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



ITEM: 3.28 (ID # 26674)

MEETING DATE:

Tuesday, December 10, 2024

FROM: TLMA - AVIATION

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Approval and Consent to Purchase Agreement/Bill of Sale between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Seller"), and Mario A. Deleon-Muniz, an individual ("Buyer"), and the Consent to Assignment and Assumption of Lease Agreement between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Assignor"), and Mario A. Deleon-Muniz, an indvidual ("Assignee"), Hemet-Ryan Airport, CEQA Exempt per State CEQA Guidelines Section 15301 and 15061(b)(3), District 5. [\$1,050 Total Cost - TLMA Aviation Fund 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. <u>Find</u> that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15301 and Section 15061(b)(3);
- 2. <u>Approve</u> the Consent to Purchase Agreement/ Bill of Sale between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Seller"), and Mario A. Deleon-Muniz, an individual ("Buyer"), relating to the aircraft storage hangar identified as H2112 located at the Hemet-Ryan Airport as more specifically set forth in the attached Purchase Agreement/Bill of Sale;

Continued on page 2

ACTION:Policy

MINUTES OF THE BOARD OF SUPERVISORS

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

12/4/2024

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez

Nays: None Absent: None

Date: December 10, 2024

TLMA Director

xc: TLMA-Aviation, State Clearinghouse, Recorder

Kimberly A. Rector

Clerk of the Board

Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

- 3. <u>Approve</u> the Consent to Assignment and Assumption of Lease Agreement between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Assignor"), and Mario A. Deleon-Muniz, an individual ("Assignee"), as more specifically set forth in the attached Assignment and Assumption of Lease Agreement;
- 4. <u>Authorize</u> the Chairman of the Board of Supervisors to execute the attached Consent to Purchase Agreement/ Bill of Sale and the Consent to Assignment and Assumption of Lease Agreement and authorize the Assistant County Executive Officer/TLMA, or designee, to execute any additional documents necessary to implement the Consent to Purchase Agreement and Consent to Assignment and Assumption of Lease Agreement, subject to approval by County Counsel; and
- 5. <u>Direct</u> the Clerk of the Board to file the attached Notice of Exemption with the County Clerk and the State Clearinghouse within five (5) working days of approval by the Board.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:		Ongoing Cost	
COST	\$ 1,050	\$ 0	\$ 1,050			\$ 0
NET COUNTY COST	\$0	\$ 0	\$ 0			\$ 0
SOURCE OF FUNDS: TLMA Aviation Revenue Fund 100%				Budget Adjustment: No		
				For Fiscal Y	'ear: 2024/20	025

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside, a political subdivision of the State of California ("County"), as lessor, and Kirby Nilsson, as successor trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000 ("Lessee"), as lessee, entered into that certain Hemet-Ryan Airport Ground Lease Agreement dated August 25, 2022 ("Lease"). The Lease relates to, among other things, the lease of approximately 2,500 square feet of land, containing an aircraft storage hangar owned by Lessee and located at the Hemet-Ryan Airport ("Leased Premises").

The Lessee has decided to assign their lease interests and convey ownership of the aircraft storage hangar on the Leased Premises to Mario A. Deleon-Muniz, an individual. The assignment of lease interests has been memorialized by that Assignment and Assumption of Lease Agreement dated September 21, 2024 ("Assignment Agreement"), between Lessee, as assignor, and Mario A. Deleon-Muniz, as assignee. The effectiveness of the Assignment Agreement is subject to the consent and approval by the County pursuant to Section 24 of the Lease. Staff recommends approval of the proposed Consent to Lease Assignment Agreement.

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

In connection with the Assignment Agreement, Mario A. Deleon-Muniz, as buyer, and Lessee, as seller, entered into that certain Purchase Agreement/Bill of Sale dated September 21, 2024, relating to the sale of the aircraft storage hangar located on the Leased Premises ("Purchase Agreement"), the effectiveness of which is subject to the consent and approval by the County. Mario A. Deleon-Muniz will not change the existing use of the Leased Premises. The Purchase Agreement and the Assignment Agreement will not impact the terms of the Lease.

Pursuant to the California Environmental Quality Act (CEQA), the Consent to Assignment Agreement and the Consent to Purchase Agreement were reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines section 15301, Class 1 – Existing Facilities and State CEQA Guidelines section 15061(b)(3), General Rule or "Common Sense" exemption. The proposed project, the Consent to Assignment Agreement and Consent to Purchase Agreement, is related to the assignment 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.

Impact on Citizens and Businesses

The Consent to Assignment Agreement and the Consent to Purchase Agreement 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

No net County cost will be incurred, and no budget adjustment is necessary. However, the Transportation and Land Management Agency, Aviation Division has incurred costs associated with this transaction. County Counsel and CEQA filing fees to date in the approximate amount of \$950 will be reimbursed from the TLMA Aviation Revenue Fund.

County Counsel Review	\$ 1,000
CEQA NOE	\$ 50
Total	\$ 1,050

ATTACHMENTS:

- Consent to Purchase Agreement/ Bill of Sale
- Consent to Assignment and Assumption of Lease Agreement
- Master Lease
- CEQA Notice of Exemption

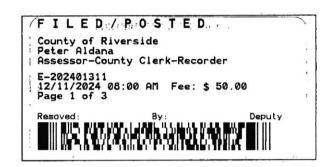
SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Jason Farin, Principal Management Analyst 12/4/2024

Aaron Gettis, Chief of Deputy County Counsel 11/27/2024



County of Riverside
TLMA Aviation
4080 Lemon Street, 14th Floor, Riverside, CA 92501



NOTICE OF EXEMPTION

November 21, 2024

Project Name: Approval and Consent to Purchase Agreement/Bill of Sale between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Seller"), and Mario A. Deleon-Muniz, an individual ("Buyer"), and the Consent to Assignment and Assumption of Lease Agreement between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Assignor"), and Mario A. Deleon-Muniz, an indvidual ("Assignee"), Hemet-Ryan Airport.

Project Location: Hangar Unit HR211, 4710 W Stetson Avenue, Hemet, California.

Description of Project: The County of Riverside, a political subdivision of the State of California ("County"), as lessor, and Kirby Nilsson, as successor trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000 ("Lessee"), as lessee, entered into that certain Hemet-Ryan Airport Ground Lease Agreement dated August 25, 2022 ("Lease"). The Lease relates to, among other things, the lease of approximately 2,500 square feet of land, containing an aircraft storage hangar owned by Lessee and located at the Hemet-Ryan Airport ("Leased Premises").

The Lessee has decided to assign their lease interests and convey ownership of the aircraft storage hangar on the Leased Premises to Mario A. Deleon-Muniz, an individual. The assignment of lease interests has been memorialized by that Assignment and Assumption of Lease Agreement dated September 21, 2024 ("Assignment Agreement"), between Lessee, as assignor, and Mario A. Deleon-Muniz, as assignee. The effectiveness of the Assignment Agreement is subject to the consent and approval by the County pursuant to Section 24 of the Lease. Staff recommends approval of the proposed Consent to Lease Assignment Agreement.

In connection with the Assignment Agreement, Mario A. Deleon-Muniz, as buyer, and Lessee, as seller, entered into that certain Purchase Agreement/Bill of Sale dated September 21, 2024, relating to the sale of the aircraft storage hangar located on the Leased Premises ("Purchase Agreement"), the effectiveness of which is subject to the consent and approval by the County. Mario A. Deleon-Muniz will not change the existing use of the Leased Premises. The Purchase Agreement and the Assignment Agreement will not impact the terms of the Lease.

The consent to Purchase Agreement and consent to Assignment Agreement have been identified as a proposed project under the California Environmental Quality Act (CEQA) because a discretionary action by the Riverside County Board of Supervisors is required for approval. The approval of the consent to purchase and Purchase Agreement and consent to Assignment Agreement will not change the existing use of the Leased Premises, which will not result in any significant environmental impacts or include any mitigation measures.

Name of Person or Agency Carrying Out Project: Riverside County Transportation and Land Management Agency (TLMA) Aviation Division

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

Reasons Why Project is Exempt: The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern, nor would the project involve unusual circumstances that could potentially have a significant effect on the environment. The project is limited to assignment of an existing aircraft storage hangar and does not include a new development or improvements to the Leased Premises. Furthermore, this project would not result in any physical direct or reasonably foreseeable indirect impacts to the environment.

- Section 15301-Class 1 Existing Facilities Exemption: This Class 1 categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project, as proposed, is limited to the consent to a and the assignment of the lease regarding Hangar Unit HR211 within the Hemet-Ryan Airport. The changes are limited to the change in ownership and responsibility for the terms of the Lease. The consent to Assignment Agreement and Purchase Agreement will result in the same purpose and substantially similar capacity on the existing facilities at the airport and would be consistent with the existing land use and contractual requirements for the use of the site. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- Section 15061 (b) (3) "Common Sense" Exemption: In accordance with CEQA, the use of the Common Sense Exemption is based on the "general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment." State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." *Ibid.* This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See No Oil, Inc. v. City of Los Angeles (1974) 13 Cal. 3d 68. The ruling in this case

stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The consent to Assignment Agreement and Purchase Agreement is an administrative function, that is required as part of the terms of the Lease at the existing airport and would result in the continued operation of the airport on the Leased Premises under modified contractual responsibilities. No significant direct or indirect environmental impacts would occur. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Signature: Jose Ruiz

Date: 11.21.24

Jose Ruiz

Supervising Development Specialist
County of Riverside TLMA-Aviation Division

Document Root (Read-Only)

Selected Document

2024120469 - NOE - Approval and Consent to Purchase Agreement/Bill of Sale between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust da

Riverside County

Created - 12/10/2024 | Submitted - 12/11/2024 | Posted - 12/12/2024 | Received - 12/12/2024 | Published - 12/12/2024 | Naomy Sicra

Document Details

Public Agency

Riverside County

Document Type

Notice of Exemption

Document Status

Published

Title

Approval and Consent to Purchase Agreement/Bill of Sale between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust da

Document Description

The County of Riverside, a political subdivision of the State of

California ("County"), as lessor, and Kirby Nilsson, as successor trustee of the Mervin K. Nilsson

and Darlene M. Nilsson Family Trust dated June 8, 2000 ("Lessee"), as lessee, entered into that

certain Hemet-Ryan Airport Ground Lease Agreement dated August 25, 2022 ("Lease"). The Lease relates to, among other things, the lease of approximately 2,500 square feet of land, containing an aircraft storage hangar owned by Lessee and located at the Hemet-Ryan Airport ("Leased Premises").

The Lessee has decided to assign their lease interests and convey ownership of the aircraft storage

hangar on the Leased Premises to Mario A. Deleon-Muniz, an individual. The assignment of lease

interests has been memorialized by that Assignment and Assumption of Lease Agreement dated

September 21, 2024 ("Assignment Agreement"), between Lessee, as assignor, and Mario A. Deleon-Muniz, as assignee. The effectiveness of the Assignment Agreement is subject to the consent and approval by the County pursuant to Section 24 of the Lease. Staff recommends approval of the proposed Consent to Lease Assignment Agreement.

In connection with the Assignment Agreement, Mario A. Deleon-Muniz, as buyer, and Lessee, as

seller, entered into that certain Purchase Agreement/Bill of Sale dated September 21, 2024, relating

to the sale of the aircraft storage hangar located on the Leased Premises ("Purchase Agreement"),

the effectiveness of which is subject to the consent and approval by the County. Mario A.

CONSENT TO ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT Hemet-Ryan Airport

The County of Riverside, a political subdivision of the State of California ("County"), hereby consents to the assignment and assumption of Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Assignor") interest as lessee in that certain Lease (defined below) to Mario A. Deleon-Muniz, an individual ("Assignee"), as set forth in the Assignment and Assumption of Lease Agreement, dated September 16, 2024, attached hereto as Attachment "A" ("Assignment").

Pursuant to the Assignment, the Assignor transferred and assigned to Assignee all of Assignor's rights, title, interest and obligations ("Rights and Obligations") under that certain Hemet-Ryan Airport Ground Lease Agreement dated September 1, 2022 ("Lease"). The Lease pertains to 2,500 square foot area of land, containing an aircraft storage hangar owned by Lessee at the Hemet-Ryan Airport, Hemet, California, as more particularly depicted in Exhibit "B" to the Lease. The Lease is attached hereto as Attachment "B".

In reliance upon the assumption by Assignee of all Rights and Obligations under the Lease as set forth in the attached Assignment, the County does hereby approve and consent to the assignment of the Rights and Obligations under the Lease by Assignor to Assignee and Assignee's assumption thereof. Approval and consent hereof by the County shall not be construed to relieve or release Assignor from its duty to comply with any obligations under the Lease.

[Remainder of Page Intentionally Blank]

[Signature on Following Page]

Page 1 of 2

IN WITNESS WHEREOF, the County of Riverside has executed this Consent to Assignment and Assumption of Lease as of the date set forth below.

COUNTY OF RIVERSIDE, a political Subdivision of the State of California

By:

Chuck Washington, Chairman Board of Supervisors

ATTEST:

Kimberly Rector Clerk of the Board

By:

APPROVED AS TO FORM

Minh C. Tran County Counsel

By:

Ryan Yabko

Deputy County Counsel

This Assignment and Assumption of Lease Agreement (the "Agreement"), is made as of this 21st day of September 2023 between Scott Tolstad, Successor Trustee for The Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, referred to as the "Assignor," and Mario A. Deleon- Muniz referred to as the "Assignee."

BACKGROUND

- 1. 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 Assignor, as lessee, entered into as written lease agreement dated September 1, 2022 (the "Lease"), covering the Hangar Hugger (the "Hangar") located at Hemet-Ryan Airport, as such premises are more particularly described in the Lease (the Demised Premises").
- II. A true and complete copy of the Lease is annexed to and made a part of this Agreement as Schedule A.
- III. The Assignor wishes to assign the Lease to the Assignee and the Assignee desires to assume the Lease from the Assignor.
- IV. The County is willing to consent to the Assignment and Assumption of the Lease in a separate agreement ("Consent").
- V. The Bill of Sale / Purchase Agreement for the Hangar is attached to and made part of this agreement as Schedule B.

Now, therefore, in consideration of the premises and the mutual covenants set forth in this Agreement, the receipt and sufficiency of which are acknowledged by the parties, it is agreed as follows:

- Background: The Background section of this Agreement is incorporated herein by reference as if set forth at length.
- II. Defined Terms: For purposes of this Agreement, the terms used in this Agreement as defined terms which are not herein defined shall have the meaning ascribed to such terms in the Lease.
- III. **Assignment:** The Assignor assigns, transfers and sets over unto the Assignee all of the Assignor's right, title and interest in and to the Lease.
- IV. Assumption: The Assignee assumes the obligation of the Assignor for the full and punctual payment and performance of all of the terms, conditions and covenants of the Lease on the Assignor's part as lessee thereunder to be paid and performed.
- V. Consent to Assignment: Assignee agrees to assist Assignor in receiving the County's consent to the Assignment by the Assignor to the Assignee of all of the Assignor's right, title and interest in and to the Lease.
- VI. Condition of Premises: No representations or warranties have been made by the Assignor to the Assignee regarding the condition of the Demised Premises. The Assignee represents, warrants and acknowledges that the Assignee is not relying upon any representation or warranty by the Assignor in entering into this Agreement.

- VII. Lease in Full Force: Except as expressly provided in this Agreement, all of the terms, conditions and covenants of the Lease shall remain in full force and effect and nothing in this Agreement shall be deemed to: (a) modify, waive or affect any of the terms, conditions or covenants of the Lease; or (b) waive any breach of the Lease.
- VIII. No Defaults or Claims: The Assignor and the Assignee hereby agree that: (a) the Assignor, as lessee, is not in default under any of the terms of the Lease; (b) all obligations and conditions under the Lease to be performed to date by the Assignor, as lessee, have been satisfied; and (c) no event has occurred which with the passage of time or the giving of notice, or both, would constitute an event of default by the Assignor, as lessee, under the Lease.
- IX. Assignee Liable: The Assignee shall be liable for the due and punctual payment, performance and observance of all of the terms, conditions and covenants of the Lease on the lessee's part to be performed.
- X. Governing Law: This Agreement shall be governed by the laws of the State of California. The parties acknowledge that this Agreement has been executed and delivered and is intended to be performed in the State of California, and the parties submit to the jurisdiction of the courts of the State of California.
- XI. **Entire Agreement:** This Agreement and the Lease constitute the entire agreement between the parties. No change, addition or modification to this Agreement shall be effective unless signed in writing by the parties.
- XII. Reversion: The ownership of this hangar reverts to the County of Riverside at the expiration of the Lease, unless otherwise negotiated with the County.
- XIII. **Miscellaneous:** In all references in this Agreement to any parties, persons, entities or corporations, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this Agreement may require.
- XIV. **Binding Effect:** This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, executors, administrators, personal or legal representatives, successors and permitted assigns, as the case may be. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original.
- XV. Authority: The parties signing this Agreement individually represent and warrant that they have the authority to sign this Agreement on behalf of the party for whom they are executing this Agreement and to bind such party to this Agreement.

Mario A. Deleon-Muniz Assigned

Scott Tolstad, Successor Trustee by

E. Clarke Dailey, Authorized Agent

CONSENT TO PURCHASE AGREEMENT/BILL OF SALE Hemet-Ryan Airport

The County of Riverside, a political subdivision of the State of California, ("County"), hereby consents to the Purchase Agreement/Bill of Sale ("Purchase Agreement"), dated September 21, 2024, between Scott Tolstad, Successor Trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, ("Seller"), and Mario A. Deleon-Muniz, an individual ("Buyer"), relating to the Hangar H2112 located at the Hemet-Ryan Airport, Hemet, California ("Hangar"). The Purchase Agreement is attached hereto as Exhibit "A".

By consenting to the Purchase 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 Hangar or the Purchase Agreement, whether regarding the quality, adequacy or suitability of the Hangar 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 Hangar for Buyer's intended use.

Buyer agrees to defend, hold harmless, and indemnify the County from any and all liability arising from this transaction.

[Remainder of Page Intentionally Left Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Purchase Agreement as of the date set forth below.

COUNTY OF RIVERSIDE, a political Subdivision of the State of California

Ву:

Chuck Washington, Chairman

Board of Supervisors

ATTEST:

Kimberly Rector Clerk of the Board APPROVED AS TO FORM

Minh C. Tran County Counsel

Bv:

Ryan Yabko

Deputy County Counsel

[Mario A. Deleon-Muniz Acknowledgement on Following Page]

Mario A. Deleon-Muniz, an individual hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Purchase Agreement.

By: Mario A. Deleon-Muniz

Dated: 11/20/2024

EXHIBIT A

PURCHASE AGREEMENT

(Behind this page)

SCHEDULE B

PURCHASE AGREEMENT / BILL OF SALE

· 00 11

- I. This Purchase Agreement is made as of this 21st day of September 2023 between Scott Tolstad, Successor Trustee for The Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, referred to as the "Trust," and Mario A. Deleon- Muniz referred to as the "Buyer."
- II. The Buyer is purchasing Hangar H02004 ocated at Hemet-Ryan Airport.
- III. The Buyer will pay the Trust the sum of \$12,000 (Twelve Thousand Dollars). \$5.000 deposit is tendered upon signing of this agreement and the balance of \$7,000 shall be paid within 72 hours of the Couty of Riverside approving the assumption of the lease. If the balance is not paid the transfer of the Hangar is voided, possession remains with the Trust and the Buyer shall be liable for any fees or costs associated with this transaction.
- IV. The Buyer accepts the Hangar as-is, where-is with all faults, known or unknown. The Buyer understands the Reversion clause of the Lease in place, specifically that the Hangar reverts to the Couty of Riverside upon expiration of the lease in place, approximately 2 years.
- V. If the Buyer is not approved by the County of Riverside this agreement is nullified and the Trust will return the deposit paid within 72 hours.
- VI. The Buyer agrees to allow the Trust to use the Hangar until approval is obtained and for a period of no more than 30 days after approval, if needed.
- VII. The Buyer assumes all rents and other fees beginning on the day of approval from the County of Riverside.
- VIII. The Buyer assumes all tax liability from the date of approval from the County. If any taxes or fees are owed the Buyer has 30 days to notified the Trust of back fees or taxes or they become the responsibility of the Buyer.
 - IX. Upon approval from the county and payment of balance, this documents becomes the Bill of Sale for the Hangar.

Mario A. Deleon-Muniz, Assignee

Scott Tolstad, Successor Trustee by

E. Clarke Dailey, Authorized Agent

SCHEDULE B

PURCHASE AGREEMENT / BILL OF SALE

ELJ

- I. This Purchase Agreement is made as of this 21st day of September 2023 between Scott Tolstad, Successor Trustee for The Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, referred to as the "Trust," and Mario A. Deleon- Muniz referred to as the "Buyer."
- II. The Buyer is purchasing Hangar H0200 located at Hemet-Ryan Airport.
- III. The Buyer will pay the Trust the sum of \$12,000 (Twelve Thousand Dollars). \$5.000 deposit is tendered upon signing of this agreement and the balance of \$7,000 shall be paid within 72 hours of the Couty of Riverside approving the assumption of the lease. If the balance is not paid the transfer of the Hangar is voided, possession remains with the Trust and the Buyer shall be liable for any fees or costs associated with this transaction.
- IV. The Buyer accepts the Hangar as-is, where-is with all faults, known or unknown. The Buyer understands the Reversion clause of the Lease in place, specifically that the Hangar reverts to the Couty of Riverside upon expiration of the lease in place, approximately 2 years.
- V. If the Buyer is not approved by the County of Riverside this agreement is nullified and the Trust will return the deposit paid within 72 hours.
- VI. The Buyer agrees to allow the Trust to use the Hangar until approval is obtained and for a period of no more than 30 days after approval, if needed.
- VII. The Buyer assumes all rents and other fees beginning on the day of approval from the County of Riverside.
- VIII. The Buyer assumes all tax liability from the date of approval from the County. If any taxes or fees are owed the Buyer has 30 days to notified the Trust of back fees or taxes or they become the responsibility of the Buyer.
- IX. Upon approval from the county and payment of balance, this documents becomes the Bill of Sale for the Hangar.

Mario A. Deleon-Muniz, Assignee

Scott Tolstad, Successor Trustee by E. Clarke Dailey, Authorized Agent

SCHEDULE A

Hemet Ryan Airport Ground Lease Agreement

This Hemet Ryan Airport Ground Lease Agreement ("Lease"), dated 2022, is entered into by and between the County of Riverside, a political subdivision of the State of California, as lessor, ("Lessor"), and Kirby Nilsson, as successor trustee of the Mervin K. Nilsson and Darlene M. Nilsson Family Trust dated June 8, 2000, as lessee ("Lessee"), collectively referred to herein as the "Parties," and individually as a "Party" under the following terms and conditions:

RECITALS

WHEREAS, Lessor owns and operates the Hemet Ryan Airport, located at 4710 W Stetson Ave, Hemet, CA 92545 identified by Assessor's Parcel Number 456-020-002 as depicted on site map attached hereto as Exhibit A and incorporated herein by this reference ("Airport");

WHEREAS, Lessor desires to lease Lessee a 2,500 square foot area of land, containing an aircraft storage hangar owned by Lessee ("Leased Premises") to Lessee, and Lessee desires to lease the Leased Premises from Lessor, for the purpose of housing an aircraft storage hangar on the Airport, on the terms and conditions specified below;

WHEREAS, Lessor relies upon operators to provide aeronautical and aviationoriented services to the general public, and the use, convenience and safety of the public require that the services be provided by competent, trained and licensed personnel, using proper tools and equipment and operating in sanitary, convenient space;

WHEREAS, the provisions herein are intended to assure a consistently high level of service responsive to the public needs; and

NOW THEREFORE, in consideration of the payments to be made hereunder and the covenants and agreements contained herein, Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the real property described below upon the following terms and conditions.

- 1. Property Description. The property leased herein is located within the Hemet Ryan Airport, County of Riverside, State of California, and 2,500 square foot area of land, containing an aircraft storage hangar owned by Lessee as shown on the Lease Premises Depiction attached hereto as Exhibit "B" and incorporated herein by this reference. Lessee acknowledges and agrees that Lessee does not have fee title interest to the Airport or any portion thereof. Lessee further acknowledges and agrees that Lessee's interest is limited to a leasehold interest in that certain portion of the Airport defined herein as the Leased Premises.
- 2. Term. This Lease shall commence the first day of the month following full execution by the Parties ("Commencement Date") and shall terminate five (5) years thereafter ("Lease Term"). Any such holdover shall be deemed to be a tenancy from month-to-month. Lessor's acceptance of such rent shall not adversely affect Lessor's other rights and remedies under the Lease, including Lessors right to evict Lessee and to recover all damages. In no event shall any holdover be deemed a permitted extension or renewal of the Lease, and nothing contained in this Lease shall be construed to constitute Lessor's consent to any holdover or give Lessee any right with respect to such holdover.
- 3. <u>Use</u>. The Leased Premises shall be used for aircraft storage only and no other use or purpose without the prior written consent of Lessor. Lessee's use of the Leased Premises is subject to the Rules and Regulation for County Airports attached hereto as Exhibit "C" and incorporated herein by this reference. Unless otherwise approved in writing by Lessor, all aircraft stored on the Leased Premises shall be in an

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operable condition and except during the course of actual repair work. Unless approved in writing by Lessor, except as specifically authorized herein, this Lease does not authorize storage of any other items within the Hangars and/or on the Leased Premises including, but not limited to, parts, equipment, boats, watercraft, travel trailers, motorhomes or other vehicles except where storage of an automobile is incidental to the use of the aircraft. No personal equipment may be stored outside of the Hangars.

Only minor maintenance allowed under Federal Aviation Regulation Part 91 is permitted within the Hangar's and the Leased Premises. Other aircraft repair, service and maintenance are prohibited. Such work may be performed only at such times and in such places as may be specifically authorized by Lessor for such purposes. If Lessee desires to engage or use the service of any third party in connection with any work or repair other than those currently available at the Airport, Lessee shall give prior written notice to Lessor, and must secure a permit from Lessor allowing such third party to perform work or repairs prior to the commencement of any work. Said written notice to Lessor shall state the name, address, phone number and qualifications of said third party, which Lessee desires to perform repairs. Lessor shall have sole discretion whether or not to issue the permit, as well as the sole discretion to withdraw said permit or otherwise order the work by said third party to cease at any time prior to or after the commencement of the work. Lessee shall not use or store any flammable or polluting substance (other than fuel in aircraft or small amounts of oil in proper containers) on the Leased Premises, within the Hangar's, or elsewhere at the Airport except with the express written consent of Lessor. The use of combustible chemicals, cleaning solvents, paint stripper, aircraft washing, painting or welding is strictly prohibited except as may be authorized in writing by the Lessor in its sole discretion.

The aircraft to be stored in the Leased Premises shall be owned by the Lessee and is described as follows:

Make and Model: <u>Becherally</u> BSS BAROW Identification Number: N9056Q

Should the aforementioned aircraft be sold, it must be replaced with another aircraft owned by Lessee within sixty (60) days. Lessee agrees to notify Lessor within ten (10) days of any such sale and supply Lessor with the make, model and identification number of the replacement aircraft. In addition, Lessee shall provide all required Certificates of Insurance, endorsements and any other documentation required herein with respect to the replacement aircraft being stored in the hangar.

Unless authorized to enter onto the Airport's aircraft movement area by Lessor evidenced by issuance of a gate card, all motor vehicles and trailers occupying the Airport because of Lessee's use of the Leased Premises shall be parked in public parking lots designed by Lessor, display current license tags and meet any and all California environmental and insurance requirements. Lessee shall ensure the safe operation of all Lessee vehicles and trailers and Lessee invitee/guest vehicles and trailers while on the Airport. Aircraft always have the right-of-way on Airport property. Lessee vehicles shall not enter any aircraft operating area. Conditions may arise where it may be necessary for Lessor to withdraw, temporarily and/or permanently, without prior notice, the privilege of parking motor vehicles in any assigned area. Lessee shall not exercise the rights granted herein in any manner which would interfere with the departure or arrival of aircraft at the Airport or interfere with rights granted by Lessor to other Lessees, users or customers at the Airport.

Should Lessee desire to use the Leased Premises in a manner not authorized under the Lease, Lessee shall provide to Lessor a detailed description in writing of the desired use, service and/or operation for Lessor's prior review and written approval, in Lessor's sole and absolute discretion. The Lessor's approval of any change in the use of the Leased Premises may, at Lessor's sole election, place additional specific

requirements on Lessee including, but not limited to, the types, limits, and conditions of insurance provided under this Lease.

- 4. Rent. Lessee shall pay to Lessor as initial base rent for the use and occupancy of the Leased Premises monthly rent equal to Two Hundred and Ninety-Three Dollars and 63/100 (\$293.63) ("Base Rent"). Said Base Rent is due and payable in advance on the first of each month. The Base Rent is based on the most recent market value. The Base Rent shall be considered delinquent, if not paid by the 10th of the month.
- (a) <u>Late Fee</u>. If the monthly rent becomes delinquent, Lessee will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.
- (b) Base Rent Adjustment Mark to Market Value. Beginning July 1, 2025 and every fifth (5th) year thereafter, the Base Rent shall be adjusted to one-twelfth (1/12) of eight percent (8%) of the then-current fair market value of the Leased Premises. Said fair market value shall be for the land and shall not include the value of the structures, or tenant improvements placed on the Leased Premises. In no event will application of this paragraph result in a monthly rental amount lower than the highest previous monthly rental amount.

A property appraisal for the purpose of establishing the adjusted Base Rent is to be performed by an independent certified appraiser, knowledgeable in aviation appraising and in good standing with the American Institute of Real Estate Appraisers. The appraiser is to be procured and paid for by Lessor. Once established, said rent shall be adjusted annually in the manner set forth in Section 4(c) below. Lessee acknowledges and agrees that failure to pay such adjusted Base Rent amount shall constitute a default hereunder. Should the Lessee disagree with the Lessor's appraisal tenant shall have the right to retain their own appraisal.

- (c) Rental Increases. Beginning July 1, 2023, and at each July 1st thereafter, except for dates coinciding with the appraisals conducted every fifth year as referenced in 4(b) above, the Base Rent shall be adjusted by the percentage change in the Consumer Price Index, All Urban Consumers, Riverside-San Bernardino-Ontario County Area for the twelve-month period ending three months before the month of rent adjustment under this paragraph. In no event will application of this paragraph result in a monthly rental amount lower than the highest previous monthly rental amount.
- 5. Additional Obligations of Lessee. Lessee shall, during the term of this Lease and any extensions thereof perform and/or adhere to the following obligations:
- (a) Observe and obey, and compel its employees, agents, invitees, sublessees, and those doing business with it to observe and obey, all such rules and regulations of Lessor which are now in effect or which may hereafter be promulgated, provided that such rules and regulations may not unduly interfere or conflict with the rights and privileges granted to Lessee in this Lease or any later amendments;
- (b) Employ and maintain on the Leased Premises sufficient personnel who are trained, skilled, insured and, if applicable, certified in order to competently perform the tasks related to the services being offered;
- (c) Operate the Leased Premises and perform services for the use and benefit of the general public without discrimination on the grounds of race, religion, color or national origin or in any manner prohibited by Part 15 of the Federal Aviation Administration Regulations;
- (d) Operate the Leased Premises and the facilities thereon in a progressive and efficient manner;
- (e) Provide ground maintenance services for the interior, exterior,
 common areas and grounds of the Leased Premises at Lessee's own expense;

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- (f) Not engage in the painting of aircraft (other than small 'spot painting' jobs in connection with repairs) within any buildings, unless or until it has established therein a regular paint shop which is adequately enclosed and vented, and has been inspected and approved, in writing, by representatives of the Federal Aviation Administration and County's Fire and Building and Safety Departments, meets all other local, state and federal laws and regulations, and all applicable permits have been obtained;
- (g) Observe the Taxiway Object Free Area, the Airport Layout Plan, and Aircraft Parking lines to allow the passage of taxiing aircraft. The distance from the centerline of taxiway Bravo and the boundary for the Taxiway Object Free Area and Aircraft Parking Line is sixty-five and 5/10 (65.5) feet;
- (h) Maintain the Leased Premises, approaches thereto, improvements now or hereafter located thereon, in good, safe and sanitary order, condition, and repair. Throughout the Term of this Lease, Lessee shall, at Lessee's sole cost and expense, maintain or cause to be maintained the Leased Premises and the improvements now or hereafter located on the Leased Premises in good and clean condition and repair, free of debris, and in compliance with (i) all Governmental Restrictions (defined below), and (ii) all applicable rules, orders, and regulations of any insurance company insuring all or any part of the Leased Premises or the improvements thereon or both, and Lessee shall make or cause to be made whatever repairs and replacements are required by such enactments or provisions or future enactments or provisions. The term "Governmental Restrictions" used herein shall mean and include any and all laws, statutes, official policies, ordinances, codes, formal decrees, rulings, regulations, writs, injunctions, orders, rules, conditions of approval or authorizations of any governmental entity, agency or political subdivision, now in force or hereafter adopted, which are applicable to the Leased Premises or the use thereof as of the date

such term is being applied. If Lessee fails to perform Lessee's obligations under this Section 5(h), Lessor shall have the right to enter upon the Leased Premises after 10 days prior written notice to Lessee (except in the event of an emergency, in which case no notice shall be required), perform such maintenance and repair obligations on Lessee's behalf, and Lessee shall be fully responsible for and shall promptly pay to Lessor an amount equal to 115% of all costs thereof. Lessee acknowledges and agrees that failure to pay the aforementioned costs shall constitute a default under this Lease. Lessor shall have no obligation to maintain the Leased Premises pursuant to Section 27 below;

- (i) On every January 1 and July 1 during the Term of this Lease, Lessee shall provide an Aircraft and Sublease Status Report, substantially conforming in form and substance to the Sublease Status Report attached hereto as Exhibit "D" and incorporated herein by this reference and, for all subleases and aircraft being stored on the Leased Premises. The report shall be supplied in a form and electronic format acceptable to Lessor and contain at least the following information: name of the subleasee (Lessee's "tenants"), the beginning and ending date of the term of the sublease, the size of the subleased land, the size of the subleased space, the aircraft storage hangar number/address, the Aircraft Registration Number, the name of the owner of the aircraft, the type of aircraft and indicate whether or not an aircraft is "based" at the airport (aircraft that spend at least three months of the year at this airport are to be identified in the report as "based aircraft"); and certification of compliance with the insurance requirements set forth in Sections 21 and 22 herein. The requirements set forth in this Section 5(i) in no way limit Lessee's obligations to obtain County approval prior to any sublease or assignment pursuant to Section 24 of this Lease.
- 6. Permits, Licenses and Taxes. Lessee shall secure, at its expense, all necessary permits and licenses as it may be required to obtain regarding the construction, operation, maintenance, and termination or abandonment of activities upon the Leased Premises, and Lessee shall pay for all fees and taxes levied or required by any authorized public entity. This Lease may create a possessory interest subject to

property taxation and Lessee may be subject to the payment of property taxes levied on such interest. Due to the length of the initial Lease Term, combined with the Option to extend, Lessee may be subject to a documentary transfer tax. Lessee acknowledges, understands and agrees that Lessee is solely responsible for the timely payment and satisfaction of all taxes incurred as a result of this Lease.

- 7. <u>Development of Improvements</u>. Lessee shall not perform any improvements or alterations to the Leased Premises without Lessor's prior written approval.
- (a) <u>Development Costs.</u> All improvements are to be completed at Lessee's sole cost, including but not limited to all on site buildings and infrastructure, taxiway(s), as well as required off-site improvements associated with the development as depicted on the Development Site Plan and subsequent amendments, if any. Lessee shall pay for construction of any required utility extensions and hookups (including all related fees and charges) and any access road improvements. Lessee shall pay all fees, permits and taxes related to the development. Plans for all improvements are to be submitted to Lessor for written approval prior to start of any construction.
- (b) <u>Utility Services</u>. In addition to the requirements set forth in Section 7 above, it is understood by the parties hereto that utility services are available in the general vicinity of the Leased Premises, but in order for the on-site improvements required herein to be fully usable and operational, Lessee, at its sole expense, shall extend and/or connect, or cause to be extended and/or connected, such utility service facilities that may be required or desired by Lessee in the use, operation, and maintenance of such on-site improvements. Lessee shall pay all related fees and charges related to such utility extensions and hookups. In addition to connection fees, Lessee shall be responsible for payment of the use of such utilities. Lessee shall be responsible for all connection costs and fees associated with any improvements beyond

those listed in this paragraph, including, but not limited to, water, sewer, electricity, telephone, and gas service and internet. Scope and installation of all utilities shall be submitted to Lessor on construction plans and shall be approved by Lessor prior to connection.

- (c) Any improvements, alterations, and installation of fixtures to be undertaken by Lessee shall have the prior written approval of the Lessor after Lessee has submitted to Lessor the proposed site plans, building plans, and specifications in writing. In addition, Lessee acknowledges and agrees that such improvements, alterations, and installation of fixtures may be subject to County Ordinance Nos. 348 and 457, as well as other applicable County ordinances, and that Lessee shall fully comply with such ordinances prior to the commencement of any construction in connection therewith.
- (d) Force Majeure. "Force Majeure" means fires, explosions, strikes being conducted on an industry-wide basis and that are not limited to Lessee's development, unusually adverse weather conditions, acts of God, war, hostilities, invasion, riot, civil insurrection, civil war, terrorist acts, ionizing radiation, contamination by radioactivity on the Leased Premises from any nuclear fuel, radioactive toxic explosive or nuclear explosive, epidemics, quarantine, plague, and any other event beyond the reasonable control of Lessee (other than bad weather generally, insufficiency of funds, or changes in the economic or business climate).

"Force Majeure Delay" means a delay due to Force Majeure that, in each case, (a) materially adversely affects the performance by Lessee of its obligations hereunder, (b) is not reasonably foreseeable and is beyond Lessee's reasonable control, (c) despite the exercise of reasonable diligence, cannot be prevented, avoided or removed by Lessee and is not attributable to the negligence, willful misconduct or bad faith of Lessee, and (d) is not the result of the failure of Lessee to perform any of its

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obligations under this Agreement. Notwithstanding the foregoing, a Force Majeure Delay shall not be deemed to have occurred unless Lessee has notified Lessor in writing of such occurrence of Force Majeure within fifteen (15) days after such occurrence and has provided Lessor with the details of such event and the length of the anticipated delay within an additional fifteen (15) days thereafter. During the occurrence and continuance of a Force Majeure Delay, Lessee shall be excused from performance of its obligations under this Agreement to the extent the Force Majeure prevents Lessee from performing such obligations.

8. Real Property Reversion. During the term of this Lease, and any extension thereof, all improvements, alterations, and fixtures constructed by the Lessee on the Leased Premises shall be owned by Lessee until the Lease is terminated, legally relinquished, abandoned or upon the expiration of Lease including any hold-over period. For purposes of this section, "abandon" shall mean Lessee's vacation of the Leased Premises with an intention not to perform the future obligations of the Lease. Upon termination, relinquishment, abandonment or upon the expiration of the Lease (including any hold-over period), legal title to all improvements constructed by the Lessee shall cease to exist, and all interest associated therewith shall revert to the Lessor free and clear of any and all rights to possession and all claims to or against them by Lessee or any third person or entity. At the expiration or earlier termination of this Lease, Lessee shall also surrender to Lessor possession of the Leased Premises and all improvements constructed thereon free and clear of all liens, encumbrances and mortgages. Lessee shall have the full and exclusive use and enjoyment of such improvements, alterations, and fixtures during the Term of this Lease. At or prior to the expiration of this Lease, Lessee shall remove, at its expense, such trade fixtures (not including buildings and improvements affixed to the land), and restore the Leased Premises to their original shape and condition in good, safe and sanitary condition, subject to ordinary wear and

tear. In the event Lessee does not remove such trade fixtures, they shall become the property of the Lessor for no further consideration of any kind, and Lessee acknowledges and agrees that Lessor shall have the right to charge Lessee for removal of any trade fixtures that so remain by Lessee upon the expiration or early termination of the Lease. At Lessor's request Lessee shall execute and deliver to Lessor assignments of leases and a quitclaim deed, both in commercially reasonable form and as prepared by Lessor. By the quitclaim deed Lessee shall quitclaim any right, title or interest which Lessee may have or claim to have as part of Project I Improvements.

9. <u>Compliance with Law.</u> Lessee shall, at its sole cost and expense, comply with all of the requirements of all governmental agencies now in force, or which may hereafter be in force, pertaining to the Leased Premises, and any improvements hereafter constructed or maintained thereon, and Lessee shall faithfully observe all laws and ordinances including but not limited to the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA), now or hereafter in force in the use of the Leased Premises. Lessee shall also comply with all applicable federal, state and local laws and regulations and County ordinances. In the event there is a conflict between the various laws or regulations that may apply, Lessee shall comply with the more restrictive law or regulation.

Lessor's Reserved Rights.

(a) The Leased Premises is accepted by Lessee subject to any and all existing easements or other encumbrances, and Lessor shall have the right to enter upon the Leased Premises and to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, connections, water, oil and gas pipelines, and telephone and telegraph power lines and such other facilities and appurtenances necessary or convenient to use in connection therewith, over, in, upon, through, across and along the Leased Premises or any part thereof. Lessor 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 Lessor may elect; provided, however, that no right of the Lessor provided for in this paragraph shall be executed so as to interfere unreasonably with Lessee's use hereunder, or impair the security of any secured creditor of Lessee. Lessor shall cause the surface of the Leased Premises to be restored to its original condition (as they existed prior to any such entry) upon the completion of any construction by Lessor or its agents. In the event 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 Lessor set forth in this paragraph shall not be exercised unless a prior written notice of ten(10) days is given to Lessee; provided, however, in the event such right must be exercised by reason of emergency, then Lessor shall give Lessee such notice in writing as is reasonable under the existing circumstances.

- (b) Lessor reserves the right to further develop or improve the aircraft operating area, including the heavy ramp of Hemet Ryan Airport as it deems appropriate. Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Hemet Ryan Airport against obstruction, together with the right to prevent the Lessee from erecting or permitting to be erected, any building or other structure on the Hemet Ryan Airport, which in the reasonable opinion of Lessor, would limit usefulness of the Hemet Ryan Airport or constitute a hazard to aircraft.
- (c) During the time of war or national emergency, Lessor shall have the right to lease the landing area of the Hemet Ryan Airport, or any part thereof, to the United States Government for military use and, if such lease is executed, the provisions of this Lease insofar as they are inconsistent with the provisions of such lease to the Government, shall be suspended. In that event, a just and proportionate part of the rent hereunder shall be abated, and the period of such closure shall be added to the term of

this Lease, or any extensions thereof, so as to extend and postpone the expiration thereof unless Lessee otherwise elects to terminate this Lease.

- (d) Notwithstanding any provisions herein, this Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States, relative to the operation or maintenance of the Hemet Ryan Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to County of Federal funds for the development of said airport.
- (e) This Lease is subject to the provisions set forth in Exhibit "E" (Federally Required Lease Provisions), attached hereto and incorporated herein by this reference.
- 11. <u>Inspection of Premises.</u> Lessor, through its duly authorized agents, shall have, upon twenty-four hours' notice, during normal business hours, the right to enter the Leased Premises for the purpose of inspecting, monitoring and evaluating the obligations of Lessee hereunder and for the purpose of doing any and all things which it is obligated and has a right to do under this Lease, provided that the inspection does not unreasonably interfere with Lessee's business.
- 12. Quiet Enjoyment. Lessee shall have, hold, and quietly enjoy the use of the Leased Premises so long as Lessee shall fully and faithfully perform the terms and conditions that the Lessee is required to do under this Lease.
- 13. Compliance with Government Regulations. Lessee shall, at Lessee's sole cost and expense, comply with the requirements of all local, state, and federal statutes, regulations, rules, ordinances, and orders now in force or which may be hereafter in force, pertaining to the Leased Premises. Lessee shall also comply with all rules and regulations of the Federal Aviation Administration. The final judgment, decree, or order of any Court of competent jurisdiction, or the admission of Lessee in any action

or proceedings against Lessee, whether Lessee is a party thereto or not, that Lessee has violated any such statutes, regulations, rules, ordinances, or orders in the use of the Leased Premises, shall be conclusive of that fact as between Lessor and Lessee.

14. Discrimination or Segregation

- (a) Lessee shall not discriminate in Lessee's recruiting, hiring, promotion, demotion or termination practice on the basis of race, religious creed, color, national origin, ancestry, sex, age, physical handicap, medical condition, or marital status with respect to its use of the Leased Premises hereunder, and Lessee shall comply with the provisions of the California Fair Employment and Housing Act (Government Code Sections 12900 et seq.), the Federal Civil Rights Act of 1964 (P. L. 88-352), and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), as amended, and all Administrative Rules and Regulations issued pursuant to said acts and orders with respect to its use of the Leased Premises.
- (b) Lessee shall not discriminate against or cause the segregation of any person or group of persons on account of race, religious creed, color, national origin, ancestry, sex, age, physical handicap, medical condition, or marital status in the occupancy, use, tenure or enjoyment of the Leased Premises, nor shall Lessee, or any person claiming under or through Lessee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of any persons within the Leased Premises.
- (c) Lessee assures that it will undertake an affirmative action program as required by 49 CFR, Part 21, to insure that no person shall on the grounds of race creed, color, national origin, or sex be excluded from participating in any employment activities covered in 49 CFR, Part 21, with respect to its use of the Leased Premises. Lessee further assures that no person shall be excluded on these grounds from participating in or receiving services or benefits of any program or activity covered herein

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with respect to its use of the Leased Premises. Lessee further assures that it will require that its subcontractors and independent contractors provide assurance to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their subcontractors and independent contractors, as required by 49 CFR, Part 21, to the same effect with respect to their use of the Leased Premises.

- 15. <u>Termination by Lessor</u>. Lessor shall have the right to terminate this Lease in its entirety, in the event any of the following occur:
- (a) In the event a petition is filed for voluntary or involuntary bankruptcy
 for the adjudication of Lessee as debtors;
- (b) In the event that Lessee sells, transfers, conveys or assigns its interest in the Leased Premises (or any portion thereof) or in this Lease, or there is a change in control of Lessee without Lessor approval pursuant to Section 24 below, or Lessee's interest hereunder is assigned involuntarily or by operation of law for the benefit of creditors;
 - (c) In the event of abandonment of the Leased Premises by Lessee;
- (d) In the event Lessee fails, or refuses, to meet its rental obligations,
 or any of its obligations hereunder, or as otherwise provided by law;
- (e) Failure of Lessee to maintain insurance coverage required herein and to provide evidence of coverage to the Lessor;
- (f) Failure of the Lessee to require all tiers of sublessees and/or contractors to indemnify the Lessor and to have appropriate insurance coverages and/or failure by Lessee to monitor each sublessee and/or contractor for current and correct Certificates of Insurance and required endorsements throughout the term of this lease;
- (g) Lessee (or any successor in interest) assigns or attempts to assign the Leased Premises or any of Lessee's rights in and to the Leased Premises or any

portion thereof or interest therein, or the Lease or any portion hereof, except as permitted by this Lease;

- (h) There is substantial change in the ownership of Lessee, or with respect to the identity of the parties in control of Lessee, or the degree thereof contrary to the provisions of Section 25 hereof;
- (i) Lessee fails to submit any of the plans, drawings and related documents required by this Lease by the respective dates provided in this Lease;
- (j) There is any other material default by Lessee under the terms of this lease which is not cured within the time provided herein;
- (k) Lessee fails to commence construction of the improvements as required by this Lease and such breach is not cured within the time provided in Section 8 of this Lease, provided that Lessee shall not have obtained an extension or postponement in writing from Lessor to which Lessee may be entitled pursuant to Section 8 hereof; or
- (I) Lessee abandons or substantially suspends construction of the improvements and such breach is not cured within the time provided in Section 8 of this Lease, provided Lessee has not obtained an extension or postponement to which Lessee may be entitled to pursuant to Section 8 hereof.
- 16. <u>Termination by Lessee</u>. Lessee shall have the right to terminate this Lease in the event any of the following occur:
- (a) Lessor fails to perform, keep or observe any of its duties or obligations hereunder; provided, however, that Lessor shall have thirty (30) days in which to correct its breach or default after written notice thereof has been served on it by Lessee; further provided, however, that in the event such breach or default is not corrected, Lessee may elect to terminate this Lease in its entirety or as to any portion of the Leased Premises affected thereby, and such election shall be given by an additional thirty (30) day written notice to Lessor;

(b) Lessee is unable to obtain financing within 120 days of the Effective Date to finance development of the improvements required in this Lease; or

(c) In the event Lessor leases the Leased Premises to the United States Government for military use during a time of war or national emergency pursuant to Section 16(c) herein for a period longer than nine (9) months.

17. Holdover. If Lessee fails to immediately surrender the Leased Premises or any portion thereof at the expiration or termination of the Lease Term, then Lessee shall pay Base Rent (on a per-month basis, without reduction for any partial month) at a rate equal to 125% of the Base Rent applicable during the last calendar month of the Lease Term. Unless otherwise agreed to in writing by the Parties, any such holdover shall be deemed to be a tenancy-at-sufferance and not a tenancy-at-will or tenancy from month-to-month. Lessor's acceptance of such rent shall not adversely affect Lessor's other rights and remedies under the Lease, including Lessor's right to evict Lessee and to recover all damages. In no event shall any holdover be deemed a permitted extension or renewal of the Lease Term, and nothing contained in this Lease shall be construed to constitute Lessor's consent to any holdover or give Lessee any right with respect to such holdover.

18. Default.

- (a) Failure or delay by either party to perform any term or provision of this Lease constitutes a default under this Lease. The party who fails or delays must commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence.
- . (b) The injured party shall give written notice of default to the party in default ("Notice of Default") pursuant to Section 37 below, specifying the default complained of by the injured party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as

otherwise expressly provided in this Lease, any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies.

- (c) Except as otherwise provided herein, if a monetary event of default occurs, prior to exercising any remedies hereunder, the injured party shall give the party in default written notice of such default. The party in default shall have a period of seven (7) calendar days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the injured party.
- (d) If non-monetary event of default occurs, prior to exercising any remedies hereunder, the injured party shall give the party in default notice of such default. If the default is reasonably capable of being cured within thirty (30) calendar days after such notice is received or deemed received, the party in default shall have such period to effect a cure prior to exercise of remedies by the injured party. If the default is such that it is not reasonably capable of being cured within thirty (30) days after such notice is received, and the party in default (1) initiates corrective action within said period, and (2) diligently, continually, and in good faith works to effect a cure as soon as possible, then the party in default shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party, but in no event no more than forty-five (45) days from receipt of such notice of default from the injured party.
- 19. <u>Eminent Domain</u>. If any portion of the Leased Premises shall be taken by eminent domain and a portion thereof remains which is usable by Lessee, in its discretion, for the purposes set forth in Section 4 herein, this Lease shall, as to the part

taken, terminate as of the date title shall vest in the condemnor, or the date prejudgment possession is obtained through a court of competent jurisdiction, whichever is earlier, and the rent payable hereunder shall abate pro rata as to the part taken; provided, however, in such event Lessor reserves the right to terminate this Lease as of the date when title to the part taken vests in the condemnor or as of such date of prejudgment possession. If all of the Leased Premises are taken by eminent domain, or such part be taken so that the Leased Premises are rendered unusable for the purposes set forth in Section 4 herein, this Lease shall terminate. If a part or all of the Leased Premises be so taken, all compensation awarded upon such taking shall be apportioned between Lessor and Lessee according to law.

And hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (the "Indemnified Parties") from any liability whatsoever, including but not limited to, property damage, bodily injury, or death, based or asserted upon any services of Lessee, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Lease and Lessee shall defend at its sole expense and pay all costs and fees, including but not limited to, attorney fees, cost of investigation, defense and settlements or awards, on behalf of the Indemnified Parties in any claim or action based upon such liability.

With respect to any action or claim subject to indemnification herein by Lessee, Lessee shall, at Lessee's sole cost, have the right to use counsel of their choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of Lessor; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Lessee's indemnification to the Indemnified Parties as set forth herein.

Lessee's obligation hereunder shall be satisfied when Lessee has provided Lessor the appropriate form of dismissal relieving Lessor from any liability for the action or claim involved.

The specified insurance limits required in this Lease shall in no way limit or circumscribe Lessee's obligations to indemnify and hold harmless the Indemnified Parties herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Lessee from indemnifying the Indemnified Parties to the fullest extent allowed by law.

Lessee shall require each sub-lessee and/or contractor of every tier to indemnify the County of Riverside relating to any claim(s) arising from their sub-lease and/or contract. The holdover and indemnification obligation set forth herein shall survive the expiration and termination of this Lease.

- 21. Insurance. Lessee shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Lease. These requirements, with the approval of the Lessor's Risk Manager, may be modified to reflect the activities associated with the Lessee provided that any changes are reasonable in nature and consistent with industry standards. The procurement and maintenance of the insurance required below will not diminish or limit Lessee's obligation to indemnify or hold the Lessor harmless. Lessee agrees to have in place insurance coverage as it is required and applicable. This Section 21 shall not be construed to require Lessee to have all insurance required under this provision, in place from the Commencement Date.
- (a) Workers Compensation. Lessee shall maintain statutory Workers'
 Compensation Insurance (Coverage A) as described by the laws of the State of

California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to provide a Waiver of Subrogation in favor of the County of Riverside its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives.

- (b) Airport General Liability. Lessee shall maintain Airport General Liability Insurance coverage including, but not limited to, premises/operations liability, contractual liability, products and completed operations liability, independent contractors, personal and advertising injury liability covering all claims or lawsuits of any nature whatsoever which may arise from or out of Lessee's performance under the terms of the Lease. Policy shall name all the County of Riverside its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit and in the annual aggregate as applicable. The policy shall be endorsed to provide Hangar Keeper's Legal Liability Insurance (Ground and In-Flight) providing coverage for aircraft in the care, custody or control of the Lessee. Policy shall include coverage for the Named Insured's use of unlicensed vehicles on Airport Premises.
- (c) <u>Vehicle Liability</u>. Lessee shall maintain liability insurance for all owned, non-owned, or hired vehicles used in the performance of this Lease in an amount not less than \$1,000,000 per occurrence combined single limit. The policy shall be endorsed to name all the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives. This coverage may be

included in the Airport General Liability policy. Proof of the foregoing coverage will be required before issuing vehicle gate cards.

(d) Aircraft Hull and Liability Insurance.

- 1) Aircraft Hull Lessee agrees to indemnify and hold harmless the Lessor from any and all losses, claims, or damage to any aircraft owned by Lessee and all losses, claims, or damage to any aircraft where Lessee has agreed under contract to be responsible for any physical damage to the aircraft. Lessee hereby agrees that this indemnification and hold harmless includes, but is not limited to, losses, claims or damage to any of Lessee's aircraft caused directly or indirectly by the Lessor.
- Aircraft Liability Lessee shall provide Aircraft Liability insurance for all owned and non-owned aircraft operated by the Lessee in an amount not less than \$2,000,000 combined single limit per occurrence for bodily injury, including death and property damage and coverage shall include, but is not limited to, products/completed operations and contractual liability. Lessee shall provide Aircraft Liability insurance for all owned and non-owned single engine piston aircraft operated by the Lessee in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury, including death and property damage and coverage shall include, but is not limited to, products/completed operations and contractual liability. The aforementioned policies shall be endorsed to name all The County of Riverside, its Agencies, Districts, Special Districts, and Departments, its respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representative as Additional Insureds.

(e) General Insurance Provisions – All Lines:

(1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California unless waived, in writing, by the

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County Risk Manager. Carrier(s) shall have an A.M. BEST rating of not less than an A: VIII (A:8).

- (2) Insurance deductibles or self-insured retentions must be declared by the Lessee's insurance carrier(s), and such deductibles and retentions shall have the prior written consent from the Lessor's Risk Manager. Upon notification of deductibles or self-insured retentions unacceptable to the Lessor, and at the election of the Lessor's Risk Manager, Lessee's carriers shall either: 1) reduce or eliminate such deductibles or self-insured retentions as respects this Lease with the Lessor; or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- (3)Cause Lessee's insurance carrier(s) to furnish the Lessor with either: 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein; or 2) if requested to do so in writing by the County Risk Manager, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification of coverage or cancellation of such insurance. In the event of a material modification of coverage or cancellation of such insurance, this Lease shall terminate forthwith, unless the Lessor receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or, if requested, certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. Lessee shall not commence operations until the Lessor has been furnished original Certificate(s) of Insurance and certified original copies of endorsements or, if requested, policies of

insurance including all endorsements and any and all other attachments as required in this Section 21. An individual authorized by the insurance carrier to do so on its behalf shall sign the endorsements for each policy and the Certificate of Insurance.

- (4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the Lessor's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- (5) Lessors Reserved Rights Insurance. If during the term of this Lease or any extension thereof, there is a material change in the scope of services or performance of work the Lessor reserves the right to adjust the types of insurance required under this Lease and the monetary limits of liability for the insurance coverages currently required herein, if, in the Assistant County Executive Officer TLMA reasonable judgment, upon advice of the Lessor Risk Manager, the amount or type of insurance carried by the Lessee has become inadequate. The Lessee agrees to notify the Lessor of any plan or change of plan for the Lessee's operations and such notification shall occur prior to implementing any such change.

Beginning July 1, 2026, and every fifth year thereafter during the term of this Lease, or any extension thereof, Lessor reserves the right to adjust the monetary limits of insurance coverage as required in Section 21.

- (6) Lessee shall notify Lessor in writing of any claim made by a third party or any incident or event that may give rise to a claim arising from this Lease.
- 22. <u>Insurance for Sublessees and Contractors</u>. Lessee shall require each of its sublessees and contractors to meet all insurance requirements imposed by this Lease. These requirements, with the approval of the Lessor's Risk Manager, may be modified to reflect the activities associated with the sublessee or contractor. On every

sublease or contract the Lessee shall have the sublessee or contractor name the Lessee and the Lessor by endorsement as an additional insured and/or have the sublessee or contractor provide an endorsement waiving subrogation in favor of the Lessee and the Lessor on every sublessee's or contractor's insurance policy, as applicable. Certificates and endorsements evidencing compliance with this section will be provided to the Lessor prior to the sublessee taking occupancy.

23. Acceptance of Premises. Prior to the commencement of the Lease Term, Lessee, at Lessee's sole expense, shall have investigated and approved the physical condition of, and the condition of title with respect to, the Leased Premises. Lessor has provided to Lessee without any representation or warranty all information in Lessor's possession or control regarding the condition of the Leased Premises, including information concerning hazardous substances and seismic faulting.

Lessor makes no representation or warranty, expressed or implied, regarding any conditions of the Leased Premises. Lessee acknowledges and agrees that Lessor makes no representation or warranty, express or implied, written or oral, with respect to the condition of the Leased Premises, or its fitness, or availability for any particular use.

Lessor makes no representations, express or implied, with respect to the legality, fitness, or desirability of the Leased Premises for Lessee's intended use. If Lessee desires to do so, Lessee shall have the right to conduct its own investigation, to its satisfaction, with respect to any matters affecting Lessee's ability to use the Leased Premises for Lessee's intended use. Lessee represents that it has inspected the Lease Premises and acknowledges and agrees that the Leased Premises shall be delivered from Lessor to Lessee in an "as is" physical condition, with no warranty, express or implied by Lessor as to the presence of hazardous substances, or the condition of the soil, its geology or the presence of known or unknown faults, and fully assumes any and all risk associated with the use thereof. Lessor shall not be liable to Lessee, its officers,

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agents, employees, subcontractors or independent contractors for any bodily injury, personal injury or property damage suffered by them or others which may result from hidden, latent or other dangerous conditions in, on upon or within the Leased Premises. If the condition of the Leased Premises is not in all respects entirely suitable for the use or uses to which such Leased Premises will be put, then it is the sole responsibility and obligation of Lessee to place the Leased Premises in all respects in a condition entirely suitable for the development thereof, solely at Lessee's expense. Effective at the commencement of the Lease Term, Lessee waives, releases and discharges Lessor, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, Board of Commissioners, elected and appointed officials, employees, agents, representatives and attorneys, from any and all present and future claims, demands, suits, legal and administrative proceedings, and from all liability for damages, losses, costs, liabilities, fees and expenses (including without limitation, attorneys' fees) arising out of in any way connected with the Lessor's or Lessee's use, maintenance, ownership or operation of the Leased Premises, any hazardous substances on the Leased Premises, or the existence of hazardous substances contamination in any state on the Leased Premises, however the hazardous substances came to be placed there. Lessee acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

To the extent of the release set forth in this Section 23, Lessee hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of California Civil Code.

Lessee Initials KN

24. Assignment and Subletting.

- (a) Lessee represents and agrees that its undertakings pursuant to this Lease are for the purpose of providing aircraft storage services, and not for speculation in land holding. Lessee further recognizes that the qualifications and identity of Lessee are of particular concern to Lessor in light of the following: (1) the importance of the development of the Leased Premises to the community; and (2) the fact that a change in ownership or control of Lessee or any other act or transaction involving or resulting in a significant change in ownership or control of Lessee, is for practical purposes a transfer or disposition of the property then owned by Lessee. Lessee further recognizes that it is because of such qualifications and identity that the Lessor is entering into the Lease with Lessee. Therefore, no voluntary or involuntary successor in interest of Lessee, or a sublessee, shall acquire any rights or powers under this Lease except as expressly permitted herein.
- (b) Lessee shall not assign or attempt to assign all or any part of this Lease or any right or interest herein, nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Lessee's interest in the Leased Premises or the Improvements thereon, or sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties or obligations hereunder to any person or entity without the prior written consent of Lessor being first obtained which consent shall not be unreasonably withheld.

- (c) This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Leased Premises. Lessee shall submit all documents pertaining to any such transaction referenced in the foregoing paragraph to Lessor for approval prior to entering into such agreements. Lessee shall submit executed subleases and all required certificates of insurance and endorsements to insurance policies, as required herein, to Lessor for approval prior to sublessees occupying the subleased premises.
- (d) For the reasons cited above, Lessee represents and agrees for itself and any successor in interest that without the prior written approval of the Lessor, there shall be no significant change in the ownership of Lessee or in the relative proportions thereof, or with respect to the identity of the parties in control of Lessee or the degree thereof, by any method or means.
- (e) Any sublease, assignment or transfer of this Agreement or any interest herein, or significant change in ownership of Lessee, shall require the written approval of the Lessor. Lessee shall promptly notify the Lessor of any proposed subleases, and all changes whatsoever in the identity of the parties in control of Lessee or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. This Lease may be terminated by the Lessor if there is any significant change (voluntary or involuntary) in membership, management or control, of Lessee (other than such changes occasioned by the death or incapacity of any individual), or non-Lessor approved subleases. In the event of the death or incapacity of any individual who controls Lessee or the managing member of Lessee, any resulting

change in the management of the Improvements or the control of the day-to-day operations of the Leased Premises and the Improvements shall be subject to the approval of the Assistant CEO/TLMA or designee, which shall not be unreasonably withheld.

- (f) Assignments or transfers approved by the Lessor shall be evidenced by the Lessee's, and assignee's execution of an assignment and assumption agreement approved as to form and substance by Lessor. Subleases approved by the Lessor shall be evidenced by subleases approved as to form and substance by Lessor.
- (g) No such sublease, sale, transfer, conveyance or assignment of this Lease or Lessee's interest in the Leased Premises (or any portion thereof), or approval by the Lessor of any such sublease, sale, transfer, conveyance or assignment, shall be deemed to relieve Lessee or any other party from any obligations under this Lease.
- (h) The restrictions on assignment, transfer and subleasing contained in this Section 24 shall be binding on any successors, or heirs of Lessee. The provisions of this Section 24 shall apply to each successive assignment and transfer in the same manner as initially applicable to Lessee under the terms set forth herein.

25. Damage or Destruction.

(a) In the event any of the improvements are damaged by an insured casualty, Lessee shall promptly remove the debris resulting from such event, and within a reasonable time thereafter shall apply insurance proceeds to the repair or restoration of the improvements so damaged to their condition immediately prior to such casualty, such repair or restoration to be performed in accordance with all provisions of this Lease.

In the event any of the Improvements are damaged by an uninsured (b) casualty, or the insurance proceeds are insufficient to repair or restore the Improvements to their condition prior to the casualty, Lessee shall promptly remove the debris resulting from such event, and within a reasonable time thereafter shall either (i) repair or restore the improvements so damaged to the extent economically feasible, such repair or restoration to be performed in accordance with all provisions of this Lease, or (ii) erect other Improvements in such location, provided all provisions of this Lease are complied with to the extent economically feasible, or (iii) if the damage occurs during the last 5 years of the Lease, demolish the damaged portion of such improvements, restore any remaining improvements to an architectural whole, remove all rubbish, and pave or plant grass and otherwise restore the area to a neat, orderly, sanitary and attractive condition. Lessor shall have the option to choose among the aforesaid alternatives, subject to rights of permitted Encumbrancers secured by the Lease but Lessee shall be obligated to perform one of such alternatives. Lessee shall give notice to Lessor within a reasonable time of which alternative it elects.

Except as expressly provided in this Lease, no deprivation, impairment, or limitation of use resulting from any damage or destruction or event or work contemplated by this Section 25 shall entitle Lessee to any offset, abatement, or reduction in Rent, nor to any termination or extension of the Term hereof.

26. Lessor's Nonresponsibility.

Notwithstanding any language to the contrary herein, during the Term of this Lease, including any extensions, Lessor shall not be required to maintain or make any repairs or replacements of any nature or description whatsoever to the Leased Premises or the Improvements thereon.

27. Estoppel Certificate. Each party shall, at any time during the term of the Lease, within ten (10) days of written Notice (or as soon as reasonably possible) from

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the other party, execute and deliver a statement in writing certifying that this Lease is unmodified and in full force and effect, or if modified, stating the nature of such modification. The statement shall include other details requested by the other party as to the date to which rent and other charges have been paid, and the knowledge of the other party concerning any uncured defaults with respect to obligations under this Lease and the nature of such defaults, if they are claimed. Any such statement may be relied upon conclusively by any prospective purchaser, Encumbrancer, or Sublessee of the Demised Premises, the building or any portion thereof.

28. <u>Toxic Materials</u>.

During the term of this Lease and any extensions thereof, (including exercise of the Option), Lessee shall not violate any federal, state, or local law, or ordinance or regulation relating to industrial hygiene or to the environmental condition on, under or about the Leased Premises including, but not limited to, soil, air, and groundwater conditions. Further, Lessee, its successors, assigns and Sublessee shall not use. generate, manufacture, produce, store or dispose of on, under, or about the Leased Premises or transport to or from the Leased Premises any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "hazardous materials"). For the purpose of this Lease, hazardous materials shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or as "hazardous substances" in Section 25316 of the California

Health and Safety Code; and in the regulations adopted in publications promulgated pursuant to said laws now and in the future.

- 29. National Pollution Discharge Elimination System (NPDES) Permit.

 Lessee acknowledges, understands and agrees that it shall comply with California State Water Resources Control Board general permit requirements now and in the future relating to storm water discharges associated with activities such as aircraft rehabilitation, mechanical repairs, fueling, lubrication, cleaning, painting and deicing. Lessee further acknowledges, understands and agrees that it shall participate as a copermittee under said general permit, participate in the Hemet Ryan Airport Storm Water Pollution Prevention Plan (SWPPP) as noted in Exhibit "F", attached hereto and by this reference made a part of this Lease, including without limitation, the Best Management Practices, Best Available Technology Economically Achievable, and Best Convention Pollutant Control Technology.
- Second due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Lessee, in, upon, or about the Leased Premises, and which may be secured by a mechanics, materialmen's or other lien against the Leased Premises or Lessor's interest therein, and will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due; provided, however, that if Lessee desire to contest any such lien, it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment, and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or is so stayed, and said stay thereafter expires, then and in such event, Lessee shall forthwith pay and discharge said judgment.

Lessee shall not encumber Lessor's fee estate in the Airport property with any mortgage. Lessee shall not place, or allow to be placed, against the Airport property or

any portion thereof, any mortgage, trust deed, encumbrance or lien not authorized by this Lease. In addition, Lessee shall remove, or shall have removed, any levy or attachment made on title to the leasehold estate created by this Lease and/or the Airport property (or any portion thereof), or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Under no circumstances whatsoever shall the Lessee allow any security instruments to be recorded against the Lessor's fee interest in the Airport property.

- 31. Employees and Agents of Lessee. It is understood and agreed that all persons hired or engaged by Lessee shall be considered to be employees or agents of Lessee and not of Lessor. It is expressly understood and agreed that Lessee (including its employees, agents and subcontractors) shall in no event be entitled to any benefits to which Lessor employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties, and Lessee shall hold Lessor harmless from any and all claims that may be made against Lessor based upon any contention by a third party that an employer-employee relationship exists by reason of this Lease.
- 32. <u>Binding on Successors</u>. Lessee, its assigns and successors in interest, shall be bound by all the terms and conditions contained in this Lease, and all of the parties thereto shall be jointly and severally liable hereunder.
- 33. Waiver of Performance. Any waiver by Lessor of any breach of any one or more of the terms of this Lease shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Lease. Failure on the part of Lessor to require exact, full and complete compliance with any terms of this Lease shall not be construed as in any manner changing the terms or preventing Lessor from enforcement of the terms of this Lease.

- **34. Severability.** In the event any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will never the less continue in full force without being impaired or invalidated in any way.
- 35. Jurisdiction and Venue. This Lease is construed under the laws of the state of California. The Parties agree to the jurisdiction and venue of the Superior Court in the County of Riverside, state of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a Court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other County.
- 36. Attorney's Fees. In the event of any litigation or arbitration between Lessee and Lessor to enforce any of the provisions of this Lease or any right of either party hereto, the unsuccessful part to such litigation or arbitration agrees to pay to the successful party all costs and expenses, including reasonable attorney's fees, incurred therein by the successful party, all of which shall be included in and as a part of the judgment or award rendered in such litigation or arbitration.
- **37.** Notices. Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

COUNTY

County of Riverside Aviation Division 4080 Lemon Street, 14th floor Riverside, CA 92501 Attn: TLMA – Aviation Division

LESSEE

Nilsson Trust 30031 Villa Alturas Temecula, CA 92592 Attn: Kirby Nilsson

or to such other addresses as from time to time shall be designated by the respective parties. A change of notification address is required in writing and must be delivered to the other party.

Formal notices, demands and communications between Lessor and Lessee shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the Lessor and Lessee, as designated in this Section 37. Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received the day after the documented date of delivery; and any notice that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the second day of delivery.

Lessor shall use good faith efforts to deliver copies of any notices of default delivered to Lessee to the Encumbrancer, at such addresses for receipt of notice as shall be provided to the Lessor in writing.

- 38. <u>Paragraph Headings</u>. The paragraph headings herein are for the convenience of the parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Lease.
- 39. No Partnership. Nothing contained in this Lease shall be deemed or construed to create a lending partnership, other partnership, joint venture, or any other relationship between the parties hereto other than Lessor and Lessee according to the provisions contained herein, or cause Lessor to be responsible in any way for the debts or obligations of Lessee, or any other party.
- 40. <u>Non-liability of Lessor Officials and Employees</u>. No member, official, employee or consultant of Lessor shall be personally liable to the Lessee, or any successor in interest, in the event of any default or breach by the Lessor or for any

amount which may become due to the Lessee or to its successor, or on any obligations under the terms of this Lease.

41. Agent for Service of Process; Lessee Authority to Enter into Lease.

- (a) It is expressly understood and agreed that, in the event Lessee is not a resident of the State of California or it is an association or partnership without a member or partner resident of the State of California, or it is a foreign corporation, then in any such event, Lessee shall file with County's clerk, upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessee. It is further expressly understood and agreed that if for any reason service of such process upon such agent is not feasible, then in such event Lessee may be personally served with such process out of this County and that such service shall constitute valid service upon Lessee. It is further expressly understood and agreed that Lessee is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto.
- (b) Lessee is a limited partnership or corporation duly formed and in good standing under the laws of the State of California, has full legal right, power, and authority to enter into this Lease and to carry out and consummate all transactions contemplated by this Lease, and by appropriate action has duly authorized the execution and delivery of this Lease. Further, Lessee will take those actions required to remain in good standing under the laws of the state of California during the term of this Lease.
- 42. <u>FAA Consent to Lease</u>. Lessee acknowledges that Hemet Ryan Airport was transferred to the Lessor by the Federal Government and, as such, may require

FAA consent to the Lease. If so required, the Federal government's approval shall be considered a condition precedent under this Lease.

- 43. Entire Lease. This Lease, including any attachments, exhibits or addendums constitutes the entire agreement of the Parties with respect to its subject matter and is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may only be changed or modified by a written amendment signed by authorized representatives of both Parties.
- 44. Construction of Lease. The Parties hereto negotiated this Lease at arm's length and with the advice of their respective attorneys, and no provisions contained herein shall be construed against County solely because it prepared this Lease in its executed form.
- 45. <u>Effective Date.</u> The effective date ("Effective Date") of this Lease is the date this Lease is executed by the Assistant County Executive Officer/TLMA shall be the Effective Date.

1	IN WITNESS WHEREOF, the parties have executed this Lease as of the dates set forth								
2	below.								
3	LESSOR: LESSEE:								
4	COUNTY OF RIVERSIDE, a Kirby Nilsson, as successor trustee								
5	Political Subdivision of the State of of the Mervin K. Nilsson and Darlene California M. Nilsson Family Trust dated								
6	June 8, 2000								
7									
8	By: By: By:								
9	Charissa Leach, Assistant Kirby Nilsson								
10	County Executive Officer/ TLMA Sole Trustee								
11	Date: 8/25/22 Date: 07/21/22								
12									
13	A PROPOSITOR AS TO FORM								
14	APPROVED AS TO FORM: County Counsel								
15									
16	/an-								
17	Ву:								
18	Ryan Yabko Deputy County Counsel								
19	Bepaty County Counsel								
20									
21	Attachments:								
22	Attachments.								
23	Exhibit A: Site Map Exhibit B: Lease Premises Depiction Exhibit C: Rules and Regulation for County Airports Exhibit D: Sublease Status Report								
24									
25									
26	5. Exhibit E: Federally Required Lease Provisions6. Exhibit F: Storm Water Pollution Prevention Plan								
	1								

Exhibit A Site Map

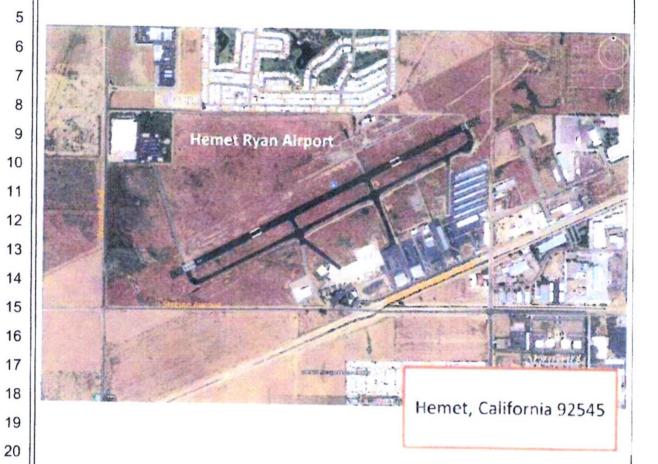


Exhibit B Leased Premises



2,500 square feet
NOT A SURVEY
Areas are approximate for
Illustration purposes only

Exhibit C Rules and Regulation for County Airports Hemet Ryan Airport Lease Agreement Following this page

EXHIBIT C

COUNTY ORDINANCE No. 576

AND

RULES AND REGULATIONS

FOR

OPERATION OF COUNTY AIRPORTS

A cordial welcome to all users of the airports owned/operated by the County of Riverside.

The Riverside County Airports Department is engaged in the promotion and accommodation of air commerce and business as well as recreational flying. County Ordinance No. 576, and the Rules and Regulations thereby implemented, are intended to assure orderly and safe operations at the County's airports. The rights, privileges and obligations of the airports' users are listed for the protection of all persons.

ORDINANCE NO. 576

AN ORDINANCE OF THE COUNTY OF RIVERSIDE

REGULATING COUNTY AIRPORTS

The Board of Supervisors of the County of Riverside, State of California, do ordain as follows:

ARTICLE I GENERAL PURPOSE

Section 101. The purpose of this ordinance is to provide minimum standards to safeguard life, limb, property and public welfare by regulating and controlling the various activities on airports, heliports or STOLports owned or operated, or both by the County of Riverside.

ARTICLE II GENERAL PURPOSE

<u>Section 201.</u> Whenever in this ordinance the following terms are used, they shall have the meanings respectively ascribed to them in this section.

- a) "Airport" is any airport, heliport or STOLport owned or operated, or both owned and operated, by the County.
- b) "County" is the County of Riverside.
- c) "Director" is the Airports Director of the County, or his designated representative.
- d) "Person" is any individual, firm, partnership, joint venture, corporation, association, joint stock association, political party, club, organization or trust, and includes any trustee, assignee, or similar representative thereof.

ARTICLE III GENERAL PROVISIONS

<u>Section 301.</u> The provisions of this ordinance and the regulations prescribed pursuant to this ordinance are imposed by County as conditions for the privilege of entering upon or using any airport.

<u>Section 302.</u> The Director shall have the authority and the duty to prescribe reasonable regulations relating to the use of any airport by the public. Any such regulations shall first be submitted to the Riverside County Airport Commission for its recommendations, and thereafter, such regulations shall be submitted to the Board of Supervisors for approval before taking effect. All regulations so prescribed and approved shall be filled in the office of the Director, made available for public inspection and publicly posted at each airport.

<u>Section 303.</u> In the event the Director determines that the provisions of any regulation prescribed pursuant to this ordinance would, if enforced, cause unnecessary hardship or practical difficulties inconsistent with economic feasibility, or would do manifest injustice, or impose a burden upon any person disproportionate to any benefit to the general

public or the an airport, he may grant for a period not to exceed 60 days, an exception or variance to such provision or regulation, but only to the extent that such exception or variation does not violate any other ordinance, or any State or Federal Statute or regulation.

<u>Section 304.</u> The provisions of this ordinance and the regulations prescribed pursuant to this ordinance are a supplement to any other local laws or ordinances, including State and Federal statutes and regulations, that may be in effect and in no manner will these provisions and regulations be construed to reduce or limit the authority of said ordinances, statutes and regulations.

ARTICLE IV SEVERABILITY

Section 401. If any section, subsection, paragraph, sentence, clause or phrase contained in this ordinance, or in any regulation prescribed pursuant thereto, is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or of any regulation prescribed pursuant thereto, it being expressly declared that this ordinance and the regulations prescribed pursuant thereto and each section, subsection, paragraph, sentence, clause and phrase thereof would have been adopted, irrespective of the fact that one or more other section, subsection, paragraph, sentence, clause or phrase be declared invalid or unconstitutional.

ARTICLE V PENALTY FOR VIOLATION

Section 501. Any person violating any of the provisions of this ordinance and the regulations prescribed pursuant to this ordinance shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$500.00 or by imprisonment in the County jail for a period not exceeding six months or by both such fine and imprisonment. A separate offense shall be deemed to have been committed for each day that such violation continues.

ARTICLE VI EFFECTIVE DATE

Section 601. This ordinance shall take effect 30 days after its adoption.

BOARD OF SUPERVISORS OF THE COUNTY OF RIVEERSIDE, STATE OF CALIFORNIA

By: Walt Abraham, Chairman, Board of Supervisors.

Dated: February 27, 1979

REGULATIONS FOR COUNTY AIRPORTS

The following regulations are prescribed for County Airports pursuant to Section 302 of County Ordinance No. 576:

<u>SECTION A.</u> <u>DEFINITIONS.</u> Whenever the following terms are used in these regulations, they shall have the meanings respectively ascribed to them in this section.

- "Aircraft" is any manned contrivance used or designed for navigation of, or flight in, the air.
- "Air Operations Area" includes the runways and taxiways of an airport and all aircraft surface maneuvering areas.
- "Airport" is any airport, heliport or STOLport owned or operated, or both owned and operated, by the County.
- 4) "Board" is the Board of Supervisors of the County of Riverside.
- 5) "County" is the County of Riverside.
- 6) "Director" is the Airports Director of the County, or his designated representative.
- 7) "Person" is any individual, firm, partnership, joint venture, corporation, association, joint stock association, political party, club, organization or trust, and includes any trustee, assignee or similar representative thereof.
- 8) "Vehicle" is any device in, upon or by which any person or property may be propelled, moved or drawn upon a highway or the surface areas of an airport.

SECTION B. GENERAL AIRPORT REGULATIONS.

- Each airport shall be open for public use at such hours, and subject to such restrictions as are necessary in the interest of safely, as may be determined by the Director.
- 2) Any permission granted by the County or Director, either directly or indirectly, expressly or by implication, to any person to enter upon or use an airport, or a portion thereof, is conditioned upon compliance with the provisions herein, entry upon, or use of, and airport, or a portion thereof, shall constitute an agreement by any person to comply with such regulations.
- 3) Every person exercising the privilege of entering upon or using an airport does so at his own risk without liability to the County, its agents and employees for any loss, damage, or injury to person or property resulting therefrom.
- 4) Any person desiring to use an airport, or any portion thereof, for any revenue producing activity shall file an application for an appropriate permit, license, or agreement with, and on forms prescribed by, the

Director and shall pay the fees, rates or charges as established by resolution of the Board. Because of the nature of a particular activity, there may be additional or special requirements for a permit, license or agreement, such as insurance, equipment, inspections, approved performance bonds, or whatever may be required for the protection of the public and the County.

- No person shall solicit at any airport in any manner or for any purpose, not otherwise protected or exempt under applicable federal, state or local law, without first obtaining permission in writing from the Director. Such soliciting shall be carried out in the manner and at such locations and times as prescribed by the Director.
- No person shall perform a parachute jump except under emergency conditions or operate an airship, a balloon, hang glider, a model aircraft or similar contrivance upon any airport without first obtaining permission in writing from the Director.
- No person shall post, distribute or display any signs, posters, advertisements, circulars, printed or written matter of any type at any airport with out first obtaining permission in writing, from the Director. The provision of this Subsection 7 shall not apply to any person who posts, distributes or circulates such printed matter within the interior spaces of a building which are being leased by such person or to any person who distributes displays or circulates printed or written matter otherwise protected or exempt under applicable federal, state or local law.
- No person shall enter any restricted area at any airport posted as limited to "Authorized Persons Only," "Closed" or similar working without authorization from the Director or by County's lessee of such area.
- No person shall willfully abandon any personal property on any airport.
- No person shall hunt, pursue, trap, catch, injure or kill any bird or animal, conduct target practice or discharge firearms on any airport without authorization from the Director.
- No person shall place or deposit, or leave to be placed or deposited, any garbage, refuse, papers or other materials at any airport except in receptacles provided for that purpose.

SECTION C. AIRCRAFT OPERATIONS AND FACILITIES REGULATIONS

- No person shall navigate any aircraft to, on, from or over any airport nor service, repair or maintain any aircraft on any airport, except in conformity with the rules and regulations prescribed by the Federal Aviation Administration of the United States of America and the Department of Transportation of the State of California and the regulations prescribed herein, presently in effect or hereinafter promulgated or prescribed.
- Aircraft shall be operated on the ground or in flight in a manner that will create the least amount of noise commensurate with safe operation.
- No person shall operate at any airport an aircraft that is not equipped with effectively functioning wheel brakes.
- No person shall operate at any airport an aircraft equipped with a tail skid in place of a tail wheel.

- 5) Taxing aircraft shall yield the right-of-way to emergency vehicles.
- Aircraft shall be taxied at a safe and reasonable speed commensurate with existing conditions and with due regard for other persons and property.
- 7) Aircraft shall not be taxied into or out of any repair or storage hangar. Aircraft engines shall not be operated within any hangars.
- 8) Formation take-offs and landings are prohibited.
- No person shall perform any aircraft aerobatics over any airport or within established aircraft traffic patterns.
- All aircraft shall be operated in such a manner as to conform to established traffic patterns.
- 11) No engine in an aircraft shall be started or operated unless a competent person is at the aircraft controls and the aircraft is adequately restrained in place. Aircraft engines shall not be operated in such a manner as to endanger life or property.
- 12) In the event of an emergency, performance of repairs or maintenance to an airport, or any portion thereof, or any other matter incidental to the proper operation of an airport, the Director may direct that an aircraft be moved from such airport or moved to another location at such airport. The owner or operator of an aircraft shall promptly remove or move such aircraft if so directed by the Director, and in the event such aircraft is not removed or moved, the Director may take whatever action is necessary to remove or move the aircraft, at the expense of the owner or operator, and without liability to the County, its officers, employees or agents, for any and all damages which may result there from.
- In the event of an accident, the owner or operator shall be responsible for the prompt removal of damaged or disabled aircraft, or parts thereof, unless required or directed to delay such action pending an investigation. In the event it becomes necessary, the Director may take whatever action is necessary to move such damaged or disabled aircraft, or parts thereof, at the expense of the owner or operator, and without liability to the County, its officers, employees or agents, for any and all damages which may result therefrom.
- 14) No aircraft shall be left unattended unless it is properly secured in place.
- No person shall base an aircraft at any airport unless such aircraft has been registered with the Director or the fixed based operator leasing an area within an airport where such aircraft is to be based.
- Aircraft based at any airport shall be parked only in an aircraft parking area or hangar so designed for that purpose.
- 17) Transient aircraft shall be parked only in a transient parking area so designated for that purpose.
- No ladders, cans, boxes, or other materials of any nature shall be left in any areas adjacent to or on the exterior of, any storage areas for aircraft without prior approval of the Director.

SECTION D. VEHICLE REGULATIONS

 Vehicles shall be operated at an airport in strict compliance with the motor vehicles laws of the State of California and local jurisdictions and

- the regulations prescribed herein, presently in effect or hereinafter promulgated or prescribed.
- 2) No person shall operate a vehicle within the air operations area at any airport without authorization from the Director except governmental officers and employees in the performance of their duties.
- 3) Any person authorized to operate a vehicle within the air operation area shall display a ramp flag on the outside of said vehicle in accordance with the rules and regulations prescribed by the Federal Aviation Administration of the United States, or said vehicle shall be equipped with an amber or red rotating beacon on the outside thereof.
- 4) Any person authorized to operate a vehicle within the air operations area shall exercise extreme caution at all times so as to keep clear of aircraft and shall yield the right-of-way to aircraft.
- 5) Vehicles shall be operated on established streets and roadways in strict compliance with the speed limits posted on traffic signs and, in any event, not in excess of 25 miles per hour and in a safe and reasonable manner.
- 6) Vehicles shall not be parked on an airport other than in the manner and at the locations so designated for such parking.

SECTION E. FIRE PREVENTION REGULATIONS

- No aircraft shall be fueled or drained while the engine or electrical equipment is operating or while an aircraft, or any portion thereof, is within a hangar or other enclosed space.
- During all fueling operation, the aircraft and fuel dispensing equipment shall be grounded in such a manner so as to eliminate static electrical hazards.
- Any person engaged in fueling operations shall exercise due care to prevent the overflow of fuel.
- 4) Smoking, open flames, flame producing devices or other sources of ignition shall not be permitted within 50 feet of any fueling operation or of any fuel storage area or fuel vehicle.
- No aircraft shall be started while there is fuel on the ground, under or otherwise within close proximity of such aircraft.
- 6) Hangar floors shall be kept clean and free of oil, and no volatile or flammable substance shall be used for cleaning purposes in hangars or other enclosed spaces.
- Degreasing of aircraft or aircraft engines shall be performed only in the areas so designated for such purpose.
- 8) No boxes, crates, paper or other rubbish or litter of any kind shall be permitted to accumulate at any airport, and any cans, bottles or other container containing oil, paint, dope, varnish or similar flammable substances shall be removed from hangars or other enclosed spaces immediately upon being emptied of any such substances.
- 9) No substance of any nature shall be stored in such a manner so as to constitute a fire hazard or to prevent access to hangars or other enclosed spaces by fire fighting personnel or equipment.
- Any person leasing space at an airport who uses or causes to be used flammable substances within such space shall (a) provide suitable

metal or metal-lined receptacles with tight fitting covers for the collection and storage of oily waste rags and other flammable rubbish and, (b) provide and maintain in proper working order adequate and readily accessible fire extinguishers.

The foregoing Regulations for County Airports are hereby approved.

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

By: Walt Abraham, Chairman, Board of Supervisors

Dates: June 12, 1979

FIRST AMENDMENT TO REGULATIONS FOR COUNTY AIRPORTS

The Regulations for County Airports heretofore approved by the Board of Supervisors on July12, 1979, are hereby amended by adding subsection (12) to Section B thereof to read:

(12) Any person subject to aircraft landing fees or instrument landing system fees, or both such fees, as established by resolution of the Board for any airport, shall pay such fees promptly, such fees shall be publicly posted at each airport where such fees are applicable.

The foregoing First Amendment to Regulations for County Airports is hereby approved.

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSDIE, STATE OF CALIFORNIA

By: A. A. McCandless, Chairman, Board of Supervisors

Dated: April 14, 1981

Exhibit D Sublease Status Report

Hemet Ryan Airport Lease Agreement

Following this page

EXHIBIT D

SUBLEASE STATUS REPORT

Date:									
Sublease	Sublease Start Date	Sublease End Date	Land Area Subleased	Hangar Square Footage	Hangar #	N Number	Owner	Aircraft Type	Status (Based)
		•							

I certify that I have in my possession currer	nt Certificates of Insurance for each aircraft, sublessee and	
contractor required under Sections 7(k), 22	, 23 and 26 of this Lease and that copies of these certificates	
have been sent to County. These certificat	es may be inspected by County upon 48 hours written notice by	
County.		
By:	Date:	
Lessee Designated Representative		

Exhibit E Federally Required Lease Provisions

Hemet Ryan Airport Lease Agreement

Following this page

FEDERALLY REQUIRED LEASE PROVISIONS

- 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, 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 agreement for a purpose for which a U.S. Department of Transportation (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, 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, and (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, the County of Riverside, herein called the County, shall have the right to terminate the lease agreement and to reenter and repossess said land and the facilities thereon, and hold the same as if said lease agreement 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. The 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, however, that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.

- Non-compliance with Provision 4 above shall constitute a material breach thereof, and in the event of such noncompliance, the County shall have the right to terminate this lease agreement and the estate thereby created without liability therefore or, at the election of the County or the United States, either or both said Governments shall have the right to judicially enforce these Provisions.
- 6. The Lessee agrees that it shall insert the above five provisions in any sublease agreement by which said Lessee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the premises herein leased.
- 7. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Par 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effort.
- 8. The County reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance.
- 9. The County reserves the right, but shall not be obligated to the Lessee, to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of the Lessee in this regard.
- 10. This lease agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the County and the United States relative to the development, operation, or maintenance of the airport.
- There is hereby reserved to the County, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises herein leased. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operating on the Hemet-Ryan Airport.

- 12. The Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the leased premises.
- 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 agreement, agrees for itself, its successors and assigns that it will not make use of the leased premises in any manner, which might interfere with the landing and taking off of aircraft from Hemet-Ryan Airport or otherwise constitute a hazard. In the event that the aforesaid covenant is breached, the County 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 agreement 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 time of war or national emergency.