# LONG TERM GROUND LEASE AGREEMENT FOR AIRCRAFT HANGAR CONSTRUCTION AND AIRCRAFT STORAGE AT LOMPOC AIRPORT

This Long Term Ground Lease Agreement for Hangar Construction	and	Aircraft
Storage at Lompoc Airport is made and entered on this day of,	2022	by and
between the City of Lompoc, a California municipal corporation ("City")	and	Robert
Campbell ("Lessee").		

#### **RECITALS**

WHEREAS, City owns and operates an airport commonly known as the Lompoc Airport located at 1801 N. H Street, Lompoc, CA 93436, (hereinafter referred to as "Airport"); and

WHEREAS, Lessee desires to lease a portion of the Airport for the purpose of building and maintaining an aircraft storage hangar from the City and City desires to lease said portion of the Airport pursuant to the terms herein; and

WHEREAS, Lessee has read, understands and agrees to the rules and regulations (Lompoc Municipal Code, Chapter 4.04, Airport Operations, Federal Aviation Administration ("FAA") regulations, and other applicable laws and regulations) that apply to the Lompoc Airport;

NOW, THEREFORE, incorporating the foregoing Recitals herein, it is mutually agreed as follows:

- 1. Premises. City hereby leases to Lessee, and Lessee hereby leases from City, upon the terms and conditions herein set forth, those certain premises located at the Airport in the City of Lompoc ("the Premises"), comprising approximately 6,300 square feet, and more particularly identified as outlined on Exhibit A attached hereto and incorporated herein by this reference. Lessee shall, prior to building occupancy provide an original map and legal description (8½ X 11) of the developed property, tied to the City of Lompoc coordinate control system, Record of Survey Book 172, pages 4 through 7, prepared and stamped by a licensed land surveyor. Map shall be delivered, to the City Engineering Division, in hardcopy and computer format for transfer to the City geographic information system. Acceptable forms are: DGN, DWG, and DXF. Lessee accepts the Premises as they are at the time Lessee takes possession, including the existing hanger and other limited improvements. All oil, gas and mineral rights are expressly reserved from this Lease Agreement.
- 2. <u>Term.</u> The term of this Lease Agreement shall be for a period of (27) years, and (10) months commencing on the first day of September, 2022 and terminating on the last day of June 2050 unless sooner terminated as provided in this Lease Agreement.

#### 3. Use of Premises.

- A. Lessee shall use the Premises solely for the purpose of the storage of aircraft and authorized related (commercial) or (noncommercial) activities which are authorized by the City, at its sole discretion. Lessee further agrees that any activity, including but not limited to, repair and maintenance of aircraft in the storage area which violates Fire Codes, causes structural or other damage to Airport property including surfaces, or detracts from a clean and orderly appearance of the Airport or storage space is prohibited. Lessee agrees to limit all repair, maintenance, installation or other aeronautical activity service performed on the aircraft to the extent permitted by Federal Aviation Administration (FAA) regulations.
- B. In the hangar, Lessee shall store and keep airworthy aircraft, which have a current annual inspection certificate, or deemed airworthy by the Aviation/Transportation Administrator, or aircraft, owned or leased by Lessee, undergoing progressive repair, construction, or restoration as approved by the Aviation/Transportation Administrator, and its associated parts and personal property.
- C. Lessee agrees to notify City in writing within ten (10) days of aircraft substitution, change in aircraft ownership, and changes of Lessee's and other registered owners addresses and/or telephone numbers.

#### 4. <u>Construction of Improvements.</u>

All hangar construction, and any improvements and maintenance on the Premises shall be provided by Lessee at Lessee's sole expense per current City standards and policies and other applicable regulations. Utilities will be provided by Lessee shall complete construction, at his sole cost and expense, except as provided herein, of "Sewer Improvements" as approved by City, and in accordance with Exhibit B, attached hereto and incorporated herein, within twelve (12) months after the date of this Lease Agreement. Sewer Improvements shall be connected to the City's sanitary sewer system and be configured and have piping sized to accept and convey sewer flows from future connections to the City's Airport office, pilot's lounge, and other hangars located on the north side of the Airport. See Subparagraph 8.B. regarding cost-sharing for Sewer Improvements. Evidence of completion shall be the documentation of final inspection, fulfillment of the permits required by the City, and the written approval of the City Engineer. Lessee shall be responsible for obtaining, at his sole cost and expense, all permits of any kind required by law, including payment of utility and development impact fees and retrofit fees. City shall have the right to control the type of construction, style, size, color, and other attributes of any improvements. Prior to developing final working plans the Lessee shall submit preliminary plans to the City Engineer for review and comment. City Engineer and Aviation/Transportation Administrator shall review said plans and advise Lessee of any deficiencies. Lessee shall then make the necessary changes, if any, required for City's approval, and shall submit plans and fulfill the requirements for a City building permit and any other necessary permits and approvals. Prior to construction Lessee shall submit to City evidence satisfactory to City that Lessee has sufficient funds to complete construction

and deliver to City the written approval of the plans and specifications by any financial institution (if any) that shall have made any commitment for financing the construction. After these conditions have been satisfied City shall notify Lessee in writing that he may proceed with construction. If Lessee commences construction without City's written consent from the City's Building Official and City Engineer, Lessee shall be in violation of this Lease Agreement, and City, at its option, may terminate this Lease Agreement. In the event Lessee fails to complete construction within twelve (12) months, City may, at City's sole discretion, terminate this Lease Agreement and Lessee shall forfeit all rights and interest to the Premises.

- B. <u>Surety for Performance and Payment</u>: Before any major work of construction, alteration or repair is commenced on the Premises, the Lessee will furnish City adequate surety for performance and payment in a form acceptable to the City Finance Director, in an amount not less then the cost of the improvements to be constructed, plus twenty-five (25) percent and which will remain in effect until the entire cost of the work has been paid in full and the new improvements have been insured as provided in this Lease Agreement. The surety will state the following:
- (I) It is conditioned to secure the completion of the proposed construction free from all liens and claims of contractors, subcontractors, mechanics, laborers and materialmen for nine (9) months following the commencement of construction;
- (II) The construction work shall be effected by Lessee, the general contractor, or, on their default, the surety;
- (III) In default of such completion and payment, such part of the amount of the bond as shall be required to complete the work shall be paid to City as liquidated and agreed damages for the non-performance of Lessee's agreements, it being agreed the exact amount of City's damages is difficult and impractical to ascertain; and
- (IV) The surety will defend and indemnify City against all loss, cost, damage, expense and liability arising out of or connected with the work of improvement.

City may, but shall not unreasonably, disapprove the bond. The bond shall be deemed approved unless notice of disapproval is given within thirty (30) working days after receipt of the proposed bond.

D. <u>Builder's Risk Insurance</u>. Notwithstanding any other insurance requirements contained in this Lease Agreement, Lessee shall also deliver to City a certificate of insurance evidencing coverage for "builder's risk" insurance. Lessee shall defend and indemnify the City against all liability and loss of any type arising out of the work performed on the leased Premises by the Lessee or Lessee's contractors and subcontractors, together with reasonable attorneys' fees and all costs and expenses incurred by City in negotiating, settling, defending, or otherwise protecting against such claims.

- 5. <u>Unobstructed Access</u>. City shall ensure a taxiway exists directly in front of Lessee's hangar doorway. Said taxiway shall allow unobstructed access to the north side parallel taxiway. If the taxiway ceases to permanently exist as a result of the direct action of the City, then City agrees to purchase the subject hangar. Such purchase shall be for an amount based on an independent appraisal, (appraiser to be agreed upon by both parties, cost of appraisal to be shared by both parties equally) to be completed prior to any obstruction being created. City shall provide ninety-days' (90-days') written notice to Lessee of pending loss of access. City's obligation under this paragraph is subject to its receiving notice from Lessee within one hundred and thirty (130) days after the obstruction of the access or other event giving rise to its purchase obligation. If no such notice is given by Lessee, then all terms and conditions of this Lease Agreement shall remain in full force and effect.
- 6. Rent. Lessee agrees to pay to City at 100 Civic Center Plaza, Lompoc, California, as rent for the use and occupancy of the Premises, the amounts as hereinafter provided during the term of this Lease Agreement. Partial months shall not be prorated. Rent is due on the first day of each month while this Lease Agreement is in effect.
- A. <u>Initial Rent</u>. Monthly rent from the first month of the term of this Lease Agreement through June 30, 2036 shall be frozen at the rate which became effective July 1, 2020 for the previous lease agreement for the Premises, of 11.05 cents per square foot, equating to \$696.18, and shall commence on September 1, 2022 and continue on the first day of each calendar month thereafter.
- B. <u>Rent Adjustments</u>. Beginning July 1, 2036, a new monthly rent shall be determined based upon the following adjustment:
  - I. For the purpose of this adjustment, the basic index to be used for adjusting the rent shall be the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for the month of or nearest April 1st of each year.
  - II. On July 1, 2036 the monthly rent shall be increased by the total of the increase in the CPI as defined in paragraph (I) plus one (1) percent for each of the years from 2021 through 2036 (2021 CPI+1% plus 2022 CPI+1% plus 2023 CPI+1% etc.). That increase on July 1, 2036 is intended to return the monthly rent to the rate it would have been if the rate adjustments had not been frozen per paragraph 6.A.
  - III. Annually beginning July 1, 2037, and on each July 1<sup>st</sup> during the subsequent term of this Lease Agreement, the monthly rent shall be increased by the then current basic index (CPI) as defined in paragraph (I), plus one (1) percent. Such increase shall not exceed 10 percent (10%) per year.

- IV. In the event that the basic index (CPI) decreases to the point of reflecting a negative figure for that year, the rental rate shall not change.
- V. If the foregoing index is at any time no longer available, then a comparable economic indicator shall be used to determine the annual rent adjustment.
- 7. <u>Late Charges</u>. Rent payments, and other costs and charges authorized hereunder, not received by City by the tenth day of the month when due are subject to a late penalty, without notice to Lessee, of 15 percent (15%) of the overdue amount per month. Acceptance of a late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent City from exercising any of the other rights and remedies available to City.

#### 8. Costs of Lease Agreement.

- A. Lessee shall promptly pay all costs and expenses, including all utilities (including, but not limited to, gas, electricity, telephone, water, sewer and refuse collection services). Lessee also agrees to reimburse City for any and all expenses that City incurs in modifying existing utilities for Lessee's benefit relating to possession and use of the Premises. The possessory interest created by this Lease Agreement may be subject to taxation, and Lessee may be subject to the payment of taxes levied on such interest. Lessee acknowledges his actual knowledge of the existence of a possessory interest tax and receipt of this notice of Lessee's potential tax liability. Lessee agrees that he is solely responsible for the timely payment before delinquency of possessory interest taxes and any other tax, levy or assessment upon the Premises, the aircraft, Lessee's personal property, improvements, and fixtures upon the Premises.
- B. The following are cost-sharing measures toward Lessee's construction, operation, and maintenance of Sewer Improvements:
  - I. A five-year plus one month extension of the term of the Lease Agreement, from May 31, 2045 to June 30, 2050. Original May 31, 2045 termination date is based upon the previous Lease Agreement for the Premises, between the City and Land McCarley and Irving M. Plo dated May 3, 2005.
  - II. Fifteen years, ending June 30, 2036, of frozen monthly rental rates as explained in Section 6 of this Lease Agreement. On July 1, 2036 the monthly rental rate shall return to the rate it would have been if the rate adjustments had not been frozen per paragraph 6.A.

- III. Fees paid to both Lessee and City Airport Division separately, each in the amounts indicated below, by each future connection to the Sewer Improvements.
  - a. \$3,000 for each "small" connection of 4 or fewer drainage fixture units as defined by the current California Plumbing Code, intended to cover one private water closet (toilet) of no more than 1.6 gallons per flush and one private lavatory (restroom sink).
  - b. \$10,000 for each "large" connection for 5 or more drainage fixture units as defined by the current California Plumbing Code.
  - c. Annually beginning July 1, 2023, and on each July 1<sup>st</sup> during the subsequent term of this Lease Agreement, each of the above amounts for future connections to the Sewer Improvements shall be increased by the then current basic index (CPI) as defined in paragraph 6.B.(I), plus one (1) percent. Such increase shall not exceed 10 percent (10%) per year. In the event that the basic index (CPI) decreases to the point of reflecting a negative figure for that year, the future connection fee shall not change for that year. If the foregoing index is at any time no longer available, then a comparable economic indicator shall be used to determine the annual fee adjustment.
- IV. All future connections to the Sewer Improvements and the Lessee shall equally share all operating and maintenance costs of the Sewer Improvements beginning at the time of each future connection. Prior to any future connections, the Lessee shall be solely responsible for all operating and maintenance costs of the Sewer Improvements.
- V. City street encroachment permit fees shall be waived for the portion of work required for the Sewer Improvements which is located within the O Street right-of-way, and for the Lessee's proposed driveway and parking work along the George Miller Drive frontage of the Premises.
- 9. <u>Aircraft Lien</u>. Lessee consents and agrees that City may levy a lien against Lessee's aircraft, improvements, fixtures, and personal property upon the Premises. Such lien shall exist and continue to secure all unpaid amounts which Lessee owes to City. Such lien shall not relieve Lessee from compliance with this Lease Agreement, including the obligation to pay rent as provided herein. If Lessee does not fully and immediately discharge all unpaid amounts, City is hereby granted and shall have the right to take and recover possession of Lessee's aircraft, improvements, fixtures, and to satisfy City's lien in accordance with California Code of Civil Procedure Sections 1208.61 through 1208.70 and

any other applicable common laws or statutory provisions. City may also take and recover possession of personal property stored on the Premises and exercise its lien against the same without notice or other action, and in addition thereto, City shall have and recover all costs and expenses including attorneys' fees in connection with repossession and disposal of the aircraft, improvements, fixtures, and personal property and enforcement of City's lien.

#### 10. Condition of Premises.

A. Lessee has inspected the Premises and knows the extent and condition thereof and accepts same in its present condition, subject to and including all defects, latent or patent. Lessee will keep and maintain the Premises, improvements, and fixtures in a clean, safe, and orderly condition at all times. Lessee shall develop, plant and maintain the area between any improvements and George Miller Dr. with improvements and/or landscaping approved by the Aviation/Transportation Administrator. Lessee shall not commit or suffer to be committed any waste upon the Premises, improvements, and fixtures or commit or allow any nuisance or other act which may disturb or interfere with the Airport, its surroundings, the departure and arrival of aircraft, or other aircraft operations and uses. If Lessee shall fail to perform the obligations under this paragraph, after 21-days' written notice setting forth such failure, then City shall have the right to perform the same and to charge Lessee therefore, and Lessee shall pay the City such costs upon City's demand.

B. Lessee may park passenger vehicles on Lessee's assigned Premises. Conditions may arise when it becomes necessary for City to withdraw, temporarily with prior notice, the privilege of parking motor vehicles on the assigned Premises.

Neither Lessee nor any other person shall park or keep any motor home, trailer, boat, or other recreational or commercial vehicle, vehicle for sale or inoperable vehicle on the assigned Premises without City's' advance written consent of the Aviation/Transportation Administrator.

- C. If Lessee desires to use the services of another person in connection with any aircraft work or repair other than at established repair facilities at the Airport, City may require such persons to provide their names, addresses, evidence of adequate liability insurance, payment of any required business fees, Federal Aviation maintenance certificate and proof of City business license; and, lacking such information, such persons may be refused permission to conduct the work or ordered to stop work at the Airport. This shall not limit an aircraft owner's or pilot's right to work on his or her own aircraft as permitted by the Federal Aviation Regulations (FARs) in areas of the Airport so designated by City.
- D. Lessee shall not use, keep, store or place in or on the Premises any petroleum products or any materials that are in any way hazardous, toxic, radioactive or explosive, except those which are necessary and appropriate to accomplish the purpose of this Lease Agreement. All such materials shall be used, stored, handled, dispensed and disposed of as required by applicable governmental regulations and laws. Any spills of such materials by Lessee anywhere on the Airport shall be immediately reported to the

Aviation/Transportation Administrator and cleaned up by Lessee, at Lessee's sole expense, in accordance with standards of the industry and applicable governmental regulations and laws.

- E. Lessee shall not construct or place signs, awnings, marquees, advertising, or promotional structures upon the Premises or Airport. If Lessee fails to remove any such signs, displays, advertisements or decorations within twenty-four (24) hours after written notice from City, then City may remove them at Lessee's sole expense.
- F. Lessee hereby agrees that Lessee will not permit or suffer any liens of any kind to be filed against the Premises as a result of any obligation, malfeasance, negligence, or omission of Lessee, and that Lessee shall diligently take all necessary and proper steps to remove and discharge any liens which are filed.
- 11. <u>Alterations</u>. Lessee shall not alter the Premises without City's prior written consent except as herein set forth. Should City so consent, alterations shall be made at the sole cost and expense of Lessee.
- 12. <u>Insurance</u>. Lessee shall not occupy the Premises or operate any aircraft before obtaining the insurance, at his/her sole cost and expense, as specified below. Insurance amounts may be adjusted annually by the City Administrator during the term of this Lease Agreement, and upon notice by the City of such change, Lessee agrees to procure and maintain the insurance at the adjusted insurance amounts.
- A. <u>Personal Injury</u>. During the term of this Lease Agreement and any extension thereof, Lessee shall continuously maintain an insurance policy providing for liability insurance in amounts of not less than \$1,000,000 per occurrence for death and personal injury.
- B. <u>Aircraft Liability</u>. For each licensed aircraft, Lessee shall maintain during the life of this Lease Agreement, at his/her sole expense, at least the following insurance coverage: bodily injury, including passengers, \$500,000 each person; \$500,000 property damage; and \$3,000,000 each occurrence.
- C. <u>Personal Property</u>. Lessee understands and agrees that it is Lessee's sole responsibility to obtain insurance covering Lessee's aircraft and other personal property, which is located on the Premises. Notwithstanding any provision to the contrary, Lessee specifically waives any claim against City for theft, loss, or damage of any kind or from any source whatever that may occur to Lessee's aircraft or personal property located on the Premises, at the Airport, and in its vicinity.
- D. <u>Fire and Extended Coverage Insurance</u>. Throughout the term, at Lessee's sole cost and expense, Lessee shall keep or cause to be kept insured, for the mutual benefit of City and Lessee, all improvements located on or appurtenant to the Premises, whether constructed at the time of signing this Lease Agreement or not, against loss or damage by fire and such other risks as are now or hereafter included in an extended

coverage endorsement in common use of structures, including vandalism and malicious mischief. The amount of the insurance shall be sufficient to prevent either Lessee or City from becoming a co-insurer under the provisions of the policies, but in no event shall the amount be less than one hundred percent (100%) of the actual replacement cost, excluding the cost of replacing excavations and foundations, but without deduction for depreciation (herein called full insurable value). In the event payments are made for repairs, payments of proceeds for repair, restoration, or reconstruction of improvements shall be made monthly on architect's certificates until the work is completed and accepted. Any insurance proceeds remaining after complying with the provisions of this Lease Agreement relating to maintenance, repair, and reconstruction of improvements shall be the Lessee's sole property.

E. <u>Documentation</u>. Lessee shall present to City a certificate evidencing the required insurance coverage, naming the City of Lompoc as additional insured. All insurance required by express provisions of this Lease Agreement shall be carried only in responsible insurance companies licensed to do business in the State of California. All such policies shall be non-assessable and shall contain language, to the extent obtainable, to the effect that (1) any loss shall be payable notwithstanding any act or negligence of City that might otherwise result in failure of the insurance, (2) insurer waives the right of subrogation against City and against City's agents and representatives, (3) the policies are primary and non-contributing with any insurance that may be carried by City, and (4) the policies cannot be canceled or materially changed except after thirty (30) days notice by the insurer to City. Lessee shall furnish City with copies of all such policies upon their receipt. The failure of Lessee to obtain and maintain insurance required under this Lease Agreement or the failure to provide evidence of the required insurance coverage shall each constitute a material default by the Lessee.

#### 13. Release and Indemnification.

- A. Except as otherwise provided in Section 13B., Lessee shall defend, indemnify and hold City free and harmless from any and all liability, claims, loss, damages, or expenses, including counsel fees and costs, arising by reason of the death or injury of any person, including Lessee or a person who is an employee or an agent of Lessee, or by reason of damage to or destruction of any property, including property owned by Lessee or any person who is an employee or agent of Lessee, caused or allegedly caused by (1) any cause whatsoever while that person or property is in or on the Premises or in any way connected with the Premises or with any improvements or personal property on the Premises; (2) Some condition of the Premises or some building or improvement on the Premises; (3) Some act or omission on the Premises of Lessee or any person in, on or about the Premises with the permission and consent of Lessee; or (4) Any matter connected with Lessee's occupation and use of the Premises.
- B. Notwithstanding the provisions of paragraph 13.A. of this Lease, Lessee shall be under no duty to defend, indemnify and hold City harmless from any liability, claims or damages arising because of the City's failure to make any repairs required by this Lease to be made by the City or because of any negligence or willful acts

of misconduct by the City or by any person who is an agent or employee of the City acting in the course and scope of his/her agency and employment. The City agrees to indemnify, defend and hold Lessee free and harmless from and against any liability, claims, or damages arising from or in connection with City's failure to make any repairs required by this Lease to be made by the City or because of any negligence or willful acts of misconduct by the City or by any person who is an agent or employee of the City acting in the course and scope of his/her agency or employment.

- 14. <u>Right of Entry</u>. Lessee shall permit City's authorized agents the right and privilege, at all times, of entering the Premises for the purposes of inspection, determining whether the terms of this Lease Agreement are being kept and performed, and posting notices of nonresponsibility.
- 15. <u>Default or Breach</u>. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease Agreement by Lessee, and the City may, at its discretion terminate this Lease Agreement following written notice to cure the breach as required by law:
- A. Failure by Lessee to make any payment of rent or any other sum when due and provided hereunder; or
- B. Failure by Lessee to pay or cause to be paid any tax, assessment, insurance premium, lien, claim, charge, or demand herein provided to be paid or caused to be paid by Lessee at all times and in the manner herein provided; or
- C. Failure by Lessee to commence or to complete the construction, repair, restoration, or replacement of the hangar and any other improvements in and about the Premises within the times and in the manners herein provided; or
- D. Failure to use, maintain and operate the Premises as herein required; or
- E. Failure by Lessee to observe or perform any other covenant, condition, or provision of this Lease Agreement to be kept or performed by Lessee, where such failure shall continue for a period of thirty (30) days after written notice thereof by City to Lessee; provided, however, that if the nature of the default involves such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commences such cure within such thirty (30) day period and thereafter diligently prosecutes said cure to completion; or
  - F. Abandonment of the Premises; or
- G. Appointments of a receiver to take possession of Lessee's assets, Lessee's general assignment for the benefit of creditors, Lessee's insolvency, and Lessee's taking or suffering action under the Bankruptcy Act.

In the event of any such default or breach by Lessee, City may at any time thereafter and at its option, terminate this Lease Agreement, and may re-enter and re-lease the Premises, and all improvements shall become the sole property of City. Upon termination, all subleases, at the option of City, shall terminate. Such termination shall not waive any remedy available to either party because of such default or breach. Each term and condition of this Lease Agreement shall be deemed to be both a covenant and a condition. Upon default or breach by Lessee, City may, in addition to all other remedies available in law or equity, recover all damages incurred by City by reason of Lessee's default including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, for reasonable attorneys' fees and costs, or the total balance of lease payment due under this Lease Agreement for the remainder of the Term, which sum shall be immediately due to City from Lessee.

Any notice required to be given by the City under this Section shall be in lieu of and not in addition to any notice required under Section 1161 of the California Code of Civil Procedure.

16. <u>Surrender of Premises</u>. Upon expiration of the term or termination of this Lease Agreement, all buildings, structures, facilities, improvements or alterations thereto constructed by Lessee shall become part of the land upon which they are erected, and title thereto shall, upon termination, automatically vest in City. Lessee shall leave the surrendered Premises and any other property in a well maintained manner. All improvements shall be surrendered in good and clean condition.

Notwithstanding the foregoing, all uncompleted or partially or totally destroyed improvements shall, at City's option, be removed prior to surrender of the Premises, and the site of such improvements shall be returned to the same condition as prior to the execution of the Lease Agreement.

- 17. Assignment/Subletting. Neither this Lease Agreement nor any interest herein shall be assigned, either voluntarily or involuntarily, by Lessee, or by operation of law or otherwise, nor shall the Property, or any part thereof, be sublet by Lessee without the prior written consent of City, which shall not be unreasonably withheld by City. Such sublease shall be subject to such other conditions as may be imposed by City. Any such assignment or sublease without such prior written consent of City shall be void. In addition to such other conditions City may impose, Lessee shall pay to City 30% of the amount of any sublease plus the rent per Section 6. City shall have the right to assign or transfer this Lease Agreement or any rights in or to it. Lessee agrees that failure to maintain the required insurance, or to cause the breach of any clause in this Lease Agreement, or to fail to abide by any Airport rule or regulation, shall be deemed a material breach of this Lease Agreement.
- 18. <u>Destruction of Premises</u>. If the Premises are damaged or destroyed by fire, earthquake or other act of God or any other causes so as to render them unfit for

occupancy, except as caused by Lessee, Lessee may terminate this Lease Agreement at his/her option; but should Lessee elect to reconstruct said Premises it shall do so within six (6) months from the date of destruction.

- 19. <u>Security</u>. City does not warrant the security of Lessee's property at the Airport, including but not limited to aircraft, fuels, tools, vehicles and related personal property and ground equipment.
- 20. <u>Sole Agreement; Amendments</u>. This Lease Agreement constitutes the sole and final agreement between City and Lessee respecting the lease of the Premises. No prior agreement or understanding pertaining to lease of the Premises is effective. This Lease Agreement may be modified only by a writing signed by the parties.
- 21. <u>Binding on Successors</u>. This Lease Agreement and each of its provisions shall be binding upon and shall inure to the benefit of the respective heirs, executors, administrators, trustees, successors, and assigns of the parties.
- 22. <u>Waiver</u>. City's waiver of breach of any provision of this Lease Agreement shall not be treated as a continuing waiver of such provision or as a waiver of any future breach of the same or other provision of the Lease Agreement. City's acceptance of rent shall not be treated as a waiver of Lessee's previous breach of any provision of this Agreement. No custom or practice which may arise or develop between the parties in the course of the term of this Lease Agreement shall be construed to waive or diminish City's right to insist upon Lessee's performance of all terms, covenants, and conditions hereof, or to pursue any rights and remedies City may have if Lessee defaults in performance of this Lease Agreement.
- 23. <u>General</u>. If any term or provision of this Lease Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Lease Agreement and any other application of its terms or provisions shall not be affected thereby. The captions of this Lease Agreement are for the convenience of reference only and shall not define or limit any of the Lease Agreement's terms and provisions. The relationship created by this Lease Agreement is one of landlord-tenant. This Lease Agreement is not intended to create a joint venture or any relationship other than landlord-tenant.

Lessee's use of the Premises shall at all times fully comply with this Lease Agreement, Lompoc City Code Chapter 3, all applicable federal, state and local laws and regulations, and all signs and lawful instructions of Airport staff. In utilizing the Premises, Lessee shall not discriminate against any person or class of persons by reason of race, color, creed, sex, religion or national origin. Lessee is subject to the provisions of Part 15 of the Federal Aviation Regulations and any amendments thereto which are incorporated herein by this reference. Lessee acknowledges that he has read the Lompoc Airport Ordinance and agrees to abide by all of the Airport rules and regulations.

This Lease Agreement shall not be deemed to grant the exclusive right of any Airport use forbidden by Section 308 of the Federal Aviation Act of 1958, any other federal statute or regulation, or state or local law or other directive.

- 24. <u>Attorneys' Fees</u>. In any action or proceeding by either party to enforce this Lease Agreement or any provision thereof, the prevailing party shall be entitled to all costs incurred and to reasonable attorneys' fees.
- 25. <u>Notices</u>. Any notice required by law or pursuant to this Lease Agreement shall be deemed to be fully given when written and dispatched by registered mail, return receipt requested, postage prepaid, to the parties at the addresses below. Notices shall be deemed served on the date of postmark.

#### **CITY OF LOMPOC**

#### **LESSEE**

Attn: Aviation/Transportation 100 Civic Center Plaza Lompoc, CA 93436 Robert Campbell 1501 North L Street Lompoc, CA 93436

#### 26. Compliance with Law.

Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and other governmental rules, regulations or requirements now in force or which may hereinafter be enacted or promulgated, relating to, or affecting Lessee's use of occupancy of the Premises.

#### 27. Governing Law.

This Lease Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California.

#### 28. Jurisdiction.

If any legal action is necessary to enforce the terms and conditions of this Lease Agreement, the parties agree that a court of competent jurisdiction in the County of Santa Barbara shall be the sole venue and jurisdiction for the bringing of such action.

#### 29. Counterparts.

This Lease Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile copy of such execution shall be deemed an original.

#### 30. Severability.

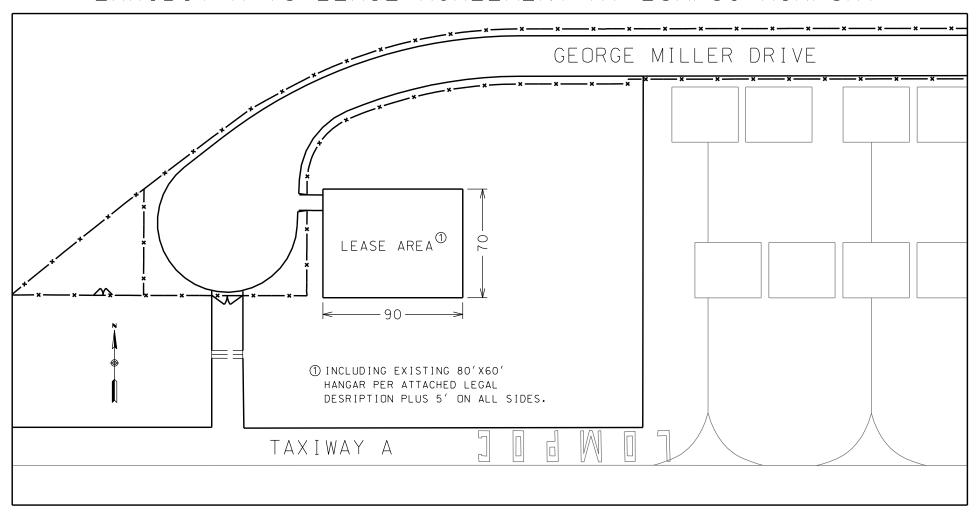
If any provision of this Lease is held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this Lease shall remain in effect, unimpaired by the holding.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date first above written.

APPROVED AS TO FORM:	CITY OF LOMPOC
Jeff Malawy City Attorney	By Jenelle Osborne Mayor
ATTEST:	LESSEE:
Stacey Haddon City Clerk	Robert Campbell

Exhibit A (Description / Map of Premises)

## EXHIBIT A TO LEASE AGREEMENT AT LOMPOC AIRPORT



#### Legal Description

### 700 George Miller Drive

Being all that portion of land located in the City of Lompoc, County of Santa Barbara, State of California, described as follows:

Commencing at a found 2" brass monument set in the northerly end of the sidewalk along the westerly side of the bridge over the Santa Ynez River, northerly and adjacent to the Lompoc Airport, said monument is designated and shown as Monument No. 44 on the Record of Survey of the Control Network for the City of Lompoc filed in Book 172 of Records of Survey, Pages 4 through 7, in the office of the County Recorder of said County; Thence S67°56'52"W, a distance of 2471.67 feet to the TRUE POINT OF BEGINNING; Thence,

- 1) N87°31'48"W, 79.99 feet; Thence,
- 2) N02°89'12"W, 59.94 feet; Thence,
- 3) S87°31'48"E, 79.99 feet; Thence,
- 4) S02°89'12"W, 59.94 feet to the point of beginning.

Containing 4/795square feet more or less

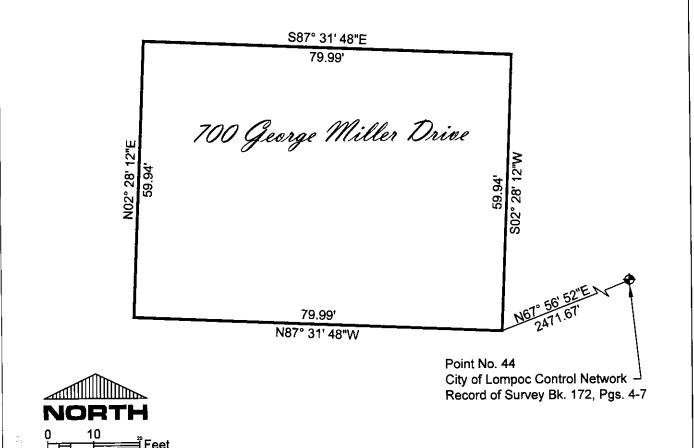
All bearings and distances shown hereon are referenced to the California Coordinate System CCS 83, Zone 5, 2000.35 epoch. Divide the distances shown by the combined factor of 0.99992541 to obtain ground distances.

#### END OF DESCRIPTION

This description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyor's Act this 18th day of October, 2020.

Jon McKellar PLS 7578





# Hangar Location Sketch 700 George Miller Drive





http://www.jonmckellar.com

#### **Exhibit B**

(City Requirements for Sewer Improvements)

Lessee shall furnish, construct, and connect a pumped sewer service line from near the Premises (near Lessee's hangar) to the City sewer main, through a City standard wye connection located south of the northernmost manhole on O Street, as described below, after obtaining all necessary permits and approvals, including but not limited to submittal approvals and inspection approvals of connection work by the City Wastewater staff, building permit approvals including of calculations from a registered engineer and drawings of the proposed layout and pump system, building permit inspection approvals and final permit completion approval, and approvals of all proposed work and documents by the City Engineer or designee.

Additionally, the Public Works Department requires the following in order to protect the interests of the Airport and City street infrastructure.

- 1. Follow all applicable FAA and City Airport requirements, as communicated to Lessee by the Airport manager.
- 2. Prior to any excavation:
  - a. Contact the Airport manager to review proposed excavations, schedule, and planned work, and obtain his approval and any necessary location information for underground facilities within the Airport.
  - b. Contact Underground Service Alert of Southern California at least two working days prior to planned excavation, and provide the ticket number to the Airport manager and to the City public works inspector.
  - c. Prior to any work within the O Street right-of-way, obtain an encroachment permit, comply with its conditions, and coordinate with the City public works inspector.
- 3. Locate the proposed sewage tank and pump system in the grass area near Lessee's hangar, approximately 30' north of the north edge of the northern taxiway, at least 10' west of the west edge of the pavement approaching the south side of Lessee's hangar, and at least 30' east of the east edge of the pavement between the north taxiway and George Miller Drive culdesac.
- 4. Design and configure the sewage tank system with a 4" minimum inside diameter capped pipe stubbed-out toward the east for future connection(s) from other hangars or airport users, and locate the stub-out at a depth of at least 4.5' below the surrounding adjacent grade. The City reserves the right to connect and to allow others to connect to the system. Prior to connecting to the tank in the future, each entity/hangar proposing to connect shall agree to equally share all maintenance and repair costs for the system, and shall also be required to pay a connection fee to Lessee and to the City Airport in order to contribute toward the initial construction cost of the Sewer Improvements, per Section 8.B. of this Lease Agreement. When the information becomes available, Lessee shall provide to the City Engineer a summary and copies of Lessee's expenses for the design, permitting, and construction of the Sewer Improvements, comprising the portion of the sewer system from the O Street connection to the tank and pump

- (excluding the portion from the tank to Lessee's hangar), so the City can accurately document cost-sharing for future connections to the system.
- 5. Size the tank at a minimum of a 50 gallon storage capacity, and construct, configure, and cover it such that typical Airport maintenance equipment, including mowers, pickups, etc. can drive over it without damaging it or sinking.
- 6. Construct the sewer line from the tank to the O Street sewer main:
  - a. Without damage to any Airport infrastructure or improvements.
  - b. Without any delays or impacts to Airport projects or aviation operations at the Airport, except as approved in advance by the Airport manager.
  - c. At least 4' below the surface of all Airport and City street pavement.
  - d. In a straight horizontal alignment which terminates at least 10' south of the center of the northernmost sewer manhole on O Street (~865 LF).
  - e. Of a standard smooth plastic material suitable for the application, with a 3" minimum inside diameter.
  - f. Without damage to the nearby manhole on O Street.
  - g. In compliance with all applicable City standards, unless overridden by specific direction from authorized City staff. See <a href="https://www.cityoflompoc.com/government/departments/public-works/engineering">https://www.cityoflompoc.com/government/departments/public-works/engineering</a> for City standard details and specifications.
  - h. Within the trench for the tie-in to the O Street sewer main:
    - i. Place 3/8" pea gravel compacted to at least 90% relative compaction from 12" below sewer pipe to 12" above sewer pipe.
    - ii. Place 2-sack cement slurry per Caltrans standard specifications as trench backfill up to bottom of asphalt concrete pavement, and let cement slurry cure under truck-rated steel trench plates for at least 24 hours prior to placing pavement or loads upon it.
    - iii. Sawcut and remove existing asphalt pavement at least 6" beyond each side of the trench/excavation limits to clean, straight, vertical lines, tack coat sawed edges immediately prior to paving, and pave with a minimum of two 3" thick lifts (6" total thickness or match existing, whichever is greater) of hot-mix-asphalt per the 2010 Caltrans Standard Specifications, compacted to at least 92% of maximum theoretical density, using a standard steel drum roller to compact at least the top lift of pavement.
- Lessee shall repair any damages to infrastructure, improvements, or property caused by Lessee's work, at Lessee's sole expense, to the satisfaction of the City Engineer.