

GROUND LEASE AGREEMENT

BY AND BETWEEN

County of Marin, a political subdivision of the State of California,
as COUNTY

and

_____,
as LESSEE

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GROUND LEASE AGREEMENT

THIS LEASE is entered into this _____ day of _____ 201[REDACTED] by and between **COUNTY OF MARIN**, a political subdivision of the State of California, hereinafter called "County" and _____, hereinafter called "Lessee".

WITNESSETH

WHEREAS, County is the owner of certain property known as Gross Field, Marin County Airport, near Novato, County of Marin, State of California; and

WHEREAS, Lessee desires to lease from County ground space for aircraft storage (hereinafter called "Premises" and more fully described herein); and

WHEREAS, prior tenants improved the Premises with a privately-owned aircraft hangar, as negotiated through a prior long term ground lease; and

WHEREAS, County desires to lease to Lessee the Premises for aircraft storage and other aeronautical related purposes; and

NOW THEREFORE, County for and in consideration of the rents, covenants, and promises contained herein, does hereby lease to Lessee and Lessee hereby leases from County, the Premises, for aircraft storage and other aeronautical purposes.

THIS GROUND LEASE is made upon the following terms, covenants and conditions to which the parties hereby agree:

1. ADMINISTRATION

This Lease shall be administered on behalf of County by the Real Estate Division, Department of Public Works, whose mailing address is:

Marin County Department of Public Works
Airport Manager: Dan Jensen
451 Airport Road
Novato, CA 94945

and a copy to: Real Estate Division
P.O. Box 4186
San Rafael, CA 94913-4186

Attn: Chief Real Property Agent
415-473-6578

and on behalf of Lessee by and whose mailing address is:

Any notice or notices provided by this Lease, or required by law to be given or served upon County or Lessee, shall be in writing and addressed as set forth herein, or to such other addresses as either party may by written notice advise the other party, and may be given or served by depositing the same in the United States Mail, postage prepaid, addressed as set out in this clause. Notices of changes of Lessee’s contact information shall be provided to the following address in addition to the above noticing:

Marin County Central Collections
County of Marin Civic Center – Room 217
P.O. Box 4220
San Rafael, CA 94913-4220

2. DEFINITION OF TERMS AND PREMISES

As used in this Lease, the following terms shall have the meanings attached to them in this Section unless otherwise apparent from their context:

- a. "Airport" and "Property" means Gross Field, Marin County Airport, Novato, Marin County, California.
- b. "FAA" means the Federal Aviation Administration.
- c. "Board" means the Board of Supervisors of the County of Marin.
- d. "Airport Manager" means the Airport Manager under the direction of the Department of Public Works, County of Marin, or his/her designee, or upon written notice to Lessee, such other person as shall be designated from time-to-time by the Board as specified in Marin County Code Chapter 12.04.
- e. "Premises" means that certain ground area of approximately [REDACTED] ' X [REDACTED]' located on Gross Field Airport, known as Site [REDACTED] as delineated on Exhibit "A", attached hereto and by this reference incorporated herein.

3. USE

Pursuant to applicable FAA regulations and Marin County Code Chapter 12.04, Lessee shall use the Premises solely for the storage of aircraft and other aeronautical related purposes. Aircraft identification including Make, Model, Year, N Number, along with satisfactory insurance information shall be provided to Airport Manager and kept on record to be attached as an Exhibit to this Lease and updated as necessary. No commercial activity or operations of any kind, including commercial aircraft services and repairs, excluding Part 135 charter service, shall be conducted by Lessee. Minor maintenance work is permitted, but is limited to exchange of parts and routine maintenance pursuant to FAA regulations. Lessee shall maintain the Premises in a neat and clean condition and shall not use, or permit the use of, the Premises other than as described above and herein. Noncompliance by Lessee with this Use provision is grounds for termination of this Lease.

4. TERM

The term of this Lease shall be for five (5) years commencing on the date of this Lease, written above, and terminating on the fifth anniversary thereof.

5. OPTION TO RENEW

Lessee has the option, subject to County's written approval, to renew this Lease for one (1) term of five (5) years. If said renewal option is exercised by the Lessee, all terms and conditions of this Lease shall remain in place, except for any rental rate adjustments, as detailed herein. The County may exercise the right to not renew this Lease at the end of the first term if the County determines that the continuance is not mutually beneficial, or if the County needs the Premises strictly for airport related purposes. Lessee shall notify County of its desire to exercise its option to renew by providing written notice not less than one hundred twenty (120) days in advance of expiration of the initial 5-year term. If the option to renew is exercised, rent shall be consistent with Section 6. In no event shall the rental rate for any five year period be less than the applicable rental rate for the preceding five-year period.

6. RENT

Lessee agrees to pay County as rental for the Premises, without prior notice or demand, the amount of \$ [REDACTED] per month. Lessee has the option to pay rent in advance on a minimum of a 3-month increment, or on an annual basis in the amount of [REDACTED] (\$ [REDACTED]). Any prepayment of rent for less than a 3-month basis will not be accepted by County.

On the anniversary of the commencement date, the rent for the ensuing year shall increase by the greater of two percent (2%) or the percentage increase in the All Urban Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area, as reported by the U.S. Department of Labor for the period immediately preceding the adjustment date. At no time shall the increase in any year exceed five (5%) percent. Rental payments shall be delivered to

the address specified in this Lease for giving notices to County. There shall be no waiver of rent for the term of this Lease, regardless of the operational status of the Airport or its facilities.

The rent check shall be made payable to the “*County of Marin*” with reference to “Gross Field, Ground Lease, Site No. [REDACTED]”, and sent to:

Marin County Central Collections
County of Marin Civic Center – Room 217
P.O. Box 4220
San Rafael, CA 94913-4220

Central Collections shall bill Lessee on the tenth (10th) day of each month and rent shall be due and payable on or before the first (1st) day of each calendar month. A five-day grace period for received payments shall be applied to this Lease, and any payment received after the fifth (5th) day of each month shall be deemed as “late” and subject to a late charge as described in Section 7 herein.

7. FAILURE TO PAY MONTHLY RENT OR ADDITIONAL RENT; LATE CHARGE

If Lessee fails to pay rent due hereunder at the time due and payable, such unpaid amounts shall bear interest at the rate of eight percent (8%) per month from the date due to the date of payment. The payment of such interest shall not constitute a waiver of any default by Lessee hereunder. Non-payment of more than 30 days after the anniversary date constitutes breach of contract and County may elect to terminate the Lease accordingly.

8. SECURITY DEPOSIT

Lessee shall deposit with County upon Lessee’s execution hereof a Security Deposit in the amount of [REDACTED] equal to one month’s rent (\$[REDACTED].00) as security for Lessee’s faithful performance of Lessee’s obligations under this Lease. County may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due County or to reimburse or compensate County for any liability, cost, expense, loss or damage which County may suffer or incur by reason thereof. If County uses or applies all or any portion of said Security Deposit, Lessee shall, within ten (10) days after written request therefore, deposit monies with County sufficient to restore said Security Deposit to the full amount required by this Lease. County shall not be required to keep all or any part of the Security Deposit separate from its general accounts. County shall, at the expiration or earlier termination of the term hereof, and after Lessee has vacated the Premises, return to Lessee that portion of the Security Deposit not used or applied by County. No part of the Security Deposit shall be considered to be held in trust, to bear interest or other increment for its use, or to be prepayment for any monies to be paid by Lessee under this Lease.

9. SPECIAL CONDITIONS

- a. Lessee agrees to disclose to Airport Manager all aircraft Lessee has caused to locate on the Premises. Lessee shall be financially responsible for any such aircraft and for any other accessories permitted onto the Premises.
- b. Lessee shall furnish to County, in advance of arrival of any aircraft, evidence of financial responsibility in the minimum insurance requirements as outlined in Section 15 of this Lease.
- c. Lessee agrees that County is not responsible for moving or securing either the aircraft or aircraft hangar, and all aircraft shall remain the responsibility of Lessee at all times.
- d. Lessee shall store aircraft only within the specific area of the Premises as specified in Section 2(e.). Any aircraft that Lessee stores outside the Premises shall be at locations assigned by the Airport Manager, which may be changed if the Airport Manager finds it necessary due to airport operational requirements, which includes periodic and preventative maintenance, public safety or FAA regulations.
- e. The hangar, and all of the Premises, must be used for an aeronautical purpose, however, non-aeronautical items may be stored inside the hangar provided the items do not interfere with the primary aeronautical use of the hangar.
- f. Lessee shall be liable for any damage to County's property and/or other stored aircraft and property arising from Lessee's activities, including, but not limited to, the carrying on of unauthorized activities within the Premises or the storage of flammables in a hangar and/or aircraft other than fuel in the aircraft tanks.
- g. Lessee shall abide by airport security regulations and cooperate with the County in the enforcement and implementation thereof.
- h. County shall supply Lessee with one (1) Gate Key at commencement of the Lease. Any additional gate keys or replacement gate keys will be charged at \$25 per key. In the event Lessee loses any Airport key, Lessee must report the key as lost or stolen within 24 hours of such knowledge to the Airport Manager.
- i. Lessee will conduct all operations in compliance with the current "Storm Water Pollution Prevention Plan" in effect at the Airport as advised by the Airport Manager.

j. No vehicle shall be stored on the Property without written permission from the Airport Manager, except for the duration of aircraft flights conducted by Lessee.

k. In the event of homebuilt aircraft under construction, progress of construction must be demonstrated to the satisfaction of the Airport Manager each six (6) calendar months.

l. Lessee shall notify the Airport Manager within thirty (30) days of transaction of sale or relocation of the aircraft of record on this Lease. Failure to register an aircraft to this Lease within thirty (30) days of this transaction will be cause for County to terminate this Lease.

m. Lessee shall not park or allow guests to park in any manner to obstruct neighboring tie-down spaces, hangar doors, taxi-paths or any common use areas. If a vehicle is parked in such a manner, County shall have the right to tow the vehicle, without notice, at Lessee's expense.

n. Lessee shall abide by and support security efforts of the Airport. This shall include safeguarding of gate access codes and cooperation with on-site security officers. Provisions of such security measures shall be at the discretion of the County. All security threats are to be reported to the Airport Manager as soon as possible.

o. Lessee agrees to ensure that aircraft repair and maintenance only occurs within the Premises and further agrees to limit such repair to the aircraft of record and to such repair as the Lessee is authorized to perform him/herself by FAA regulations; and that any further repairs will not be performed within the Premises by any person that is not authorized to conduct such work or repairs by a valid concession agreement with the Airport Manager.

p. Lessee shall abide by all fire codes and regulations, including maintaining functional fire extinguisher on the Premises and agrees not to cause structural or other damage to the Airport including surfaces, paving, landscaping, buffer areas, or detract from clean and orderly appearance of the Airport or Premises.

q. Lessee has been informed that all aircraft stored on the Premises shall be assessed applicable personal property tax against the Lessee by the County.

r. Should no aircraft inhabit the Premises, County shall allow a one (1) month grace period as an effort to ensure the Premises is utilized for its intended purpose, being aircraft storage and aeronautical purposes.

10. MAINTENANCE OF PREMISES

This Lease shall be considered a “Net Lease” with Lessee responsible and liable for any and all maintenance, repairs, improvements and operation of the Premises, including those improvements and personal property owned by the County, as well as trade fixtures and personal property owned by Lessee.

Lessee shall be responsible and liable for any damage to the Premises caused by Lessee’s use including but not limited to damage to unsealed floors due to fuel or other spillage, and damage caused by Lessee. Lessee shall be responsible for and shall provide for the security of the Premises, and County shall have no responsibility therefor.

Lessee shall pay all costs associated with and have full responsibility for the operation and maintenance of its improvements, including trash removal services on the Premises. The leased Premises shall not be enlarged, filled-in or changed in any way without prior written consent of County and Lessee may request said written consent by notification per Section 1 – Administration. Operation and maintenance services shall be conducted at a level necessary to maintain the Premises in a clean and orderly condition.

If Lessee refuses or neglects to repair, replace, or maintain the Premises, or any part thereof, in a manner reasonably satisfactory to County, County shall have the right, upon giving Lessee reasonable written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Lessee. If County makes or causes any such repairs to be made or performed, as provided for herein, Lessee shall pay the cost thereof to County as additional rent, or from Security Deposit, in accordance with Section 8, promptly upon receipt of an invoice therefor.

11. UTILITIES

Installation, connection and maintenance of electrical service (Pacific Gas and Electric) from the main source to the Premises (including meter) shall be the sole responsibility and cost of Lessee. Any and all related service charges and repairs shall be the responsibility of Lessee.

12. RIGHT OF FLIGHT

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 Premises, together with the right to cause such noise as may ensue from the operation of aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Airport grounds.

13. EXCLUSIVE RIGHTS

It is understood and agreed that nothing contained herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of federal law, regulations or federal grant assurances executed by County.

14. NONINTERFERENCE WITH LANDING AND TAKING OFF

By accepting this Lease, Lessee 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 take off of aircraft from the Airport or otherwise constitute a hazard to air navigation or use of the Airport. In the event the aforesaid covenant is breached, County reserves all right in law and County expressly reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of the Lessee.

15. INSURANCE

Lessee shall fully insure all tenant improvements relating to the Premises for Fire, Extended Coverage and Special Extended Coverage (All Risk). Such insurance shall be at full replacement cost with a deductible not to exceed \$1,000 per claim.

Lessee shall, at Lessee's expense, during the term hereof carry commercial general liability insurance including contractual liability, products liability and fire damage legal liability covering the Premises and naming County, its officials, employees and volunteers as additional insured's. Such insurance shall be in an amount of not less than \$1,000,000 per occurrence. The limit of said insurance shall not, however, limit the liability of the Lessee hereunder.

In the event Lessee subleases any part, or all, of the hangar, Lessee, at Lessee's own cost and expense shall also maintain hangar keepers' legal liability insurance with a limit equal to the replacement cost of aircraft in Lessee's car, custody and control.

Lessee shall deliver policies of such insurance or certificates and relevant additional insured endorsements thereof to County on or before the commencement date and thereafter at least thirty (30) days before the expiration dates of expiring policies.

If applicable, Lessee shall also carry Worker's Compensation insurance and employer's liability insurance as per statutory requirements.

All insurance policies cited herein shall contain a waiver of subrogation rights with respect to the County.

Lessee's insurance shall be effected under policies issued by insurers licensed to do business in the State of California and with general policy holder's rating of at least A and financial rating of at least VIII as rated by A.M. Best's Insurance Reports.

Lessee's insurance shall provide that County shall receive thirty (30) days' written notice from the insurer prior to any cancellation or reduction in limits of liability.

16. POSSESSORY INTEREST

Lessee acknowledges that it has been informed that under Section 107 of the Revenue and Taxation Code of the State of California, the Marin County Assessor is required to place a value on all possessory interests. Possessory interest is defined as the right of a private taxable person or entity to use property owned by a tax-exempt agency for private purposes. A possessory interest tax will, therefore, be levied by the County Assessor on this Premises against the Lessee as of the lien date, which is January 1 of each year. Lessee has the right to challenge the Assessor's value through the Assessor's appeal process. Lessee's failure to pay said tax will be considered a default to be cured per Section 27.

17. ALTERATIONS AND IMPROVEMENTS

Lessee accepts the Premises "as-is". The cost of any repairs, maintenance or modifications which may be required to be constructed within the Premises shall be borne by Lessee. Lessee shall hire only licensed and insured contractors acceptable to the County, and shall submit plans for construction to County for review and approval prior to proceeding with construction. Lessee shall not make or allow to be made any further alterations or physical additions in or to the lease Premises without the prior written consent of County. Any and all such alterations, physical additions or improvements to the Premises shall be surrendered to the County upon termination of this Lease, by lapse of time or otherwise; provided however, this clause shall not apply to moveable equipment, trade fixtures, or personal property of Lessee which may be required by County to be removed by Lessee, at its sole expense, at the end of the term of this Lease.

In no event shall any permanent improvements or alterations be made or approved that in any way interferes with the County's use of the Property.

18. TRADE FIXTURES

Upon termination or expiration of this Lease, Lessee, at its sole expense, shall remove from the Premises any and all signs, trade fixtures, furnishings, personal property, equipment and materials which Lessee, or Lessee's predecessor, has permitted to install or maintain pursuant to this Lease, including but not limited to, the removal of any hazardous materials. Lessee shall be obligated to surrender and deliver possession of the Premises free and clear of all trade fixtures and if Lessee fails to do so within 90 days, then County may effect such removal and restoration at Lessee's expense, and Lessee agrees to reimburse County such expense promptly upon receipt of an invoice therefor.

19. COVENANT FOR MECHANIC'S LIENS

Lessee will hold County free and harmless, and indemnify it against any and all claims for labor and materials in connection with any improvements, repairs, or alterations to the Premises made by Lessee and also the cost of defending against any and all such claims including reasonable attorneys' fees and court costs.

20. WASTE, QUIET CONDUCT

Lessee shall not dispose of, or store, any waste, including but not limited to hazardous waste, upon said Premises, nor commit, or suffer to be committed any nuisance, or other act or thing which may disturb the quiet enjoyment of others. Lessee shall not use nor permit the use of the Premises in any manner that will tend to create waste or a nuisance. Likewise, Lessee, by paying said rent and performing the conditions and agreements under this Lease, shall and may at all times during the said term peaceably and quietly have, hold and enjoy the Premises according to the terms and conditions set forth in this Lease.

21. ABANDONMENT OF PREMISES

Lessee shall not vacate or abandon the Premises at any time during the term; and if Lessee abandons, vacates or surrenders said Premises, or is dispossessed by process of law or otherwise, any trade fixtures and personal property belonging to Lessee and left on the Premises shall remain to be Lessee's legal and financial responsibility to remove and, at the option of County if Lessee fails to do so itself, be removed per Section 38 at Lessee's sole expense.

22. ACCEPTANCE OF PREMISES AS IS, SURRENDER AT END OF TERM

Except as otherwise provided in Section ___, by entry hereunder, Lessee accepts the Premises "as-is" and being in good and sanitary order, condition and repair and agrees on the last day of said term, or upon sooner termination of this Lease, to surrender unto County said Premises in the same condition as when received, reasonable use and wear thereof, Act of God or by the elements excepted. Notwithstanding, Lessee agrees that it shall remove all trade fixtures as defined in Section 18 upon termination of this Lease. County will conduct a site inspection to assess and document the Premises condition prior to the Lessee taking possession.

23. COUNTY TO BE HELD HARMLESS

Lessee shall indemnify and hold County harmless against and from any and all claims arising from Lessee's use of Premises or from any activity, work, or other things done, permitted or suffered by the Lessee in or about the Premises, and shall further indemnify and hold County harmless against and from any and all claims arising from any breach or default in the performance of any obligation on Lessee's part to be performed under the terms of this Lease, or arising from any act or negligence of the Lessee, or any officer, agent, employee, guest or

invitee of Lessee, and from all and against all cost, attorney's fees, expenses and liabilities incurred in or about any such claim or any action or proceeding brought thereon, and, in any case, should action or proceeding be brought against County by reason of any such claim, Lessee upon notice from County shall defend the same at Lessee's expense by counsel reasonably satisfactory to County. Lessee as a material part of the consideration to County hereby assumes all risk of damage to property or injury to persons, in, upon or about the Premises, from any cause other than County's negligence.

County or its agents shall not be liable for any damage to property entrusted to its employees, nor for loss or damage to any property by theft or otherwise, nor for any injury to or damage to persons or property resulting from flood, fire, explosion, steam, gas, electricity, water or rain which may leak into any part of the Premises or from the street or subsurface or from any other place resulting from any cause whatsoever, unless caused by or due to the negligence of County, its agents, servants or employees. Lessee shall give prompt notice to County in case of fire or accidents on the Premises.

24. CONDEMNATION

If all or any part of the Premises shall be taken or appropriated for public or quasi-public use by right of eminent domain with or without litigation or transferred by agreement in connection with such public or quasi-public use, either party hereto shall have the right at its option exercisable within thirty (30) days of receipt of notice of such taking to terminate this Lease as of the date possession is taken by the condemning authority, provided, however, that before Lessee may terminate this Lease by reason of taking or appropriation as provided hereinabove, such taking or appropriation shall be of such an extent and nature as to substantially handicap, impede, or impair Lessee's use of the Premises. If any part of the Premises shall be so taken or appropriated, County shall have the right at its option to terminate this Lease. No award for any or entire taking shall be apportioned, and Lessee hereby assigns to County any award which may be made in such taking or condemnation, together with any and all rights of Lessee now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give County any interest in or to require Lessee to assign to County any award made to Lessee for the taking of personal property and fixtures belonging to Lessee and/or for the interruption of or damage to Lessee's improvements or for Lessee's unamortized cost of leasehold improvements. In the event of a partial taking, which does not result in a termination of this Lease, rent shall be abated in the proportion which the part of the Premises so made unusable bears to the rented area of the Premises immediately prior to the taking. No temporary taking of the Premises and/or of Lessee's rights therein or under this Lease shall terminate this Lease or give Lessee any right to any abatement of rent hereunder; any award made to Lessee by reason of any such temporary taking shall belong entirely to Lessee and County shall not be entitled to share therein.

25. ENTRY BY COUNTY

Lessee shall permit County and County's agents to enter onto the Premises at any time on at least one (1) business day notice (except in case of emergency in which case no pre notice shall be required).

Lessee shall permit Fire Marshal and/or County to enter upon and inspect the Premises for reasonable purposes after providing reasonable notice of intent to inspect, further, to make any and all corrections of violations required by the Airport Manager and/or local fire inspectors with ten (10) days of notice of such violation. Refusal by Lessee to provide access to all areas of the Premises shall be considered a material breach of the Lease and grounds for immediate termination.

26. ASSIGNMENT OR SUBLETTING

Lessee shall not either voluntarily or by operation of law assign, sublease, mortgage, encumber, or otherwise transfer (collectively, a "Transfer") all or any portion of the Premises or its interest in this Lease without County's prior written consent. County may withhold its consent at its sole discretion. No Transfer shall release Lessee or change Lessee's primary liability to pay the rent and to perform all other obligations of Lessee under this Lease. County's acceptance of rent from any other person is not a waiver of any provision of this Section 26. Consent to one Transfer is not consent to any subsequent Transfer. Any such Transfer without such consent shall be void, and shall, at the option of the County, constitute a default under this Lease. If Lessee's transferee defaults under this Lease, County may proceed directly against Lessee without pursuing remedies against the transferee.

As used herein, the term "Transfer" shall include, but is not limited to, (i) an arrangement (including without limitation management agreements, concessions, and licenses) that allows the use and occupancy of all or part of the Premises by anyone other than Lessee, and (ii) the transfer of any stock or interest in Lessee as a corporation, partnership or other business entity which, in the aggregate, exceeds twenty-five percent (25%) of the total ownership interest in Lessee.

27. REMEDIES UPON DEFAULT

In the event of any material default or breach by Lessee, County may at any time thereafter, with or without notice or demand and without limiting County in the exercise of a right or remedy which County may have by reason of such default or breach:

a. Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Premises to County. In such event County shall be entitled to recover from Lessee all costs and damages incurred by necessary renovation and alteration of the Premises, including reasonable attorney's fees.

b. Maintain Lessee's right to possession, in which case this Lease shall continue in effect whether or not Lessee shall have abandoned the Premises. In such event, County shall be entitled to enforce all of County's right and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

c. Pursue any other remedy now or hereafter available to County under the laws or judicial decision of the State in which the Premises are located.

28. DEFAULT

In the event that County or Lessee shall default in the performance of any term or condition of this Lease and shall fail to cure such default within 30 days following service upon the defaulting party of a written notice of such default specifying the default or defaults complained of, the complaining party may forthwith terminate this Lease by serving the defaulting party written notice (per Section 1, Administration) of such termination.

29. HOLDING OVER

Upon expiration or termination of this Lease, there shall be no holding over without the express written consent of County. Any holding over so granted after the term of this Lease shall be construed to be a tenancy from month-to-month, subject to the terms of this Lease so far as applicable.

30. COUNTY' S LIABILITY

The term "County" as used herein shall mean only the owner or owners of the fee title, at the time in question, and in the event of any transfer of such title, County herein named (and in case of any subsequent transfers, the then Grantor) shall be relieved from and after the date of such transfer, of all liability as respects County's obligations thereafter to be performed, provided that any funds in the possession of County or the then Grantor at the time of such transfer in which County has an interest, shall be delivered to Grantee. The obligations contained in this Lease to be performed by County shall, subject as aforesaid, be binding on County's successors and assigns only during their respective periods of ownership.

31. INUREMENT

The terms, covenants and conditions of this Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

32. COMPLIANCE WITH LAW

Lessee shall comply with the requirements of all State and Federal and local laws and regulations now in force, or which may hereafter be in force, pertaining to the Premises, and shall faithfully observe in the use of the Premises all State, Federal and local laws and regulations now in force or which may hereafter be in force. The judgment of any court of competent jurisdiction or the admission of Lessee in any action or proceeding against Lessee, whether County is a party thereto or not, that Lessee has violated any such law in the use of the Premises, shall be conclusive of that fact as between County and Lessee.

As part of the requirements of the above paragraph, Lessee agrees to abide by Marin County Codes, Chapter 23.19 (Integrated Pest Management Policy). If there is a conflict with

another code or law then the more restrictive language will control.

33. CERTIFIED ACCESS SPECIALIST DISCLOSURES

Pursuant to California Civil Code Section 1938, the Premises has not been inspected by a Certified Access Specialist (“CASp”) - a CASp can inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, County may not prohibit the Lessee from obtaining a CASp inspection of the Premises for the occupancy by Lessee. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

Lessee agrees to notify County immediately if Lessee receives notification or otherwise becomes aware of: (a) any condition or situation on, in, under, or around the Premises or Airport that may constitute a violation of any access laws; or (b) any threatened or actual lien, action, or notice that the Premises or Airport is not in compliance with any access laws. If Lessee is responsible for such condition, situation, lien, action or notice under this paragraph, Lessee’s notice to County shall include a statement as to the actions Lessee proposes to take in response to such condition, situation, lien, action, or notice.

Lessee will not alter the Premises in any manner that would violate any access laws or increase County’s responsibilities for compliance with access laws, without the prior approval of the County. In connection with any such approval, County may require a certificate of compliance with access laws from an architect, engineer, or other person acceptable to County. Lessee agrees to pay the reasonable fees incurred by such architect, engineer, or other third party in connection with the issuance of such certificate of compliance. County’s consent to any proposed Lessee alteration shall (a) not relieve Lessee of its obligations or indemnities contained in this paragraph or this Lease or (b) be construed as a warranty that such proposed alteration complies with any access law.

34. COUNTY'S RIGHT

It is further understood and agreed by Lessee that County’s rights to the Property are paramount to this Lease. Lessee shall in no way interfere, or permit or tolerate interference with County’s right to use, access or possess the Property. It is the desire of both County and Lessee to maintain the capability to construct, repair, maintain and operate the Premises as necessary for Airport purposes.

County reserves the right to further develop or improve the landing area of the Airport as it seems fit, regardless of the desires or views of the Lessee and without interference or hindrance from Lessee. County reserves the right, but without obligation to Lessee, to maintain and keep in

repair the landing areas of the airport and all publicly owned facilities within the Property, together with the right to direct and control all activities of Lessee in this regard.

Additionally, County reserves the right to temporarily close the Airport or any facilities thereon for maintenance, improvement or for the safety of the public.

35. AGREEMENT SUBJECT TO U.S. GOVERNMENT ACQUISITION, CONTROL

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

36. DAMAGE TO IMPROVEMENTS

While using, operating, maintaining and/or improving the Property, County will take reasonable care to not damage any personal property, trade fixtures or improvements which may be placed on the Premises by Lessee. However, if damages occur either by an act of God or County, then County shall not be obligated in any way to repair or replace any of Lessee's property and it shall become the obligation of Lessee to make said repairs should it become necessary.

37. NO RELOCATION BENEFITS

This Lease creates no rights under California Government Code Sections 7260 to 7277 or the Federal Uniform Relocation Assistance Act for Lessee to receive relocation assistance upon termination of this Lease.

38. REMOVAL OF PROPERTY

Unless otherwise agreed to in writing by County, or specifically provided for in this Lease, Lessee agrees that there are and shall be no trade fixtures installed or operated on the Premises except those which are consistent with and necessary for the use of Premises as provided for, permitted and set forth in this Lease. Upon expiration or earlier termination of this Lease, Lessee shall remove its trade fixtures, personal property, and equipment immediately, including but not limited to aircraft hangars or other personal property on the Premises, restore the Premises to its original condition per Section 22 of this Lease and repair all damage caused by or resulting from such removal. After vacating the Premises, any property owned by the Lessee that is left on the Premises for more than twenty (20) business days will become the possession of the County and/or may be removed by the County at the Lessee's expense.

39. HAZARDOUS SUBSTANCES

As used in this Lease, the term "Environmental Law(s)" means any past, present or future federal, state or local Law relating to (a) the environment, human health or safety, including, without limitation, emissions, discharges, releases or threatened releases of Hazardous Substances (as defined below) into the environment (including, without limitation, air, surface water, groundwater or land), or (b) the manufacture, generation, refining, processing, distribution, use, sale, treatment, receipt, storage, disposal, transport, arranging for transport, or handling of Hazardous Substances. As used in this Lease, the term "Hazardous Substances" means and includes any hazardous or toxic materials, substances or wastes as now or hereafter designated or regulated under any Environmental Laws including, without limitation, asbestos, petroleum, petroleum hydrocarbons and petroleum based products, urea formaldehyde foam insulation, polychlorinated biphenyls ("PCBs"), and freon and other chlorofluorocarbons.

Neither Lessee, Lessee's agents, employees, contractors, nor any other person shall store, place, generate, manufacture, refine, handle, or locate on, in, under or around the Property, any common areas or any other portion of the Airport any Hazardous Substance, except for storage, handling and use of reasonable quantities such as those materials prepackaged for direct distribution to consumers, Lessee shall not cause or permit any Hazardous Substance to be brought upon, kept or used in or about the Premises. Lessee agrees that (a) the storage, handling and use of such permitted Hazardous Substances must at all times conform to all Governmental Requirements and to applicable fire, safety and insurance requirements; (b) the types and quantities of permitted Hazardous Substances which are stored in the Premises must be reasonable and appropriate to the nature and size of Lessee's operation on the Premises and reasonable and appropriate for the same or similar use and in the same market area as the Premises; and (c) no Hazardous Substance shall be spilled or disposed of on, in, under or around the Premises or otherwise discharged from the Premises or any area adjacent to the Premises.

Lessee acknowledges full and complete responsibility for any and all costs associated with the removal and disposal of all Hazardous Substances located on the Premises, any common areas or any other portion of the Airport as a result of Lessee's actions, whether discovered during the term of the Lease, or subsequent termination of this Lease. In no event will Lessee be permitted to store, handle or use on, in, under or around the Premises, any common areas or any other portion of the Airport any Hazardous Substance which will increase the rate of fire or extended coverage insurance on the Premises, any common areas or any other portion of the Airport, unless: (1) such Hazardous Substance and the expected rate increase have been specifically disclosed in writing to County; (2) Lessee has agreed in writing to pay any rate increase related to each such Hazardous Substance; and (3) County has approved in writing each such Hazardous Substance, which approval shall be subject to County's discretion.

To the fullest extent permitted by law, Lessee agrees to indemnify, protect, defend and hold harmless County and County's officers, directors, employees, agents, contractors, successors and assigns from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including, without

limitation, laboratory testing fees, personal injury claims, environmental consultant fees, clean-up, removal, remediation and restoration costs, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees and court costs) which arise or result from the presence of Hazardous Substances on, in, under or about the Premises, the common areas or any other portion of the Airport and which are caused or permitted by Lessee or any of Lessee's agents, employees, or contractors. Lessee agrees that County may be irreparably harmed by Lessee's breach of this paragraph and that a specific performance action may appropriately be brought by County; provided that, County's election to bring or not bring any such specific performance action shall in no way limit, waive, impair or hinder County's other remedies against Lessee.

40. ATTORNEY'S FEES AND EXPENSES

In the event that (a) either party requires the services of an attorney in connection with enforcing the terms of this Lease, (b) suit is brought for the enforcement of this Lease or the exercise of rights and remedies afforded by this Lease or under law, or (c) proceedings are held in bankruptcy, then each party shall bear its own attorney's fees, expenses, and court costs, including those relating to any appeal.

41. NO ACCORD AND SATISFACTION

No payment by Lessee or receipt by County of an amount less than the Rent specified in Section 6 or Fees specified in Sections 7 and 8, or any other sum due and payable under this Lease shall be deemed to be other than a payment on account of the Rent, Fees or other such sum, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, nor preclude County's right to recover the balance of any amount payable or County's right to pursue any other remedy provided in this Lease or at law.

42. SUCCESSORS; JOINT AND SEVERAL LIABILITY

Subject to Section 26, captioned "Assignment or Subletting", all of the covenants and conditions contained in this Lease shall apply to and be binding upon County and Lessee and their respective heirs, executors, administrators, successors and assigns. In the event that more than one person, partnership, company, corporation or other entity (such as Trustee under a Trust Agreement) is included in the term "Lessee", then each such person, partnership, company, corporation or other entity shall be jointly and severally liable for all obligations of Lessee under this Lease.

43. CHOICE OF LAW

This Lease shall be construed and governed by the laws of the state of California. Lessee consents to County's choice of venue for any legal proceeding brought by County or Lessee to enforce the terms of this Lease.

44. NO WAIVER OF REMEDIES

The waiver by County of any covenant or condition contained in this Lease shall not be deemed to be a waiver of any subsequent breach of such covenant or condition nor shall any custom or practice which may develop between the parties in the administration of this Lease be construed to waive or lessen the rights of County to insist on the strict performance by Lessee of all of the covenants and conditions of this Lease. No act or thing done by County or County's Agents during the Lease Term shall be deemed an acceptance or a surrender of the Premises, and no agreement to accept a surrender of the Premise shall be valid unless made in writing and signed by County. The mention in this Lease of any particular remedy shall not preclude County from any other remedy it might have, either under this Lease or at law, nor shall the waiver of or redress for any violation of any covenant or condition in this Lease prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by County of Rent, Fees or any other sum payable under this Lease with knowledge of a breach of any covenant or condition in this Lease shall not be deemed a waiver of such breach. The failure of County to enforce any of the conditions to this Lease against Lessee shall not be deemed a waiver. Any waiver by County must be in writing and signed by County to be effective.

45. NONDISCRIMINATION

The Lessee, its officers, employees, representatives, successors in interest, and assigns, as a part of the consideration hereof, do hereby covenant and agree that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination, (3) that the Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, 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.

That in the event of breach of any of the above nondiscrimination covenants, County shall have the right to terminate the Lease and to re-enter and as if said Lease had never been made or issued. The provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights.

46. GRIEVANCES.

The Department of Public Works shall investigate all complaints against Lessee by members of the public. If the department finds that the complaint is justified, it may direct Lessee to take such reasonable action as necessary to rectify the complaint or prevent its recurrence.

47. SURVIVAL OF OBLIGATIONS

Notwithstanding anything contained in this Lease to the contrary or the expiration or earlier termination of this Lease, any and all obligations of either party accruing prior to the expiration or termination of this Lease shall survive the expiration or earlier termination of this Lease, and either party shall promptly perform all such obligations whether or not this Lease has expired or terminated. Such obligations shall include any and all indemnity obligations set forth in this Lease.

48. ENTIRE AGREEMENT

This Lease contains all agreements of the parties hereto with respect to any matter covered or mentioned in this Lease and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

49. SEPARABILITY

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way effect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

50. HEADINGS

The marginal headings and Section titles to the paragraphs of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, on the day and year first above written, the parties hereto have caused this Lease to be executed.

COUNTY:

COUNTY OF MARIN

President, Board of Supervisors

Attest:

Approved as to form.

Deputy Clerk

County Counsel

LESSEE:

By: _____

Date: _____

Name: _____

Title: _____