

AIRPORT LOBBY LICENSE
REDLANDS MUNICIPAL AIRPORT
REDLANDS, CALIFORNIA

This indenture made and entered into between the City of Redlands, a municipal corporation, the Licenser, hereinafter referred to as "City", and Skyways Charter, hereinafter referred to as the Licensee.

WITNESSETH:

1. Property Licensed:

That for and in consideration of the rents, covenants, agreements, and conditions herein set out to be faithfully paid, kept, and performed by Licensee, City hereby grants a revocable, personal license to said Licensee a display area in the lobby of the Redlands Municipal Airport building comprising of 371.10 square feet, whose location is initially indicated in red on the map of said Airport Building Lobby attached hereto as Exhibit "A" and by this reference made a part hereof.

2. Term of License:

To Have and to Hold the demised premises, for a term of one (1) year.

3. License Payments:

Monthly payments made by Licensee to City for licensed premises consist of all of the following:

<u>Item</u>	<u>Monthly Payment</u>
371.10 sq. ft. of lobby area including heating and lighting	\$125.00

Payments will be made monthly, in advance. First payment is due on effective date of lease, January 1, 1979.

4. Non-Exclusive Rights Granted:

The following airport-associated business may be conducted by Licensee in the area comprising this license:

- a. Administration associated with flight training, charter and air-taxi service.
- b. Sales of new and used aircraft.
- c. Sale of airman supplies and accessories, excepting those items which would become an integral part of an aircraft.
- d. All advertising signs erected on the property will comply with City of Redlands Sign Ordinance, and must have City

approval, in writing, prior to erection.

- e. Activities other than those specifically stated in paragraphs a through c, paragraph 4, herein, will not be conducted or serviced by the Licensee without written advance approval by the City.

5. Rights Not Granted:

The right to conduct the following activities is not granted to the Licensee:

- a. Vending machines of any kind.
- b. Passenger flight insurance.
- c. "U" Drive automobile service.
- d. Taxicab service.
- e. Public automobile parking for which a charge is made.
- f. Ticket counter space for any passenger travel by aircraft.
- g. Travel agency operations, including sale of tours by aircraft.
- h. Commuter airline operations, including scheduled air transportation of freight and mail.
- i. Manufacturing activities of any kind.
- j. Training or classroom activities or instruction of any kind.
- k. The exclusive right to conduct any of the types of businesses listed in Paragraph 4 (a) through 4 (d) inclusive.

6. Licensee agrees to observe and abide by the provisions of the Airport Lease between City of Redlands and Redlands Aviation Corporation dated December 12, 1978, listed below:

a. Federal Aviation Agency Regulations Agreed To:

It is mutually understood and agreed by the Licensee and City that the City of Redlands, in accepting Federal Aid for the development of the Redlands Municipal Airport, agreed in writing to FAA Regulations concerning any agreements, contracts, leases, or other privileges given in connection with the Airport. These FAA Regulations require:

Aeronautical Uses.

(1) That, directly, or indirectly, exclusive rights will not be granted for the conduct of aeronautical activities on the Airport. Any rights granted for the conduct of aeronautical activities must be held "in common with others" and cannot be exclusive. Aeronautical

activity is defined as any activity which involves and makes possible or is required for the operation of aircraft or which contributes to or is required for the safety of such operation. This includes charter operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, air carrier operations, aircraft sales and services, sale of aviation petroleum products, repair and maintenance of aircraft, parts, and other similar activities.

(2) That rights or privileges will not be granted which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own employees (including, but not limited to, maintenance repair) that it may choose to perform. This provision does not authorize services to be performed in rented Tee Hangars which would constitute a safety hazard.

(3) That Licensee agrees to furnish all fixed base operations service on a fair, equal, and not unjustly discriminatory basis to all users thereof.

(4) That the Licensee agrees to charge fair, reasonable, and not unjustly discriminatory prices for each unit or service: Provided, that the Licensee may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

(5) That the Licensee agrees not to discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.

(6) That the Licensee understands and agrees that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

(7) That City reserves the right to further develop or improve the landing area of the airport as it may be found necessary in the City's sole discretion, regardless of the desires or view of the Licensee and without interference or hindrance.

(8) That City reserves the right, but shall not be obligated to the Licensee 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 Licensee with regard to all publicly-owned facilities.

(9) That this Lease shall be subordinate to the provisions and requirements of any existing or future Grant Agreements between City and the United States of any existing or future Federal Aviation Regulations relative to the development, operation or maintenance of the Airport.

Non-Aeronautical Uses:

(10) That there is hereby reserved to City, 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 of the Licensee described in the "Property Licensed" section, page 1, herein, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace of landing at, taking off from or operating on Redlands Municipal Airport.

(11) That the Licensee by accepting this License expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the land described in the "Property Licensed" section, page 1, herein, in violation of Ordinance #1281 - City of Redlands Height Zoning Ordinances.

(12) That the Licensee by accepting this license expressly agrees for itself, its successors and assigns that it will not make use of his premises described in the "Property Licensed" section, page 1, herein, in any manner which might interfere with the landing and taking off of aircraft from Redlands Municipal Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, City reserves the right to enter upon the Licensee's premises described in the "Property Licensed" section, page 1, herein, and cause the abatement of such interference at the expense of the Licensee.

7. Insurance

a. Licensee shall indemnify and hold harmless the City, its officers, agents, and employees, from and against any and all claims, demands, loss or liability of any kind or nature which City, its officers,

agents, and employees, or any of them, may sustain or incur or which may be imposed upon them or any of them, for injury to or death of any persons or damage to any property in the use of the premises described in the "Property Licensed" section, page 1, herein.

b. As a condition precedent to the effectiveness of the license and in partial performances of the Licensee's obligations hereunder, the Licensee shall obtain and maintain in full force and effect during the term of this agreement, a policy or policies of Liability Insurance in carriers and in form satisfactory to City with minimum limits of \$300,000/\$500,000 Bodily Injury, and \$100,000 Property Damage insurance. In addition to automobile, premises, and operations coverage, policy(ies) shall also cover Contractual and Products Liability. Licensee shall cause to be attached to all of said policies of insurance an endorsement reciting the first paragraph of this section.

c. The policy shall further provide that the same shall not be cancelled or coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City.

d. Licensee shall, coincidentally with the execution of the license deliver an acceptable Certificate of Insurance on the approved City of Redlands Insurance Certificate Form and certified or photo-static copy of said policies of insurance to City.

e. The procuring of such policies of insurance shall not be construed to be a limitation upon the Licensee's liability, or as a full performance on its part of the indemnification provisions of this license. Licensee's obligation being notwithstanding said policies of insurance, for the full and total amount of any damage, injury or loss caused by negligence or neglect connected with its operation under this license.

f. Licensee shall have Workman's Compensation coverage as required by State of California law.

8. Subcontracting Rights:

The Licensee shall not have the right to subcontract portions of activities under the terms of the license.

9. Taxes:

Licensee agrees to pay all taxes imposed or assessed upon his licensed premises located at Redlands Municipal Airport.

10. General:

a. It is understood and agreed that each and all the terms of this license are subject to the regulations and provisions of law applicable to the operation of Redlands Municipal Airport as a Federal Aid Airport Project. If any provision of this license is invalid, the other provisions of the license which are valid shall remain in effect, and the license will be renegotiated to comply with the requirements of the applicable laws and regulations.

b. The Licensee agrees to observe and obey during the term of this license all laws, rules and regulations promulgated and enforced by the City of Redlands, California, and by any other proper authority having jurisdiction over the conduct of operations at the Redlands Municipal Airport. The license payment schedule listed in paragraph 3, herein, is not considered as coming under the purview of this paragraph. Any license payment changes will be made by separately negotiated agreements between the Licensee and the City.

c. The City of Redlands shall have complete dominion over the premises described in the "Property Licensed" section, page 1, herein, during the term of this license for the purpose of and to the extent necessary to maintain law, order, and safety, and has the authority and the right to deny access to the Redlands Municipal Airport by any person who fails to conform in all respects to this license.

d. Licensee hereby agrees that it received no right, title or interest in and to any portion of the airport lobby, and the "Licensed area" may from time to time in the discretion of said Licensors be placed at any location within said Airport building.

11. Assignment of License; Successors and Assigns:

a. Assignment of License

Licensee shall not have the right to assign this license.

b. Successors and Assigns

By this license, the licensee binds himself, his heirs, trustees, representatives, and all successors and assigns in interest. The Licensee personally guarantees the performance of any and all covenants and conditions contained in this agreement, and upon the failure of any successor in interest to so perform, Licensee agrees to complete such covenants, conditions, and requirements of this agreement.

12. Operating Hours:

Licensee Agrees:

a. To have his licensed area and the entire public lobby and patio open daily for business including Saturdays, Sundays, and Holidays, from 7:30 a.m. to 5:00 p.m., or 1 hour prior to sunset, whichever occurs later.

b. To unlock all lobby outside doors at the start of each business day and lock all lobby doors, and turn off all interior lights at the closing of each business day.

c. Exercise general supervision over and responsibility for City-furnished equipment and furniture placed and installed in the lobby, restrooms, and patio.

d. Secure the names of any persons violating lobby rules or observed damaging City-owned equipment, furniture, or the lobby building, and report same immediately to City Manager by telephone.

e. Operate the City-furnished UNICOM in accordance with paragraph 5, b, (8), (f), Airport Lease between City of Redlands and Redlands Aviation Corporation, dated December 12, 1978.

f. Operate the City-furnished public address system as required.

g. To refer all inquiries concerning airport operations to City Manager's office, City Hall, Redlands.

13. Construction in Licensed Area:

a. Licensee will not construct any facility on his leased area without prior city approval in writing.

14. Termination of Agreement:

a. The City may terminate this Agreement in its entirety upon the occurrence of any of the following events.

(1) Filing of bankruptcy proceedings by or against the Licensee.

(2) Licensee conducts activity not authorized by the License, subsequent to receipt of a thirty (30) days' written notice from Licensor to cease and desist.

(3) Licensee makes any general assignment for the benefit of creditors.

(4) The abandonment or discontinuance of operations at the Airport by the Licensee.

(5) Licensee fails to perform, keep and observe any and all

terms of the license which are to be performed, kept and observed by him.

(6) The Licensee defaults in payment of the license payments, as specified herein, or violates any of the terms or conditions of the license, and the license payment is not paid or the violation is not corrected within sixty (60) days after service of notice as provided in paragraph 3 herein.

(7) Violation or non-compliance of any of the following paragraphs of 6, a, herein: (3), (4), (5), (6), (7), (8), (9), (10), (11), (12).

15. Maintenance of Licensed Area:

Licensee agrees to maintain the licensed premises and improvements in good condition and presentable appearance at all times at his expense.

16. Utilities:

City will furnish electricity and heat without cost. Telephone service will be at Licensee's expense.

17. Furniture and fixtures in leased area:

Licensee agrees to furnish his licensed office space with new furniture, compatible with the new city-owned lobby furniture.

18. Renewal:

Licensee shall have the option of renewal of this license for a period of one (1) year after the date of expiration.

19. Effective Date:

The effective date of this license is January 1, 1979.

20. Notices:

It is agreed that any notice to be given or served upon Skyways Charter, the Licensee, shall be sufficient if sent by registered mail, postage prepaid, and any notice to be given or served upon City shall be sufficient if sent by registered mail, postage prepaid, addressed to Director of Aviation, City of Redlands, P.O. Box 280, Redlands, California.

Executed at Redlands, California on this 2nd day of January, 1979.

ATTEST:

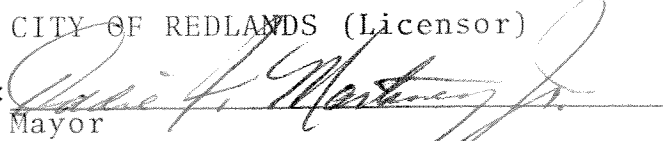

Peggy A. Hirsley
City Clerk

APPROVED FOR FORM:

City Attorney

Encl: -Area Leased ... Exhibit "A"

CITY OF REDLANDS (Licensor)

By: 

Mayor

SKYWAYS CHARTER (Licensee)

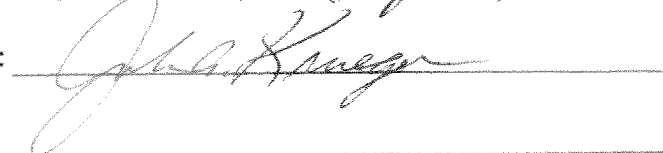
By: 

EXHIBIT "A"

CITY OF REDLANDS



LEASED AREA = 371.10 ft²

REDLANDS MUNICIPAL AIRPORT LOBBY

SCALE:  1/4" = 1'-0"

