAGING AREA

