

**A19 - County of Santa Barbara Cannabis Indemnification Agreement:
Storefront Retail Selection Process**

This Agreement is entered into pursuant to Santa Barbara County Code section 50-8 as follows:

1. **Indemnification.** As part of the Cannabis Storefront Retail Selection Application to be selected to apply for a County cannabis storefront retail land use entitlement and business license (hereinafter collectively "Application"), _____ the applicant and the business owner(s) for the Application (hereinafter collectively "Applicant") agree to indemnify, defend (with counsel reasonably approved by County), and hold harmless Santa Barbara County and its officers, officials, employees, contractors, consultants, and agents (collectively "County") as follows:
 - a. From and against any and all claims, demands, actions, proceedings, lawsuits, losses, damages, judgments and/or liabilities by third parties arising out of, related to, or in connection with the Application or to attack, set aside, void, or annul, in whole or in part, the selection, approval, or ranking of the Application by the County and/or the ultimate issuance of a land use entitlement and/or business license through this process by the County;
 - b. From any and all causes whatsoever, including the acts, errors, or omissions of the Applicant and his, her, its, and their officers, employees, agents and contractors (hereinafter "Claim");
 - c. For any and all costs and expenses (including but not limited to attorneys' fees) incurred by County on account of any Claim by third parties, except where such indemnification is prohibited by law; and
 - d. The indemnification obligation of Applicant applies to County's active as well as passive negligence, but does not apply to County's sole negligence or willful misconduct.
2. **Defense.** Applicant shall permit County, with County's unlimited discretion, to direct and participate in the defense of any Claim, including, but not limited to, use of County Counsel to defend the Claim, but such participation shall not relieve the Applicant of any obligation imposed by this Agreement.

In the alternative, County shall have the right not to participate in the defense.

In the event of a disagreement between County and the Applicant over litigation issues, County shall have the authority to control the litigation and make litigation decisions, including, but not limited to, the manner in which the defense is conducted.

If County reasonably determines that having common counsel would present such counsel with a conflict of interest, or if Applicant fails to promptly assume the defense of the Claim or to promptly employ counsel reasonably satisfactory to County, then

County may employ separate counsel to represent or defend County, and the Applicant shall pay the reasonable attorneys' fees and costs of such counsel.

3. **Reimbursement.** To the extent County uses any of its resources to respond to a Claim, the Applicant shall reimburse the County upon demand. Such resources include, but are not limited to, staff time, court costs, County Counsel time, or any other direct or indirect costs associated with responding to the Claim.
4. **Obligations.** The obligations of the Applicant for Claims under this Agreement shall survive and apply regardless of whether any County selection or approval is invalidated, set aside, expires, or is abandoned for any reason.

This Agreement and the obligations of the Applicant set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court decrees, orders, or judgments, and regardless of whether the Applicant has brought any claim, action, or demand against County.

The Applicant is solely responsible for compliance with all local, state, and Federal laws and for obtaining necessary authorizations, approvals, and/or permits from other local, state, and Federal agencies. Any failure of the Applicant to comply with applicable laws or to obtain necessary authorizations, approvals, and/or permits shall not invalidate this Agreement or excuse the obligations of the Applicant under this Agreement except where such indemnification is prohibited by law.

5. **Successors and Assigns.** These obligations shall be binding upon each and every successor, assign, and transferee of any interest in, right, or title to any part of the real property that is the subject of the Application. The Applicant shall cause all successors, assigns, and transferees to be so obligated; provided that the Applicant shall be and remain personally obligated to all of the terms of this Agreement, notwithstanding any attempt to assign, delegate, or otherwise transfer any of the obligations of this Agreement, and notwithstanding a change in ownership or any deed, transfer, or conveyance of any interest in, right, or title to any part of the property that is the subject of the Application.
6. **Stipulation, Release, or Settlement.** The Applicant shall not execute, pay, or perform pursuant to, any stipulation, release, settlement agreement, or other disposition of the matter on such Claim unless the County and the Applicant have approved the stipulation, release, or settlement agreement in writing, such approval not to be unreasonably withheld.

In no case shall the Applicant assume, admit, or assert any fault, wrongdoing, or liability on the part of the County as a condition of or as part of any stipulation, release, settlement, or otherwise. The Applicant shall not assert any defense, claim, or complaint against County on any Claim as a condition of or as part of any stipulation, release, settlement or otherwise.

7. **No Waiver.** Any failure, actual or alleged, on the part of County to monitor or enforce compliance with any of the indemnification requirements will not be deemed as a waiver of any rights on the part of County.
8. **Authority.** Each person signing this Agreement represents and warrants that he or she has the power, is duly authorized, and has the capacity to enter into this Agreement and that this Agreement is a valid and legal agreement binding on the Applicant and enforceable in accordance with its terms.
9. **California Law.** This Agreement is governed by the laws of the State of California. Any litigation regarding this Agreement or its contents must be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.
10. **Complete Agreement.** This Agreement shall constitute the complete understanding of the parties with respect to the matters set forth herein. Neither party is relying on any other representation, oral or written.
11. **Counterparts.** This Agreement may be signed in counterparts and must be signed by all Applicants.

SELECTION APPLICATION:

Application Number(s): _____

APN(s): _____

NOW THEREFORE, this Agreement is hereby approved as follows:

APPLICANT:

Signed _____ Date _____

Name of Person Signing _____

Title: _____

OWNER (if the Owner of the business is different than the Applicant):

Signed _____ Date _____

Name of Person Signing _____

Title: _____

OWNER (if there are multiple Owners of the business who are different than the Applicant):

Signed _____ Date _____

Name of Person Signing _____

Title: _____

OWNER (if there are multiple Owners of the business who are different than the Applicant):

Signed _____ Date _____

Name of Person Signing _____

Title: _____