

**LEASE AGREEMENT - ???? AIRPORT
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THIS LEASE, hereinafter called "Agreement" is made and entered into by and between:

COUNTY OF VENTURA.... hereinafter called "**County,**" and
????..... hereinafter called "**Tenant**".

The parties agree that:

1. **PROPERTY LEASED.** County hereby leases to Tenant and Tenant hereby rents from County the property, hereinafter called "Premises," located on the Camarillo Airport, and hereinafter called "Airport." The Premises are briefly described as follows:

A parcel of land containing an area of approximately ???? acres (????square feet) located at the ?????. The proposed site shall be surveyed by Tenant to determine the exact size and location. Attached hereto as EXHIBIT "A" is a site map. A complete property description will be added as EXHIBIT "B" upon completion of survey within 90 days following execution of this agreement.

2. **TERM AND OPTION.**

- A. The term of this Agreement is thirty- (30) years, beginning on the commencement date specified in the Commencement Date Agreement to be signed by County and Tenant as provided for in paragraph 8 of this Agreement.
- B. Within the first ???? year of this Agreement, Tenant will construct ???? square foot aircraft hangar and aircraft ramp apron parking and sufficient automobile parking for a total investment of not less than \$?????. Tenant may make these improvements, alterations, or additions to the Premises, provided, however, that approval of such improvements, alterations or additions must be obtained in advance in writing from the Director. Such approval shall not be unreasonably withheld.
- C. Rent shall start no later than ???? months following the commencement date specified in the Commencement Date Agreement to be signed by County and Tenant as provided for in paragraph 8 of this Agreement.
- D. Ownership of all improvements on Premises shall revert to County upon termination of the initial thirty- (30) year term of this Agreement.
- E. Option. Tenant may, at its option, extend this Agreement for one additional ten- (10) year period. The option period shall commence on the day following the termination of the initial term, and shall terminate ten- (10) years after the termination of the initial term. The option shall be exercised separately by Tenant giving County written notice at least but no later than twelve- (12) months prior to the commencement of the initial option period. Rent for the option period shall be based upon the then appraised value of the then-owned County improvements and adjusted every five- (5) years.

3. **HOLDOVER.** If Tenant holds possession of the Premises after the expiration of the term of this Agreement or any extension thereof, with consent of County, either expressed or implied Tenant shall become a tenant from month to month. All rent(s) for said holdover tenancy shall be adjusted to reflect the rate, as set forth in the Rent and Fee Schedule adopted by the Board of Supervisors, that is in effect during the time of the Holdover. All other terms and conditions of this Agreement shall remain unchanged.

4. **PURPOSE.** The Premises shall be used for the following specified purpose and shall not be used for any other purpose without first obtaining the written consent of the Director of Airports, hereinafter referred to as "Director":

- A. **Required Services.** Tenant is hereby granted the nonexclusive privilege to engage in, and Tenant agrees to engage in the business of providing aircraft storage services and one- (1) additional aeronautical activity as described in paragraph 4B at the Airport as a limited Aeronautical Service Provider (ASP) as further defined in the Airport Minimum Standards. Tenant acknowledges that no right or privilege has been granted which would operate to prevent any persons, firm, or corporation operating aircraft on the Airport from performing

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services on its own aircraft, with its own employees, including maintenance and repair services.

B. Authorized Services. In addition to the requirements in paragraph 4A, Tenant may provide one- (1) more aeronautical services/activities:

1. The demonstration of aircraft for sales and rental.
2. Aircraft charter.
3. Aircraft rental.
4. Aircraft sales.
5. Radio/electronic sales and service.
6. Aircraft maintenance and repair.
7. Any other general aviation services not specifically provided for herein which are approved in advance by County. County's approval of such services shall not be unreasonably withheld.

C. Operating Standards (for Tenants). In providing any of the required and/or authorized services or activities specified in this Agreement, Tenant shall operate for the use and benefit of the public and shall meet or exceed the following standards.

1. Tenant shall comply with the minimum operating standards or requirements promulgated by County, applicable to each of Tenant's activities on the Airport.
2. Tenant shall select and appoint a full-time manager of operations at the Airport. The manager shall be qualified and experienced, and vested with full power and authority to act in the name of Tenant with respect to the method, manner, and conduct of the operation of the fixed base services provided under this Agreement. The manager shall be available at the Airport during regular business hours, and during the manager's absence, a duly authorized subordinate shall be in charge and available at the Airport.
3. Tenant shall provide, at its sole expense, a sufficient number of employees to provide effectively and efficiently the services required or authorized by this Agreement.
4. Tenant shall control the conduct, demeanor, and appearance of its employees, who shall be trained by Tenant and who shall possess such technical qualifications and hold such certificates or qualifications as may be required by any government authority in carrying out assigned duties. It shall be the responsibility of Tenant to maintain close supervision over its employees to assure a high standard of service to customers of Tenant.
5. Tenant shall meet all expenses and payments in connection with the use of the Premises and the rights and Privileges herein granted, including taxes, permit fees, license fees, and assessment lawfully levied or assessed upon the Premises or property at any time situated therein and thereon. Tenant may, at its sole expense and cost, contest any tax, fee, or assessment.
6. Tenant shall comply with all federal, state, and local laws, rules, and regulations which may apply to the conduct of the business contemplated, including rules and regulations promulgated by County, and Tenant shall maintain in effect and post in a prominent place all necessary and/or required licenses or permits.
7. Tenant shall be responsible for the maintenance and repair of the Premises and shall keep and maintain the Premises in good condition, order, and repair, and shall surrender the same upon the expiration of this Agreement in the condition in which they are required to be kept, reasonable wear and tear and damage by the elements not caused by Tenant's negligence excepted.
8. It is expressly understood and agreed that, in providing required and authorized services pursuant to this Agreement, Tenant shall have the right to choose, in its sole discretion, its vendors and suppliers.
9. Tenant shall provide the Director and thereafter maintain a listing of all aircraft owned by Tenant or in Tenant's custody under some agreement with its owner.
10. Tenant shall further notify all customers, where Tenant has custody of customer's aircraft, of the requirement to register said, aircraft with the Director and to show evidence of the required insurance.
11. Tenant shall properly collect, store and dispose of used motor oil generated on the premises, in accordance with applicable laws and regulations.
12. During the first ten years following the commencement date of this Agreement, Tenant shall permit no more than one-third of its total usable space inside its two- (2) hangars on the Premises to be leased/rented to fixed-wing, jet aircraft that are not certified under 14 CFR Part 36 (as may be amended) as meeting the requirements of Stage 3 or better. If an aircraft is not certified under 14 CFR Part 36, the County, at its sole option, and upon request of Tenant, may determine, through noise measurements taken by the County, that said aircraft meets the requirements of Stage 3 or better as published in 14 CFR Part 36. During the remaining term of this Agreement after the first ten years and during any extensions thereof, Tenant shall be

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prohibited from leasing/renting space inside its two- (2) hangars on the Premises to any fixed-wing, jet aircraft that are not certified under 14 CFR Part 36 as meeting the requirements of Stage 3 or better, except, however, any such aircraft that has been determined by the County to meet the requirements of Stage 3 or better as provided for in this section.

D. Operating Schedule. Beginning on the date the facilities are first offered for use by the general public, all of the uses and services specified herein shall be provided on the leased premises not less than eight hours per day and not less than five days per week. A change in the operating schedule may not be made prior to receipt of written approval from the Director.

E. No other uses are permitted except with prior written consent of the Director. Authorization for other uses shall be null and void if not exercised within six- (6) months after such authorization. Prohibited uses include but are not limited to rental of aircraft storage space in hangar or tie-downs not specifically permitted by this Agreement, without the express approval of the Director.

5. USE OF AIRPORT FACILITIES. Tenant shall have the nonexclusive right to the use of the runways and taxiways of the Airport, the public waiting rooms, rest rooms, and other public places in the Airport, the roadways and landing aids, and other public facilities provided by the County.

6. RENT. The estimated monthly land rent of \$???? (????) shall be payable in advance. Rent shall be calculated for ???? acres (???? square feet) per month as indicated in the Rent and Fee Schedule approved by the Board of Supervisors. Rent shall start no later than six (6) months following commencement date specified in the Commencement Date Agreement. Upon completion of the survey referenced in paragraph 1 of this Agreement, rent shall be adjusted to reflect the actual size of the Premises per the survey.

It is understood and agreed that rents are determined by the latest approved Rent and Fee Schedule established for all leases at the Airports. The Rent and Fee Schedule is subject to change by the Board during the term of this Agreement, or any renewal or extension thereof. Rent shall be reviewed and adjusted every five- (5) years of the initial term of this Agreement. Rent for the option period shall be based upon the then appraised value of the then-owned County improvements and adjusted every five- (5) years.

7. FAILURE TO PAY WHEN DUE. If money payable to County as a condition of this Agreement is not paid prior to ten- (10) days after due date, a fee of ten percent (10%) of the amount due and unpaid, except that such fee shall not be less than Twenty-five Dollars (\$25.00), will be added to the amount due and such total sum shall be due and payable to County as of the original delinquency date. A further fee in the same amount will be added for each thirty- (30) day period following addition of the fee, until paid. County Board of Supervisors may amend this requirement, pursuant to changes.

8. ALTERATIONS BY TENANT. Tenant may make improvements, alterations, or additions to the Premises, provided, however, that approval of such improvements, alterations or additions must be obtained in advance in writing from the Director. All improvements, alterations and additions shall conform to the then current Airport Design Criteria for Construction and Specifications for Construction and Maintenance by Tenant, as may be amended from time to time. Tenant shall obtain all necessary applicable permits after securing the Airport Director's written approval of plans. Such consent shall not be unreasonably withheld.

Add any special requirement here.

9. SIGNS AND ADVERTISING. Tenant shall not erect or display, or permit to be erected or displayed, on the Airport or to the exterior of the buildings on the Premises, any signs or advertising matter of any kind without first obtaining the written consent of the Director. Tenant shall upon all necessary applicable permits after securing the Airports Directors written approval.

10. DELAY IN DEIVERY OF POSSESSION. If County, for any reason whatsoever, cannot deliver possession of the Premises on the date of commencement of the term of this Agreement, rent for the period between said date and the date that County can deliver possession shall be prorated and deducted from the rent due

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under this Agreement. The term of the Agreement shall not be extended by such delay. If possession is not delivered within 45 days after the commencement of this Agreement, Tenant may terminate this Agreement by so advising County in writing.

11. EMPLOYEE INFORMATION. Tenant shall provide and keep current in the Airports Director's Office a list of key employees and their telephone numbers for emergency purposes.

12. SECURITY DEPOSIT. Tenant shall provide County with and at all times thereafter maintain an irrevocable security deposit in the amount of three times the monthly rent. Such amount shall be adjusted periodically and concurrently with any adjustments to rent. The security deposit shall take one of the forms set out below and shall guarantee Tenant's full and faithful performance of all the terms, covenants, and conditions of this Agreement.

A. An irrevocable Letter of Credit from a financial institution in Ventura County wherein the principal sum is made payable to County on order. County must approve both the financial institution and the form of the certificate.

B. The assignment to County of a savings deposit held in a financial institution in Ventura County acceptable to County. Such assignment shall consist of delivery to County of the original passbook for such savings deposit and execution and delivery of a written assignment of said deposit to County on a form approved by County.

C. A renewable Time Certificate of Deposit from a financial institution in Ventura County wherein the principal sum is made payable to County on order. County must approve both the financial institution and the form of the certificate.

Regardless of the form in which Tenant elects to make the security deposit, all or any portion of the principal sum shall be available unconditionally to County for correcting any default or breach of this Agreement by Tenant, his successors or assigns or for payment of expenses incurred by County as a result of the failure of Tenant, his successors or assigns, to faithfully perform all the terms, covenants, and conditions of this Agreement.

Should Tenant elect to assign a savings deposit to County, or provide a Time Certificate of Deposit, to fulfill the security deposit requirements of this Agreement, the assignment, or certificate shall have the effect of releasing the depository or issuer therein from liability on account of the payment of any or all of the principal sum to County on order upon demand by County. The agreement entered into by the Tenant with a financial institution to establish the deposit necessary to permit assignment or issuance of a certificate as provided above may allow the payment to Tenant on order of interest accruing on account of the deposit. If at any time during the term of this Agreement, any rent or other sum payable to County shall be overdue and unpaid, County may, at County's option, apply any portion of this security deposit to the payment of any overdue rent or other sums due and payable to County under this Agreement.

Should the entire security deposit, or any portion thereof, be appropriated and applied by County for the payment of overdue rent or such other sum due and payable to County by Tenant, then Tenant shall, within thirty (30) days after written demand by County, restore the security deposit to the required amount. Tenant shall maintain the required security deposit throughout the term of this Agreement. Failure to do so shall be deemed default and shall be grounds for immediate termination of this Agreement. The security deposit shall be rebated, reassigned, released or endorsed to Tenant or order, as applicable, at the end of the term of this Agreement provided Tenant is not then in default and has performed its obligation required to be performed upon termination.

13. SURETY BOND. No construction shall be commenced nor be deemed to have commenced at the Premises until Tenant has provided County a Surety Bond in the amount of the total estimated construction costs of the leasehold improvements as described in Paragraph 8 above.

The Surety Bond shall be in a form acceptable to County and shall state the following:

1. That it is conditioned to secure the completion of the proposed construction, free from all liens and claims of contractors, subcontractors, mechanics, laborers, and material suppliers.
2. That the construction work shall be fully and faithfully performed by Tenant, the general contractor, or, on their default, the surety.

INITIALS: _____ / _____
Tenant County

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3. That 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 County as liquidated and agreed damages for the nonperformance of the Tenant's Agreement; it being agreed that the amount of County's damages is extremely difficult to ascertain and determine.
4. That the surety will defend and indemnify County against all loss, costs, damage, expense, claims, and liabilities arising out of or connected with the construction.

In lieu of a Surety Bond, Tenant may provide construction surety bonds supplied by Tenant's general contractor or contractors, provided such bonds contain the same conditions, are issued jointly to Tenant and County, and are in an amount equal to the total estimated construction cost of the improvements.

Should Tenant act as owner/builder then all subcontractors shall provide construction surety bonds on the same condition as above stated for construction surety bonds to be provided by Tenant's general contractor.

All Surety Bonds must be issued by a responsible surety company qualified to do business in the State of California, acceptable to County, and shall remain in effect until the entire cost of the work shall have been paid in full and the new improvements shall have been insured as provided in this Agreement.

In lieu of the above Surety Bonds, Tenant may provide some other instrument satisfactory to the County or cash deposit which shall guarantee to County completion of the required improvements.

14. INSURANCE.

A. Tenant, at its sole cost and expense, will obtain and maintain in full force during the term of this Agreement either upon the completion of construction of the initial premises or upon the expiration of the insurance required in section 15 below (whichever occurs first), the minimum insurance requirements as prescribed below. Such requirements shall be adjusted annually and concurrently with any adjustments to insurance requirements as approved in the then current Rent and Fee Schedule by the Board of Supervisors. Current requirements prescribe the following insurance:

1. Commercial General Liability "occurrence" coverage in the minimum amount of \$2,000,000 combined single limit "CSL" bodily injury & property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations, broad form blanket contractual and \$100,000 fire legal liability.
2. Aircraft and Airport Operations including passengers, products and completed operations: Combined single limit for bodily injury and property damage of \$2,000,000 each occurrence (waived until hangars are constructed).
3. Hangar Keepers Liability: \$100,000 per aircraft but not less than the replacement value of all aircraft in the care, custody and control of Tenant.
4. Commercial Automobile Liability coverage in the minimum amount of \$500,000 CSL bodily injury & property damage, including owned, non-owned and hired automobiles. Exception: fuel trucks (see below).
5. Workers' Compensation (WC) coverage, in full compliance with California statutory requirements, for all employees of TENANT and Employer's Liability in the minimum amount of \$1,000,000.
6. Property coverage, for not less than 80% of the full replacement value of each structure, for All Risks of Direct Physical Loss or Damage.

B. The insurance coverages shall contain within the policy a "broad form" of liability coverage, including and liability arising from contractual agreements, including leases, or there shall be attached thereto an endorsement providing such coverage. County Board of Supervisors may amend this requirement, pursuant to changes.

C. All insurance required will be primary coverage as respects County and any insurance of self-insurance maintained by County will be excess to Tenant's insurance coverage and will not contribute to it.

D. The Department of Airports and the County of Ventura, its Boards, Agencies Departments, Officers, Employees, and Agents are to be named as Additional Insureds as respects the Premises leased by Tenant

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under the terms of this Agreement on all policies required (except Workers' Compensation). An additional insured endorsement and a certificate of insurance must be provided with a 30-day cancellation notice. The County of Ventura must be informed immediately if a claim exceeds the general aggregate of insurance and additional coverage must be purchased to meet the above requirements.

E. Policies will not be canceled, non-renewed or reduced in scope of coverage until after thirty (30) days written notice has been given to the County of Ventura, Department of Airports.

F. Tenant agrees to provide County with the following insurance documents on or before the effective Delivery Date of this Agreement:

1. Certificates of Insurance for all required coverages.
2. Additional Insured endorsements.
3. Waiver of subrogation endorsements (A.K.A. Waiver of Transfer Rights of Recovery Against Others, Waiver of Our Right to Recover from Others).
Failure to provide these documents may be grounds for immediate termination or suspension of this Agreement.
Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve Tenant for liability in excess of such coverage, nor shall it preclude County from taking such other actions as are available to it under any other provisions of this Agreement or otherwise in law.
4. Provisions are complied with by any and all Contractors and Sub-Contractors that Tenant may use during the term of this Agreement.

15. INSURANCE DURING COURSE OF CONSTRUCTION.

- A. Commercial Automobile Liability coverage in the minimum amount of \$1,000,000 CSL bodily injury & property damage, including owned, non-owned and hired automobiles.
- B. Professional Liability (Errors and Omissions) Engineers & Architects coverage in the minimum amount of \$500,000 each occurrence and \$1,000,000 aggregate.
- C. Property Coverage. Course of Construction (Builders Risk) Insurance covering all materials and equipment at the job site, with limits of not less than one hundred percent (100%) of the total estimated cost of construction until the project is accepted as completed by the County of Ventura, Department of Airports. Should the work being constructed be damaged by fire or any other causes during construction, it shall be replaced by Tenant in accordance with the requirements of the plans and specifications without additional expense to the County of Ventura or the Department of Airports.
- D. All insurance required shall be issued by a company or companies authorized to transact business in the State of California which have a BEST rating of B+ or higher.
- E. Claims Made Insurance. If the Professional Liability coverage is "claims made", Tenant must, for a period of eighteen (18) months after the construction completion date, maintain insurance with a retroactive date that is on or before the construction start date OR purchase an extended reporting endorsement (tail coverage).

16. TAXES AND ASSESSMENTS. A taxable possessory interest may be created by this Agreement and Tenant may be subject to the payment of property taxes levied on such interest. Tenant shall pay, before delinquent, any and all taxes and assessments levied upon the Premises or against Tenant by reason of Tenant's use and occupancy of the Premises.

17. UTILITIES. Tenant expressly waives any and all claims against County for compensation for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of any water supply system, drainage or sewer system, gas supply system, computer equipment, telephone system, electrical supply system or electrical apparatus or wires serving the Premises. Tenant shall pay all service charges for gas, water, and electricity serving the Premises. Tenant shall pay connection fees and charges for all utilities, and service charges for electronic, computer or telephones equipment installed, used, or operated by Tenant on the Premises.

18. JANITORIAL SERVICES. Tenant shall provide all janitorial services and supplies at Tenant's sole expense. Tenant shall also maintain the Premises at all times in a neat, clean, orderly, and safe condition.

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19. TRASH AND RUBBISH SERVICES. Tenant shall provide, at Tenant's sole expense, proper containers for and the regular collection of all trash and rubbish materials generated from or accumulating on the Premises.

20. COOPERATION BETWEEN TENANTS. The Tenant shall cooperate with all other Tenants of the County who will be operating enterprises on the Airport and shall conduct its operations so as to avoid interference with the operations of other Tenants. Any difference or conflict, which may arise between the Tenant and other tenants, will be adjusted and determined by the Director. If the operations of the Tenant are impaired because of any acts or omissions of such other Tenants, the Tenant shall have no claim against the County on that account.

21. REPAIRS AND MAINTENANCE BY COUNTY. No repairs of any nature will be performed by County unless deemed necessary and in the best interest of County.

22. REPAIRS AND MAINTENANCE BY TENANT. Tenant accepts the Premises in the present condition and repair, and shall make any repair and modification necessary to comply with all applicable building codes and regulations. Tenant shall maintain its improvements according to accepted standards/practices of the airport industry and in a manner that will maximize the useful life of the improvements, and shall make all repairs and replacements necessary to that end. The improvements to be so maintained include, but are not limited to, aircraft hangars (including roofs, doors, floors, walls, paint), all pavement sections, asphalt and/or concrete surfaces and striping, drainage and utilities. The improvements are to be maintained in such a manner as to keep them in as good condition as when they were first constructed, excepting reasonable and ordinary wear and tear. Tenant shall also maintain any lawns, landscaping, walkways, and parking areas within Premises to the satisfaction of the Director.

23. ENTRY BY COUNTY. County may enter upon the Premises at all reasonable times to examine the condition thereof, and for the purpose of providing maintenance and making such repairs as County is obliged to make, provided that such right shall not be exercised in such a manner as to unreasonably interfere with any business conducted by Tenant on Premises.

24. COMPLIANCE WITH LAW. Tenant shall not use or permit the use of the Premises for an illegal or immoral purpose and shall comply with all Federal, State, and local laws and ordinances concerning the Premises and use thereof.

25. AIRPORT REGULATIONS. Tenant agrees to observe, obey, and abide by all applicable laws, ordinances, field rules, and other regulations for the common and joint use of Airport facilities and for the maintenance and conduct of all its operations which are now or may hereafter be imposed or promulgated by County, the Federal Aviation Administration, or any other governmental agency having jurisdiction over the subject matter.

26. FIRE REGULATIONS. Tenant shall at all times comply with all applicable laws, ordinances, and regulations pertaining to fire prevention, and shall furnish and keep adequate fire extinguishers in sufficient numbers and in convenient and accessible places on the Premises. The fire extinguishers shall be charged and ready for immediate use as required by fire regulations and applicable laws or ordinances. If Tenant receives an inspection notice or a deficiency notice following an inspection by the Fire Department, Tenant agrees to make any and all corrections in the manner required by the Fire Department within thirty (30) days after receipt of such notice.

27. ENVIRONMENTAL PROTECTION. Tenant shall take all measures available to:

- A. Avoid any pollution of the atmosphere or littering of Airport caused by or originating in, on, or about Tenant's facilities.
- B. Keep the noise level on the Premises to a minimum so that other tenants may effectively utilize other areas of the Airport and so that persons in the general neighborhood will not be detrimentally affected.

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C. Keep the lights on the Premises from emitting light that could negatively affect the operation of aircraft or ground vehicles in the area.

D. If the Tenant's activities on the property, which is the subject of this agreement, involve in any manner the use, storage, or transportation of any chemicals, solvents, or other material which may be considered to be hazardous in their use, application, and/or transportation, Tenant shall advise County in writing immediately. Tenant agrees additionally to have the Ventura County Environmental Health Department inspect any property subject to such use on a not less than semiannual basis.

E. Tenant agrees to remove any and all contaminants, as set forth in the proceeding paragraph, from the property in question prior to the termination of the lease. In the event that Tenant fails to so clear the area including specifically any underground storage tanks that are in a hazardous condition or have been ascertained to be leaking by the Environmental Health Department, Tenant assumes liability therefore and agrees to allow County to use any and all security deposits to pay for such cleanup and/or removal. Notwithstanding anything in this Agreement to the contrary, Tenant shall have no liability or obligation to remove, repair or remediate any dangerous, noxious, or environmental conditions on the Premises that predate the commencement of this Agreement.

28. CONTAMINATION AND POLLUTION. Tenant solely at its own cost and expense, will provide clean up of any premises, property or natural resources contaminated or polluted due to Tenant activities. Any fines, penalties, punitive or exemplary damages assigned due to contaminating or polluting activities of the Tenant will be borne entirely by the Tenant.

29. STORMWATER REGULATIONS ACKNOWLEDGMENTS. Notwithstanding any other provisions or terms of this Agreement. Tenant acknowledges the county is subject to federal stormwater regulations 40 CFR Part 122, for aircraft maintenance shops (including aircraft rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations that occur at the Airport as defined in these regulations and, as applicable, State stormwater regulations provided. Tenant further acknowledges that it is familiar with these stormwater regulations; that it conducts or operates vehicle and aircraft maintenance, equipment cleaning operations activities as defined in the stormwater regulations; and that it is aware there are significant penalties for submitting false information, including fines and imprisonment for knowing violations. Airport and Tenant both acknowledge that close cooperation is necessary to minimize costs. Tenant acknowledges and agrees that it undertake all reasonably necessary actions to minimize the exposure of stormwater to significant materials generated, stored, handles, or otherwise used by Tenant, by adhering to County requirements and Best Management Practices. "Best Management Practices" describes practices employed to prevent or reduce source water pollution, such as the construction of runoff-retention basins and replanting eroding surfaces. The Airport will conduct annual Best Management Practice inspections to assure Tenants compliance.

30. ASSIGNMENT AND SUBLETTING. Tenant shall not assign this Agreement, or any interest therein, and shall not sublet said Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person to occupy or use the Premises, or any portion thereof (the affiliates, agents, and employees of Tenant excepted), without the prior written consent of Director, and such consent shall not be unreasonably withheld. Any assignment or subletting without the written consent of the Director shall be void, and shall, at the option of the County, terminate this Agreement. For purposes of the foregoing, any transfer or sale of shares of the stock of the Tenant in excess of thirty-five percent to any single individual or corporation shall constitute an assignment subject to the approval of the Director.

31. DOCUMENT PROCESSING FEE. Consistent with a Resolution adopted by the Ventura County Board of Supervisors, a DOCUMENT PROCESSING FEE shall be paid by Tenant in accordance with Board approved "Rent and Fee Schedules" for "Tenant initiated" drafting and/or processing of each Amendment, Assignment, Concurrence, Change of Ownership, Approval to Sublease, Extension of Lease Term, Option to Lease Addition, or other "Special Modification(s)." This Document Processing Fee shall be deemed earned by County when paid and shall not be refundable. Said fee is construed as reimbursement of administrative costs pursuant to transaction. County initiated documents are exempt from processing fee charges.

32. DEFAULT OR BREACH. Except as otherwise provided, at anytime one party to this Agreement is in

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default or breach in the performance of any of the terms and conditions of this Agreement, the other party shall give written notice to remedy such default or breach. If the default or breach is remedied within thirty (30) days following such notice, then this Agreement shall continue in full force and effect. If such default or breach is not remedied within thirty (30) days following such notice, the other party may, at its option, terminate this Agreement, provided, however, that if the nature of Tenant's default or breach is such that more than thirty (30) days is required for its cure, then Tenant shall not be deemed to be in default or breach if Tenant has commenced such cure within the thirty (30) day period, demonstrates to County's reasonable satisfaction that such default or breach is curable, and thereafter diligently prosecutes such cure to completion. A termination under this paragraph shall not be considered a waiver of damages or other remedies available to either party because of such default or breach. Each term and condition of this Agreement shall be deemed to be both a covenant and a condition.

33. CLAIMS AND PROTEST. During the reasonable hours, County, its agents or employees shall have the right, but not the obligation, to enter upon and inspect the Premises and operations and to make written Demand to Perform upon Tenant to perform its obligations under this Agreement. Such demand shall specify the obligations to be performed. If Tenant disputes such demand, within thirty (30) days after any such demand is given, Tenant shall file a written Protest of Demand with County stating clearly and in detail its objections and reasons. If Tenant does not file such protest within thirty (30) days, Tenant shall be deemed to have waived and does hereby waive all claims for damages and adjustments against County arising out of the demand. Upon receipt of any such protest from Tenant, County, its agents or employees, shall review the demand objected to and Tenant's protest and shall within thirty (30) days notify Tenant in writing of its decision which shall be binding on all parties, unless within thirty (30) days thereafter Tenant shall file with the Board of Supervisors (hereinafter called "Board") a Protest of Decision. Within thirty (30) days of receipt of such protest, Board shall render its decision. Failure by Board to render its decision within thirty (30) days shall be deemed a rejection of the protest and ratification of County's decision.

34. WAIVER AND NON WAIVER. The failure of County to either:

- A. Give any notice of default or breach of the Agreement, or
- B. Terminate the Agreement because of a default or breach thereof, or
- C. Exercise any other right conferred on it pursuant to this Agreement, shall not be a waiver of any right or rights conferred by the Agreement nor shall County be estopped to assert such right or rights at any reasonable time after County has knowledge of a breach or default.

No waiver of any default or breach shall constitute a waiver of any other default or breach, whether of the same or any other term, covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by County or Tenant shall give the other any contractual right by custom, estoppel, or otherwise. The subsequent acceptance of rent to this Agreement shall not constitute a waiver of any preceding default by Tenant other than a default in the payment of the particular rental payment so accepted, regardless of County's knowledge of the preceding breach at the time of accepting the rent, nor shall acceptance of rent or any other payment after termination of this Agreement constitute a reinstatement, extension, or renewal of this Agreement or revocation of any notice or other act by County.

35. PARTIES BOUND AND BENEFITED. The terms and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto, and all of the parties hereto shall be jointly and severally liable hereunder.

36. TIME. Time is of the essence of this Agreement.

37. HOLD HARMLESS AND INDEMNIFICATION. Tenant agrees to indemnify, defend, and hold County and its officers, agents, and employees, free and harmless from any and all liabilities, claims, demands, actions, losses, damages and costs, including all costs of defense thereof, arising out of Tenant's use or occupancy of the Leased Premises or the act or omissions of Tenant, its officers, agents, and employees, including claims, liabilities, and actions based upon nuisance or inverse condemnation. Upon demand, Tenant shall, at its own expense, defend County, and its officers, agents, and employees against any and all such liabilities, claims, demands, actions, losses, damages and costs.

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38. DESTRUCTION OF PREMISES. If Premises should be destroyed by any cause, except as caused by the fault of Tenant, or declared unsafe or unfit for occupancy by any authorized public authority for any reason, except as caused by the fault of Tenant, either wholly or in such a degree as to substantially impair Tenant's use of the Premises, then all rent due under the terms of this Agreement shall cease as of the date of such destruction or declaration. In such event, this Agreement shall thereby be terminated.

39. FAA SPECIAL PROVISIONS.

A. The Tenant, for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the property described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

B. The Tenant, for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the facilities; (2) in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and (3) the Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally- assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

C. That in the event of breach of any of the above nondiscrimination covenants, County shall have the right to terminate the Agreement and to reenter and repossess the land and the facilities thereon, and hold the same as if the Agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

D. Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT the Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

E. Non-compliance with Provision D above shall constitute a material breach thereof and, in the event of such non-compliance, County shall have the right to terminate this Agreement and the estate hereby created without liability therefore or at the election of the County or the United States either or both said Governments shall have the right to judicially enforce Provisions.

F. Tenant agrees that it shall insert the above five Provisions in any lease agreement, contract, etc., by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises herein leased.

G. The Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Tenant assures that it will require that its covered suborganizations provide assurances to the Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

H. The County reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the Tenant and without interference or hindrance. Such reservation includes without limitation the right to develop and operate other airports, to relocate existing operations at other airports and to offer services and facilities at the other airports that may compete with the operations of

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Tenant.

I. The County reserves the right, but shall not be obligated to the Tenant, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of the Tenant in this regard.

J. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the County and the United States, relative to the development, operation or maintenance of the Airport.

K. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.

L. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).

M. There is hereby reserved to the County, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from or operation on the Airport.

N. The Tenant, by accepting this expressly, agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the land leased hereunder above the mean sea level elevation of more than 100 feet. In the event the aforesaid covenants are breached, the County reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Tenant.

O. The Tenant, by accepting this Agreement, agrees for itself, its successors and assigns that it will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, County reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of the Tenant. This provision shall not be construed to apply to the construction, design, or existence of Tenant's hangar facilities on the Premises; County and Tenant agree that Paragraph 8, Alterations by Tenant, shall apply instead to determine whether Tenant's hangar facilities interfere with the landing and taking off of aircraft or otherwise constitute a hazard.

P. This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

40. GOVERNMENT INCLUSIONS. This Agreement shall be subordinate to the provisions of any existing or future agreements between the county and the United States Government or other governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of Federal or other governmental funds for the development of the Airport, to the extent of the provisions of any existing or future funds. County agrees to provide tenant written advance notice of any provisions that would adversely modify the material terms of the Agreement.

41. FEDERAL GOVERNMENTS EMERGENCY CLAUSE. All provisions of the Agreement shall be subordinate to the rights of the United States of America to operate the Airport or any thereof during time of war or national emergency. Such rights shall supersede any provisions of this Agreement inconsistent with the operations of the Airport by the United States of America.

42. CONDEMNATION. If the whole of the Premises should be taken by a public authority under the power of eminent domain, then the term of this Agreement shall cease on the day of possession by said public authority. If a part only of the Premises should be taken under eminent domain, Tenant shall have the right to either terminate this Agreement or to continue in possession of the remainder of the Premises. If Tenant remains in possession, all of the terms thereof shall continue in effect, the minimum rent payable being reduced proportionately for the balance of the term of this Agreement. If a taking under the power of eminent domain occurs, those payments attributable to the leasehold interest of the Tenant shall belong to the

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Tenant, and those payments attributable to the reversionary interest of the County shall belong to the County.

43. CONDITION OF PROPERTY UPON TERMINATION. Upon the termination of this Agreement for any reason, Tenant shall vacate the Premises and deliver it to County in good order and condition, damage by the elements, fire, earthquake, and ordinary wear and tear excepted.

44. REMOVAL OF TENANTS PERSONAL PROPERTY. Unless otherwise mutually agreed in writing by the parties hereto, at the expiration, termination or cancellation of this Agreement, the Tenant shall have removed, at its own expense, all personal property of any kind owned or placed on the Premises by the Tenant, along with all debris, surplus and salvage material, and shall leave the Premises in a clean and orderly condition. If the Tenant does not remove, or has not completed removal of its personal property within seven (7) days after such expiration, termination or cancellation, title thereto shall vest in the County. County may thereafter remove or cause to be removed or destroyed, such personal property left on the Premises, and in such event, Tenant shall pay the County the reasonable and actual cost of any such removal, sale or destruction in excess of any consideration received by County as a result of any such removal, sale or demolition.

45. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties hereto and no obligation other than those set forth herein will be recognized.

46. AGREEMENT MODIFICATIONS. This Agreement may be terminated, extended, or amended in writing by the mutual consent of the parties hereto. Director or an authorized representative on behalf of the County may execute such modification.

47. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is found by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

48. GENDER AND NUMBER. For the purpose of this Agreement, wherever the masculine or neuter form is used, the same shall include the masculine or feminine, and the singular number shall include the plural and the plural number shall include the singular, wherever the context so requires.

49. ARTICLE HEADINGS. Article headings in the Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.

50. ENCUMBRANCE OF LEASEHOLD INTEREST BY TENANT.

TENANT may encumber its interest in this Agreement in the following manner:

- a. The provisions herein shall apply to any leasehold mortgaging by TENANT occurring without subordination of County's interest.
1. TENANT and each subsequent County-approved legal holder of the leasehold estate created hereby ("Legal Holder") for so long as it is not in default under this Agreement, may at any time and from time to time encumber its interest in this leasehold estate by mortgage, deed of trust, conditional or unconditional assignment security agreement or other instrument of the same effect; provided, however, that no mortgagee, trustee, secured party ("the Mortgagee") or anyone claiming through such Mortgagee shall acquire any greater rights in the Premises than the Legal Holder then had under this Agreement; and provided further, that such mortgage or deed of trust shall be subject to this Agreement and the rights of County hereunder.
2. The Mortgagee under any such mortgage or deed of trust and the owners of the indebtedness secured by said mortgage shall not become liable under this Agreement unless and until they shall become the owners of the legal title to this leasehold estate and the improvements.
3. There shall be no limitation on the number of times TENANT may mortgage its leasehold interest under the terms hereof; provided that TENANT shall not be in default under this Agreement at the time of the

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encumbrance and all costs thereof shall be borne by TENANT.

b. The provisions herein shall apply to Leasehold mortgaging occurring with subordination of County's interest. By "subordination of County's interest", the parties mean a first lien deed of trust or mortgage encumbering TENANT's leasehold estate in the Premises, as established by this Agreement. County agrees to subordinate its interest in the Premises to a first deed of trust or mortgage (hereinafter "Mortgagee") in favor of a construction and/or permanent lender providing funds for the construction of the buildings, facilities and improvements on the premises subject, however to the following terms and conditions:

1. Subordination shall be limited to mortgages that secure construction or permanent loans.
2. Subordination shall be limited to ninety percent (90%) of the construction costs.
3. County shall be provided in advance with copies of the following:
 - a. the construction contracts showing the construction price;
 - b. the note and mortgage instruments. County shall have the right to approve the proposed loan documents, which approval shall not be unreasonably withheld;
 - c. such other information as is reasonably necessary to assure compliance with the provisions hereof.
4. County shall, at or prior to the closing on any construction and/or permanent Mortgage execute, acknowledge, and deliver the mortgage and such other instruments and documents, including any subordination agreement, as shall be required by and in form reasonably satisfactory to the permanent lender; provided, however, County shall have no liability under any of said loan documentation. The County shall permit a separate mortgage to be placed on the Premises.
5. The permanent loan shall be made only by an institutional lender. The term, "institutional lender" as used herein shall include a National or a State bank, Savings and Loan institution, insurance company, pension fund, endowment fund, foundation, or any other non-profit organization similar to those enumerated herein or any trust with professional management or a fund created by County-approved tax exempt financing.
6. A default by TENANT under the terms of any Mortgage to which County has subordinated its interest shall be considered an event of default under this Agreement.
7. Any mortgage to which County has subordinated its interest shall provide that:
 - a. Notice of any default shall be given by the lender to County.
 - b. County may (but shall not be required to) cure any default by TENANT under the terms of such Mortgage within a period of fifteen (15) days following the receipt by County of notice of such default. If County elects to cure any default, any sums expended by County to cure any such default shall be deemed advances made for the benefit of TENANT, which sums shall bear interest at the rate which is the greater of two percent (2%) per month or ten percent (10%) over the prime rate published in the Wall Street Journal on the date of default, from the date of such advance until repaid, and shall be payable by TENANT to County as additional rent hereunder within ten (10) days after notice of payment is given to TENANT by County. Should the County fail to exercise its right to cure within the time provided, the Mortgagee shall be free to exercise any rights or remedies allowed under the Mortgage. If the Mortgagee in fact cures TENANT's defaults under the Mortgage, the amount needed to cure shall not include additional rent which was paid by the County to cure a Mortgage default, and County shall continue to have the right to collect this additional rent directly from TENANT.
 - c. Following any repossession by County of the Premises, County may (but shall not be required to) assume the existing Note and Mortgage without penalty, provided only that the said instruments are not in default or, if in default, that such default is cured within fifteen (15) days of repossession or notice of

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default given under (b) above, whichever occurs first and that County would then meet the standards of the holder of the Mortgage with respect to the assumption of like or similar Mortgages. The County agrees to execute and deliver any documents as shall be reasonably required by the holder of the Mortgage to effectuate and carry out such assumption, and assumption by the County shall not result in the release of any borrower or guarantor of the indebtedness secured by the Mortgage.

8. The Mortgagee under any such mortgage or deed of trust and the owners of the indebtedness secured by said mortgage shall not become liable under this Agreement unless and until they shall become the owners of the legal title to this leasehold estate and the improvements.

9. There shall be no limitation on the number of times TENANT may mortgage its leasehold interest under the terms hereof; provided that TENANT shall not be in default under this Lease at the time of the request to subordinate, and all costs thereof shall be borne by TENANT.

10. Subject to the rights of the construction and/or permanent lender, in the event of any default under this Agreement, County shall be entitled to exercise all or any of its remedies as provided under this Agreement.

51. NOTICES AND PAYMENTS. All notices required under this Agreement, including change of address, shall be in writing, and all notices and payments shall be made as follows:

A. All payments and notices to Tenant shall be given or mailed to:

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????
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B. All payments and notices to County shall be given or mailed to:

County of Ventura
Department of Airports
555 Airport Way, Suite 200
Camarillo, CA 93010

COUNTY OF VENTURA

By: _____
Director, Department of Airports

Dated:

????

By: _____ TITLE: _____

By: _____ TITLE: _____

INITIALS: _____ / _____
Tenant County

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Dated:

If Tenant is a corporation, a certified copy of the Board of Directors' resolution or other authority for execution of this Agreement is attached hereto.

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Exhibit C

COMMENCEMENT DATE AGREEMENT

This Commencement Date Agreement is entered into on this _____ day of _____, _____, between **COUNTY OF VENTURA**, hereinafter called "**County**", and **????** hereinafter called "**Tenant**".

WHEREAS, County and Tenant entered into a lease agreement dated (the "Agreement"), setting forth the terms of occupancy and use by Tenant of a certain property located at the Camarillo Airport, defined in the Agreement as the "Premises"; and

WHEREAS, the Agreement is for a term of forty (40) years with the commencement date of the term being defined in Paragraph 2.A. of the Agreement; and

WHEREAS, it has been determined in accordance with the provisions of Paragraph 2.A. and Paragraph 8 of the Agreement that _____ is the Commencement Date of the term of the Agreement; and

WHEREAS, the Agreement provides that the parties shall execute a confirmation of the actual commencement date of the term thereof, when such date has been determined.

NOW, THEREFORE, the parties hereto confirm that the commencement date of the term of the Agreement is _____.

This Commencement Date Agreement is executed by the parties for the purpose of providing a record of the commencement date of the term of the Agreement does not modify, amend or alter any of the terms or conditions of the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Commencement Date Agreement as of the day and year first above written.

COUNTY:

TENANT:

By: _____

By: _____