

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



ITEM: 3.26
(ID # 14509)

MEETING DATE:
Tuesday, March 09, 2021

FROM: TLMA - AVIATION:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Approval of Second Amendment to Lease Form between the County of Riverside and The John A. Kamburoff Revocable Family Trust, dated December 01, 1980., at Jacqueline Cochran Regional Airport, District 4. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Second Amendment to Lease with The John A Kamburoff Revocable Family Trust, dated December 01, 1980, an Entity, at Jacqueline Cochran Regional Airport to extend the term period for ten years of the Lease, subject to approval as to form by County Counsel; and
2. Authorize the Assistant County Executive Officer/TLMA Director; or designee, to execute the Second Amendment to Lease for the Lease at Jacqueline Cochran Regional Airport with The John A. Kamburoff Revocable Family Trust, dated December 01, 1980, an Entity.

ACTION: Policy

Charissa Leach, Interim TLMA Director

2/18/2021

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
Nays: None
Absent: None
Date: March 9, 2021
xc: Aviation

Kecia R. Harper
Clerk of the Board

By:
Deputy

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

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: 20/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside, as Lessor, entered into that certain lease with The John A. Kamburoff Revocable Family Trust, dated December 01, 1980, at Jacqueline Cochran Regional Airport on April 25, 2000. The Lease has been amended by that First Amendment Lease Jacqueline Cochran Regional Airport dated June 04, 2002 (collectively "Lease").

The TLMA – Aviation Division received a timely request from The John A. Kamburoff Revocable Family Trust, dated December 01, 1980, to extend the term of the Lease from April 26, 2020 to April 25, 2030. The Second Amendment recommended for approval extends the term as requested.

Impact on Residents and Businesses

The Lease extension will assist in the County's effort to increase airport operations which in turn provides increased patron activities for local business.

Additional Fiscal Information

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

ATTACHMENTS:

- Original Lease
- First Amendment to Lease
- Second Amendment to Lease


Jason Farin, Principal Management Analyst

3/2/2021


Gregory V. Priamos, Director County Counsel

2/23/2021

**Second Amendment to Lease
Jacqueline Cochran Regional Airport**

This SECOND AMENDMENT TO LEASE ("Second Amendment") is made and entered into on this 20 day of January, 2021, by and between the **County of Riverside**, on behalf of its Transportation and Land Management Agency, Aviation Division, a political subdivision of the state of California, ("County") and The John A. Kamburoff Revocable Family Trust, dated December 01, 1980, an Entity, ("Lessee"), with reference to the following:

RECITALS

WHEREAS, County and Lessee entered into that certain Lease at Jacqueline Cochran Regional Airport, dated April 25, 2000, ("Original Lease"), whereby, among other things, Lessee agreed to lease from County approximately 10,000 square feet of land ("Leased Premises") located at Jacqueline Cochran Regional Airport.

WHEREAS, the Lease was amended by that certain First Amendment to Lease dated June 04, 2002, by and between County and Lessee; whereby, among other things, the leased premises size was revised to be 8,000 square feet of land and Lessee shall have the option to extend the term of the lease for a period of ten (10) years; and

WHEREAS, Lessee now desires, pursuant to Section 3(a) of the First Amendment, to exercise its option to extend the term of the Lease for an additional period of ten (10) years on the same terms and conditions; and

WHEREAS, The Original Lease together with the First Amendment and this Second Amendment are collectively referred to herein as the "Lease;"

WHEREAS, County and Lessee now desire to amend the Lease to extend the Lease term for an additional ten (10) years;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the Lease shall be modified as follows:

- 1. Term.** Section 3 (Term) of the Lease is hereby amended by adding the following to the end:

The term of the Lease shall be extended for ten (10) years, commencing

on April 26, 2020 ("Effective Date") and expiring on April 25, 2030. Any holding over by the Lessee after the expiration of the Lease shall be on a day-to-day basis strictly, and continuing tenancy rights shall not accrue to the Lessee.

2. Miscellaneous

a. Construction of Second Amendment. The parties hereto negotiated this Second Amendment at arm's length and with advice of their respective attorneys, and no provisions contained herein shall be construed against Lessor solely because it prepared this Second Amendment in its executed form.

b. Capitalized Terms/Second Amendment to Prevail. Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the Lease, as heretofore amended. The provisions of this Second Amendment shall prevail over any inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall supplement the remaining provisions thereof.

c. Further Cooperation. The parties agree to execute such other instruments, agreements and amendments to documents as may be necessary or appropriate to effectuate the Lease as amended by this Second Amendment.

d. Interpretation. This Second Amendment, when combined with the Lease and all amendments hereto, sets forth and contains the entire understanding and agreement of the parties hereto and correctly sets forth the rights, duties and obligations of each to the other as of this date.

e. Waivers; Amendments. All waivers of the provisions of this Second Amendment and all amendments hereto must be in writing and signed by the appropriate authorities of County and Lessee.

f. Attachments. Each of the attachments and exhibits attached hereto are incorporated herein by this reference.

g. Effectiveness of Lease. Except as modified and amended by this Second Amendment all other terms and conditions of the Lease remain unmodified and in full force and effect. If any provisions of this Second Amendment or the Lease shall be determined to be illegal or unenforceable, such determination shall not affect any

other provision of the Lease and all such other provisions shall remain in full force and effect. The language in all parts of the Lease shall be construed according to its normal and usual meaning and not strictly for or against either County or Lessee. Neither this Second Amendment, nor the Lease, nor any notice nor memorandum regarding the terms hereof, shall be recorded by Lessee.

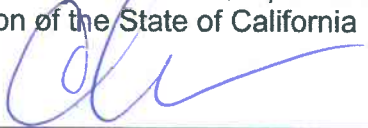
h. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

i. Effective Date. The Effective Date of this Second Amendment is the date provided above in Section 1 of this Second Amendment.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, County and Lessee hereto have executed this Second Amendment as of the dates set forth below.

COUNTY:
COUNTY OF RIVERSIDE, a political
subdivision of the State of California

By: 
Charissa Leach
Interim Assistant County Executive
Officer/TLMA


Date: 3/22/21

LESSEE:
The John A. Kamburoff Revocable
Family Trust, dated December 01,
1980

By: 
John A. Kamburoff

Date: 1/20/2021

APPROVED AS TO FORM:
GREGORY P. PRIAMOS
County Counsel

By: 
Kristine K. Bell-Valdez
Supervising Deputy County Counsel

1 All other provisions of the Lease, as hereby amended, shall remain the same as
2 written in the Lease dated April 25, 2000. The parties hereto negotiated this Lease
3 Amendment at arms length and with the advise of their respective attorneys, and no
4 provisions contained herein shall be construed against the County solely because it
5 prepared this Lease Amendment in its executed form.

6 COUNTY OF RIVERSIDE

7
8 Date: JUN 04 2002

9
10 By: *Bob Buster*
11 Chairman, Board of Supervisors
12 **BOB BUSTER**

(SEAL)

13 APPROVED AS TO FORM:

ATTEST:

14 APR 22 2002
15 By: *Joe S. Rank*
16 Joe S. Rank
17 Assistant County Counsel

18
19 By: *Gerald A. Maloney*
20 Gerald A. Maloney
21 Clerk of the Board

22
23 LESSEE:

24 Date: 4-9-02

25 By: *John Kamburhoff*
26 John Kamburhoff
27
28

CONSENT TO ASSIGNMENT

The County of Riverside (Lessor) hereby consents to the foregoing Assignment dated April 15, 2008 between John Kamburoff, as Assignor, and The John A. Kamburoff Revocable Family Trust, dated December 1, 1980, an ENTITY, as Assignee, and without however, waiving the restrictions contained in said Lease dated April 25, 2000, between the County of Riverside, as Lessor, and John Kamburoff, as Lessee, described as 8,000 square feet of land at the Jacqueline Cochran Regional Airport (formerly Desert Resorts Regional Airport) with respect to any future assignments thereunder, and without releasing the Assignor under said lease from any obligations that are not performed by The John A. Kamburoff Revocable Family Trust, dated December 1, 1980, an ENTITY, and otherwise accepts the Assignee, The John A. Kamburoff Revocable Family Trust, date December 1, 1980, an ENTITY, as Lessee under said Lease to all intents and purposes as though Assignee was the original Lessee thereunder.

Date: 6-10-08

COUNTY OF RIVERSIDE

By: *Joey Wilson*
Chairman, Board of Supervisors
JOY WILSON

ATTEST:
NANCY ROMERO, Clerk of the Board

FORM APPROVED
JOE S. RANK, County Counsel

By: *C. J. [Signature]*
DEPUTY

By: *Gordon V. Woo 5/30/08*
Deputy

S:\EDCOM\AIRPORTS\JCRA\KAMBUROFF LSE ASSGN TO TKRT 4.23.08.DOC

JUN 10 2008 3.16

1 **FIRST AMENDMENT TO LEASE**
2 (Desert Resorts Airport)

3 The County of Riverside, hereinafter County, and John Kamburoff, hereinafter
4 Lessee, hereby agree to amend the following paragraphs and subparagraphs of that
5 certain Lease between the parties dated April 25, 2000, to read as follows:

6 2. Description. The premises leased hereby are located within the
7 Desert Resorts Airport, County of Riverside, California, and are hereby revised to
8 consist of approximately 8,000 square feet of gross usage property, being legally
9 described in Exhibit "A", which is attached hereto and incorporated herein by this
10 reference; said property is hereinafter referred to as the "Demised Premises."

11 3. Option.

12 (a) With respect to the leased premises and subject to the
13 provisions of Paragraphs 5,8,10,16 and 17 and provided that the lessee, at the time of
14 exercising of the option, is in full compliance with the terms of this Lease, the Lessee
15 shall have the option to extend this Lease for a period of ten (10) years.

16 (b) The Lessee shall exercise the option by giving the County
17 written notice between May 1, 2019 and February 1, 2020.

18 (c) Any holding over by the Lessee, after the expiration of this
19 Lease, shall be on a day-to-day basis strictly, and continuing tenancy rights shall not
20 accrue to the Lessee.

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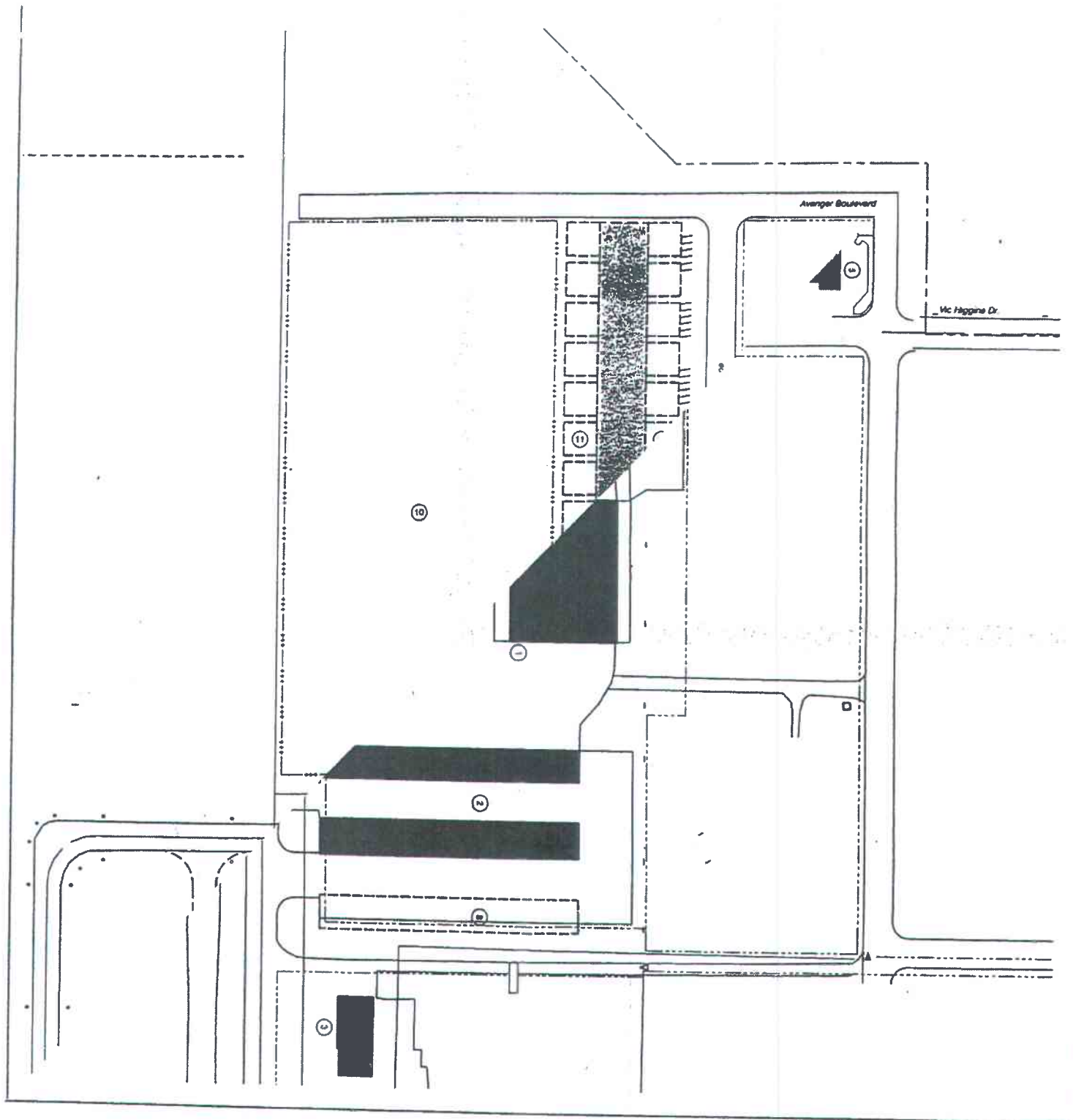


Exhibit A

1. LEASE

2. (Desert Resorts Regional Airport)

3.
4. The COUNTY OF RIVERSIDE, herein called County, leases to John Kamburoff,
5. Herein called Lessee, the property described below under the following terms and
6. conditions:

7. I. Recitals.

8. (a.) County owns land at the Desert Resorts Regional Airport,
9. County of Riverside, California.

10. (b) County desires to lease said property to Lessee for an the
11. construction of one Aircraft storage hangar.

12. (c) Lessee desires to lease said property from the County, for the
13. construction of one aircraft storage hangar.

14. 2. Description.

15. The premises leased hereby are located within the Desert Resorts Regional
16. Airport, County of Riverside, California and consist of approximately 10,000 square
17. feet of land, being legally described in Exhibit "A" attached hereto and incorporated by
18. reference herein. Said property is hereafter referred to as the "Demised Premises."

19. 3. Term.

20. This lease shall commence on the first of the month following execution by all
21. parties thereto and terminate twenty (20) years thereafter.

22. 4. Use.

23. (a) The Demised Premises is leased hereby for the purpose of
24. constructing and maintaining an aircraft storage hangar. The Demised Premises
25. shall not be used for any use, other than aircraft storage.

26. (b) The demised premises shall not be used for any purpose other than in
27. paragraph 4 (a), without first obtaining the written consent of County, which consent
28. shall not be unreasonably withheld.

1 5. Rent.

2 (a) Commencing upon lease execution, Lessee shall pay to Lessor as
3 base rent for the use and occupancy of the Demised Premises, monthly rent equal to
4 **One Hundred Twenty Five and 00/100, \$125.00.** Said rent is due and payable in
5 advance on the first of each month.

6 (b) Beginning at the start of year five (5) from lease execution, and every
7 fifth (5th) year thereafter, the basic monthly rent shall be one-twelfth (1/12) of eight
8 percent (8%) of the appraised fair market value, of the leased premises, as described
9 in paragraph two(2). A property appraisal for this purpose is to be performed by an
10 independent, certified appraiser in good standing with the American Institute of Real
11 Estate Appraisers and to be procured by the County. Once established, said rent shall
12 be adjusted annually in the manner set forth in Paragraph 5 (c) below.

13 (c) Consumer Price Index. Beginning with the first (1st) anniversary of
14 the lease execution and at each 12 month anniversary thereafter, the rent shall be
15 adjusted by the percentage change, in the CPI, All Urban Consumers, LA-Anaheim
16 Area for the twelve month period ending two months before the month of rent
17 adjustment under this paragraph. In no event will application of this paragraph result in
18 a monthly rental amount lower than the most previous monthly rental amount.

19 6. Permits, Licenses and Taxes. Lessee shall secure at its expense, all
20 necessary permits and licenses as it may be required to obtain, and Lessee shall pay
21 for all fees and taxes levied or required by any authorized public entity. Lessee
22 recognizes and understands that this lease may create a possessory interest subject to
23 property taxation and that Lessee may be subject to the payment of property taxes
24 levied on such interest.

25 7. On-Site Improvements.

26 (a) Lessee, at its expense, shall construct, or cause to be
27 constructed the following improvements:

28 (1) An aircraft storage hanger, not to exceed ~~3,000~~ sq. feet.

4,800 JK

1 Within two months of lease execution, Lessee shall submit a plot plan to the Economic
2 Development Agency showing the location and dimensions of all planned improvements.
3 Upon approval of the layout plan by the Economic Development Agency, Lessee shall
4 Submit to the County for building permits. Construction of said improvements shall
5 Commence within one month following issuance of the requisite permits by the County.
6 All construction is to be complete within twelve months of lease commencement.
7 Lessee shall obtain performance, material, and labor payment bonds in the amounts
8 Required by law and determined by County and shall furnish County with copies
9 Thereof prior to the commencement of such construction.

10 (b) All improvements to be at lessees sole cost. Lessee to pay for
11 construction of any required utility extensions and hookups and any access road
12 improvements. All improvements to be submitted to County for approval prior to start of
13 any construction.

14 (c) Any improvements, alterations and installation of fixtures, to be
15 undertaken by Lessee, shall have the prior written approval of County's Aviation
16 Director after Lessee has submitted to County proposed plot and building plans, and
17 specifications therefore, in writing. In addition, Lessee understands and agrees that
18 such improvements, alterations and installation of fixtures may be subject to County
19 Ordinance Nos. 348 and 457, as well as other applicable County ordinances, and that
20 Lessee shall fully comply with such ordinances prior to the commencement of any
21 construction in connection therewith.

22 (d) All improvements, alterations and fixtures, shall remain or become
23 as the case may be, the property of County with the exception of trade fixtures as that
24 term is used in Section 10 19 of the Civil Code; provided, however, that Lessee shall
25 have the full and exclusive use and enjoyment of such improvements, alterations and
26 fixtures during the term of this lease. At or prior to the expiration of this lease, Lessee
27 shall remove, at its expense, such trade fixtures and restore said leased premises to
28 their original shape and condition as nearly as practicable. In the event Lessee does

1 occupancy, use, tenure or enjoyment of the leased premises, nor shall Lessee, or any
2 person claiming under or through Lessee, establish or permit any such practice or
3 practices of discrimination or segregation with reference to the selection, location,
4 number, use or occupancy of any persons within the leased premises.

5 (c) Lessee assures that it will undertake an affirmative action program
6 as required by 49 CFR, Part 21, to insure that no person shall on the grounds of race,
7 creed, color, national origin, or sex be excluded from participating in any employment
8 activities covered in 49 CFR, Part 21, with respect to its use of the leased premises.
9 Lessee further assures that no person shall be excluded on these grounds from
10 participating in or receiving services or benefits of any program or activity covered
11 herein with respect to its use of the leased premises. Lessee further assures that it will
12 require that its subcontractors and independent contractors provide assurance to
13 Lessee that they similarly will undertake affirmative action programs and that they will
14 require assurances from their subcontractors and independent contractors, as required
15 by 49 CFR, Part 21, to the same effect with respect to their use of the leased premises.

16 16. Termination by County.

17 County shall have the right to terminate this lease forthwith:

18 (a) In the event a petition is filed for voluntary or involuntary
19 bankruptcy for the adjudication of Lessee as debtors.

20 (b) In the event that Lessee makes a general assignment, or Lessee's
21 interest hereunder is assigned involuntarily or by operation of law, for the benefit of
22 creditors.

23 (c) In the event of abandonment of the leased premises by Lessee.

24 (d) In the event Lessee fails or refuses to perform, keep or observe
25 any of Lessee's duties or obligations hereunder; provided, however, that Lessee shall
26 have thirty (30) days in which to correct Lessee's breach or default after written notice
27 thereof has been served on Lessee by County.

28 (e) In the event Lessee fails, or refuses, to meet its rental obligations,
29 or any of them, hereunder or as otherwise provided by law.

1 17. Termination by Lessee(s)

2 (a) Lessee shall have the right to terminate this lease in the event
3 County fails to perform, keep or observe any of its duties or obligations hereunder;
4 provided, however, that County shall have thirty (30) days in which to correct its
5 breach or default after written notice thereof has been served on it by Lessee;
6 provided, further, however, that in the event such breach or default is not corrected,
7 Lessee may elect to terminate this lease in its entirety or as to any portion of the
8 premises affected thereby, and such election shall be given by an additional thirty (30)
9 day written notice to County.

10 18. Eminent Domain.

11 If any portion of the leased premises shall be taken by eminent domain and
12 a portion thereof remains which is usable by Lessee for the purposes set forth in
13 Paragraph 4 herein, this lease shall, as to the part taken, terminate as of the date title
14 shall vest in the condemnor, or the date prejudgment possession is obtained through a
15 court of competent jurisdiction, whichever is earlier, and the rent payable hereunder
16 shall abate pro rata as to the part taken; provided, however, in such event County
17 reserves the right to terminate this lease as of the date when title to the part taken
18 vests in the condemnor or as of such date of prejudgment possession. If all of the
19 leased premises are taken by eminent domain, or such part be taken so that the leased
20 premises are rendered unusable for the purposes set forth in Paragraph 4 herein, this
21 lease shall terminate. If a part or all of the leased premises be so taken, all
22 compensation awarded upon such taking shall be apportioned between County and
23 lessee according to law.

24 19. Indemnity.

25 The Lessee covenants to hold County harmless from any and All loss, claims, or
26 damages resulting from Lessee's violation of any term, provision, covenant, or
27 condition of this lease, or the use, misuse, or neglect of said Demised Premises,
28 improvements, and appurtenances, and from all claims arising out of any alleged
29 defective or unsafe condition thereof., except with respect to any claims arising out of

1 the conduct of County. County shall not be liable to Lessee, nor to any other person or
2 entity, for any damage or injury occasioned by any defense in the Demised Premises,
3 its improvements, or appurtenances. Without limiting or qualifying the foregoing, it is
4 agreed that Lessee shall notify County immediately in writing, of any damage or injury
5 to the Demised Premises, its improvements, or to any appurtenances, or to the
6 sidewalk or curb abutting thereon, or as to any other condition which may expose the
7 Lessee or County to public liability. The use of the term Lessee and County in this
8 paragraph also includes their tenants, employees, agents, representatives, and
9 invitees.

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

11 (a) Procure and maintain Workers' Compensation Insurance as
12 prescribed by the laws of the State of California.

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

22 (c) Procure and maintain fire and extended coverage on the
23 improvements, alterations and fixtures to be constructed and installed upon the leased
24 premises in an amount not less than eighty percent (80%) of the actual value of such
25 improvements, alterations and fixtures. Such insurance shall name County as an
26 additional insured with respect to this lease and the obligations of Lessee hereunder.
27 However, so long as the improvements consist only of paving and improvements
28 incidental to aircraft or automobile parking purposes no such extended coverage will be
29 required.

1 (d) Cause its insurance carrier(s) to furnish County by direct mail with
2 Certificate(s) of Insurance showing that such insurance is in full force and effect, and
3 County is named as an additional insured with respect to this lease and the obligations
4 of Lessee hereunder. Further, said Certificate(s) shall contain the covenant of the
5 insurance carrier(s) those ninety- (90) days written notice shall be given to County prior
6 to modification, cancellation or reduction in coverage of such insurance. In the event of
7 any such modification, cancellation or reduction in coverage and on the effective date
8 there of this lease shall terminate forthwith unless county receives prior to such
9 effective date another certificate from an insurance carrier of Lessee's choice that the
10 insurance required herein is in full force and effect. Lessee shall not take possession or
11 otherwise use the leased premises until County has been furnished certificates of
12 insurance as otherwise required in this Paragraph 20. Failure of the lessee to provide
13 the required Certificate(s) of Insurance shall not abate any rental payment obligations
14 under this lease.

15 21. County's Reserved Rights - Insurance.

16 County reserves the right to adjust the monetary limits of insurance coverage as
17 required in Paragraph 20 herein every 5 years during the term of this lease; provided,
18 however, that any adjustment herein shall not increase the monetary limits of
19 insurance coverage for the preceding five (5) years in excess of twenty-five percent
20 (25%) thereof.

21 22. Hold Harmless.

22 (a) Lessee represents that it has inspected the leased premises
23 accepts the condition thereof and fully assumes any and all risks incidental to the use
24 thereof. County shall not be liable to Lessee, its officers, agents, employees,
25 subcontractors or independent contractors for any personal injury or property damage
26 suffered by them which may result from hidden, latent or other dangerous conditions in,
27 on, upon or within the leased premises; provided, however, that such dangerous
28 conditions are not caused by the sole negligence of County, its officers, agents or
29 employees.

1 (b) Lessee shall indemnify and hold county, its officers, agents,
2 employees and independent contractors free and harmless from any liability
3 whatsoever, based or asserted upon any act or omission of Lessee, its officers, agents,
4 employees, subcontractors and independent contractors, for property damage, bodily
5 injury, or death or any other element of damage of any kind or nature, relating to or in
6 anyway connected with or arising from its use and responsibilities in connection
7 therewith of the leased premises or the condition thereof, and Lessee shall defend, at
8 its expense, including without limitation attorney fees, expert fees and investigation
9 expenses, County, its officers, agents, employees and independent contractors in any
10 legal action based upon such alleged acts or omissions. The obligation to indemnify
11 and hold County free and harmless herein shall survive until any and all claims, actions
12 and causes of action with respect to any and all such alleged acts or omissions are
13 fully and finally barred by the applicable statute of limitations.

14 (c) The specified insurance limits required in Paragraph 20 herein
15 shall in no way limit or circumscribe Lessee's obligations to indemnify and hold County
16 free and harmless herein.

17 23. Assignment and Subletting.

18 (a) After one (1) year the Lessee shall have the right to assign its
19 interest in the Lease to a qualified assignee; provide such assignment meets the
20 following criteria and County consents, in writing, prior to such assignment:

21 (1) The assignee must assume, in writing, all of Lessee's
22 leasehold interest.

23 (2) Lessee shall be released from all further leasehold liability
24 upon an assignment pursuant to this section:

25 (b) Notwithstanding paragraph 23.(a) Lessee cannot assign, sublet,
26 mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties or
27 obligations hereunder to any person or entity without the written consent of County
28 being first obtained, which consent shall not be unreasonably withheld. In the event of

1 any such transfer, as provided in this Paragraph 23 (b) , Lessee expressly understands
2 and agrees that it shall remain liable with respect to any and all of the obligations and
3 duties contained in this lease.

4 (c) Notwithstanding anything herein to the contrary, Lessee shall have
5 the right to assign this Lease to a partnership, general or limited, a limited liability
6 company, or a corporation of which Lessee is an owner, officer, or director, provided
7 County's prior written consent is first obtained. Upon such assignment, such individuals
8 and/or entities shall be relieved of liability hereunder. The Provisions of this paragraph
9 23 shall thereafter apply to any further assignment.

10 24. Right to Encumber/Right to Cure.

11 (a) Lessee Right to Encumber. Notwithstanding provisions of
12 Paragraph 23 herein, County does hereby consent to and agree that Lessee may
13 encumber or assign, or both, for the benefit of a lender, herein called Encumbrancer,
14 this lease, the leasehold estate and the improvements thereof by a deed of trust,
15 mortgage or other security-type instrument, herein called trust deed, to assure the
16 payment of the promissory note of Lessee if the Encumbrancer is an established bank,
17 savings and loan association or insurance company, and the prior written consent of
18 County shall not be required:

19 (1) To a transfer of this lease at foreclosure under the trust
20 deed, judicial foreclosure, or an assignment in lieu of foreclosure; or

21 (2) To any subsequent transfer by the Encumbrancer if the
22 Encumbrancer is an established bank, savings and loan association or insurance
23 company, and is the purchaser at such foreclosure sale, or is the assignee under an
24 assignment in lieu of foreclosure; provided, however, that in either such event the
25 Encumbrancer forthwith gives notice to county in writing of any such transfer, setting
26 forth the name and address of the transferee, the effective date of such transfer, and
27 the express agreement of the transferee assuming and agreeing to perform all of the
28 obligations under this lease, together with a copy of the document by which such
29 transfer was made.

1 Any Encumbrancer described in Paragraph 24 (a)(2) above which is the
2 transferee under the provisions of Paragraph 24(a)(1) above shall be liable to perform
3 the obligations and duties of Lessee under this lease only so long as such transferee
4 holds title to the leasehold. Any subsequent transfer of this leasehold hereunder,
5 except as provided for in Paragraph 24 (a) (2) above, shall not be made without the
6 prior written consent of County and shall be subject to the conditions relating hereto as
7 set forth in Paragraph 23 herein. Lessee shall give County prior notice of any such trust
8 deed, and shall accompany such notice with a true copy of the trust deed and note
9 secured thereby.

10 (b) Right of Encumbrancer to Cure. County agrees that it will not
11 terminate this lease because of any default or breach hereunder on the part of Lessee
12 if the Encumbrancer under the trust deed, within ninety (90) days after service of
13 written notice on the Encumbrancer by County of its intention to terminate this lease for
14 such default or breach shall:

15 (1) Cure such default or breach if the same can be cured by the
16 payment or expenditure of money provided to be paid under the terms of this lease;
17 provided, however, that for the purpose of the foregoing, the Encumbrancer shall not
18 be required to pay money to cure the bankruptcy or insolvency of Lessee; or,

19 (2) If such default or breach is not so curable, cause the trustee
20 under the trust deed to commence and thereafter diligently to pursue to completion
21 steps and proceedings for judicial foreclosure, the exercise of the power of sale under
22 and pursuant to the trust deed in the manner provided by law, or accept from Lessee
23 an assignment in lieu of foreclosure, and keep and perform all of the covenants and
24 conditions of this lease requiring the payment or expenditure, of money by Lessee(s)
25 until such time as said leasehold shall be sold upon foreclosure pursuant to the trust
26 deed, be released or reconveyed thereunder, be sold upon judicial foreclosure or be
27 transferred by deed in lieu of foreclosure.
28

1 and Safety Code or as "hazardous substances" in Section 25316 of the California
2 Health and Safety Code; and in the regulations adopted in publications promulgated
3 pursuant to said laws.

4 27. Free from Liens.

5 Lessee shall pay, when due, all sums of money that may become due for any
6 labor, services, material, supplies, or equipment, alleged to have been furnished or to
7 be furnished to Lessee, in, upon, or about, the leased premises, and which may be
8 secured by mechanics, material men's or other lien against the leased premises or
9 County's interest therein, and will cause each such lien to be fully discharged and
10 released at the time the performance of any obligation secured by such lien matures or
11 becomes due; provided, however, that if Lessee desire to contest any such lien, it may
12 do so, but notwithstanding any such contest, if such, lien shall be reduced to final
13 judgment, and such judgment or such process as may be issued for the enforcement
14 thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then
15 and in such event, Lessee shall forthwith pay and discharge said judgment.

16 28 Employees and Agents of Lessee.

17 It is understood and agreed that all persons hired or engaged by Lessee shall be
18 considered to be employees or agents of Lessee and not of County.

19 29 Binding, on Successors.

20 Lessee, its assigns and successors in interest, shall be bound by all the terms
21 and conditions contained in this lease, and all of the parties thereto shall be jointly and
22 severally liable hereunder.

23 30 Right of First Refusal.

24 Providing Lessee faithfully performs all of the conditions and covenants contained
25 herein, and is not in default of the Lease at the date of expiration, and further providing
26 Lessor offers the Demised Premises for lease at any time during the twelve (12)
27 months subsequent to said expiration, Lessee, its successor, or assigns shall have the
28 first right of refusal to enter into a new lease agreement with Lessor under the final

1 terms being offered by Lessor to any prospective lessee. Issuance of a Request for
2 Proposals or Bid or similar issuance does not constitute an offering of lease terms.
3 Lessor shall provide Lessee written notice by United State mail, that the Demised
4 Premises are available for lease and the terms of said lease, and Lessee shall have
5 thirty (30) days from the postmark of said notice to give written notice of acceptance of
6 the proposed lease under the terms and conditions contained in said notice. Should
7 Lessee fail to notify Lessor of acceptance of said lease agreement within the thirty (30)
8 days set forth herein, Lessee shall be deemed to have rejected said offer to lease, and
9 Lessor shall be released from any further obligation hereunder.

10 31 Waiver of Performance.

11 No waiver by County at any time of any of the terms and conditions of this lease shall
12 be deemed or construed as a waiver at any time thereafter of the same
13 or of any other terms or conditions contained herein or of the strict and timely
14 performance of such terms and conditions.

15 32 Severability.

16 The invalidity of any provision in this lease as determined by a court of competent
17 jurisdiction shall in no way affect the validity of any other provision hereof.

18 33 Venue.

19 Any action at law or in equity brought by either of the parties hereto for the purpose of
20 enforcing a right or rights provided for by this lease shall be tried in a Court of
21 competent jurisdiction in the County of Riverside, State of California, and the parties
22 hereby waive all provisions of law providing for a change of venue in such proceedings
23 to any other County.

24 34 Attorneys' Fees.

25 In the event of any litigation or arbitration between Lessee and County to enforce any
26 of the provisions of this lease or any right of either party hereto, the unsuccessful party
27 to such litigation or arbitration agrees to pay to the successful party all costs and
28 expenses, including reasonable attorneys' fees, incurred therein by the successful
29 party, all of which shall be included in and as a part of the judgment or award rendered
30 in such litigation or arbitration.

1 35 Notices.

2 Any notices required or desired to be served by either party upon the other
3 shall be addressed to the respective parties as set forth below:

4 COUNTY

LESSEE

5 County of Riverside	John Kamburoff
6 Economic Development Agency	251 AUGUSTA Dr.
7 3525 14 th Street	Palm Desert
8 Riverside, CA 92501	Ca. 92211
9 Attn: Executive Director	(760) 836-1948

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

12 36 Paragraph Headings.

13 The paragraph headings herein are for the convenience of the parties only, and shall
14 not be deemed to govern, limit, modify or in any manner affect the scope, meaning or
15 intent of the provisions or language of this lease.

16 37 County's Representative.

17 County hereby appoints the Economic Development Agency Executive Director or his
18 designee as its authorized representative to administer this lease.

19 38 Acknowledgment of Lease by County.

20 Upon execution of this lease by the parties hereto, this lease shall be
21 acknowledged by County in such a manner that it will be acceptable by the County
22 Recorder for recordation purposes, and thereafter, Lessee shall cause this lease to be
23 recorded in the office of the county Recorder of Riverside County forthwith and furnish
24 County with a conformed copy thereof.

25 39. Agent for Service of Process.

26 It is expressly understood and agreed that in the event Lessee is not a resident
27 of the State of California or it is an association or partnership without a member or
28 partner resident of the State of California, or it is a foreign corporation, then in any such

1 event, Lessee shall file with County's clerk, upon its execution hereof, a designation of
2 a natural person residing in the State of California, giving his or her name, residence
3 and business addresses, as its agent for the purpose of service of process in any court
4 action arising out of or based upon this lease, and the delivery to such agent of a copy
5 of any process in any such action shall constitute valid service upon Lessee. It is
6 further expressly understood and agreed that if for any reason service of such process
7 upon such agent is not feasible, then in such event Lessee may be personally served
8 with such process out of this County and that such service shall constitute valid service
9 upon Lessee. It is further expressly understood and agreed that Lessee is amenable to
10 the process so served, submits to the jurisdiction of the Court so obtained and waives
11 any and all objections and protests thereto.

12 40 FAA Consent to Lease.

13 Lessee acknowledges that Desert Resorts Regional Airport was transferred to
14 the County by the Federal Government and, as such, may require FAA consent to the
15 Lease.

16 41 Entire Lease.

17 This lease is intended by the parties hereto as a final expression of their
18 understanding with respect to the subject matter hereof and as a complete and
19 exclusive statement of the terms and conditions thereof and supersedes any and all
20 prior and contemporaneous leases, agreements and understandings, oral or written, in
21 connection therewith. This lease may be changed or modified only upon the written
22 consent of the parties hereto.

1 42 Construction of Lease. The parties hereto negotiated this lease at arms
2 length and with the advise of there respective attorneys, and no provisions contained
3 herein shall be construed against County solely because it prepared this lease in its
4 executed form.

5 Date: APR 25 2000

County of Riverside

6
7 
Chairman, Board of Supervisors

TOM MULLEN

8 ATTEST:

9 GERALD A. MALONEY
10 Clerk of the Board

11 By: 
Deputy

12
13 (SEAL)

14
15 APPROVED AS TO FORM:

16
17 WILLIAM C. KATZENSTEIN, County Counsel

18 JOE S. RANK, Assistant County Counsel

19 By: 
Attorneys for County

20
21
22 Date: 4/11/00

LESSEE:

23
24 By: 
President

25
26 Attachments:

By: _____
Secretary

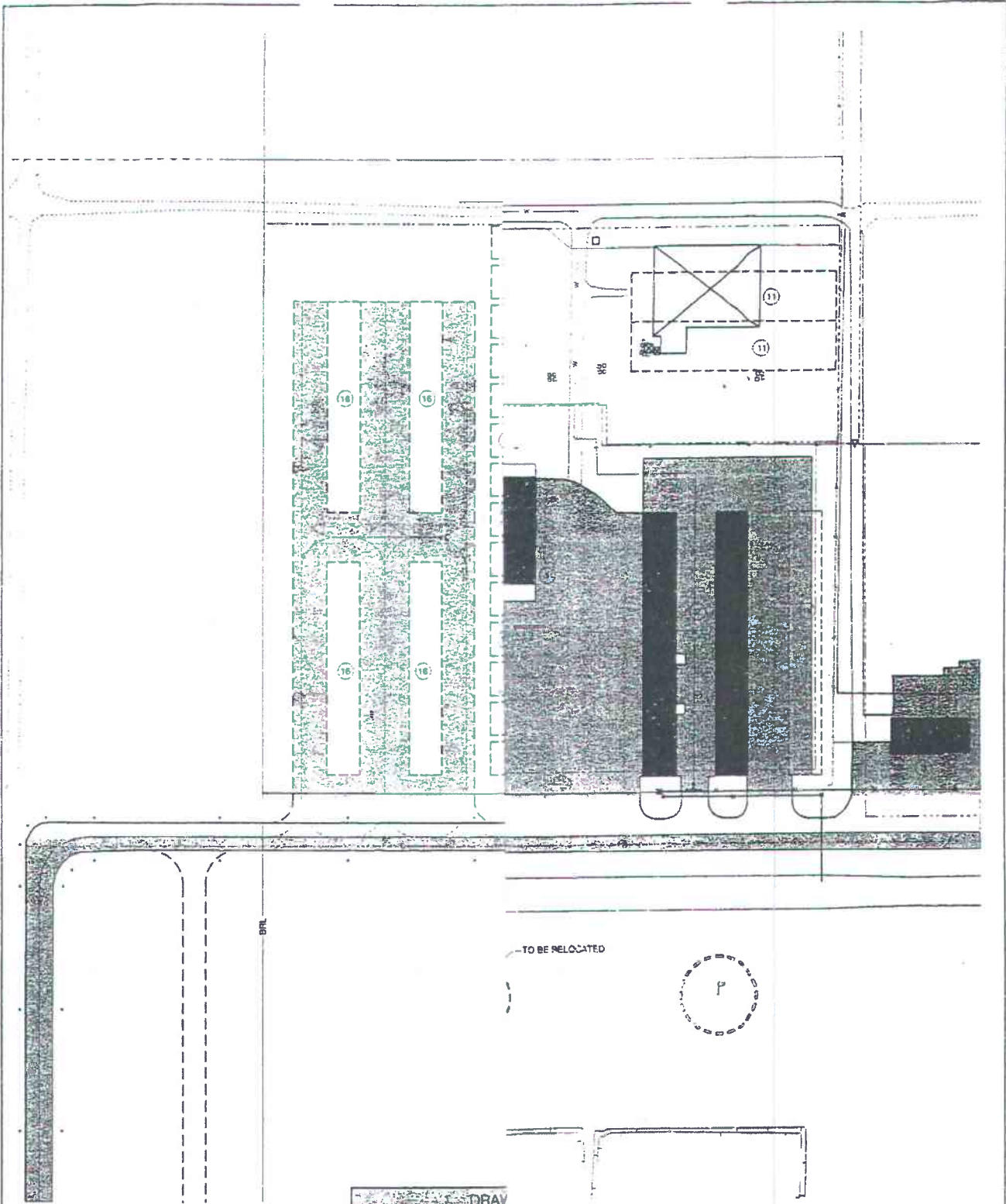
27 Exhibit A-Legal Description
28 Exhibit B- Federally Required Lease Provisions

29 F:\USERS\IEDCOM\AIRPORTS\Documents\SAMPLEAS.WPD

APR 25 2000

3.10

Exhibit "A"
For
John Kamburoff
at the
Desert Resorts Regional Airport



DRAW
ACTIVE AIRFIELD PAVEMENT
OTHER PAVEMENT IN USE
DIRT OR GRAVEL ROAD
AIRPORT PROPERTY LINE
INTERNAL BOUNDARY (Base, R.O.W.)
CRITICAL AIRFIELD AREAS
UTILITY
BUILDING
BUILDING TO BE REMOVED/RELOC
FENCE
VEHICLE GATE
WIND COME
UTILITY POLE / POWER LINE
APL - Aircraft Parking Limits
BRL - Building Restriction Line

NO	REVISION	SPONSOR	DATE
DESERT RESORTS REGIONAL AIRPORT THERMAL, CALIFORNIA TERMINAL AREA PLAN WEST			
 SHUTT MOEN ASSOCIATES AIRPORT CONSULTANTS & ENGINEERS <small>1177 Avenida Blvd. Santa Rosa, California 95405</small>		Exhibit "A"	
DESIGN	DD	DRAWN	TE
DATE: January 2000		SHEET 1 OF 2	

EXHIBIT "B"

LEASE PROVISIONS

1. The lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of lease add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. The lessee for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of leases add " as a covenant running with the land") that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A. Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. That in the event of breach of any of the above nondiscrimination covenants, County of Riverside, herein called County shall have the right to terminate the lease and to reenter and repossess said land and the facilities thereon, and hold the same as if said lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.
4. Lessee shall furnish its accommodations and/ or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT the lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

13. The Lessee, by accepting this lease agreement, expressly agrees for itself, its successors and assigns that it will neither erect nor permit the erection of any structure or object, nor permit the growth of any tree, on land leased hereunder with a height that exceeds the height limitation formula specified in Part 77 of the Federal Aviation Regulations without first obtaining the approval of the DOT and the County, which approval can be sought by submitting FAA Form 7460-1 (copy attached). In the event that the aforesaid covenants are breached, the County reserves the right to enter upon the land leased hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Lessee.
14. The lessee by accepting this lease agrees for itself, its successors and assigns that it will not make use of the leased premises in any manner which right interfere with the landing and taking off of aircraft from **Desert Resorts Regional** Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the owner reserves the right to enter upon the premises hereby leased and cause the abatement of such interference at the expense of the lessee.
15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 USC 1349a)
16. ****This lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.**

*Insert the number of feet mean sea level applicable to the most critical area of the parcel contained in the lease in accordance with Part 77 of the Federal Aviation Regulations. If required, the area of a lease may be subdivided as shown on a property map to provide more than one height limitation, or more restrictive height limitations may be imposed at the Discretion of the Sponsor.

**If the airport is not subject to the National Emergency Use Provision generally contained in Surplus Property Instruments of Disposal, paragraph 16 above may be modified to exclude that portion of the provision "or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency."