

LICENSE FOR ADVERTISING SPACE

This License Agreement ("License") is entered into this 1st day of January 2022 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and The James Agency on behalf of Northern Arizona University, an Arizona Partnership, ("Advertiser").

RECITALS

- A. City owns and maintains the facility known as Flagstaff Pulliam Airport, located at 6200 S Pulliam Dr, ("Facility"); and
- B. Advertiser desires to license advertising space at the Facility for a fee, and City desires to make advertising space at the Facility available for license, and desire to enter into this License for use of Advertising Space.

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Advertiser (the "Parties") agree as follows:

TERMS AND CONDITIONS

1. License Term: City hereby grants Advertiser a license for use of the Advertising Space pursuant to the terms and conditions of this License.
2. Advertising Space: City hereby agrees to provide Advertiser with advertising space as described in the Advertising Order Form attached hereto as Exhibit A ("Advertising Space").
3. Advertising Term: Advertiser shall have license to display its advertising materials in the Advertising Space during the period described in the Advertising Order Form ("Advertising Term").
4. Compensation: In consideration for the Advertising Space, Advertiser shall pay City the amount(s) described in the Advertising Order Form. Payment is due within 30 days of the invoice date, without offsets, abatement, deductions, or demand. Any price adjustments must be approved by mutual written consent of the parties. The City Manager has authority on behalf of the City to approve an adjustment if the annual agreement price is less than \$50,000 and may delegate authority to the Economic Vitality Director to approve adjustments of less than \$10,000. In the event that the agreement amount exceeds \$50,000, City Council approval will be required.
5. Installation and Setup Fees: Advertiser shall pay to the City the setup and installation fees for the Advertiser's materials in the Advertising Space as described in the Advertising Order Form.
6. City Representative: The City Representative is [City Staff, Position], or his/her designee ("City Representative"). All communications to the City shall be through the City Representative. City Representative is responsible for receiving any request for a License amendment, price adjustment, or Advertising Space.
7. Advertising Standards: All advertising materials must be commercial advertising (i.e., a commercial transaction must be proposed) or provide information regarding the Facility. Advertising materials shall not:
 - a. Be false, misleading, or deceptive;
 - b. Relate to an illegal activity;
 - c. Violate a copyright, trademark, or other intellectual property right;
 - d. Advertise or depict the use of tobacco or smoking products;
 - e. Advertise or depict the use of spirituous liquor as that term is defined in Section 4-101 of the Arizona Revised Statutes;

- f. Represent, by language or graphics, violence or antisocial behavior;
- g. Advertise or depict language, gestures, conduct, or graphical representations that are obscene, pornographic, vulgar, profane, or scatological;
- h. Represent, by language or graphics, nude or seminude people as those terms are defined in Arizona Revised Statutes § 11-811, or the exposed buttocks of any person;
- i. Depict, relate to, or reference a website or other medium that relates to specific sexual activities or specific anatomical areas as those terms are defined in Arizona Revised Statutes § 11-811;
- j. Advertise any political or noncommercial message.

City Representative shall consult with the City Attorney's Office if it believes that the proposed advertising materials may violate these standards.

- 8. Creation and Submittal of Advertising Materials: Advertiser at its own expense shall be responsible for the creation and preparation of the advertising materials to be displayed in the Advertising Space. Advertiser shall provide final advertising materials for display to the City Representative a minimum of seven (7) days prior to the beginning of the applicable Advertising Term in order for the City to complete installation prior to the beginning of the Advertising Term.
 - a. If Advertiser fails to timely submit complete advertising materials, City shall elect one of the following options as its sole remedy:
 - i. City will post the advertising materials following receipt with no adjustment to the Advertising Order (all terms remain unchanged); or
 - ii. City may cancel the Advertising Order.
 - b. If the Advertiser has timely submitted complete advertising materials, but City fails to timely post the advertising materials or advertising does not occur, Advertiser shall elect one of the following options as its sole remedy:
 - i. City will provide a credit to Advertiser calculated as follows: (Number of full or partial days when advertising was not provided/Number of days in Advertising term) x (Total cost of the order, including installation or setup costs); or
 - ii. Advertiser may cancel the Advertising Order.
- 9. Intellectual Property Rights Indemnification: Advertiser shall indemnify and hold City harmless from any suits or claims of infringement of any patent rights, copyrights, or trademarks arising out of any patented, copyrighted, or trademarked materials, methods, systems, goods and/or services, used by Advertiser.
- 10. Advertising Rotation: Advertiser may request substitution or rotation of advertising materials displayed in the Advertising Space up to four (4) times per year. Costs associated with the setup and installation of rotated materials will be charged to the Advertiser per the Advertising Order Form.
- 11. Interruption of Advertising Term – Force Majeure: In the event of strikes, fire, terrorist act, natural disasters, or any other cause beyond the control of City that causes an interruption in the agreed upon use and display of advertising materials in the Advertising Space, City shall be released from its obligation to provide the Advertising Space and City will provide a credit to Advertiser calculated as follows: (Number of full or partial days when advertising was not provided/Number of days in Advertising Term) x (Total cost of the order, including installation or setup costs) as Advertiser's sole remedy. .
- 12. Replacement: Advertiser shall supply replacements for any damaged or defaced advertising materials and provide for the replacement and installation of any defective parts or mechanisms, without

expense to City. Failure to provide replacement of damaged or defaced advertising materials that results in the non-use of the Advertising Space will not entitle the Advertiser to pro-rata or adjusted Advertising Term.

13. Compliance: Advertiser and its officers, officials, agents, and employees shall abide by the most current Rules and Regulations of the Facility, inclusive of any and all federal and state statutes.
14. Modification: This License may be modified only by mutual written agreement of the parties.
15. Non-Exclusivity: This License in no way restricts either Party from participating in similar activities with other public or private agencies, organizations, or individuals.
16. Cancellation and Assignment: This License is not subject to cancellation by Advertiser and may not be assigned or transferred by Advertiser.
17. Notices: Any formal notice concerning this License shall be in writing from the City Representative and sent to the contact information as provided in the Advertising Order Form.
18. Termination: This License may be terminated in whole or part by the City for convenience, without any further liability or penalty to Advertiser, as follows:
 - a. Upon at least sixty (60) days written notice to Advertiser prior to the commencement of an Advertising Term; or
 - b. Upon at least thirty (30) days written notice to Advertiser after commencement of an Advertising Term, so long as Advertiser is refunded all funds paid to the City for the Advertising Term.
19. Indemnification: Advertiser agrees to indemnify, save, and hold harmless City from and against any liability, loss, costs, including attorney's fees, charge, or judgment to which the City may be subject or subjected to by any reason or as a result of the advertising services required by this License.
20. Governing Law: This Contract shall be construed in accordance with the laws of Arizona.
21. Conflict of Interest: The Parties agree that this License may be cancelled for conflict of interest in accordance with Arizona Revised Statutes § 38-511.
22. Complete Agreement: The License is intended to be the complete and final agreement of the Parties.
23. Authority. Each party warrants that it has authority to enter into this License and perform its obligations hereunder, and that it has taken all actions necessary to enter into this License.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereto have executed this License as of the last signature date below.

City of Flagstaff

The James Agency

Mandy Karimi
Mandy Karimi, Representative

~~Heidi Hansen, Economic Vitality Director~~
Greg Clifton, City Manager
Dated: _____

Attest:

City Clerk

Dated: _____

Approved as to form:

City Attorney

Dated: _____

EXHIBIT A – ADVERTISING ORDER FORM

Attached

