MONTGOMERY-GIBBS EXECUTIVE AIRPORT
FLAT RATE MEMORANDUM OF UNDERSTANDING

Between

CITY OF SAN DIEGO,
ECONOMIC DEVELOPMENT DEPARTMENT

And

CITY OF SAN DIEGO, POLICE DEPARTMENT

9225-9265 AERO DRIVE, SAN DIEGO, CA 92123

CITY OF SAN DIEGO
INTERDEPARTMENTAL MEMORANDUM OF UNDERSTANDING

THIS CITY OF SAN DIEGO INTERDEPARTMENTAL MEMORANDUM OF UNDERSTANDING ("MOU") is made by and between the City of San Diego Economic Development Department ("EDD"), and the City of San Diego's Police Department ("SDPD" or the "Occupying Department"), to be effective as of July 1, 2024 (the "Effective Date"). EDD and SDPD may be collectively referred to in this MOU as the "Departments" and each individually as a "Department."

RECITALS

A. The City of San Diego ("City") owns the real property located at **9225-9265 Aero Drive, San Diego, California**, more specifically described in **Exhibit A** ("Property"), which is an asset managed and operated by EDD in connection with the Montgomery-Gibbs Executive Airport (the "Airport").

B. SDPD has occupied the Property pursuant to a Memorandum of Agreement, effective as of July 1, 1999 ("MOA"). The MOA expired on June 30, 2024. SDPD desires to continue to occupy the Property, and EDD desires that SDPD continue to occupy the Property

C. WHEREAS, as a result of FAA grant assurances to the Airport (the "Grant Assurances"), and other applicable regulations pertaining to the management and use of public airports in the National Plan of Integrated Airports Systems, EDD is required to obtain fair market value for use of the Property for all non-aeronautical activities, even if such use is by another City department; and

D. WHEREAS, this MOU is intended to clarify the terms under which the Occupying Department will occupy and use a portion of the Property, including the rent to be paid, the term of the use and occupancy, and the responsibilities for maintenance and compliance with the Grant Assurances; and

NOW THEREFORE, EDD and SDPD agree as follows:

1. Premises. Pursuant to the terms of this MOU, the Occupying Department shall have the right to use and occupy that the entirety of the Property (which is approximately 205,725 square feet), including site improvements, hereinafter referred to as the "Premises," as described in **Exhibit A** and depicted on **Exhibit B**.

2. Term. The term of this MOU shall be ten (10) years effective as of the Effective Date and ending on June 30, 2034 ("Termination Date") unless terminated sooner as provided herein ("Term").

3. Term Extension Options. The Departments may agree to extend the MOU for two (2) five (5)-year terms ("First Term Option" and "Second Term Option"), subject to all original agreements, considerations, covenants and conditions of this MOU. To exercise each of the First Term Option or the Second Term Option, the Departments will meet to discuss if

extending the MOU is in the best interest of the City at least six (6) months prior to the Termination Date (as extended, as applicable).

4. Termination. This MOU may be terminated upon one hundred eighty (180) days' prior written notice by either party (specifically, Director of EDD or Chief of SDPD), with or without cause.

5. Holdover. If Occupying Department continues to occupy the Premises after the expiration Date, such occupancy shall not constitute a renewal or extension of this MOU. Occupying Department may not occupy the Premises after the Expiration Date without EDD's consent, which shall not be unreasonably withheld. Occupying Department's occupancy of the Premises after the Expiration Date with EDD's consent shall be a month-to-month tenancy and all other terms and conditions of this MOU shall continue in full force and effect, except that EDD may then demand and receive Base Rent from Occupying Department equal to 150% of the Base Rent owed under this Lease for the month immediately prior to the commencement of the holdover tenancy.

6. Allowed Use. SDPD is authorized to use the Premises exclusively for operating its Eastern Substation, Traffic Division, and other related uses. EDD agrees that it will not unreasonably interfere with Operating Department's use of the Premises. Further, the Occupying Department will ensure that its employees, contractors, agents, and all others using, entering onto or occupying the Premises, as part of the Occupying Department's use and occupancy of the Premises will conform to the FAA covenants and reservation of rights set forth in **Exhibit C**.

7. Rent. On or before the first day of each month of the Term, the Occupying Department shall pay a monthly flat rate rent of Forty-Eight Thousand Dollars ($48,000.00) "Rent". The obligation to pay Rent shall commence on the Effective Date.

On each anniversary of the Effective Date, the Rent will be increased by three percent (3%). The monthly Rent amounts for the first nine (9) years of the Term shall be as follows:

Year	**Monthly Rent**
Year 2	$49,440
Year 3	$50,923
Year 4	$52,451
Year 5	$54,024
Year 6	$55,645
Year 7	$57,315
Year 8	$59,034
Year 9	$60,805

In addition to the annual three percent (3%) rent adjustments, on the 10-Year anniversary of the Effective Date and every ten years thereafter (each, a "Market Value Adjustment Date"), EDD shall adjust the rent in accordance with a "Market Value Adjustment," defined and calculated as follows:

(a) The process to determine the Market Value Adjustment, by qualified EDD staff or an outside appraiser retained by EDD, shall commence one hundred eighty (180) days prior to the Market Value Adjustment Date.
(b) EDD shall use a rental comparison approach or similar methodology that compares like properties to determine the Market Value Adjustment. After determining the Market Value Adjustment, EDD shall notify the Occupying Department in writing of the new Rent rate.
(c) In no event shall the Rent, adjusted by the Market Value Adjustment, be less than the Rent in existence immediately prior to the Market Value Adjustment Date.
(d) The Rent, as adjusted by the first Market Value Adjustment, shall be effective as of July 1, 2034 (the "Market Value Adjustment Date").

Rent for any additional space in the Property that the Occupying Department desires to occupy and use shall be set by appraised market value and incrementally adjusted in the same manner as Rent set forth in this Section 4.

8. Accident Reports. The Occupying Department shall immediately report (via phone or email) to EDD any accidents causing property damage or injury to persons on the Premises or otherwise related to the Allowed Use. The Occupying Department shall deliver a copy of any report it must complete and submit pursuant to City policy.

9. [RESERVED].

10. Insurance and General Liability. The Occupying Department, as part of the City, is self-insured and will provide a letter so stating upon request by EDD. If the Occupying Department causes damage to the Premises or the Property or is otherwise liable for injury to persons or property related to this MOU, no funds used to pay for such damage or liability shall be derived from the Airport Enterprise Fund.

11. Improvements / Alterations. The Occupying Department agrees to take the Premises in its "As-Is" condition. The Occupying Department will not make any alterations, or construct any improvements, structures, or installations on the Premises without obtaining EDD's prior written consent. EDD will not be required to construct any other improvements, structures, or installations on the Premises in connection with this MOU.

12. Maintenance. As and between the Department, the maintenance of the Property and Premises will be as follows:

a. The Occupying Department will be responsible for maintaining, in good operating condition and repair, all structural components of the Premises and the Property throughout the term of this MOU.

b. The Occupying Department will, to EDD's satisfaction, maintain the Premises in a decent, safe, healthy and sanitary condition at all times. All applicable codes and standards of state and federal agencies shall be observed.

13. Improvements/Alterations. The Occupying Department will not make any alterations, or construct any improvements on or in the Premises without obtaining EDD's prior written consent. EDD will not be required to construct any other Improvements on or in the Premises in connection with this MOU.

14. [Reserved].

15. Ownership of Improvements and Personal Property. Upon termination of the MOU, the Occupying Department will remove any Improvements or personal property brought into or installed by the Occupying Department, at no expense to EDD. The Occupying Department may abandon any improvements or personal property at the Premises only with the prior written consent of EDD.

16. Hazardous/Toxic Waste. The Occupying Department will not install, store, use, generate, or sell any hazardous substance on the Premises without EDD's prior written consent. If the Occupying Department install, store, use or generate or sell any hazardous substance on the Premises, the Department doing so, will be responsible, at no cost to EDD, for complying with all laws relating to hazardous substances, including paying for all costs, damages, penalties and fines, removal, or remediation incurred or necessary as a result of any release of hazardous substances that occurs as a result of the Occupying Department' use and occupancy of the Premises under this MOU. However, EDD shall remain responsible for any hazardous substances installed, stored, used, generated, or sold on the Property, including the Premises, related to EDD's maintenance obligations of the Property itself.

17. Water Quality – Best Management Practices. The Occupying Department shall be responsible for identifying, implementing, and paying for any best management practices ("BMPs") necessary to ensure that the Occupying Department' use and occupancy does not cause pollutant discharges to the storm drain system in violation of San Diego Storm Water Management and Discharge Control Ordinance (San Diego Municipal Code sections 43.0301 to 43.0310).

18. MOU Subject to Federal Aviation Administration (FAA) Regulations. The Occupying Department acknowledge and agree that they will strictly adhere to, and at all times be subject to, the FAA Regulations set forth in **Exhibit C**. Failure to strictly adhere to the FAA Regulations will allow EDD to immediately terminate this MOU. Additionally, the Occupying Department acknowledge that this MOU is subordinate to the provisions of any existing or future agreements between the City and the United States of America 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. EDD agrees to inform the Occupying Department of changes to the FAA Regulations that would adversely modify the material terms of the MOU upon EDD becoming aware of such a provision. Further, all provisions of the MOU shall be subordinate to the rights of the United States of America to operate an airport on the Property during time of war or national emergency. Such rights shall supersede any provisions of this MOU inconsistent with the operations of such an airport by the United States of America.

19. Notices and Dispute Resolution. Any notice required or permitted to be given pursuant to this MOU shall be in writing and may be delivered via interoffice mail, electronically, or personally addressed to each Department as follows:

To EDD:	City of San Diego Economic Development Department Attn: Deputy Director, Airport Management 3750 John J. Montgomery Drive, MS 14 San Diego, CA 92123 Phone: (858) 573-1441 Email: jerubio@sandiego.gov
To SDPD:	City of San Diego Police Department Attn: Chief of Police 1401 Broadway San Diego, CA 92101 Phone: (619) 531-2777 Email: swahl@pd.sandiego.gov

In the event of a dispute related to this MOU (each a "Dispute"), the Department will work in good faith to resolve such Dispute and escalate matters according to their internal policies and procedures. In the event that a Dispute cannot be resolved by the respective Directors of the Department, the matter shall be referred to the Deputy Chief Operating Officers (DCOO) in charge of each respective Department. If the Dispute cannot be resolved at the DCOO level, the matter shall be referred to the Chief Operating Officer (COO) for final determination.

20. Entire Agreement. This MOU constitutes the entire agreement between the parties and supersedes any and all prior understandings between the parties concerning the Premises authorized herein. Any modification, alteration, or amendment of this MOU shall be in writing and signed by all the parties hereto.

21. Electronic Signatures. The parties agree: (a) to deliver and accept signatures on or under this MOU by e-mail or electronic means (including digital signatures); and (b) that signatures delivered by e-mail or electronic means (including digital signatures) shall be binding as originals upon the party so signing and delivering.

*****THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*****

IN WITNESS WHEREOF, this MOU is executed by each Department below, acting by and through its Director, or their lawfully authorized designee.

CITY OF SAN DIEGO ECONOMIC DEVELOPMENT DEPARTMENT AIRPORTS

Date 05/01/2025

By: Jorge Rubio (May 1, 2025 08:28 PDT)
Jorge Rubio
Deputy Director, Chief of Airports
Economic Development Department

CITY OF SAN DIEGO POLICE DEPARTMENT

Date 4-28-25

By: SMW
Scott M. Wahl
Chief
San Diego Police Department
KM

EXHIBITS:

Exhibit "A" PREMISES LEGAL DESCRIPTION
Exhibit "B" PREMISES SITE PLAN
Exhibit "C" FAA REQUIREMENTS

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT "A"
SDPD - Memorandum of Understanding

APN: 421-030-54, 421-030-55, 421-030-56
Those portions of Lots 1, 2, and 3 of City Aero Drive Industrial Park, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 12632, recorded May 3, 1990 in the Office of the County Recorder of said County, said portions being more particularly described as follows:

PARCEL 'A' (APN 421-030-54)
Beginning at the northeast corner of said Lot 1 said point lying on the southerly right of way of Aero Drive as dedicated per document recorded on January 23, 1967, File Page 9363 in said office of the County Recorder; Thence leaving said southerly right of way and along the easterly line of said Lot 1 South 00°44'33" East (South 01°14'00" East per said Map 12632) 155.07 feet to the southerly boundary of Montgomery-Gibbs airport as shown on City of San Diego Drawing 20339-D, a copy of which is on file in the Office of the City Engineer; Thence leaving said easterly line of Lot 1 and along said southerly boundary North 89°38'00" West 76.36 feet; Thence North 64°31'03" West 421.93 feet to said southerly right of way of Aero Drive; Thence along said southerly right of way North 89°22'14" East 103.38 feet to the beginning of a tangent 1,949.00 foot radius curve, concave southerly; Thence easterly along the arc of said curve through a central angle of 10°23'27" a distance of 353.46 feet to the **Point of Beginning**, a radial bears North 09°45'41" East.

The above described parcel contains 45,639.98 Sq. Feet, 1.0477 Acres.

PARCEL 'B' (APN 421-030-55)
Beginning at the northeast corner of said Lot 1, said point lying on said southerly right of way of Aero Drive, said point also lying on a 1,949.00 foot radius curve, concave southerly, a radial bears North 09°45'41" East; Thence easterly along said arc and said southerly right of way through a central angle of 12°23'48" a distance of 421.69 feet to the northeast corner of said Lot 2, a radial bears North 22°09'28" East; Thence leaving said southerly right of way and along the easterly line of said Lot 2 South 12°50'15" West 247.13 feet to said southerly boundary of Montgomery-Gibbs airport; Thence leaving last said easterly line and along said southerly boundary North 64°31'00" West 67.36 feet; Thence North 00°20'56" East 170.80 feet; Thence North 89°38'00" West 287.97 feet to a point on the said east line of Lot 1; Thence along said east line North 00°44'33" West 155.07 feet to the **Point of Beginning**.

The above described parcel contains 58,380.34 Sq. Feet, 1.3402 Acres.

PARCEL 'C' (APN 421-030-56)
Beginning at the northeast corner of said Lot 2, said point lying on the southerly right of way of said Aero Drive; Thence along said southerly right of way easterly along the arc of a 1,949.00 foot radius curve, concave southerly, a radial bears North 22°09'28" East through a central angle of 01°17'25" a distance of 43.89 feet; Thence continuing along said southerly line of Aero Drive South 66°33'07" East 385.92 feet to the northeast corner of said Lot 3; Thence leaving said southerly right of way and along the easterly line of said Lot 3 South 23°26'55" West 257.06 feet to said southerly boundary of Montgomery-Gibbs airport; Thence leaving said easterly line

of Lot 3 and along said southerly boundary of Montgomery-Gibbs airport North 64°31'00" West 384.54 feet to said easterly line of Lot 2; Thence leaving said southerly boundary of Montgomery-Gibbs airport and continuing along said easterly line of Lot 2 North 12°50'15" East 247.13 feet to the **Point of Beginning**.

The above described parcel contains 101,705.35 Sq. Feet, 2.3348 Acres.

Exhibit "B" attached and by this reference is made a part hereto.



Daniel R. Watkins LS 8877 Date
Senior Land Surveyor, Field Engineering
City of San Diego
My Registration Expires 12-31-2021

File: 21003181_SDPD EASTERN SUBSTATION.docx
WBS: 21003181 July 2020

EXHIBIT B

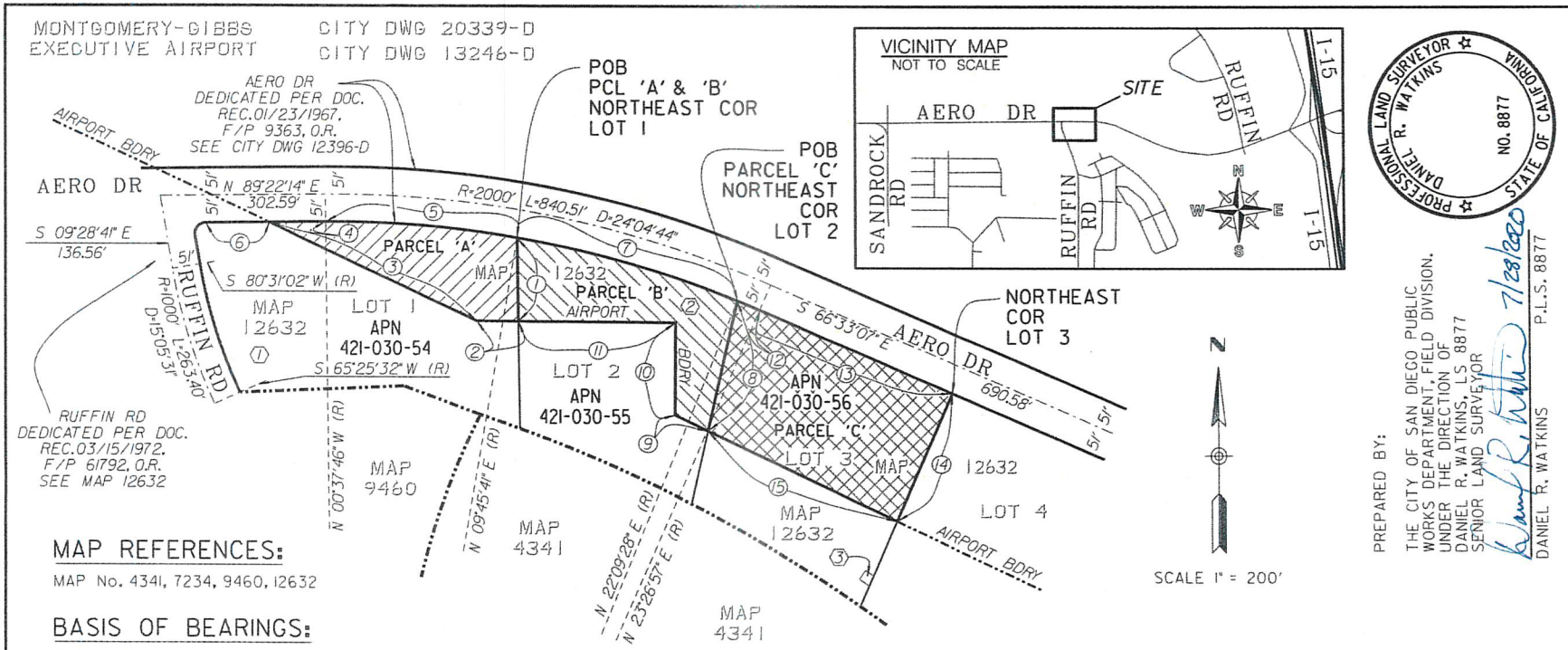
PREMISES DEPICTION

EXHIBIT B

PREMISES DEPICTION

EXHIBIT 'B'

MONTGOMERY - GIBBS EXECUTIVE AIRPORT
SDPD EASTERN SUBSTATION
ACROSS A PORTION OF MAP 12632



SCALE 1" = 200'

MAP REFERENCES:

MAP No. 4341, 7234, 9460, 12632

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS PROJECT WAS DERIVED FROM A PREVIOUS STATIC GPS SURVEY USING R.O.S. 14492 NAD 83 FEET, ZONE 6 (EPOCH 1991.35), UTILIZING RTK/GPS FIELD PROCEDURES WITH A CALVRS BASE STATION BROADCAST AND CONSTRAINING TO GPS 17 (PT#2017), AND GPS 974 (PT#1), I.E. N83° 31'19"W.

OWNER:

CITY OF SAN DIEGO

APN:

421-030-54, 421-030-55, 421-030-56

EASEMENT REFERENCES:

(1) A SDG&E EASEMENT RECORDED 02/11/1986 INSTRUMENT NUMBER 86-055152, O.R. (UNABLE TO PLOT)

(2) A 6' SDG&E EASEMENT RECORDED 03/19/1981 INSTRUMENT NUMBER 81-083706, O.R. (UNABLE TO PLOT)

(3) A 20' DRAINAGE EASEMENT PER MAP 12632

LEGEND:

PARCEL 'A' — INDICATES LEASE AREA
AREA = 45,639.98 SQ FT, 1.0477 ACRES

PARCEL 'B' — INDICATES LEASE AREA
AREA = 58,380.34 SQ FT, 1.3402 ACRES

PARCEL 'C' — INDICATES LEASE AREA
AREA = 101,705.35 SQ FT, 2.3348 ACRES

POB POINT OF BEGINNING

DATA TABLE				
#	BEARING	DISTANCE	RADIUS	DELTA
(1)	S 00°44'33" E	155.07'		
(2)	N 89°38'00" W	76.36'		
(3)	N 64°31'03" W	421.93'		
(4)	N 89°22'14" E	103.38'		
(5)		353.46'	1,949.00'	10°23'27"
(6)	N 89°22'14" E	116.30'		
(7)		421.69'	1,949.00'	12°23'48"
(8)	S 12°50'15" W	247.13'		
(9)	N 64°31'00" W	67.36'		
(10)	N 00°20'56" E	170.80'		
(11)	N 89°38'00" W	287.97'		
(12)		43.89'	1,949.00'	01°17'25"
(13)	S 66°33'07" E	385.92'		
(14)	S 23°26'55" W	257.06'		
(15)	N 64°31'00" W	384.54'		

PREPARED BY:
THE CITY OF SAN DIEGO PUBLIC WORKS DEPARTMENT, FIELD DIVISION.
UNDER THE DIRECTION OF
DANIEL R. WATKINS, LS 8877
SENIOR LAND SURVEYOR

DANIEL R. WATKINS P.L.S. 8877

PROFESSIONAL LAND SURVEYOR ☆ DANIEL R. WATKINS ☆ NO. 8877 ☆ STATE OF CALIFORNIA

7/28/2020

EXHIBIT C

Federal Aviation Administration Lease and Use Agreement Provisions

The Occupying Department shall adhere to the following terms and conditions during the entirety of the time period covered by this MOU. If any term and or condition contained in this Exhibit conflicts with any provision contained in the main body of the MOU, the terms and conditions contained in the main body of the MOU shall prevail.

Definitions: (For information purposes only)

Aeronautical Activities: Any activity that involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted at airports, include but are not limited to air taxi and charter operations, scheduled and nonscheduled air carrier services, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and services, aircraft storage, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, parachute, glider, balloon or ultralight activities and any other activities which, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.

Non-aeronautical activities: These include but are not limited to ground transportation (taxis, car rentals, limousines), restaurants, barber shops, auto parking lots, non-aviation businesses, recreational facilities and any other commodities, services, or accommodations made available to the general public that are of a non-aeronautical nature.

Assurance: A provision contained in a federal grant agreement with which the recipient of federal airport development assistance has voluntarily agreed to comply in consideration of the assistance provided.

Exclusive Right: A power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. An exclusive right can be conferred by express agreement, by the imposition of unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties but excluding others from enjoying or exercising a similar right or rights, would be an exclusive right.

Federal Obligation: Used in the context of a federal grant program, federal airport development assistance, land transfers, or other federal aid. It refers to an airport sponsor's legal duty and responsibility to comply with the terms of conveyance instruments and grant agreements.

Minimum Standards: The qualifications or criteria which may be established by an airport owner as the minimum requirements that must be met by businesses engaged in on-airport aeronautical activities for the right to conduct those activities.

Revenue Diversion: The use of airport revenue for purposes other than the capital or operating cost of the airport, the local airport system, or other local facilities owned or operated by the airport owner or operator and directly and substantially related to the air transportation of passengers or property.

Self-Sustaining: The requirement to maintain a schedule of charges for use of the airport, which will make the airport as self-sustaining as possible under the circumstances existing at the airport.

a. For aeronautical users, reasonable rates and charges that reflect the sponsor's cost of providing aeronautical services and facilities are satisfactory.
b. For non-aeronautical users, rates and charges must be based on the fair market value of the services and facilities provided.

PROVISIONS:

1. The Occupying Department agree to comply with pertinent statutes, Executive Orders, and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from federal assistance. If the Occupying Department transfer their obligation to another, the transferee is obligated in the same manner as the Occupying Department.

   This provision obligates the Occupying Department for the period during which the property is owned, used, or possessed by the Occupying Department and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

2. The following clauses will be included in the MOU pursuant to the provisions of the Airport Improvement Program grant assurances.

A. Each of the Occupying Department for themselves, their respective personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that:

1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Occupying Department will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to leases, in the event of breach of any of the above Nondiscrimination covenants, EDD will have the right to terminate the MOU and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the MOU had never been made or issued.

C. With respect to a deed, in the event of breach of any of the above Nondiscrimination covenants, EDD will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the City of San Diego and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

3. The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by EDD pursuant to the provisions of the Airport Improvement Program grant assurances.

A. Each of the Occupying Department for themselves, their respective personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Occupying Department will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities.

B. With respect to the MOU, in the event of breach of any of the above nondiscrimination covenants, EDD will have the right to terminate the MOU and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said MOU had never been made or issued.*

C. With respect to deeds, in the event of breach of any of the above nondiscrimination covenants, the City of San Diego will there upon revert to and vest in and become the absolute property of the City of San Diego and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI)
Article I. The airport sponsor shall insert the paragraph above in all airport contracts, leases, subcontracts, subleases and other agreements at all tiers.

(Additional information regarding civil rights and disadvantaged business enterprise obligations can be obtained from the FAA Civil Rights Office or https://www.faa.gov/airports/aip/procurement/federal_contract_provisions/.)

4. EDD reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or views of the Occupying Department and without interference or hindrance.

5. EDD reserves the right, but shall not be obligated to the Occupying Department, 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 Occupying Department in this regard.

6. This MOU shall be subordinate to the provisions and requirements of any existing or future agreement between City and the United States, relative to the development, operation, or maintenance of the airport. Failure of the Occupying Department or any occupant to comply with the requirements of any existing or future agreement between the City and the United States, which failure shall continue after reasonable notice to make appropriate corrections, shall be cause for immediate termination of the Occupying Department' rights hereunder.

7. There is reserved to EDD, 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 leased premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operating on the airport premises.

8. The Occupying Department agree 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 leased premises or in the event of any planned modification or alteration of any present or future building or structure situated on the leased premises. This requires the submission of FAA Form 7460-1, *Notice of Construction or Alteration* to the FAA.

9. Each of the Occupying Department by accepting this MOU expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or building nor permit object of natural growth or other obstruction on the land leased hereunder above a height as determined by the application of the requirements of Title 14 CFR Part 77. In the event the aforesaid covenants are breached, EDD reserves the right to enter upon the land hereunder and to remove the offending structure or object or cut the offending natural growth, all of which shall be at the expense of the Occupying Department.

10. Each of the Occupying Department by accepting this MOU 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 or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the owner reserves the right to enter upon the premises and cause the abatement of such interference at the expense of the Occupying Department. 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 U.S. Code 40103 (e) and 47107(a)(4).

FEDERAL AVIATION ADMINISTRATION LEASE
AND USE AGREEMENT PROVISIONS

11. This MOU 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 or national emergency.

12. The Occupying Department will furnish services on a reasonable and not unjustly discriminatory basis to all users, and charge reasonable and not unjustly discriminatory prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

13. The Occupying Department will conform to airport and Federal Aviation Administration safety and security rules and regulations regarding use of the airport operations area including runways, taxiways, aircraft aprons by vehicles, employees, customers, visitors, etc. in order to prevent security breaches and avoid aircraft incursions and vehicle/pedestrian deviations; will complete and pass airfield safe driving instruction program when offered or required by the airport; and will be subject to penalties as prescribed by the airport for violations of the airport safety and security requirements.

4/8/2025

Attachment A

Environmental Determination	
Environmental Planner	Zaira Marquez (ZMarquez@sandiego.gov)
Project Name	Montgomery-Gibbs Executive Airport Flat Rate Interdepartmental Memorandum of Understanding for Office Space at 9225-9265 Aero Drive, San Diego, CA 92123
Environmental Determination	The execution of an Interdepartmental Memorandum of Understanding (MOU) between the City of San Diego's (City) Economic Development Department (EDD) and the City of San Diego's Police Department (Occupying Department) for the leasing of the City-owned premises located at 9225-9265 Aero Drive, San Diego, CA 92123 (Premises), an asset managed and operated by EDD, is not a "Project" pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5) it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment. The Occupying Department will only use the Premises for office purposes and shall not use or permit the Premises to be used for any other purpose, or by any other City department or third party, except with EDD's prior written consent. This activity will not, on its own accord, result in either a direct or reasonably foreseeable indirect physical change in the environment. Thus, this activity is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).
Date Environmental Determination made	4/8/2025