

AIRPORT HANGAR RENTAL AGREEMENT

This airport hangar rental agreement ("Agreement") is made and entered into this 1st day of August 2024 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City"), and Siller Helicopters ("Tenant"). City and Tenant are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

1. NOTICE. THE PARTIES AGREE THAT THIS AGREEMENT AND THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND SUBJECT TO THE CALIFORNIA SELF-SERVICE STORAGE FACILITY ACT, BUSINESS AND PROFESSIONS CODE SECTION 21700, ET SEQ. THE TENANT'S PROPERTY WILL BE SUBJECT TO A CLAIM OF LIEN AND MAY BE SOLD TO SATISFY THE LIEN IF THE RENT OR OTHER CHARGES DUE REMAIN UNPAID FOR FOURTEEN (14) CONSECUTIVE DAYS, AS AUTHORIZED BY THE CALIFORNIA SELF-SERVICE STORAGE FACILITY ACT.

2. HANGAR. City hereby rents to Tenant, and Tenant hereby rents from City, that certain hangar designated as Hangar No. 29 (the "Hangar"), located at the Redlands Municipal Airport ("Airport"), and more particularly described in Exhibit "A" attached hereto and incorporated by this reference. This Agreement for rental of the Hangar is for the principal purpose of a non-commercial, primarily aircraft storage, maintenance, repair and any incidental aviation related uses associated therewith. The Tenant's aircraft is identified as an Sikorski S-61V N45917 ("Tenant's Aircraft") and any identical aviation related uses associated therewith. **PRIOR TO OCCUPYING THE HANGAR, TENANT SHALL PROVIDE CITY COPIES OF CURRENT AIRCRAFT REGISTRATION, PROOF OF OWNERSHIP, DOCUMENTATION OF AIRWORTHINESS, CURRENT CERTIFICATE OF INSURANCE, DECLARATION OF AIRCRAFT HOMEBASE, AND ANY OTHER AIRCRAFT DOCUMENTATION REQUESTED BY CITY REGARDING TENANT'S AIRCRAFT.**

3. TERM. The term of this Agreement shall be month-to-month commencing on the Effective Date, and in no event shall exceed two (2) years.

4. CONSIDERATION.

4.1 Monthly Rental Payments. Tenant shall pay to City on or before the 15th day of each 802.00_ ("Rent"). A late fee shall be levied in the amount of ten percent (10%) of the amount due for any amount not received by the date such rent is due. The City will increase rent annually, the 1st of January each calendar year, based on percentage increase in the Consumer Price Index, all urban consumers, Riverside-San Bernardino-Ontario.

4.2 DELINQUENCY IN MONIES OWED; RIGHTS OF CITY. When any part of Rent due from Tenant remains unpaid for fourteen (14) consecutive days, City shall be entitled to terminate the right of Tenant to use the Hangar by sending to Tenant a Preliminary Lien Notice, at Tenant's last known address, and to the alternative address, if any, provided by Tenant and set forth herein, by Certified Mail/Return Receipt, containing the following:

A. An itemized statement of the City's claim showing the sums due at the time of the notice and the date when the sums became due;

B. A statement that the Tenant's right to use the Hangar will terminate on a specified date (not less than fourteen (14) days after the mailing of the notice) unless all sums due are paid by the Tenant prior to the specified date;

C. A notice that the Tenant may be denied access to the Hangar after the termination date if the sums are not paid, and that the City's lien may be imposed thereafter; and

D. The name, street address and telephone number of the City whom the Tenant may contact to respond to the notice.

E. If a Preliminary Lien Notice of the type set forth above has been sent, and the total sum due has not been paid as of the date specified in the notice, then a lien imposed by the California Self-Service Storage Facility Act, Business & Professions Code Section 21700, et seq., shall be attached as of the date specified, and the City may deny Tenant access to the Hangar, enter the Hangar, and remove any property found therein to a place of safekeeping. The City shall be entitled to exercise all rights provided by the California Self-Service Storage Facility Act, Business & Professions Code Section 21700, et seq., including, when appropriate, the right to sell the Tenant's property in order to satisfy the City's lien. The rights provided by this Agreement and by the California Self-Storage Facility Act shall be in addition to and shall not limit all other rights provided by law to a creditor.

4.3 Manner of Payment of Rent. Monthly rent for any partial month shall be prorated at the rate of 1/30th of the monthly rent per day. The monthly rent and any applicable late charges payable by Tenant hereunder shall be paid by Tenant without notice, demand or offset at the office of the Airport Manager at the Airport, or at such other place as may from time to time be designated by City.

4.4 Lien on Aircraft. In the event Tenant fails to pay City amounts due under this Agreement, City shall have the right to secure a lien against Tenant's Aircraft for such unpaid amounts. City may sell Tenant's Aircraft at auction to satisfy the lien if Rent and/or other charges due remain unpaid for the relevant statutory period provided by applicable law, including California Code of Civil Procedure Section 1208.61, et seq. and the California Self-Service Storage Facility Act, Business and Professions Code Section 21700, et seq.

4.5 Taxes and Assessments.

4.5.1 Obligation to Pay. Tenant is responsible for and shall pay all real and personal property taxes (including any tax levied on a possessory interest, as defined in California Revenue and Taxation Code Section 107 or successor statute, if applicable), general and special assessments, and other charges of every description, levied on or assessed against the Hangar, personal property located on the land or improvements, the leasehold estate, or any subleasehold estate, falling due during the term of this Agreement. It shall be conclusively presumed that any aircraft stored at the Hangar pursuant to this Agreement shall be considered "habitually situated" therein as that term is defined in Revenue and Taxation Code section 5362. Tenant shall make all such payments directly to the assessing authority, before delinquency and before any fine, interest or penalty shall become due or be imposed by operation of law for their nonpayment.

4.5.2 Proration for Partial Year. Any imposition of taxes referred to in Section 4.5.1 above relating to a fiscal period of a taxing authority, a part of which period is included within the term of this Agreement and a part of which is included in a period of time before the Effective Date or after the termination of this Agreement, shall be paid by Tenant as above but shall be prorated with City.

4.5.3 Tenant's Right to Contest. Tenant may contest the legal validity or amount of any taxes, assessments or charges for which Tenant is responsible under this Agreement and may institute such proceedings as Tenant considers necessary. If Tenant contests any such tax,

assessment or charge, Tenant may withhold or defer payment, or pay under protest, but shall protect City and the Hangar from any lien by adequate surety bond or other appropriate security.

4.5.4 Proof of Compliance. Upon the request of City, Tenant shall furnish to City receipts or other appropriate evidence establishing payment of any applicable tax, assessment or charge. Tenant may comply with this requirement by retaining a tax service to notify City payment of any applicable tax, assessment or charge.

5. USE OF HANGAR.

5.1 Use of Hangar. The Hangar shall be used and occupied by Tenant principally for the storage of at least one airworthy aircraft, registered with FAA and or an aircraft under construction or repair with documented progress toward airworthiness every 90 days submitted to REI airport manager. Other related aviation business, training/instruction, maintenance and or manufacturing uses are permitted upon REI approval. No other commercial activity of any kind whatsoever shall be conducted by Tenant in or around the Hangar. Tenants of hangars without airworthy aircraft are subject to lease cancellation and eviction.

Tenant shall conduct its activities and shall cause its agents, invitees, representatives, or guests to conduct its activities hereunder in a clean, orderly, respectful, and proper manner, including so as not to unreasonably annoy, disturb, endanger, or offend other Airport users. Tenant shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste, or injury to or on the Hangar.

Tenant shall not use the Hangar for sleeping or temporary living quarters. Tenant shall keep the Hangar clean and free of debris at all times and shall not do anything on the Hangar that will cause damage to the Hangar or unreasonable annoyance to owners or occupants of adjacent properties.

Upon termination of this Agreement, Tenant shall immediately surrender possession of the Hangar and shall remove the Aircraft and all other property therefrom, leaving the Hangar in the same condition as when received, ordinary wear and tear and improvements made by Tenant excepted. Tenant shall be liable for any and all damage to the Hangar caused by Tenant's use, including, without limitation, bent or broken interior walls, damage to unsealed floors due to fuel oil spillage, or doors damaged due to Tenant's improper or negligent operation.

Tenant shall not take any action that interferes with the operation by City of air navigation, communication, or other equipment on the Airport. Tenant shall not take or permit any action which may alter or interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system, security systems, electrical systems (including the breaker control panels), and fire hydrants and hoses, if any, installed or located on the Hangar.

5.2 Compliance with Laws. In utilizing the Hangar during the term of this Agreement, Tenant, its employees, agents, invitees, contractors representatives, and guests shall comply with all applicable statutes, ordinances, rules and regulations established by any federal, state, county or local government agency.

5.3 Waste Disposal. Tenant agrees to use the complimentary dumpsters at the various hangar locations only to dispose of small amounts of refuse generated at the Hangar and associated with its use of the Hangar as permitted herein. Tenant shall dispose of all sewage and industrial waste in accordance with all applicable regulations and laws of those governmental agencies having jurisdiction or authority there over. Tenant shall ensure that all solid waste materials are placed in appropriate covered containers designed for use with the type of waste involved, which shall remain covered, and locked, and that such

containers remain located on the Hangar and not moved from their location for any reason. Tenant shall cooperate with City to provide for the proper separation of waste to maximize recycling.

5.4 Hazardous Materials.

A. For the purpose of this Section 4.4, the term "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. § 180 I et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. §9601 et seq.), Section 25117 of the California Health & Safety Code, Section 25316 of the California Health & Safety Code, and in the regulations adopted and publications promulgated pursuant to them, or any other federal, state or local environmental laws, ordinances, rules or regulations concerning the environment, industrial hygiene or public health or safety now in effect or enacted after the Effective Date.

B. Tenant, its agents, employees, contractors and invitees shall not cause or permit any Hazardous Materials, as defined below, to be brought upon, kept, used, discharged, deposited or leaked in or about the Hangar or the Airport by Tenant or any of Tenant's agents or by anyone in the Hangar (other than City or its agents, employees or contractors), except to the extent such Hazardous Materials are cleaning or office supplies customarily kept or used by typical Hangar tenants, or are necessary or useful to Tenant's business and are kept and used in accordance with all applicable laws, statutes, ordinances, rules, regulations, orders, requirements, and policies of any and all governmental agencies and authorities applicable to any such Hazardous Materials ("Hazardous Materials Laws").

C. If Tenant breaches the obligations stated in subparagraph (b) of this Section 5.4, or if the presence of Hazardous Materials on the Hangar results in contamination of the Hangar or the Airport, or if Hazardous Materials are otherwise discharged or released from the Hangar, then Tenant shall indemnify, defend and hold City harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in value of the Airport, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Airport, damages arising from any adverse impact on marketing of space in the Airport, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the term of this Agreement as a result of such breach, contamination, discharge or release. This indemnification of City by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in, on or under the Hangar. Without limiting the foregoing, if the presence of any Hazardous Materials on the Hangar results in any contamination of the Airport, or otherwise results in the release or discharge on, under or from the Hangar of Hazardous Materials, Tenant shall promptly take all actions at its sole expense as are necessary to return the Airport to the condition existing prior to the introduction of any such Hazardous Materials to the Airport or to otherwise remove and/or abate the release or discharged Hazardous Materials; provided that City's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Airport, will not unreasonably interfere with the use and enjoyment of other portions of the Airport, and will be performed in accordance with all Hazardous Materials Laws. Upon the termination of this Agreement, Tenant shall surrender the

Hangar to City free of any and all Hazardous Materials and in compliance with all Hazardous Materials Laws. This indemnification shall survive the termination or expiration of this Agreement.

5.5 Billboards and Signs. Tenant shall not construct, install, maintain, nor allow upon the Hangar any billboards, signs, banners or like displays which may be placed in or upon any building or structure in such manner as to be visible from the outside thereof, except with the prior written consent of City.

5.6 Waste: Nuisance. Tenant shall not use the Hangar in any manner that will constitute waste, nuisance or unreasonable annoyance to owners or occupants of adjacent properties. Tenant shall not use the Hangar for sleeping, washing clothes, cooking or the preparation of food, manufacture or mixing of anything that might emit any odor or objectionable noises or lights onto adjacent properties. Tenant shall not do anything on the Hangar that will cause damage to the Hangar.

5.7 Access: Locks: Keys: Combinations: Tenant shall comply with all reasonable regulations and directives of City regarding access to the Hangar. City may enter the Hangar without permission of, or supervision by, Tenant for inspection or emergency purposes (i.e. fire, burglary, flooding, criminal activity, or other catastrophe) determined reasonably necessary by City or required by law, including but not limited to five-year fire sprinkler inspections, maintenance work that requires entrance by City, or any other reason to lawfully enter the Hangar. City shall subsequently notify Tenant of any entry for emergency purposes and the reason for the entry if the Tenant was unable to supervise such entry. City reserves the right to limit Tenant's access to the Airport or the Hangar, or both, due to any terrorist threat, civil unrest, any unsafe condition, or for the safety and protection of persons and property. City shall not be responsible for Tenant's inability to access the Airport or the Hangar due to events or acts beyond the control of City. Tenant shall utilize City furnished set of locks for securing the Hangar if available. If unavailable, Tenant shall furnish City's Airport Manager with a duplicate set of keys or lock combination for the locks securing the Hangar. City shall secure keys and lock combinations from access or exposure by unauthorized individuals and will notify Tenant immediately in the event of any compromise of keys and lock combinations. If utilizing City provided locks, the Tenant shall notify the City immediately in the event of any compromise of keys and lock combinations. The City shall only be liable to Tenant for damage resulting from gross negligence in accessing Hangar.

5.8 Requests from Department. Tenant shall cooperate with any reasonable request from the City's Facilities & Community Services Department Director, or their designee, regarding use or operations at the Airport.

6. MAINTENANCE, ALTERATIONS.

6.1 As-Is Condition. Tenant hereby acknowledges that neither City nor anyone acting for or on behalf of City, has made any representation, warranty or promise to Tenant concerning the physical aspects or condition of the Hangar or improvements, the feasibility, desirability or convertibility of the Hangar into any particular use, the conditions of the soil, ground water, or surface waters or the presence or absence of any toxic waste or hazardous substances or material, and that by entering into this Agreement has not relied on any representation, statement or warranty of City, or anyone acting for or on behalf of City, and that all matters concerning the Hangar shall be independently verified by Tenant, and that Tenant shall rent the Hangar on Tenant's own examination thereof, AND THAT TENANT IS LEASING THE HANGAR IN "AS IS" PHYSICAL CONDITION AND "AS IS" STATE OF REPAIR. Tenant hereby waives and City hereby disclaims all warranties of any or kind of description, including, without limitation, those of fitness for particular purpose, tenant ability, habitability and use. Tenant hereby expressly waives all claims for damages or for rescission or cancellation of the Agreement because of any representations made by City or by any agent of City. Tenant acknowledges that it has had sufficient time to conduct all

limited to special and consequential damages), administrative proceedings, interest, fines, charges, penalties and expenses, disabilities or expenses including, without limitation, attorneys' fees (including fees for use of in-house counsel by a Party), witness costs and court costs that may be asserted by any person or entity, including Tenant, arising out of or in connection with any of the following circumstances:

8.1.1 Use of Hangar. Use of the Hangar or Airport, or from any activity, work, or things done, permitted or suffered by Tenant, its employees, agents, contractors, and guests, invitees, in or about the Hangar or elsewhere at the Airport by Tenant, its agents, employees, invitees, subtenants, licenses and contractors, and the agents, employees, patrons, contractors and invitees of Tenants and subtenants, including any use of the Hangar or the Airport not allowed under this Agreement.

8.1.2 Breach by Tenant. Any breach by Tenant of the terms, covenants or conditions herein contained.

8.1.3 Other Activities. Any other activities of Tenant, its agents, employees and subtenants whether or not there is concurrent negligence on the part of City, but excluding liability due to the sole active negligence or sole willful misconduct of City. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for Tenant or its agents under workers' compensation acts, disability benefit acts or other employee benefit acts.

8.1.4 Upon notice from City, Tenant shall defend City, at Tenant's expense by counsel satisfactory to City, for any and all claims covered under this Section 8.

9. LIMITATION OF LIABILITY. To the extent permitted by law, City shall not be liable to the Tenant or Tenant's officers, agents, representatives, guests, contractors, subcontractors, or other invitees for any damages or loss caused to them, their property, or Tenant's Aircraft by any of the following: water, rain, wind, snow ice, sleet, hail, fire, storms, earthquake, volcanic eruption, or any other weather event or condition outside of City's control; any Airport tenant, user, operator, or any other third party; or by breakage, stoppage, or leakage of utilities on or adjacent to the Hangar. In the event of damage or destruction to the Hangar, City is under no obligation to provide substitute hangar or storage space to the Tenant.

10. RISK OF LOSS. Tenant bears all risk of loss or damage to any property stored in the Hangar. City will not provide insurance for any property stored in the Hangar and is not responsible for any damage to or loss of the stored property, whether caused by fire, water, earthquake, liquefaction, theft, terrorism, or any other risk. Tenant acknowledges that insurance is available from independent insurance companies to protect Tenant in the event of theft, damage, or destruction of the stored property. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Hangar.

11. ENTRY TO HANGAR; MOVING OF TENANT ITEMS. Tenant consents to City's entry and inspection of the Hangar during the term of this Agreement and any extension thereof, without notice to Tenant, to determine compliance with the terms hereof, for maintenance or repairs which may be required in City's sole discretion, to respond to heat/smoke detector alarm, to respond to an emergency (subject to City's determination), or for any other reasonable purpose. In the event City finds it necessary that Tenant's commercial vehicle(s), equipment, tools, or supplies must be moved for any non-emergency purpose, City shall give Tenant notice whenever possible and Tenant shall move the item(s) requested. In the event Tenant cannot be reached or does not move the item(s) requested, City may thereafter have the item(s) moved by experienced personnel, and Tenant, at the option of City, may be solely responsible

for the cost of moving. In an emergency situation, City may move Tenant's item(s) without notice and Tenant, at the option of City, may be solely responsible for the cost of moving said item(s). The City will not be held responsible for any damage to Tenant's item(s) or other belongings in the event that the City is required to move any item(s). In no event will Tenant's vehicle(s) be left unattended blocking the hangar taxilanes or access roads. Tenant must provide written authorization to City for access of other persons to their hangar, except that Tenant grants permission for the fire department and other emergency services agencies to enter the Hangar during emergency situations.

12. REQUIRED FEDERAL CLAUSES. Tenant acknowledges that the City is required under the terms of its Grant Assurances to include in this Agreement certain required contract provisions, included as Exhibit "B" hereto (the "Federal Clauses"). Tenant agrees to comply with the Federal Clauses and, where applicable, include the Federal Clauses in each of its subcontracts without limitation or alteration. Tenant acknowledges that a failure to comply with the Federal Clauses constitutes an event of default. To the extent City is required by the Grant Assurances to modify the Federal Clauses, City may provide notice of such modified Federal Clauses to Tenant and Tenant agrees to comply with the same.

13. TERMINATION AND EXPIRATION.

13.1 Termination for Tenant's Default. If Tenant fails to pay rent or any other sums to be paid by Tenant hereunder, Tenant shall have thirty (30) days after written notice is given Tenant to cure the default. If any default by Tenant shall continue uncured following notice of default as required by this Agreement, City shall have the right to immediately terminate this Agreement in addition to all other rights and remedies provided by law or equity to which City may resort cumulatively or in the alternative.

13.2 Tenant's Duty to Surrender. At the expiration or earlier termination of the term of The Agreement, Tenant shall surrender to City in as good condition and repair, or better, as of the Effective Date, the possession of the Hangar. If Tenant fails to surrender the Hangar at the expiration or sooner termination of this Agreement, Tenant shall defend and indemnify City from all liability and expense resulting from the delay or failure to surrender, including, without limitation, claims made by any succeeding tenant or Tenant or resulting from Tenant's failure to surrender. At the sole option of City, title to any personal property remaining in the Hangar at the time Tenant vacates the Hangar shall become the property of City and, under such circumstances, Tenant shall have no rights to said property and waives all ownership rights to said property and any rights to notice under Section 1980 et seq. of the California Civil Code or any other provision of law relating to abandoned property.

13.3 Holding Over. If Tenant shall continue to occupy or possess the Hangar after the termination of this Agreement without the consent of City, then unless City and Tenant have otherwise agreed in writing, Tenant shall be a tenant on a month-to-month basis. All the terms, provision and conditions of this Agreement shall apply to this month-to-month tenancy except those terms, provisions and conditions pertaining to the term, and except that the monthly rent shall be immediately adjusted upward upon the expiration or termination of this Agreement to equal three hundred percent (300%) of the monthly rent for the Hangar in effect under this Agreement during the month which includes the day immediately prior to the date of the expiration or termination of this Agreement. This month-to-month tenancy may be terminated by City or Tenant upon thirty (30) days' prior notice to the non-terminating Party. In the event Tenant fails to surrender the Hangar upon such termination or expiration, Tenant shall defend, indemnify and hold City harmless against all loss, liability, cost or expense resulting from or arising out of Tenant's failure to surrender the Hangar, including, without limitation, any amounts required to be paid to any lessee or prospective lessee who was to have occupied the Hangar after said termination or expiration and any related attorneys' fees and brokerage commissions. Notwithstanding the foregoing, no termination of this Agreement shall release Tenant from any liability or obligation hereunder, whether of

indemnity or otherwise, resulting from any acts, omissions or events happening prior to the date of termination, or date of surrender if it be later.

14. NOTICES. Any notice required or permitted to be given under this Agreement shall be in writing. Delivery of such written notice shall be conclusively taken and sufficiently given after deposit in the United States Mail, addressed as follows:

City:

City of Redlands
City Clerk's Office
35 Cajon Street, Ste. 222 (Physical Address)
P.O. Box 3005 (Mailing Address)
909-798-7531
jdonaldson@cityofredlands.org

Tenant:

Siller Helicopters
1250 Smith Rd
Yuba City, CA 95991
530-674-9460
marc@sillerhelicopters.com

Any Party may at any time change its address for notice by giving written notice of such change to the other Party in the manner provided in this paragraph.

15. INSURANCE. Upon the Effective Date of this Agreement, Tenant shall provide City with a Certificate of Insurance that evidences One Million Dollars (\$1,000,000.00) Combined Single Limit coverage and recognizes the City as an Additional Insured on the policy, specific to the aircraft stored within the Hangar. In the event Tenant replaces such aircraft with a replacement aircraft during the term of this Agreement, Tenant shall provide City with a revised Certificate of Insurance for such replacement aircraft within ten (10) days of the same. If any endorsements or policy forms are cited on the Certificate of Insurance, a copy of those cited documents must be included as part of the submission.

A new Certificate of Insurance shall be issued to the City upon either renewal or replacement of the coverage by either the Tenant or their Broker acting as their Agent.

he City maintains the right to modify these insurance requirements as approved by City Council throughout the duration of this agreement, by providing Tenant notice within thirty (30) days of such change, or upon renewal of the terms of the lease.

16. CASp INSPECTION. City discloses that the Hangar has not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject Hangar and determine whether the subject Hangar comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject Hangar, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject Hangar for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Hangar." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Hangar inspected by a CASp: (i) Tenant must notify City on or before the date when Tenant executes this Agreement pursuant to the election below; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through City and in coordination with the City's representative; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to City on completion. By initialing below, Tenant represents that:

Tenant wishes to have a CASp inspection of the Hangar Initials: _____

Tenant hereby waives its right to have a CASp inspection of the Hangar Initials: MB

17. SECURITY REQUIREMENTS. Lessee shall take any and all measures to ensure security on the Lease Hangar in compliance with FAA regulations, Transportation Security Administration regulations, and Airport Rules and Regulations, if any.

18. TENANT'S ACKNOWLEDGEMENT OF CLIMATE RISKS. Tenant hereby acknowledges, and assumes the risk of each of the following:

- A. The Hangar is not environmentally controlled.
- B. The Hangar is not designed to provide protection from elements associated with severe weather such as hail, intense sun exposure, and damaging winds.
- C. The Hangar may not prevent water damage to objects, equipment, vehicles, aircraft, tools, or materials stored inside the Hangar.
- D. Minor roof leaks may occur when standing snow on top of the roof melts. Minor leaking may occur from rain or melted frost. Minor water condensation is a common or even daily occurrence inside Hangars. Exterior doors and walls may leak water.
- E. If significant rain occurs, water may enter the Hangar on the floor surface and damage objects stored in direct contact with the concrete or asphalt floor.
- F. By signing this Agreement, Tenant acknowledges that the contents of the Hangar may be subject to water damage and the City makes no acceptance of liability for this event and will not pay or compensate Tenant in any way for damage to contents of the Hangar for any reasons associated with environmental factors such as water, humidity, rain, flooding, or other weather events.

19. MISCELLANEOUS PROVISIONS.

19.1 Joint and Several Obligations. If Tenant consists of more than one person, the obligation of all such persons is joint and several.

19.2 Captions. The captions of this Agreement are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content or intent of this Agreement.

19.3 Successors. Subject to the provisions of this Agreement on assignment and subletting, each and all of the covenants and conditions of this Agreement shall be binding on and shall inure to the benefit of the heirs, successors, executors, administrators, assigns and personal representatives of the respective Parties.

19.4 Broker's Commissions. Expenses. Tenant and City mutually covenant that no brokers have been or will be used with respect to this Agreement. In the event any broker or finder perfects a claim for a commission or finder's fee based upon any such contract, dealings or communications, the Party through whom the broker or finder makes a successful claim shall be responsible for said commission or fee and all costs and any expenses (including reasonable attorneys' fees) incurred by the other Party in defending against the same.

19.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to California law and any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of San Bernardino.

19.6 Covenants and Conditions. All provisions of this Agreement whether covenants or conditions, on the part of Tenant shall be deemed to be both covenants and conditions and such covenants shall survive termination.

19.7 Time of Essence. Time is and shall be of the essence of this Agreement and of each and every provision contained in this Agreement.

19.8 No Discrimination. Tenant shall comply with all applicable federal, state and local laws, rules and regulations relating to non-discrimination in employment and services because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition and handicap.

19.9 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

19.10 Construction of Lease: Severability. To the extent allowed by law, the terms, covenants, conditions, provisions and Leases in this Agreement shall be construed and given effect in a manner that avoids any violation of statute, regulation or law. City and Tenant covenant and agree that in the event any term, covenant, condition, provision or Lease in this Agreement is held to be invalid or void by court of competent jurisdiction, the invalidity of any such term, covenant condition, provision or Lease shall in no way affect any other term covenant, condition provision or Lease in this Agreement.

19.11 Relationship. The Parties intend by this Agreement to establish the relationship of City and Tenant only, and do not intend to create a partnership, joint venture, joint enterprise, or any business relationship other than that of City and Tenant.

19.12 Force Majeure. Neither the City nor Tenant shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of embargoes, shortages of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, sabotage, or any other circumstances for which it is not responsible or which are not within its control, and the time for performance automatically shall be extended by the period the party is prevented from performing its obligations hereunder. During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military use, and if such lease is executed, the provisions of this Agreement insofar as they are inconsistent with the provisions of the lease to the United States Government, shall be suspended.


IN WITNESS WHEREOF, the parties to this Agreement have duly executed this Agreement on the date set forth above.

CITY OF REDLANDS

TENANT



TABITHA CROCKER, Director

 8/27/2024

Marc Boyle, Director of Construction Sales and Ops

ATTEST:



JEANNE DONALDSON,
City Clerk

Exhibit "A"

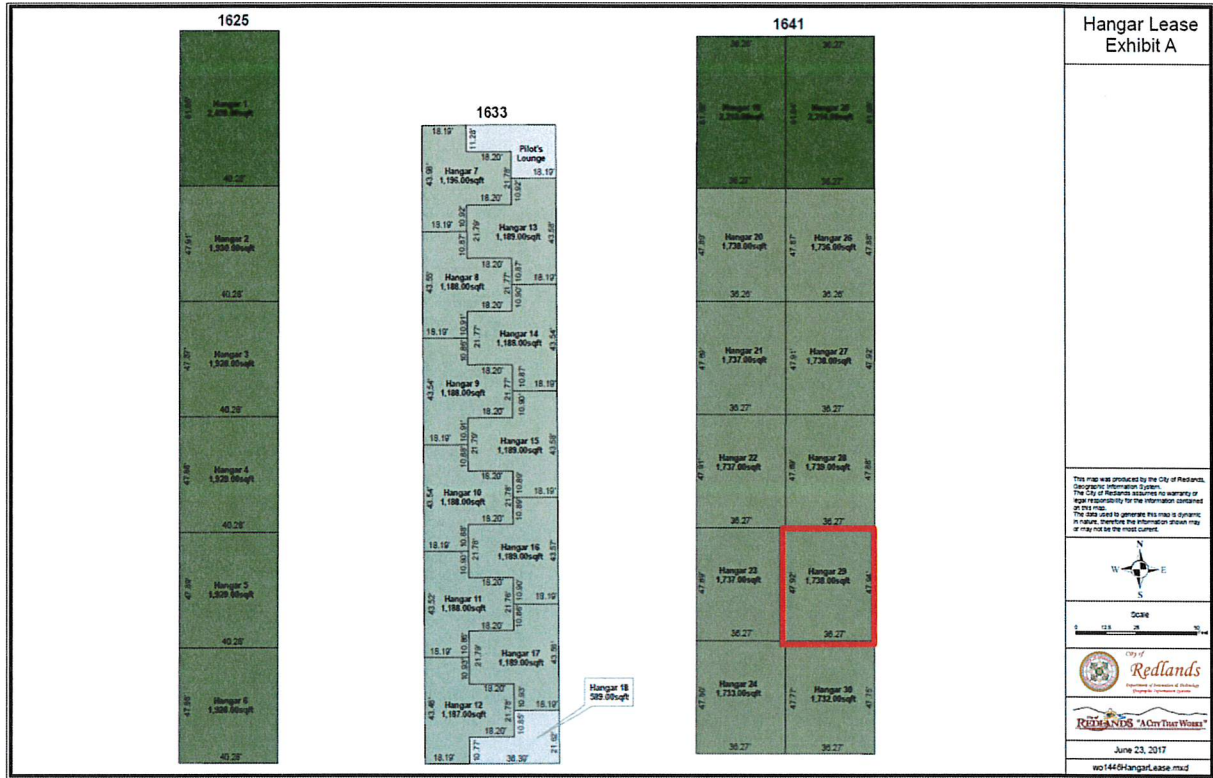


EXHIBIT "B"

REQUIRED FEDERAL PROVISIONS

A. Compliance with Nondiscrimination Provisions. During the performance of this Agreement, TENANT, for itself, its assignees, and successors in interest (hereinafter collectively referred to as "TENANT") agrees as follows:

1. **Compliance with Regulations:** TENANT will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

2. **Non-discrimination:** TENANT, with regard to the work performed by it during the term of this Agreement, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of contractors, including procurements of materials and leases of equipment. TENANT will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

3. **Solicitations for Agreements, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by TENANT for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential contractor or supplier will be notified by TENANT of TENANT's obligations under this Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

4. **Information and Reports:** TENANT will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of TENANT is in the exclusive possession of another who fails or refuses to furnish the information, TENANT will so certify to DISTRICT or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of TENANT's noncompliance with the Non-discrimination provisions of this contract, DISTRICT will impose such sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to withholding payments to the TENANT under the Agreement until the TENANT complies, and/or cancelling, terminating, or suspending the Agreement, in whole or in part.

6. **Incorporation of Provisions:** TENANT will include the provisions of paragraphs one through six of this Exhibit B, Section A in every contract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. TENANT will take action with respect to any contract or procurement as DISTRICT or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if TENANT becomes involved in, or is threatened with litigation by a contractor, or supplier because of such direction, TENANT may request DISTRICT to enter into any litigation to protect the interests of DISTRICT. In addition, TENANT may request the United States to enter into the litigation to protect the interests of the United States.

B. Real Property Acquired or Improved Under the Airport Improvement Program. TENANT for itself, its 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 property described in this Agreement for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, TENANT will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

C. Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program. TENANT for itself, its 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 (1) no person on the ground of race, color, or national origin, will 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 ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (3) that TENANT will furnish its services in compliance with all other requirements imposed by or pursuant to the List of Nondiscrimination Acts And Authorities.

D. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, TENANT, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- ii. 49 CFR Part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- iii. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- iv. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- v. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- vi. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- vii. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- viii. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;
- ix. The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- x. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- xi. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
- xii. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

E. General Civil Rights Provision. In all its activities within the scope of its airport program, the TENANT agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964. If the TENANT transfers its obligation to another, the transferee is obligated in the same manner as the TENANT. The above provision obligates the TENANT for the period during which the property is owned, used or possessed by the TENANT and the airport remains obligated to the Federal Aviation Administration.

F. Right of Re-entry. In the event of breach of any of the above Nondiscrimination covenants, DISTRICT will have the right to terminate the Agreement and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Agreement had never been made or issued.

G. Subcontracts. TENANT agrees that it shall insert the above six provisions (Section (A) through Section (F)) in any agreement by which TENANT grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public under this Agreement.