

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM
3.5
(ID # 3579)**

MEETING DATE:

Tuesday, March 21, 2017

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Consent to Assignment of Lease and Sale of Hangar between GRQ Enterprises, LLC and National Association of Reversionary Property Owners at Jacqueline Cochran Regional Airport, District 4 [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 and Section 15601 (b)(3);
2. Approve and consent to the assignment of Lease for 1.6 acres located within Jacqueline Cochran Regional Airport in Thermal, California as more specifically set forth in the attached Assignment of Lease and Conveyance of Hangar agreement between GRQ Enterprises (Assignor-Seller) and National Association of Reversionary Property Owners (Assignee-Buyer);

ACTION: (Policy)

Robert Field, Assistant County Executive Officer/EDA 3/6/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione and Washington
Nays: None
Absent: Ashley
Date: March 21, 2017
xc: EDA

**Kecia Harper-Ihem
Clerk of the Board**

By:
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Supervisors:

3. Approve and consent to the sale of the 10,000 Square foot metal hangar building between GRQ Enterprises LLC and National Association of Reversionary Property Owners as more specifically set forth in the attached Assignment of Lease and Conveyance of Hangar agreement between GRQ Enterprises (Assignor-Seller) and National Association of Reversionary Property Owners (Assignee-Buyer);
4. Authorize the Chairman of the Board of Supervisors to sign the attached Consent to Assignment of Lease and Consent to Sale of Hangar; and
5. Authorize the Assistant County Executive Officer/EDA, or designee, to execute any additional documents necessary to implement the consent to assignment and consent to sale of hangar, subject to approval by County Counsel.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	2016/17

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Economic Development Agency has received a request to consent to an Assignment and also to consent to the sale of 10,000 SF Hangar on the Leased Premises. The Lease between the County of Riverside (Lessor) and Charles Gibbs and June Gibbs, as Lessee, approved by Board of Supervisors on Jan 29, 1980, as amended on January 8, 1985, (First Amendment), and April 10, 1985, (Second Amendment), and December 15, 1992, (Third Amendment), and assigned to The Hangar, on November 18, 1979, and assigned to Desert Airmotive, on June 11, 1985, and assigned to Lawrence M. Saleba and Janet M. Saleba on May 19, 1992, and assigned to Rand Precision Optical, (date unknown), and assigned to National Association of Reversionary Property Owners on December 27, 2001, and assigned to GRQ Enterprises LLC on May 16, 2006 is described as 1.6 acres of land at Jacqueline Cochran Regional Airport (formerly Thermal Airport) with respect to any future assignments thereunder, and without releasing the Assignor, GRQ Enterprises, LLC, under said lease from any obligations.

GRQ Enterprises, LLC and National Association of Reversionary Property Owners entered into the certain Agreement dated October 11, 2016 known as the Assignment of Lease and Conveyance of Hangar the effectiveness of which is subject to the consent and approval by the County. The assignment of Lease and sale of hangar will not impact or modify the terms of the Lease including the existing use of the Premises.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Pursuant to the California Environmental Quality Act (CEQA), the Sublease and Bill of Sale were reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines 15301, Class 1 – Existing Facilities and State CEQA Guidelines 15061(b) (3), General Rule or “Common Sense” exemption. The proposed project, the Sublease and sale of the existing hangar, is the subletting of property involving existing facilities and no expansion of an existing use will occur. In addition, it can be seen with certainty that there is no possibility that the proposed project may have a significant effect on the environment since it is merely a continuation of existing use.

County Counsel has reviewed and approved the Consent to Assignment of Lease and the Consent to Sale of Hangar as to form. Staff recommends that the Board of Supervisors approve the attached proposed Consent to Assignment of Lease and Consent to Sale of Hangar.

Impact on Residents and Businesses

The Sublease and Bill of Sale will assist in the County’s effort to increase airport operations which in turn provides increased patron activities for local businesses.

SUPPLEMENTAL:

Additional Fiscal Information

There is no net county cost and no budget adjustment required.


ATTACHMENTS:

- Attachment A – Consent to Assignment of Lease
- Attachment B – Consent to Sale of Hangar
- Attachment C – Assignment of Lease and Conveyance of Hangar
- Attachment D – Master Ground Lease

RF:JWW:TM:TF:JV:mm MT 3579


Rekini Dasika, Principal Management Analyst 3/13/2017


Gregory V. Priamos, Director County Counsel 3/7/2017


Gregory V. Priamos, Director County Counsel 3/7/2017

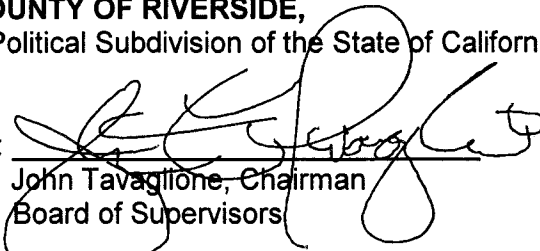
**CONSENT TO
ASSIGNMENT OF LEASE**

The County of Riverside, (Lessor) hereby consents to the Assignment of Lease and Conveyance of Hangar ("Agreement") dated October 11, 2016 between GRQ ENTERPRISES, LLC, an Oregon limited Liability company, (Assignor-GRQ), and NATIONAL ASSOCIATION OF REVERSIONARY PROPERTY OWNERS. (Assignee-NARPO), relating to the Lease between County of Riverside as Lessor, and Charles Gibbs and June Gibbs, as Lessee, dated January 29, 1980, as amended on January 8, 1985, (First Amendment), April 10, 1985, (Second Amendment), and December 15, 1992 (Third Amendment), and assigned to The Hangar, a general partnership consisting of William J. Cox, Charles Gibbs, Bernard Kuhn and David Rasmussen, on November 18, 1979, and assigned to Desert Airmotive, a California corporation, on June 11, 1985, and assigned to Lawrence M. Saleba and Janet M. Saleba on May 19, 1992, and assigned to Rand Precision Optical, Inc, a California corporation, (date unknown), and assigned to National Association of Reversionary Property Owners on December 27, 2001, and assigned to GRQ Enterprises LLC on May 16, 2006 described as approximately 1.6 acres of land at Jacqueline Cochran Regional Airport (formerly Thermal Airport) with respect to any future assignments thereunder, and without releasing the Assignor under said lease from any obligations that are not performed by GRQ Enterprises LLC, and otherwise accepts the Assignee, NARPO, as Lessee, under said Lease to all intents and purposes as though Assignee was the original Lessee thereunder.

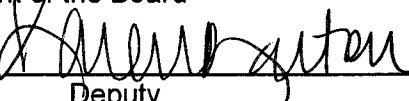
IN WITNESS WHEREOF, the County of Riverside and have executed this Consent to Assignment of Lease as of the date below.

Date: MAR 21 2017

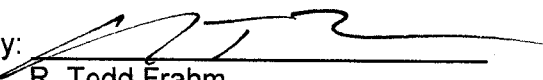
LESSOR:
COUNTY OF RIVERSIDE,
a Political Subdivision of the State of California:

By: 
John Tavaglione, Chairman
Board of Supervisors

ATTEST:
KECIA HARPER-ITEM
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, County Counsel

By: 
R. Todd Frahm
Deputy County Counsel

MAR 21 2017 3.5

**CONSENT TO
SALE OF HANGAR**

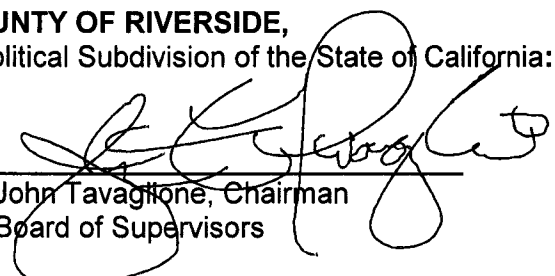
The County of Riverside, (County) hereby consents to the Assignment of Lease and Conveyance of Hangar ("Agreement") dated October 11, 2016 between GRQ ENTERPRISES, LLC, an Oregon limited Liability company, (Seller-GRQ), and NATIONAL ASSOCIATION OF REVERSIONARY PROPERTY OWNERS. (Buyer-NARPO), relating to the Hangar building located at the approximate 1.6 acres of land at Jacqueline Cochran Regional airport, Thermal, CA. The Assignment of Lease and Conveyance of Hangar is attached hereto as Exhibit A and incorporated herein by this reference.

By consenting to the Agreement, the County neither undertakes nor assumes nor will have any responsibility or duty to Buyer or to any third party to review, inspect, supervise, pass judgment upon or inform Buyer or any third party of any matter in connection with the subject building for Buyer's proposed use, or otherwise. Buyer and all third parties shall rely upon its or their own judgment regarding such matters. The County makes no representations, express or implied, with respect to the legality, fitness, or desirability of the subject building for buyer's intended use.

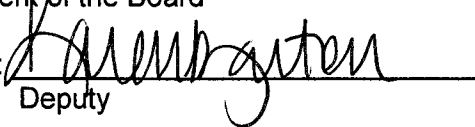
IN WITNESS WHEREOF, the County of Riverside and have executed this Consent to Assignment of Lease as of the date below.

Date: MAR 21 2017

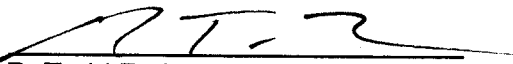
LESSOR:
COUNTY OF RIVERSIDE,
a Political Subdivision of the State of California:

By: 
John Tavaglione, Chairman
Board of Supervisors

ATTEST:
KECIA HARPER-ITEM
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, County Counsel

By: 
R. Todd Frahm
Deputy County Counsel

**ASSIGNMENT OF LEASE
And
CONVEYANCE OF HANGAR**

Effective Date: October 11, 2016

PARTIES:	GRQ ENTERPRISES, LLC, an Oregon limited Liability company	GRQ
AND:	NATIONAL ASSOCIATION OF REVERSIONARY PROPERTY OWNERS	NARPO

RECITALS:

A. GRQ is the Lessee under that certain lease with the County of Riverside ("Riverside") as Lessor dated January 29, 1980, as amended, (the "Lease") pertaining to the premises described as approximately 1.6 acres of land at Jacqueline Cochran Regional Airport, Thermal, California (the "Premises" or "Leased Premises"). The Lease, as amended, is attached hereto as Exhibit A, which by this reference is fully incorporated herein.

B. GRQ is the owner of certain improvements located on the Premises, which include a metal aircraft hangar consisting of approximately 10,000 square feet and various fixtures, systems, doors and utilities located therein (the "Hangar").

C. GRQ desires to assign its rights under the Lease to NARPO and convey to NARPO the Hangar and NARPO desires to assume GRQ's obligations under the Lease and acquire ownership of the Hangar.

NOW, THEREFORE, in consideration of mutual promises set forth in this Agreement, the parties agree as follows:

SECTION 1. ASSIGNMENT OF LEASE

For good and valuable consideration, receipt of which is hereby acknowledged, GRQ hereby assigns, transfers and conveys to NARPO all of GRQ's right, title and interest as Lessee in and to the Lease and in and to the Leased Premises.

SECTION 2. ASSUMPTION OF LEASE

NARPO hereby accepts the foregoing assignment by GRQ and assumes responsibility for the performance of all obligations of GRQ as Lessee under the Lease as of the Effective Date hereof. At NARPO's sole cost and expense, NARPO hereby agrees to promptly apply for and diligently

pursue obtaining consent by Riverside to the assignment of the Lease from GRQ to NARPO. NARPO agrees to hold harmless, indemnify and defend GRQ and its members from and against any loss, claim or liability suffered by or asserted against GRQ arising out of the Lease from and after the Effective Date hereof.

SECTION 3. CONVEYANCE OF IMPROVEMENTS; ASSIGNMENT OF HANGAR LEASE

3.1 In consideration of the payment by NARPO to GRQ of \$25,000.00 U.S. funds, receipt of which is hereby acknowledged, GRQ hereby sells, transfers and conveys all of GRQ's right, title and interest in and to the Hangar to NARPO as of the Effective Date hereof. GRQ makes no warranties or representations with respect to the Hangar and NARPO acknowledges that the Hangar is transferred and delivered AS IS, WHERE IS in its present condition, including all defects, and there are no warranties, or representations as to the condition or suitability or fitness for a particular purpose or use.

3.2 As of the Effective Date hereof, GRQ hereby assigns, transfers and conveys to NARPO all of GRQ's right, title and interest as Landlord in and to the following Hangar lease agreements ("Hangar Leases") which are attached hereto as Exhibit B:

- (i) Lease date May 10, 2010 with H2R Investment Trust, Richard J. Welsh, Trustee as Tenant.
- (ii) Lease dated October 15, 2012 with William Gardner as Tenant.

3.3 NARPO hereby accepts the foregoing assignment of the Hangar Leases by GRQ and assumes responsibility for the performance of all obligations of GRQ as Landlord as of the Effective Date hereof. NARPO agrees to hold harmless, indemnify and defend GRQ and its members from and against any loss, claim or liability suffered by or asserted against GRQ arising out of the Hangar Leases from and after the Effective Date hereof.

SECTION 4. ADDITIONAL TERMS

4.1 This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements among them with respect thereto.

4.2 Each party agrees to execute such further instruments as may be reasonably required to consummate the transactions contemplated by this Agreement, as long as the terms thereof are fully consistent with the terms of this Agreement.

4.3 In the event of any dispute between GRQ and NARPO arising out of the obligations of the parties under this Agreement, the need to enforce the terms hereof or concerning the meaning or interpretation of any provision contained herein, the losing party must pay the prevailing party's costs and expenses of the dispute, including, without limitation, reasonable attorney fees and costs incurred at or in preparation for discovery (including depositions), arbitration, trial, appeal, and review.

4.4 This Agreement is binding on and inures to the benefit of the parties hereto and their respective successors and assigns.

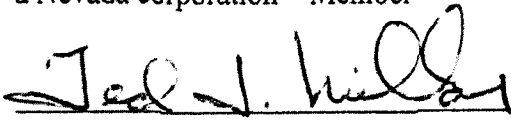
4.5 This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

GRQ: By: Bean & Company LLC-Member

By: 
Warren Bean, Manager

By: Westwood Property Management, Inc.,
a Nevada corporation – Member


Ted L. Millar, President

NARPO:

By: _____
Richard Welsh, President

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

813



FROM: Economic Development Agency

SUBMITTAL DATE:
April 14, 2006

SUBJECT: Assignment of Lease and Consent to Assignment of Lease at Jacqueline Cochran Regional Airport, 4th District

RECOMMENDED MOTION: That the Board of Supervisors:

1. Consent to the Assignment of Lease between the County of Riverside, as Lessor, and National Association of Reversionary Property Owners, as Lessee, to GRQ Enterprises, LLC.
2. Authorize the Chairman to execute the Consent to Assignment of Lease.
3. Authorize the Assistant County Executive Officer or designee to execute any additional documents required by the Assignment.

BACKGROUND: The Economic Development Agency has received an Assignment of the Lease between the County of Riverside, as Lessor, and Charles Gibbs and June Gibbs, a Lessee, date January 29, 1980, as amended on January 8, 1985, (First Amendment), April 10, 1985, (Second Amendment), and December 15, 1992, (Third Amendment), and assigned to National Association of Reversionary Property Owners on December 27, 2001, by Rand Precision Optics, Inc.

Economic Development Agency staff recommends that the Board of Supervisors approve the Consent to Assignment of Lease. County Counsel has reviewed the Assignment and has approved the Consent as to form.

Robin Zimpfer

Robin Zimpfer
Assistant County Executive Officer/EDA

RZ:JC:RF:HO
S:\EDCOM\AIRPORTS\JCRA-Thermal\Miller\NARPO F11 assgn to GRQE
080413.doc

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	NA
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	NA

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: NA

Positions To Be Deleted Per A-30:

Requires 4/5 Vote:

C.E.O. RECOMMENDATION: **APPROVE**

FORM APPROVED
COUNTY COUNSEL

County Executive Office Signature

Chad...

MAY 02 2006

MINUTES OF THE BOARD OF SUPERVISORS

By: *Arthur V....*

On motion of Supervisor Wilson, seconded by Supervisor Buster and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Wilson and Ashley
Nays: None
Absent: Stone
Date: May 16, 2006
xc: EDA

Nancy Romero
Clerk of the Board
By: _____
Deputy

Prev. Agn. Ref.: Feb 5 02 3.14, Dec 15 92
3.21, Oct 7 97 3.29, Apr 10 85, Jan 29 80

District: 4th

Agenda Number:

Dept Recomm: Policy Policy
Per Exec. Ofc.: Consent Consent

CONSENT TO ASSIGNMENT

The County of Riverside (Lessor) hereby consents to the foregoing Assignment and Acceptance and Agreement, without however, waiving the restrictions contained in said Lease between the County of Riverside, as Lessor, and Charles Gibbs and June Gibbs, as Lessee, dated January 29, 1980, as amended on January 8, 1985, (First Amendment), April 10, 1985, (Second Amendment), and December 15, 1992 (Third Amendment), and assigned to The Hangar, a general partnership consisting of William J. Cox, Charles Gibbs, Bernard Kuhn and David Rasmussen, on November 18, 1979, and assigned to Desert Airmotive, a California corporation, on June 11, 1985, and assigned to Lawrence M. Saleba and Janet M. Saleba on May 19, 1992, and assigned to Rand Precision Optical, Inc, a California corporation, (date unknown), and assigned to National Association of Reversionary Property Owners on December 27, 2001, described as approximately 1.6 acres of land at Jacqueline Cochran Regional Airport (formerly Thermal Airport) with respect to any future assignments thereunder, and without releasing the Assignor under said lease from any obligations that are not performed by GRQ Enterprises LLC, and otherwise accepts the Assignee, GRQ Enterprises LLC, as Lessee, under said Lease to all intents and purposes as though Assignee was the original Lessee thereunder.

Date: 5/16/06

COUNTY OF RIVERSIDE

By: Bob Buster
Chairman, Board of Supervisors
Bob Buster

FORM APPROVED:
JOE S. RANK, County Counsel

By: Gordon Wilson 5/2/06
Deputy

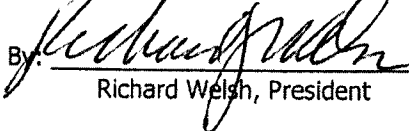
ATTEST:
NANCY ROMERO, Clerk
By: [Signature]
DEPUTY

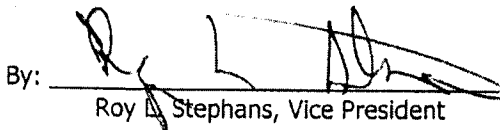
ASSIGNMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, National Association of Reversionary Property Owners (NARPO), hereby transfer and assign to GRQ Enterprises LLC, all rights, title and interest of the undersigned under that certain Lease between the County of Riverside and National Association of Reversionary Property Owners as Lessee, dated January 29, 1980 and assigned February 5, 2002, attached thereto as Exhibit "A" and incorporated herein by this reference, pertaining to the premises described as 1.6 acres of land at Jacqueline Cochran Regional, Thermal, California.

Dated: 4/02/06

National Association of Reversionary Property Owners

By: 
Richard Welsh, President

By: 
Roy Stephens, Vice President

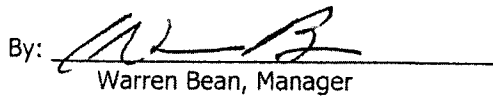
ACCEPTANCE AND AGREEMENT

The undersigned GRQ Enterprises LLC, named in the foregoing Assignment, hereby accepts said Assignment and hereby agrees to keep, perform and be bound by all of the terms, covenants and conditions in said Lease on the part of the Lessee therein to be kept and performed to all intents and purposes as though the undersigned Assignee was the original Lessee there under.

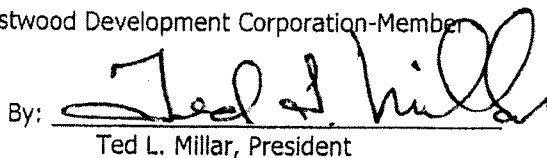
Dated: 4-02-06

GRQ Enterprises LLC
1905 SE 10th Avenue
Portland, Oregon 97214

By: Bean & Company LLC-Member

By: 
Warren Bean, Manager

By: Westwood Development Corporation-Member

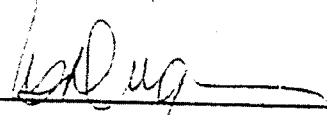
By: 
Ted L. Millar, President

ASSIGNMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, RAND Precision Optics, Inc., a California Corporation, hereby transfers and assigns to National Association of Reversionary Property Owners, a Washington Non Profit Corporation, all rights, title and interest of the undersigned under that certain Lease dated January 29, 1980, as amended on January 08, 1985, (First Amendment), April 10, 1985, (Second Amendment), and December 15, 1992. (Third Amendment), pertaining to the premises described as 1.6 acres at Desert Resorts Regional Airport, California as described on Exhibit "A" attached thereto. The execution of said assignment and the transfer of all rights, title and interest herein is contingent upon the acceptance and approval by the Riverside County Board of Supervisors.

Dated: 07 December 2001

RAND Precision Optics, Inc.
A California Corporation

By: 

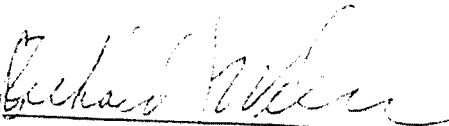
Duke Dugan, President


ACCEPTANCE AND AGREEMENT

The National Association of Reversionary Property Owners, A Washington Non-Profit Corporation, named in the foregoing Assignment, hereby accepts said Assignment and hereby agrees to keep, perform and be bound by all of the terms, covenants and conditions in said Lease on the part of the Lessee therein to be kept and performed to all intents and purposes as though the undersigned Assignee was the original Lessee thereunder.

Dated: 12/27/2001

National Association of Reversionary Property Owners
A Washington Non-Profit Corporation

By: 
Richard Weish, President

By: 
Roy L. Stephens, Vice President

CONSENT

The County of Riverside (Lessor) hereby consents to the foregoing Assignment and Acceptance and Agreement, without however, waiving the restrictions contained in said lease dated January 29, 1980, with respect to any future assignments thereunder, and without releasing the Assignor under said lease from any obligations that are not performed by RAND Precision Optics, Incorporated, and otherwise accepts the Assignee, National Association of Reversionary Property Owners, a Washington Non-Profit Corporation, as Lessee under said Lease to all intents and purposes as though Assignee was the original Lessee thereunder.

Date: FEB 05 2002

COUNTY OF RIVERSIDE

Facsimile Signature
affixed by Clerk per
Sec. 25108 Gov. Code

By: Robert A. Bustal
Chairman, Board of Supervisors

APPROVED AS TO FORM:

WILLIAM C. KATZENSTEIN, County Counsel
JOE S. RANK, Assistant County Counsel

Dated: 1 - 16 - 02

By: [Signature]
Deputy

ATTEST,
GERALD A. MALONEY, Clerk
By: [Signature]
DEPUTY

MAY 27 '97 22:50PM RIV COUNTY COUNSEL

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

P.13/13 Q1

1-7176

FROM: Economic Development Agency/
Aviation Division SUBMITTAL DATE: November 23, 1992



SUBJECT: Lease Amendment, Lawrence M. Salaba Family
Revocable Trust, Thermal Airport.

RECOMMENDED MOTION:

The Board approve the Third Amendment to the Lease between the County and Lawrence M. Salaba Family Revocable Trust and authorize the Chairperson to sign the document.

BACKGROUND:

Lawrence M. Salaba Family Revocable Trust has requested the ability to operate a flight school from their leasehold at the Thermal Airport. Many Fixed Base Operator uses are currently permitted on the leasehold and staff feels the potential for a flight school on the leasehold is acceptable. In addition, the leasehold boundaries are adjusted so that 75 feet of the southern boundary is removed and added to the north side of the leasehold. This permits the County to recover the area in the leasehold within the taxiway object free zone.

County Counsel prepared the lease amendment.

The Aviation Commission recommends approval of the lease amendment.

DAVID MCELROY, Managing Director
Economic Development Agency

FINANCIAL DATA:

CURRENT YEAR COST
NET COUNTY COST
SOURCE OF FUNDS:

\$ 0
\$ 0

ANNUAL COST \$ 0
IN CURRENT YEAR BUDGET: YES ___ NO X

C.A.O. RECOMMENDATION: Approve.

Administrative Officer Signature *Maurice Marshall*

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Younglove, seconded by Supervisor Caniceros and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Abraham, Dunlap, Caniceros, Larson and Younglove
Noes: None
Absent: None
Date: December 15, 1992
By: *Gerald A. MaXoney*
Deputy

Prev. Agn. ref.

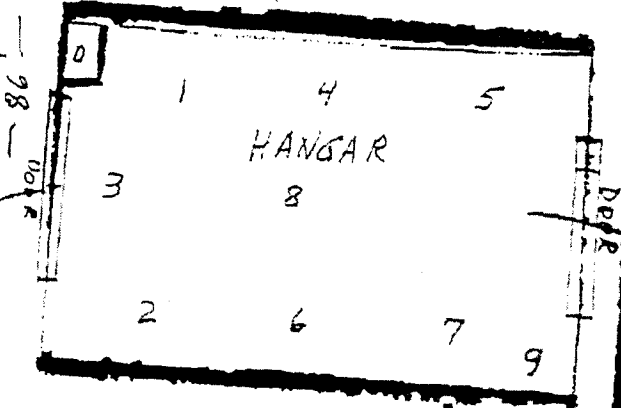
Dist. AGENDA

N↑

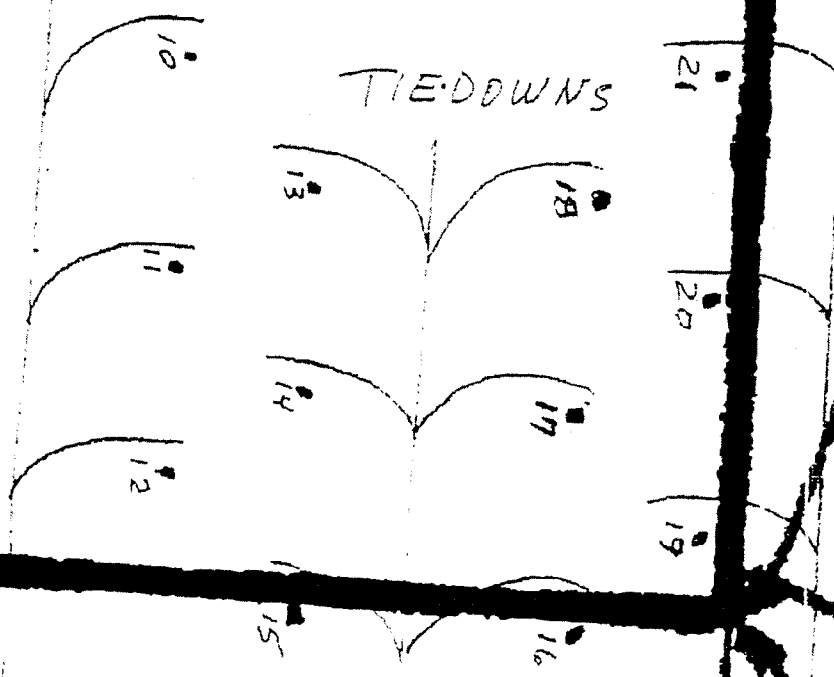
WESTERLY NORTH-SOUTH

200'

125'



TIE-DOWNS



N/S TAXI WAY

THIRD AMENDMENT TO LEASE
(Thermal Airport)

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The COUNTY OF RIVERSIDE, County, and LAWRENCE M. SALEBA and JANET M. SALEBA, as Trustees for the Lawrence Saleba Family Revocable Trust, Lessees, hereby agree to amend that certain Lease dated January 29, 1980, as amended on January 8, 1985 (First Amendment) and May 14, 1985 (Second Amendment) between County and Charles Gibbs and June Gibbs, pertaining to the premises situated within Thermal Airport, Thermal, California, as described on Exhibit "C" attached thereto, which lease has been assigned to Lessees by successive assignments, as follows:

1. Lessees are hereby permitted to conduct flight training within the leased premises.
2. Exhibit "C" is hereby superseded and replaced by Exhibit "D", which latter exhibit is attached hereto and by this reference made a part hereof.
3. All other provisions of the Lease, as amended, remain the same.

Dated: DEC 15 1992

COUNTY OF RIVERSIDE

By Wood
Vice Chairman, Board of Supervisors

ATTEST:
GERALD A. MALONEY
Clerk of the Board
By: [Signature]
Deputy

[SEAL]

Lawrence M. Saleba Trustee
LAWRENCE M. SALEBA, Trustee for
Lawrence Saleba Family Revocable
Trust

Janet M. Saleba Trustee
JANET M. SALEBA, Trustee for
Lawrence Saleba Family Revocable
Trust

PHL:dbf/338lease
091792

FROM: D PRECISION OPTICS
11-31-97 TEL: 8108

PHONE NO. :
LANISUN E ELDRED

FAX NO. 81977935897

May. 08 1997 11:48AM RIF
P. 12
P. 12/13

MAY 27 1997 22:13PM RIV COUNTY COUNSEL

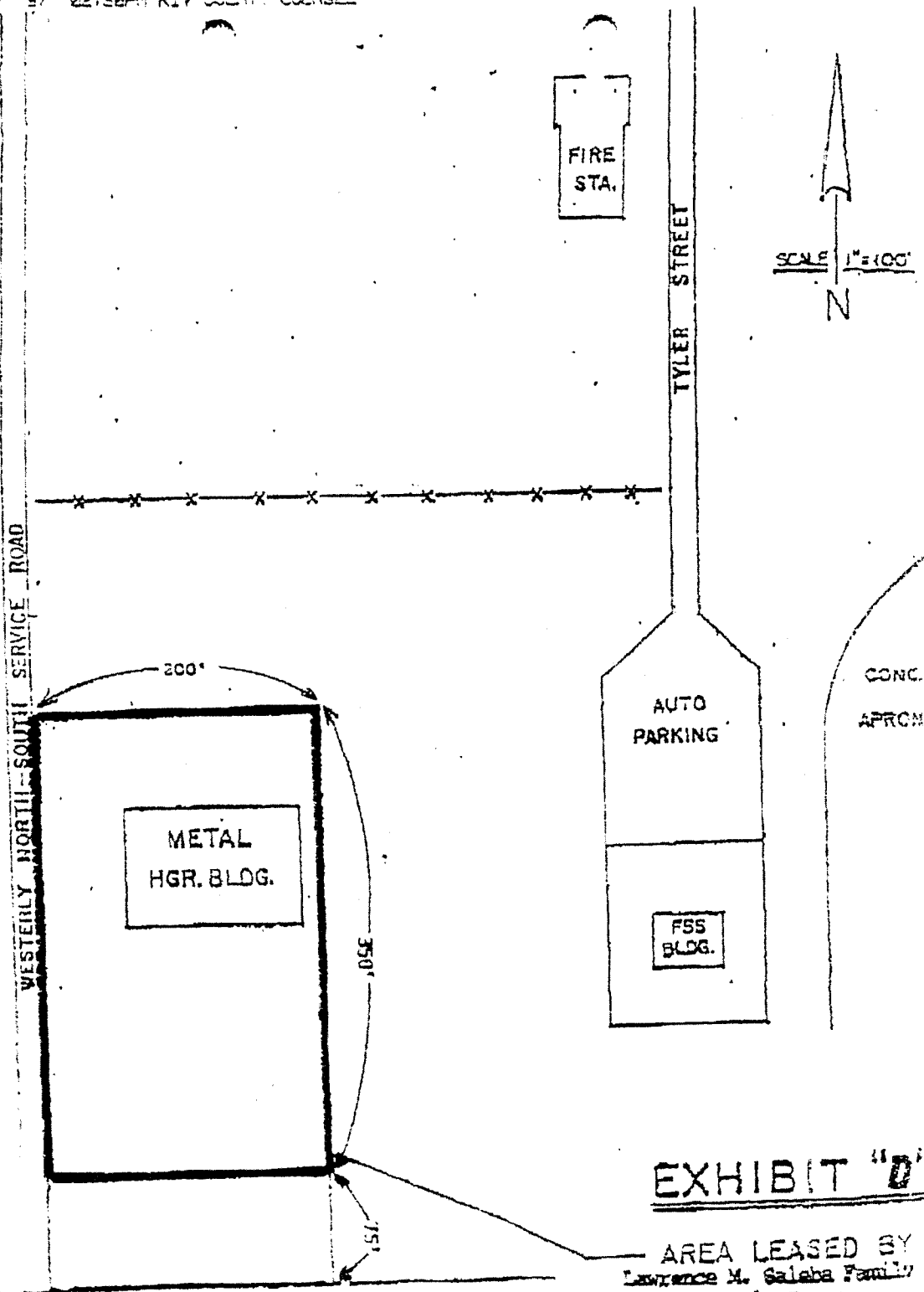


EXHIBIT "D"

AREA LEASED BY
Lawrence M. Galeha Family
Revocable Trust
LOCATED ON THERMAL AIRPC
IN THE EAST 1/2 OF SECTION 1
T6S, R8E, S8M. 16 ACRES.
DNIS: November 1992

Q TAXWAY NO. 17

on file

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SECOND AMENDMENT TO LEASE
(Thermal Airport)

The COUNTY OF RIVERSIDE, County, and THE HANGAR, a general partnership consisting of WILLIAM J. COX, CHARLES S. GIBBS, BERNARD KUHN and DAVID RASMUSSEN, Lessee, hereby agree to amend that certain Lease dated January 29, 1980, as amended on January 3, 1985, between the County of Riverside and Charles Gibbs and June Gibbs, pertaining to approximately 1.6 acres of land located at Thermal Airport, Thermal, California, as described on Exhibit "C" attached thereto, which Lease has been assigned to Lessee, as follows:

1. Paragraph 2(a) of the Lease is changed by adding two (2) subparagraphs thereto to read:

(6) Flight operations for the purpose of conducting aircraft taxi and charter services.

(7) Sale, retail or wholesale or both, of aviation fuels and lubricants; provided, however, that no such sales shall be authorized hereunder until Lessee satisfactorily completes those certain facilities referred to in Paragraph 10(d) of this lease.

2. Paragraph 4 of the Lease is changed by adding a subparagraph thereto to read:

(e) In addition to the rent required in this Paragraph 4, Lessee shall pay to County a fuel flowage fee, or cause such fee to be paid to County as hereinafter provided, in an amount equal to five percent (5%) of the total net price paid by Lessee for all aviation and automotive fuel and lubricants received on the leased premises by Lessee. The term "total net price" shall mean the net price per unit of such fuel and lubricants, excluding taxes imposed thereon by any government or agency thereof, multiplied by the total number of units of such fuel and lubricants received. Lessee reserves the right of selecting its own fuel and lubricant suppliers, and Lessee's agreement with any such suppliers may contain a provision therein obligating such suppliers to submit a duplicate invoice for any fuel and lubricant deliveries to Lessee within thirty (30) days following each such delivery, and such agreement may contain a provision therein obligating such suppliers to submit payment to County in connection therewith. Such invoice shall indicate the type of products delivered, the date of delivery, the quantity delivered, the per unit cost and the total extended cost, and the invoice number. In the event such agreement does not contain a provision for either submission of invoices or payment to County, Lessee shall be obligated to submit such invoices or payments to County if applicable. In the event such

1 agreement contains such provisions and the supplier
 2 fails, or refuses, to properly and timely submit any
 3 invoices to County, or submit any payments, if required
 4 to do so, Lessee, upon County's written request, shall
 5 make a separate accounting of such fuel and lubricant
 6 deliveries or submit payment to County in connection
 7 therewith, or both. Notwithstanding provisions of this
 8 Paragraph 4(a), upon written request from County, Lessee
 9 shall make a separate accounting of such fuel and
 10 lubricant deliveries.

11 3. Paragraph 10 of the Lease is changed by adding a
 12 subparagraph thereto to read:

13 (d) Subject to the provisions of Paragraphs 10(a),
 14 10(b) and 10(c) herein, Lessee, at its sole cost and
 15 expense, may construct aviation fuel and lubricant
 16 storage and dispensing facilities within the leased
 17 premises that meet all federal, state and local laws
 18 which are in force at the time of such construction.

19 4. Paragraph 19 of the Lease is changed to read:

20 19. Insurance. Lessee shall during the term of
 21 this lease:

22 (a) Procure and maintain Workers' Compensation
 23 Insurance as prescribed by the laws of the State of
 24 California.

25 (b) Procure and maintain comprehensive general
 26 liability insurance coverage that shall protect
 27 Lessee from claims for damages for personal injury,
 28 including but not limited to accidental and wrongful
 death, as well as from claims for property damage,
 which may arise from Lessee's use of the leased
 premises or the performance of its obligations
 hereunder, whether such use or performance be by
 Lessee, by any subcontractor, or by anyone employed
 directly or indirectly by either of them. Such
 insurance shall name County as an additional insured
 with respect to this lease and the obligations of
 Lessee hereunder. Such insurance shall provide for
 limits of not less than \$ 1,000,000 per
 occurrence.

(c) Cause its insurance carriers to furnish
 County by direct mail with certificate(s) of
 insurance showing that such insurance is in full
 force and effect, and that County is named as an
 additional insured with respect to this lease and the
 obligations of Lessee hereunder. Further, said
 certificates shall contain the covenant of the
 insurance carrier that ninety (90) days written
 notice shall be given to County prior to

U.S. 2. 02820006
 RIV COUNTY COUNSEL
 SUITE 300
 51 SOUTH STREET
 RIVERSIDE, CA 92501

Post-It Fax Note	767	Date	5/27	Pages	1
To	JERRY CARID	From	BILLY LV		
Dist/Dept	AMEND #2	CO.	RAND		
Phone #	709-2	PHONE #	565-7713		
Fax #	(619) 471-9869	Fax #			

MAY 27 '97 02:26PM RIV COUNTY COUNSEL

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modification, cancellation or reduction in coverage of such insurance. In the event of any such modification, cancellation or reduction in coverage and on the effective date thereof, this lease shall terminate forthwith, unless County receives prior to such effective date another certificate from an insurance carrier of Lessee's choice that the insurance required herein is in full force and effect.

5. Paragraph 21(b) of the Lease is changed to read:

(b) Lessee shall indemnify and hold County, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of Lessee, its agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death or any other element of damage of any kind or nature, relating to or in anywise connected with or arising from its use and responsibilities in connection therewith of the leased premises or the condition thereof, and Lessee shall defend, at its expense, including attorney fees, County, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions.

6. All other provisions of the Lease, as amended, remain the same.

Dated: 10 April 1985

Facsimile Signature
affixed by Clerk per
Sec. 25103 Gov. Code

COUNTY OF RIVERSIDE

ATTEST: MAY 14 1985
GERALD A. MALONEY
Clerk of the Board

By Patricia A. Larson
Chairman, Board of Supervisors

By John Moody
Deputy

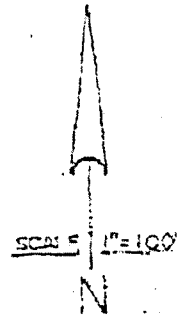
THE HANGAR, a general partnership

William J. Cox
WILLIAM J. COX, partner
Charles J. Gibbs
CHARLES J. GIBBS, partner
Bernhard Kuen
BERNHARD KUEN, partner
David Rasmussen
DAVID RASMUSSEN, partner

10/85
28
ORALE J. BEERLIND
COUNTY COUNSEL
3036 - 10TH STREET
VESPER, CALIFORNIA

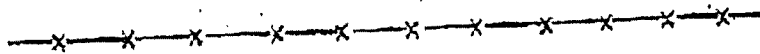
SPORTS
INT. SHOP

NEW
FIRE
STA.



WESTERLY NORTH - SOUTH SERVICE ROAD

TYLER STREET



TEN UNIT T-HANGAR BLDG.

AUTO
PARKING

FSS
BLDG.

CONC.
APRON

200'

METAL
HGR. BLDG.

350'

TAXIWAY NO. 1

EXHIBIT "C"

AREA LEASED BY
THE HANGER, A PARTNER
LOCATED ON THERMAL AFB
IN THE EAST 1/2 OF SECTION
T6S, R8E, S8M 1.8 ACRES
DATE 3-8-84 PAGE 10

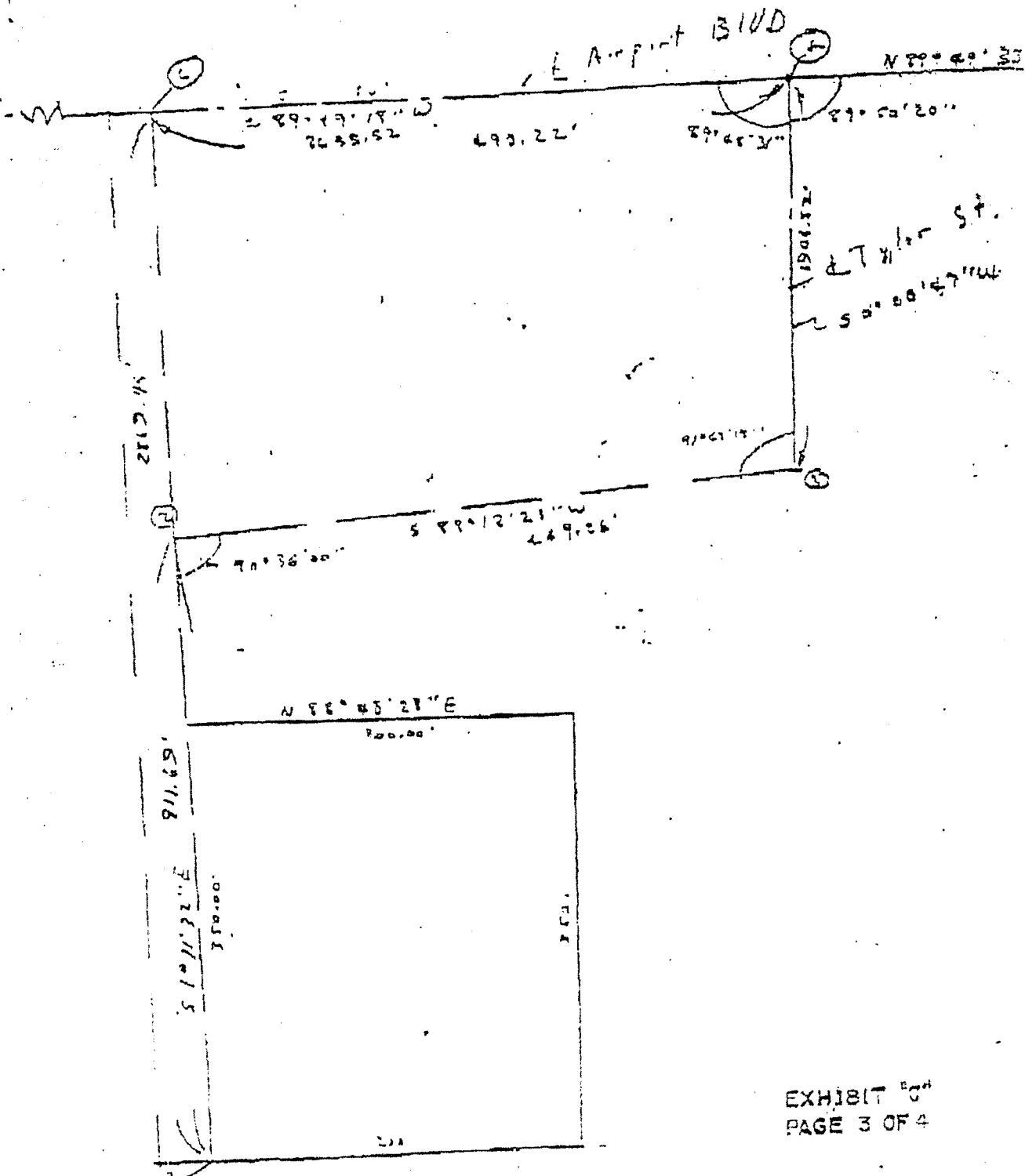
MAY 27 '97 02:28PM RIV COUNTY COUNSEL

P.8/13

Lease Description
(Thermal Airport)

That portion of the East one half of Section 20, Township 6 South,
Range 8 East, San Bernardino Meridian, Described as follows:

Beginning at the intersection of the centerline of Tyler
Street with the centerline of Airport Boulevard;
Thence $S89^{\circ}-49'-18''W$ along the centerline of Airport Boulevard,
490.22 feet; Thence leaving said centerline, $S1^{\circ}-11'-32''E$, 2,869.46
feet to the True Point Of Beginning;
Said True Point Of Beginning is $N88^{\circ}-48'-28''E$, 20.00 from a
copper weld, down 2 inches with no markings; Said copper weld is
25.5' north of the existing centerline of east-west Taxiway, and
6.0' west of existing centerline of north-south service road.
Thence $N1^{\circ}-11'-32''W$, 350.00 feet; Thence $N88^{\circ}-48'-28''E$, 200.00 feet;
Thence $S1^{\circ}-11'-32''E$, 359.00 feet; Thence $S88^{\circ}-48'-28''W$,
200.00 feet to the True Point Of Beginning.



MAY 27 1997 02:25PM RIV COUNTY COUNSEL

P. 12/13

A-1 SURVEYING CL., INC.

75-400 HIGHWAY 111, SUITE 100
PALM DESERT, CALIFORNIA 92260

FOR: *Bill Cox*

NOTES

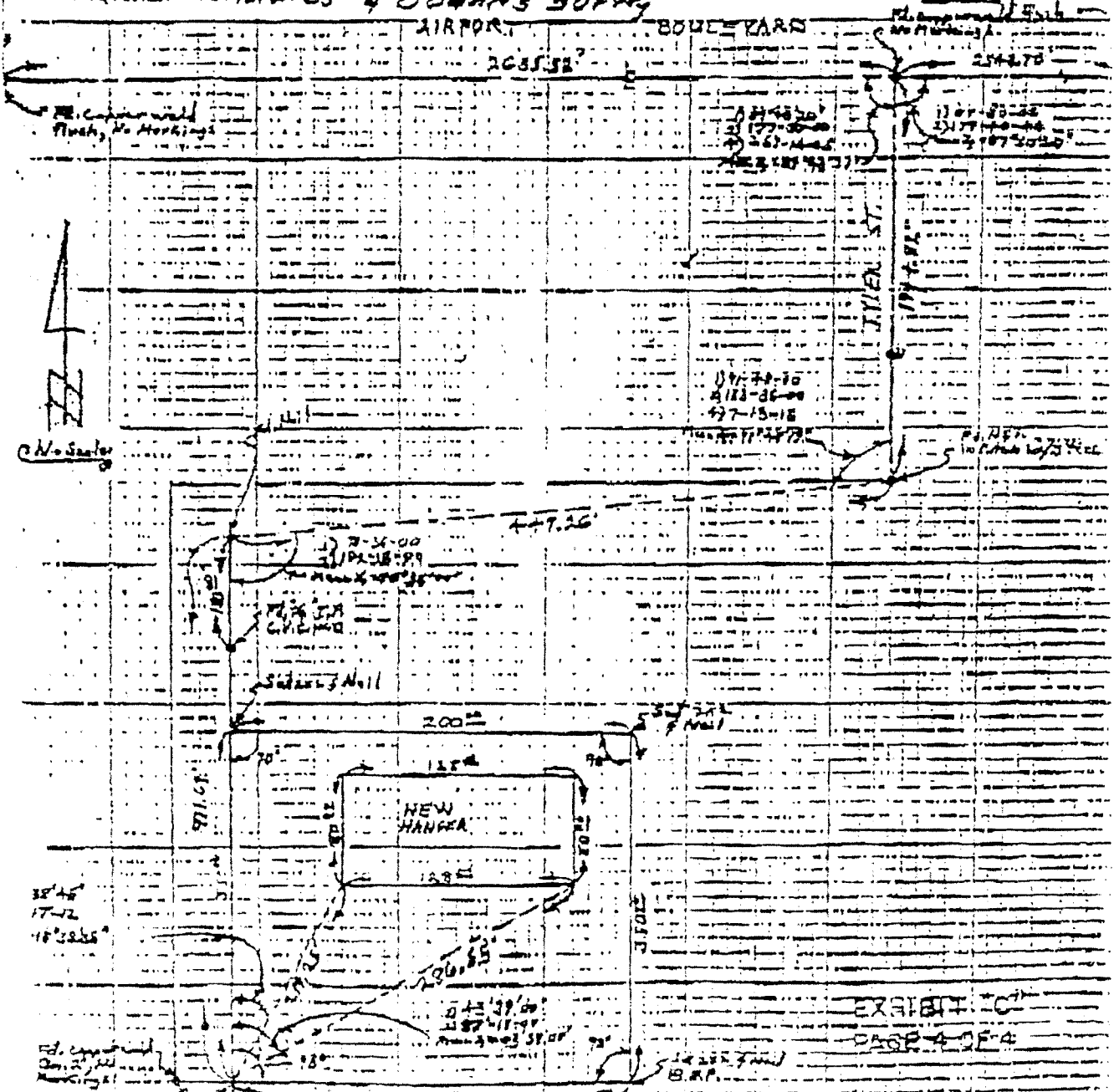
DATE: *7/6/04*

WEATHER:

PARTY: *R.V. & C.V. & D.D.*

LEGAL: *Area leased by C. & Jane Gibler located on Terminal Airport for Riv County Lease*
REQUIREMENTS: *Notes & Boundary Survey*

JOB # *2512*



file

FIRST AMENDMENT TO LEASE
(Thermal Airport)

The COUNTY OF RIVERSIDE, County, and THE HANGER, a general partnership consisting of WILLIAM J. COX, CHARLES S. GIBBS, BERNARD KUHN and DAVID RASMUSSEN, Lessee, hereby agree to amend that certain Lease dated January 29, 1980, between the County of Riverside and Charles Gibbs and Juna Gibbs, pertaining to approximately 1.6 acres of land located at Thermal Airport, Thermal, California, as described on Exhibit "A" attached thereto, which Lease has been assigned to Lessee, as follows:

1. Exhibit "A" attached to the Lease is hereby superseded and replaced by Exhibit "C" consisting of 4 pages, which Exhibit "C" is attached hereto and by this reference made a part hereof.

2. Paragraphs 5(c), 5(d) and 5(e) of the Lease shall not be operative until such time that Lessee uses the leased premises to solicit business from members of the general public for any of the purposes set forth in Paragraphs 2(a)(1), 2(a)(2), 2(a)(3), 2(a)(4), or 2(a)(5) of the Lease.

3. Paragraph 5(f) of the Lease shall not be operative until such time that Lessee uses the leased premises for any purpose set forth in Paragraph 2(a)(2) of the Lease.

4. All other provisions of the Lease remain the same.

Dated: JAN 08 1985

Facsimile Signature
affixed by Clerk per
Sec. 25103 Gov. Code

ATTEST: JAN 08 1985

COUNTY OF RIVERSIDE

GERALD A. MALCNEY
Clerk of the Board

Patricia A. Larson
by _____
Chairman, Board of Supervisors

By Louis [Signature]
Deputy

THE HANGER, a general partnership

(SEAL)

William J. Cox
WILLIAM J. COX, partner

Charles S. Gibbs
CHARLES S. GIBBS, partner

Bernard Kuhn
BERNARD KUHN, partner

David Rasmussen
DAVID RASMUSSEN, partner

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7/84

INDEXED

ADJ. CLERK
COUNTY OF RIVERSIDE
CALIFORNIA

210, 73502-1605
LEASE
(Thermal Airport)

The COUNTY OF RIVERSIDE, herein called County, leases to CHARLES GIBBS and JUNE GIBBS, husband and wife as joint tenants, herein called Lessees, the property described below upon the following terms and conditions:

1. Description. The premises leased hereby are located at the Thermal Airport, Thermal, California, and consist of 1.6 acres, more or less, as more particularly described on Exhibit "A" attached hereto and by this reference made a part of this lease.

2. Use.

(a) The leased premises may be used only for the following purposes:

(1) Retail and wholesale of new and used aircraft parts and accessories, including instruments and electronic devices.

(2) Maintenance, repair, overhaul and modification of all types of aircraft, aircraft engines, airframes, propellers and other aircraft components.

(3) Painting and upholstering of aircraft.

(4) Flight operations for the purpose of testing of aircraft following maintenance, overhaul or major modification.

(5) Aircraft storage.

(b) Subject to the provisions of Section 308 of the Federal Aviation Act of 1938, Lessees shall have the exclusive use of the leased premises and the common usage of those facilities at Thermal Airport which are used in common by other tenants.

3. Term. The term of this lease shall be for a period commencing February 1, 1980, and terminating December 31, 2019 subject to the provisions of paragraphs 16 and 17 herein. Any holding over by Lessees after the expiration of this lease shall be on a day-to-day basis strictly and continuing tenancy rights shall not accrue to Lessees.

4. Rent.

(a) Lessees shall pay the sum of \$100.00 per month to County as rent for the leased premises, payable, in advance, on the 10th day of the month.

ESM
12/19/28

ES H. ANGELL
COUNTY COUNSEL
LIBRARY BLDG.
RIVERSIDE, CALIFORNIA

Need copy of lease amendments

1 (b) Notwithstanding the provisions of paragraph 4(a)
2 herein, the rent as set forth therein shall be adjusted on each
3 fifth anniversary of this lease by an amount equal to the percent-
4 tage differential of the then current Consumer Price Index for all
5 Urban Consumers published monthly by the U. S. Bureau of Labor
6 Statistics and the Consumer Price Index for all Urban Consumers
7 for the month of September, 1979. The latter Consumer
8 Price Index is 223.4% of the average prices for the base year of
9 1967. In no event shall any such adjustment be greater than fifty
10 percent (50%) of the rental in effect during the immediately
11 preceding 5 year period.

12 (c) Lessees shall pay to County an amount equal to
13 1/30 of the monthly rent for each day that Lessees hold over after
14 the expiration of this lease.

15 (d) In the event of damage to or destruction of all
16 or any part of the leased premises, or the improvements thereon,
17 the rental payments shall be reduced pro rata during the period
18 that such buildings or structures are unfit for normal use;
19 provided, however, that such damage or destruction is not caused
20 by Lessees, its agents or employees, independent contractors,
21 subcontractors or invitees. Any repairs or reconstruction by
22 Lessee hereunder shall be in accordance with plan and specifica-
23 tions approved in writing by County.

24 5. Obligations of Lessees. Lessees and Lessees'
25 employees shall, during the term of this lease:

26 (a) Observe and obey all rules and regulations of
27 County which are now in effect or which may hereafter be promul-
28 gated.

(b) Employ and maintain on the premises adequate
numbers of trained employees, skilled in the necessary fields, to
properly perform the tasks related to the services being offered.

(c) Operate the leased premises for the use and
benefit of the general public without discrimination on the
grounds of race, religion, color, national origin or sex, or in
any manner prohibited by Part 15 of the Federal Aviation Adminis-
tration Regulations.

(d) Provide services to the general public, on a
minimum basis, from 8:00 A.M. local time until 5:00 P.M. local
time, Mondays through Fridays, inclusive. Any changes relative to
such minimum hourly and daily schedule shall not be made by Lessees
unless approval is first obtained from County in writing.

(e) Operate the leased premises and the facilities
thereon in a progressive and efficient manner, charging fair and
reasonable prices for each unit or service, said prices being
competitive with prices charged for similar services at Thermal
Airport and other County airports. Upon request from County,
Lessees shall furnish County with a schedule of all prices for each

1 service offered for sale to the general public.

2 (e) Within the first year of this lease qualify for
3 establish, and thereafter maintain continuously during the
4 remaining term of this lease, a certificated Federal Aviation
5 Administration Repair Station covering Airframe Ratings Class 1
and 3, or, in the alternative, to have on the premises a mechanic
designated by the Federal Aviation Administration as an Authorized
Inspector for aircraft maintenance.

6 (g) Secure, at Lessees' expense, all necessary
7 permits and licenses and pay all fees or taxes levied or exacted
8 by any legal taxing or regulatory body. Lessees recognize and
9 understand that this lease may create a possessory interest subject
10 to property taxation and that Lessees may be subject to the payment
11 of property taxes levied on such interest.

12 (h) Not engage in the painting of aircraft (other
13 than small "spot painting" jobs in connection with repairs) within
14 any building unless, or until, they have established therein a
15 regular paint shop which is adequately enclosed and vented, and
16 has been inspected and approved, in writing, by representatives of
17 the Federal Aviation Administration and County's Fire and Building
18 and Safety departments.

19 6. County's Reserved Rights.

20 (a) The leased premises are accepted by Lessees
21 subject to any and all existing easements or other encumbrances,
22 and County shall have the right to enter upon the leased premises
23 and to install, lay, construct, maintain, repair and operate such
24 sanitary sewers, drains, storm water sewers, pipelines, manholes,
25 connections, water, oil and gas pipelines, and telephone and
26 telegraph power lines and such other appliances and appurtenance
27 necessary or convenient to use in connection therewith, over, on
28 upon, through, across and along the leased premises or any part
thereof. County also reserves the right to grant franchises,
easements, rights of way and permits in, over and upon, along or
across any and all portions of said leased premises as County may
elect; provided, however, that no right of the County provided for
in this paragraph shall be so executed as to interfere unreasonably
with Lessees' use hereunder, or impair the security of any secured
creditor of Lessees. County shall cause the surface of the leased
premises to be restored to its original condition upon the completion
of any construction by County or its agents. In the event that
such construction renders any portion of the leased premises
unusable, the rent shall abate pro rata as to such unusable portion
during the period of such construction. Any right of County set
forth in this paragraph shall not be exercised unless a prior
written notice of 30 days is given to Lessees; provided, however,
in the event such right must be exercised by reason of emergency,
then County shall give Lessees such notice in writing as is
reasonable under the existing circumstances.

(b) County reserves the right to further develop

1 improve the aircraft operating area of Thermal Airport as it deems
2 appropriate. County reserves the right to take any action it
3 considers necessary to protect the aerial approaches of the Thermal
4 Airport against obstruction, together with the right to prevent
5 Lessees from erecting or permitting to be erected, any building
6 or other structure on the Thermal Airport which, in the opinion
7 of County, would limit the usefulness of the Thermal Airport or
8 constitute a hazard to aircraft.

9 (c) During time of war or national emergency, County
10 shall have the right to lease or otherwise make available the
11 leased premises or any part thereof to the United States Govern-
12 ment for military use and, if this occurs, the provisions of this
13 lease, insofar as they are inconsistent with the needs of the
14 United States Government, shall be suspended. In that event, a
15 just and proportionate part of the rent hereunder shall be abated
16 and the period of such closure shall be added to the term of this
17 lease so as to extend and postpone the expiration thereof unless
18 Lessees otherwise elect to terminate the lease.

19 (d) Notwithstanding any provisions herein, this
20 lease shall be subordinate to the provisions of any existing or
21 future agreement between County and the United States, relative to
22 the operation or maintenance of the airport, the terms and execu-
23 tion of which have been or may be required as a condition precedent
24 to the expenditure or reimbursement to County of federal funds for
25 the development of the Thermal Airport. In addition, this lease
26 is subject, as applicable, to the provisions as set forth in
27 Exhibit "B" (Lease Provisions as Required by the Federal Aviation
28 Administration) attached hereto and by this reference made a part
29 of this lease.

30 7. Utilities. County shall provide all water and sewer
31 services as may be required for domestic, industrial and commer-
32 cial uses in connection with the leased premises; provided,
33 however, that Lessees shall pay County for all such industrial and
34 commercial water services, accounting and billing therefor by
35 County to Lessees. Lessees shall provide and pay for all other
36 utility services they may require in connection with the leased
37 premises.

38 8. Maintenance.

39 (a) Lessees shall maintain the leased premises, the
40 improvements thereon and their operating equipment in a neat, safe
41 and orderly and attractive condition during the term of this lease,
42 and Lessees shall provide for the sanitary handling and disposal
43 of all refuse accumulated as a result of Lessees' use of the
44 leased premises and the improvements thereon. Moreover, the
45 exterior and the interior of the leased premises and the improve-
46 ments thereon shall be maintained in good working condition and
47 repair during the term of this lease.

48 (b) Subject to the provisions of paragraph 8c,
49 Lessees shall repair any and all damages to the leased premises if

1 such damages are caused by Lessees, their employees, agents,
2 independent contractors, subcontractors, or invitees.

3 (c) In the event of damage to or destruction of all
4 or any part of the leased premises rendering the leased premises
5 unusable in whole or in part, Lessees shall repair such damage or
6 destruction with due diligence in accordance with paragraph 10
7 herein, but only to the extent of the insurance coverage required
8 by this lease.

9
10 9. Inspection of Premises. County, through its duly
11 authorized agent, shall have, at any time during normal business
12 hours, the right to enter the leased premises for the purpose of
13 inspection or maintenance and for the purpose of doing any and all
14 things which it is obligated and has a right to do under this
15 lease.

16
17 10. Improvements by Lessee.

18 (a) Any improvements, alterations or installations
19 of fixtures to be undertaken by Lessees shall have the prior
20 written approval of County after Lessees have submitted to County
21 proposed plot and building plans, and specifications therefor in
22 writing. Such approval by County shall not be unreasonably
23 withheld. Upon such approval, Lessees shall complete such improve-
24 ments, alterations or installations of fixtures in strict compli-
25 ance with the said plans and specifications.

26 (b) Following completion of such improvements,
27 alterations or installations of fixtures, Lessees shall submit to
28 County: (1) itemized statement(s) showing the entire cost of
improvements, alterations, or installations of fixtures, and (2) a
complete set of "As Built" drawings showing every detail, latent
or otherwise, of such improvements, alterations or fixtures
including, but not limited to, electrical circuitry and plumbing.

(c) All such improvements, alterations and fixtures
shall remain the property of Lessees; provided, however, that
Lessees remove, at Lessees' expense, such improvements, altera-
tions and fixtures at or prior to the expiration of this lease and
restore the leased premises to their original shape and condition
as nearly as possible. In the event Lessees do not so remove such
improvements, alterations and fixtures, they shall become the
property of County for no further consideration of any kind,
except as provided in paragraph 18 herein.

11. Signs. Lessees shall not erect, maintain or display
any signs or other forms of advertising upon the leased premises
without first obtaining the written approval of County, which
approval shall not be unreasonably withheld.

12. Compliance with Government Regulations. Lessees
shall, at Lessees' sole cost and expense, comply with the require-
ments of all local, state and federal statutes, regulations, rules
ordinances and orders now in force or which may be hereafter in

1 force, pertaining to the leased premises. The judgment, decree or
2 order of any court of competent jurisdiction, or the admission of
3 Lessees in any action or proceeding against Lessees, whether
4 Lessees be a party thereto or not, that Lessees have violated any
5 such statutes, regulations, rules, ordinances, or orders, in the
6 use of the leased premises, shall be conclusive of that fact as
7 between County and Lessees.

8
9 13. Discrimination or Segregation.

10 (a) Lessees shall not discriminate in Lessees'
11 recruiting, hiring, promotion, demotion or termination practices
12 on the basis of race, religious creed, color, national origin,
13 ancestry, sex, age, physical handicap, medical condition or marital
14 status with respect to the use of the leased premises hereunder,
15 and Lessees shall comply with the provisions of the California
16 Fair Employment Practice Act (Labor Code §§ 1410 et seq.), the
17 Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments
18 thereto, Executive Order No. 11246 (30 Federal Register 12319),
19 as amended, and all Administrative Rules and Regulations issued
20 pursuant to said Acts and Orders.

21 (b) Lessees shall not discriminate against or cause
22 the segregation of any person or group of persons on account of
23 race, religious creed, color, national origin, ancestry, sex, age,
24 physical handicap, medical condition or marital status, in the
25 occupancy, use, tenure or enjoyment of the leased premises, nor
26 shall the Lessees, or any person claiming under or through Lessees,
27 establish or permit any such practice or practices of discrimina-
28 tion or segregation with reference to the selection, location,
number, use or occupancy of any persons within the leased premises

17 14. Accounting Records and Documents.

18 (a) Lessees shall maintain accounting records and
19 supporting documents in connection therewith relating to any and
20 all costs of improvements, alterations and fixtures referred to in
Paragraph 10 herein.

21 (b) Lessees shall maintain adequate records, sup-
22 porting documents, and books of account covering Lessees' business
23 operations at the Thermal Airport.

24 (c) County shall have the right to examine and
25 inspect such accounting records and supporting documents at any
26 time during normal business hours after reasonable notice.

27 15. Ingress and Egress. Lessees shall have the right of
28 ingress and egress to and from the leased premises over such routes
as are designated by County.

16. Termination by County. County shall have the right
to terminate this lease:

(a) In the event a petition is filed for voluntary

1 or involuntary bankruptcy for the adjudication of Lessees as a
2 bankrupt.

3 (b) In the event that Lessees make a general
4 assignment for the benefit of creditors.

5 (c) In the event of any act which operates to
6 deprive Lessees of the ability to perform Lessees' duties under the
7 lease.

8 (d) In the event of the discontinuance of the use
9 of the leased premises by Lessees for a period in excess of one year.

10 (e) In the event Lessees fail to perform, keep or
11 observe any of Lessees' duties or obligations hereunder; provided,
12 however, that Lessees shall have 30 days in which to correct
13 Lessees' breach or default after written notice thereof has been
14 served on Lessees by County.

15 (f) In the event the leased premises are rendered
16 unfit for Lessees' use and cannot be restored within a reasonable
17 time.

18 (g) If Lessees conduct any activity on the leased
19 premises not authorized by this lease agreement.

20 17. Termination by Lessees. Lessees shall have the
21 right to terminate this lease:

22 (a) In the event County fails to perform, keep or
23 observe any of its duties or obligations hereunder; provided,
24 however, that County shall have 30 days in which to correct its
25 breach or default after written notice thereof has been served on
26 it by Lessees; provided, further, however, that in the event such
27 breach or default is not corrected, Lessees may elect to terminate
28 this lease in its entirety or as to any portion of the premises
affected thereby, and such election shall be given by an additional
15 days written notice to County.

(b) In the event the leased premises are rendered
unfit for Lessees' use and cannot be restored within a reasonable
time.

23 18. Reimbursement to Lessees. In the event this lease is
24 terminated as provided in Paragraph 17(a) herein, County shall
25 reimburse Lessees with an amount of money equal to the actual cost
26 incurred by Lessees for any improvements, alterations or installa-
27 tion of fixtures undertaken by Lessees in strict compliance with
28 the provisions contained in Paragraph 10(a) and (b) herein;
provided, however, that such costs shall be amortized, for the
purpose of this lease, by using a straightline depreciation
schedule, which schedule shall commence on the completion date of
such improvements, alterations or fixtures and terminate on the
termination date of this lease as set forth in Paragraph 3 herein;
provided, further, however, that such costs shall be offset

1 by an amount equal to any proceeds of insurance received by Lessees
2 to cover such costs. The provisions of this Paragraph 18 notwith-
3 standing, shall not apply to any improvements, alterations or
4 fixtures removed by Lessees in accordance with the provisions
5 contained in Paragraph 10(c) herein.

6 19. Insurance. Lessees shall, during the term of this
7 lease:

8 (a) Procure and maintain Workers' Compensation
9 Insurance as prescribed by the laws of the State.

10 (b) Procure and maintain comprehensive bodily
11 injury liability and property damage liability insurance as shall
12 protect Lessees from claims for personal injury, including acci-
13 dental and wrongful death, as well as from claims for property
14 damage which may arise from Lessees' use of the leased premises,
15 by any subcontractor or by anyone employed directly or indirectly
16 by either of them. Such insurance shall name County as an addi-
17 tional insured with respect to this lease and the obligations of
18 Lessees hereunder. The amounts of such insurance shall not be
19 less than:

20 (1) \$200,000 for injury or death of one
21 person in any one accident.

22 (2) \$500,000 for injury or death of two
23 or more persons in any one accident.

24 (3) \$100,000 for property damage in any
25 one accident.

26 (b) Furnish County with a certificate of insurance
27 showing that such insurance is in full force and effect, and that
28 County is named as an additional insured with respect to this lease
and the obligations of Lessees hereunder. Further, said certifi-
cate shall contain the covenant of the insurance carrier that 30
days written notice will be given to County prior to cancellation,
modification or reduction in coverage of such insurance.

29 20. County's Reserved Rights--Insurance. County
30 reserves the right to adjust the monetary limits of insurance
coverage required herein on each fifth anniversary of this lease.
In no event shall any such adjustment be greater than fifty
percent (50%) of the limits of insurance coverage required to be
effect during the immediately preceding 5-year period, and
further, that comparable adjustments are made relative to other
Lessees at Thermal Airport who are subject to such adjustment.

31 21. Hold Harmless.

32 (a) Lessees represent that Lessees have inspected
33 the leased premises, accept the condition thereof, and fully
34 assume any and all risks incidental to the use thereof. County
35 shall not be liable to Lessees, Lessees' agents, employees,

1 subcontractors or independent contractors for any personal injury
2 or property damage suffered by them which may result from hidden,
3 latent or other dangerous conditions not caused by the negligence
4 of the County, its officers, agents or employees.

5 (b) Lessees shall indemnify and hold County, its
6 officers, agents, employees and independent contractors, free and
7 harmless from any liability whatsoever, including wrongful death,
8 based or asserted upon any act or omission of Lessees, their
9 agents, employees, subcontractors and independent contractors,
10 relating to or in anywise connected with or arising from their
11 use and responsibilities in connection therewith of the leased
12 premises, and Lessees shall defend, at their expense, including
13 attorney fees, County, its officers, agents, employees and inde-
14 pendent contractors in any legal action based upon such alleged
15 acts or omissions.

16 (c) The specified insurance limits required in
17 Paragraph 19 herein shall in no way limit Lessees' obligations to
18 indemnify and hold County harmless.

19 22. Employees and Agents of Lessees. It is understood
20 that all persons hired or engaged by Lessees shall be considered
21 to be employees or agents of Lessees and not of County.

22 23. Binding on Successors. Lessees, their heirs, assign-
23 and successors in interest shall be bound by all the terms and
24 conditions contained in this lease, and all of the parties thereto
25 shall be jointly and severally liable hereunder.

26 24. Assignment. Lessees shall not assign, sublet,
27 mortgage, encumber, subordinate, hypothecate or otherwise transfer
28 in any manner any of their rights, interests, duties and obliga-
tions hereunder to any person or entity without the written consent
of County being first obtained, which consent shall not be
unreasonably withheld.

29 25. Waiver of Performance. No waiver by County at any
30 time of the terms and conditions of this lease shall be deemed or
31 construed as a waiver at any time thereafter of the same or of any
32 other terms or conditions contained herein or of the strict and
33 timely performance of such terms and conditions.

34 26. Severability. The invalidity of any provision in
35 this lease, as determined by a court of competent jurisdiction,
36 shall in no way affect the validity of any other provision thereof

37 27. Entire Lease. This lease is intended by the parties
38 hereto as the final, complete and exclusive expression of the terms
and conditions of this lease, and it supersedes any and all prior
and contemporaneous leases, agreements and understandings, oral or
written. This lease may be modified only upon the written consent
of the parties hereto.

39 28. Notices. Any notices required or desired to be

1 served by either party upon the other shall be addressed to the
2 respective parties as set forth below:

3	<u>COUNTY</u>	<u>LESSEES</u>
4	County of Riverside	<u>42-985 Cook St</u>
5	Airports Department	<u>Pala-Dumont Co</u>
6	21160 Box Springs Road	<u>92560</u>
7	Suite 104	
8	Riverside, CA 92507	

9 or to such other addresses as from time to time shall be designated
10 by the respective parties.

11 29. County's Representatives. County hereby appoints
12 the Airports Director as its authorized representative to administer
13 this lease.

14 Dated: JAN 29 1980

15 Charles Gibbs
16 CHARLES GIBBS

17 June Gibbs
18 JUNE GIBBS

COUNTY OF RIVERSIDE

Facsimile Signature
affixed by Clerk per
Sec. 25103 Gov. Code

19 By A. A. McBratton
20 Chairman, Board of Supervisors

21 ATTEST:
22 DONALD D. SULLIVAN, Clerk

23 By John Moody
24 Deputy

(Seal)

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27 PHL:rmh
3/24/79

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MES H. ANGELL
COUNTY COUNSEL
140 LIBRARY BLDG.
RIVERSIDE, CALIFORNIA