FIRST AMENDMENT TO
FLAT RATE PARCEL GROUND LEASE

THIS FIRST AMENDMENT TO FLAT RATE PARCEL GROUND LEASE ("First Amendment") is made and entered into by and between the CITY OF SAN DIEGO, a California municipal corporation ("City"), and MYF HOLDINGS, LLC, a Delaware limited liability company ("Lessee"), to be effective as of November 1, 2020, once the First Amendment is executed by the parties and approved by the San Diego City Attorney (the "First Amendment Effective Date").

RECITALS

A. Pursuant to that certain Flat Rate Parcel Ground Lease between City and CrownAir Holdings, Inc, a California Corporation dba CrownAir Aviation, on file with the San Diego City Clerk as Document No. RR-310431 ("Lease"), which was assigned to Lessee, and which Assignment was consented to by the City on November 22, 2016, City leases approximately 16 acres of City-owned real property located at Montgomery-Gibbs Executive Airport, in the City of San Diego, County of San Diego, California as more particularly described and depicted in the Lease to Lessee.

B. The Lease provides that upon thirty (30) days written notice to Lessee, City may exercise its option to Lease to Lessee and Lessee shall Lease from City a portion, or all, of the Option Premises, which consists of approximately 3.79 acres of real property, as more specifically defined and depicted in the Lease.

C. On October 1, 2020, the City provided written notice that City was exercising its option to require Lessee to lease a portion of the Option Premises, specifically a 1.36 acre portion of Option Area 1 (as defined in the Lease) effective November 1, 2020.

D. The parties now desire to amend the Lease to reflect that the City has exercised its option add a portion of Option Area 1 to the Premises, and to memorialize in writing that the Premises now includes the 1.36 acres portion of Option Area 1 as more specifically depicted and described in Revised Exhibit A and Revised Exhibit A-1, which are added to the Lease by this First Amendment.

E. The Parties also desire to amend the Lease to add and update standard City clauses that have become mandatory since the Lease was executed, and/or that have been revised since the Lease was executed.

F. Unless otherwise defined herein, capitalized terms as used in this First Amendment shall have the same meanings as given therefor in the Lease.

G. By this reference, the above Recitals are hereby incorporated into, and made a part of the Lease.

NOW THEREFORE, in consideration of the above recitals, the mutual promises contained herein, and other valuable consideration the sufficiency and receipt of which is acknowledged, the parties agree as follows:

AGREEMENT

1. Section 1.1.1 Premises Include a Portion of Option Area 1. is hereby **ADDED** to the Lease:

> "1.1.1 Premises Include a Portion of Option Area 1. Effective November 1, 2020, the City has exercised its right to require Lessee to Lease from City a 1.36 acre portion of the Option Area 1. The Premises, effective November 1, 2020, shall consist of approximately 17.36 acres of real property as more particularly depicted on Revised Exhibit "A" and more particularly described in Revised Exhibit A-1.

2. Section 3.2.3 Rent Amount Effective November 1, 2020 is hereby **ADDED** as follows:

> 3.2.3 Rent Amount Effective November 1, 2020. Effective November 1, 2020, the monthly rent ("Rent") for the Premises shall be Thirty-Four Thousand Two Hundred Eighty-Six Dollars ($34,286.00) which reflects the adjusted Rent based on the addition of a portion of Option Area 1 to the Premises. The Rent will continue to be subject to adjustment as authorized in the Lease, including pursuant to Sections 3.2.1 and 3.3)."

3. Section 12.10 Discrimination of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "12.10.Nondiscrimination. This Lease is made and accepted upon and subject to the covenant and condition, which will run with the land, that Lessee or any person claiming under or through Lessee will not establish or allow any discrimination against or segregation of any person or group of persons on account of race, color, religion, gender, gender identity, gender expression, disability, sexual orientation, marital status, national origin, ancestry, familial status or source of income in the possession, use or occupancy of the Premises or in the selection, location, number, use or occupancy of tenants, subtenants or vendees in the Premises."

4. Section 12.23 Water Quality-Best Management Practices of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> 12.23. Water Quality – Best Management Practices. City and Lessee are committed to the implementation of controls **("best management practices" or "BMPs")** contained in the Montgomery-Gibbs Executive Airport Storm Water Pollution Prevention Plan (MYF SWPPP) to manage activities on the Premises in a manner which aids in the protection of

the City's precious water resources. It is the Lessee's responsibility to identify and implement an effective combination of BMPs so as not to cause non-storm water discharges and 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 43.0312) or the MYF SWPPP.

Therefore, Lessee shall, at a minimum, implement and comply, as applicable, with both the Minimum Industrial and Commercial BMPs adopted under the San Diego Municipal Code section 43.0307(a) and the MYF SWPPP. In addition, Lessee shall become a Co-Permittee to the MYF SWPPP.

Federal Environmental Protection Agency (EPA) rules for above ground tank systems (ASTs) and oil pollution prevention require that each facility that owns or operates above ground tank systems (including refueler trucks) that contain an aggregate storage capacity of 1,320 gallons or higher must prepare a Spill Prevention Control and Countermeasures (SPCC Plan) Program, pursuant to 40 C.F.R. Part 112. The plan includes requirements for secondary containment, loading/unloading of fuel and oil, discharge of accumulated rainwater, inspections, training, updates to the plan, and other miscellaneous items. Lessee shall prepare a site specific SPCC Plan and provide a copy to the City.

It is ultimately Lessee's responsibility to prevent non-storm water discharges and pollutant discharges to the storm drain system. Therefore, the Lessee will identify and implement any additional BMPs that may be required to avoid non-storm water discharges and the discharge of pollutants to the storm drain system.

5. Section 12.19 Disabled Access Compliance of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "12.19.Accessibility Compliance. Lessee will, as applicable to the Premises and Lessee's possession, use, and occupancy of the Premises, comply with all accessibility requirements under California Government Code sections 11135-11139.5; Title 24 of the California Code of Regulations; the Federal Rehabilitation Act of 1973, Section 504, Title V; the Americans with Disabilities Act of 1990 (ADA); and all other applicable state and federal laws, rules, and regulations of competent governmental authority protecting the rights of individuals with disabilities. When a conflict exists between any federal or state accessibility requirements, Lessee will follow the most restrictive accessibility requirement (i.e., that which provides the most access). Lessee's compliance will include without limitation the following:
>
> (a) Lessee will not discriminate against qualified individuals with disabilities in any aspects of employment, including recruitment, hiring, promotions, conditions and privileges of employment, training, compensation, benefits, discipline, layoffs, and termination of employment.

(b) No qualified individual with a disability may be excluded on the basis of disability from participation in, or be denied the benefits of, services, programs, or activities of Lessee.

(c) Lessee will include language in each sublease which indicates the sublessee's agreement to abide by the provisions of this section 12.19. Lessee and each of its sublessees will be individually responsible for their own ADA employment programs.

(d) Lessee will post a statement addressing the requirements of the ADA in a prominent place at the work site.

(e) Where required by law, all improvements, fixtures, structures, or installations on the Premises will comply with municipal, state, and federal accessibility requirements by bringing up to code and making accessible any areas of the Premises which deny access to individuals with disabilities. All improvements and alterations will be at Lessee's sole expense.

(f) Lessee's failure to comply with the accessibility requirements of this section 12.19 or submitting false information in response to these accessibility requirements, or both, will be a default of this Lease.

6. Section 12.27 Equal Benefits is hereby **ADDED** to the Lease as follows:

"12.27. Equal Benefits. Lessee will comply with San Diego Municipal Code sections 22.4301-22.4308, as may be amended from time to time, which require lessees of CITY-owned property to offer the same employment benefits to employees with spouses and employees with registered domestic partners. By signing this Lease, Lessee certifies that it will maintain such equal benefits throughout the term of this Lease. Lessee's failure to maintain equal benefits will be a default of this Lease."

7. Section 12.28 Equal Pay Ordinance is hereby **ADDED** to the Lease as follows:

"12.28 Equal Pay Ordinance. Unless an exception applies, Lessee will comply with the Equal Pay Ordinance codified in San Diego Municipal Code sections 22.4801 through 22.4809. By signing this Lease, Lessee certifies that it will comply with the requirements of the Equal Pay Ordinance throughout the Term.

12.28.1 Lessee and Sublessee Requirement. The Equal Pay Ordinance applies to any sublessee of the Premises to the same extent as it would apply to Lessee. Lessee will require sublessees to certify compliance with the Equal Pay Ordinance in their subleases.

12.28.2 Notice Requirement. Lessee must post a notice informing its employees of their rights under the Equal Pay Ordinance in their workplace or job site.

8. Section 12.28 Single Use Plastic Reduction Ordinance is hereby **ADDED** to the Lease as follows:

"12.28 Single Use Plastic Reduction Ordinance. Unless an exception applies, Lessee will comply with the Single Use Plastic Reduction Ordinance codified in San Diego Municipal Code sections 66.0901 through 66.0907, as may be amended. By signing this Lease, Lessee certifies that it will comply with the requirements of the Single Use Plastic Reduction Ordinance throughout the Term."

9. Section 12.29 Hazardous Substances is hereby **ADDED** to the Lease as follows:

"12.29 Hazardous Substances. Lessee shall not allow the illegal installation, storage, utilization, generation, sale or release of Hazardous Substances or otherwise regulated substances in, on, under or from the Premises. Lessee and Lessee's agents and contractors shall not install, store, utilize, generate or sell any Hazardous Substance on the Premises without City's written consent in each instance or in violation of applicable law. Lessee shall obtain and maintain all required licenses and permits from applicable regulatory agencies, including without limitation the San Diego County Department of Environmental Health, local fire agencies, the San Diego County Department of Weights and Measures, the San Diego County Air Pollution Control District, and the San Diego Regional Water Quality Control Board. Installing, utilizing, storing or any other presence of a Hazardous Substance includes boxes, bags, bottles, drums, cylinders, above or below ground tanks, equipment with tanks, or any other type of container, equipment or device which holds or incorporates a Hazardous Substance or hazardous waste in violation of applicable law.

12.29.1 Definitions. A 'Release' shall include without limitation any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or otherwise disposing of Hazardous Substances. 'Hazardous Substances' shall mean any hazardous liquid, solid, gaseous material, or waste substances listed by the Environmental Protection Agency or the State of California as a Hazardous Substance, and any type of petroleum-related substances and their chemical constituents.

12.29.2 Remediation. If LESSEE's occupancy, use, development, maintenance or restoration of the Premises results in a release of a Hazardous Substance,

Lessee shall pay all costs of remediation and removal to the City's satisfaction for unrestricted reuse of the Premises in accordance with all applicable laws, rules and regulations of competent governmental authority.

12.29.3 Removal. If Lessee or Lessee's contractor or agent has received approval and permits to store, utilize, generate or install, or otherwise bring Hazardous Substances onto the Premises, Lessee shall remove, or cause to be removed, all such Hazardous Substances from the Premises immediately upon or prior to the expiration or earlier termination of this Lease. City reserves the right to conduct inspections of the Premises and/or request documentation demonstrating the legal removal and/or disposal of the Hazardous Substances from the Premises. Lessee shall pay any and all costs incurred by City to remove or cause the removal of such Hazardous Substances from the Premises.

12.29.4 Indemnity. Lessee shall protect, defend, indemnify and hold City harmless from any and all claims, costs and expenses related to environmental liabilities resulting from Lessee's occupancy, use, development, maintenance or restoration of the Premises, including without limitation: (i) costs of environmental assessments; (ii) costs of regulatory remediation oversight; (iii) costs of remediation and removal; (iv) any necessary City response costs; (v) all fines, penalties, or fees assessed by any regulatory agency; (vi) damages for injury to natural resources, Lessee's officers, employees, invitees, guests, agents, or contractors, or the public; and (vii) all costs of any health assessments or health effect studies.

12.29.5 Notice of Release. If Lessee knows or has reasonable cause to believe that a Hazardous Substance has been released on, from or within the Premises, Lessee shall immediately notify City and any appropriate regulatory or reporting agency per California Code of Regulations Title 19 and any other applicable laws or regulations. Lessee shall deliver a written report thereof to City within three (3) days after receipt of the knowledge or cause for belief and submit any required written reports to regulatory or reporting agencies as required by regulation or law. If Lessee knows or has reasonable cause to believe that such substance is an imminent release or is an imminent substantial danger to public health and safety, Lessee shall take all actions necessary to alleviate the danger. Lessee shall immediately notify City in writing of any violation, notice to comply, or notice of violation received or the initiation of environmental actions or private suits related to the Premises.

12.29.6 Environmental Assessment. Upon reasonable cause to believe that Lessee's occupancy, use, development, maintenance or restoration of the Premises ("Lessee's Operations"), resulted in any Hazardous Substance being released on, from or beneath the Premises, City may cause an environmental assessment under regulatory oversight of the suspect area to be performed by a professional environmental consultant registered with the State of California as a Professional Engineer, Certified Engineering Geologist or Registered Civil Engineer. The environmental assessment shall be obtained at Lessee's sole cost and expense, and shall establish what, if any, Hazardous Substances have more likely than not been caused by Lessee's Operations on, in, from or under the Premises, and in what quantities. If any such Hazardous Substances exist in quantities greater than allowed by laws, rules and regulations of competent governmental authority, or require future restricted re-use of the Premises, then the environmental assessment shall include a discussion of such substances with recommendations for remediation and removal necessary to effect unrestricted re-use and in compliance with those laws, rules and regulations, and estimates of the cost of such remediation or removal. Lessee shall cause, or if Lessee fails to do so within a reasonable period of time, as determined by City in its reasonable discretion, City may cause the remediation and/or removal recommended in the environmental assessment of Hazardous Materials caused by Lessee's Operations such that unrestricted re-use of the Premises and compliance with the laws, rules and regulations of competent governmental authority is achieved, and Lessee shall pay all costs and expenses therefor"

10. **Revised Exhibit A: Depiction of Premises Effective November 1, 2020**, and **Revised Exhibit A-1: Legal Description of Premises Effective November 1, 2020**, are **ADDED** to the Lease, and by this references are incorporated therein.

11. Except as set forth in this Amendment, all other terms and conditions of the Lease not addressed in this Amendment shall remain in full force and effect. Any conflict between the terms and conditions of this Amendment and those of the Lease shall be resolved in favor of the terms and conditions of this Amendment.

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IN WITNESS WHEREOF, this Amendment is executed by CITY, acting by and through its Mayor or his designee, and by LESSEE, acting through its legally authorized representative.

THE CITY OF SAN DIEGO, a California municipal corporation

Date 9-22-2021

By _____
PENNY MAUS
Director, Real Estate Assets Department

MYF HOLDINGS, LLC, a Delaware limited liability company,

Date _____

By _____
David S. Ryan
President CEO

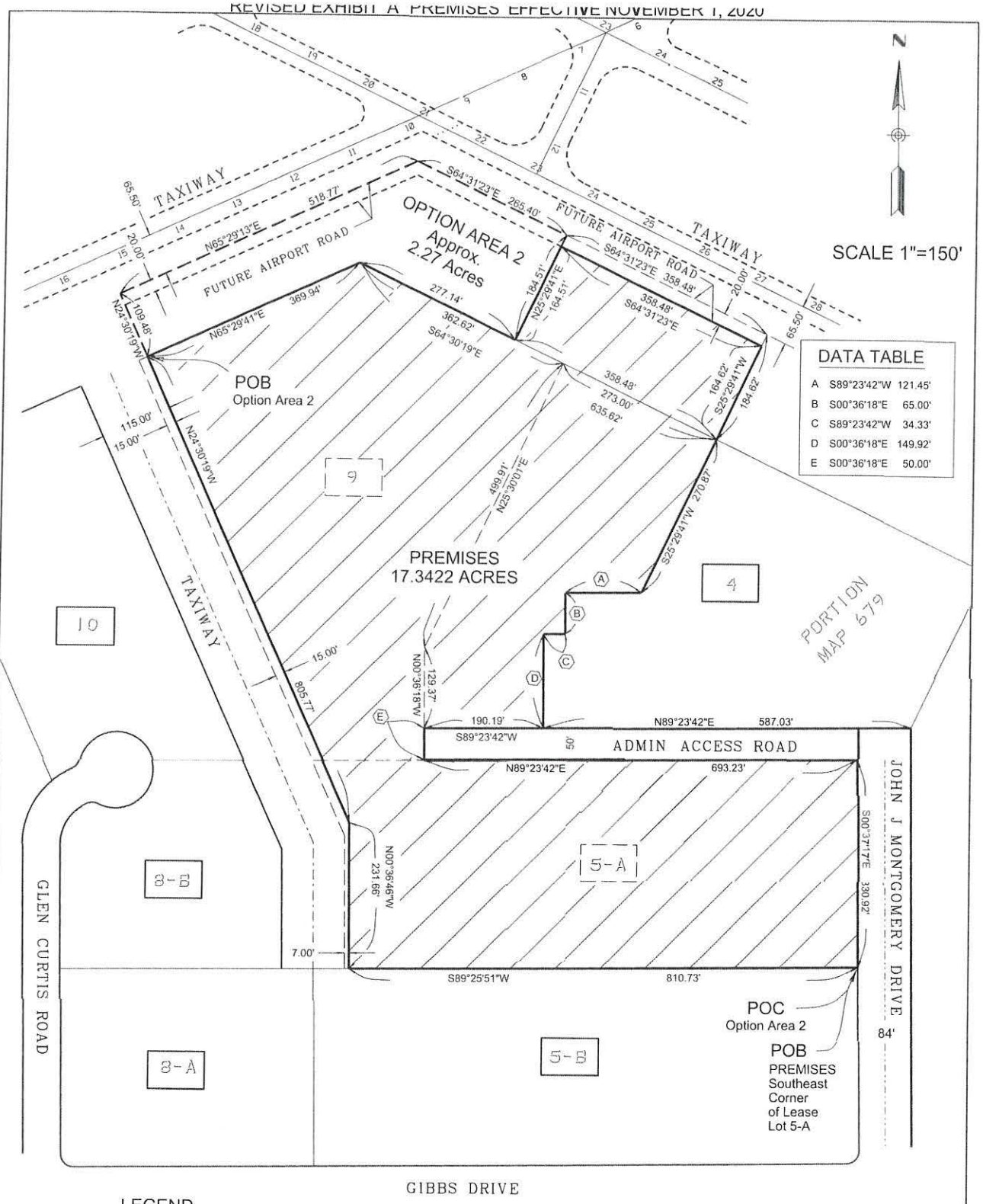
Approved as to form this 28th day of October, 2021.

MARA W. ELLIOTT, City Attorney

By _____

Name: Melissa Ables
Title: Deputy City Attorney

REVISED EXHIBIT A PREMISES EFFECTIVE NOVEMBER 1, 2020



DATA TABLE		
A	S89°23'42"W	121.45'
B	S00°36'18"E	65.00'
C	S89°23'42"W	34.33'
D	S00°36'18"E	149.92'
E	S00°36'18"E	50.00'

LEGEND

POC	Point of Commencement
POB	Point of Beginning
X-X	Montgomery Field Lease Lots per City Drawing No. 13246-2-D
ZZZ	LEASE AREAS: Premises = 755,424.35 SQ FT, 17.3422 Acres
- - -	Future Airport Road Area 1 = Approx. 0.16 Acre
— — —	Option Area 2 = Approx. 2.27 Acres
------	Future Airport Road Area 2 = Approx. 0.36 Acre

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 10/13/2020

DANIEL R. WATKINS P.L.S. 8877

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

Montgomery–Gibbs Executive Airport

10/2020

REVISED EXHIBIT "A-1"

LEGAL DESCRIPTION - PREMISIS

EFFECTIVE NOVEMBER 1, 2020

APN: 760-222-00

That portion of Lease Lots 4, 5A, and 9 of Montgomery-Gibbs Executive Airport in the City of San Diego, County of San Diego, State of California, according to City of San Diego Drawing thereof No. 13246-2-D as approved by the Federal Aviation Administration (FAA) and filed with the San Diego City Clerk on December 22, 1978 as Document No. 765235, being more particularly described as follows:

Beginning at the southeast corner of said Lease Lot 5-A of said Montgomery-Gibbs Executive Airport, said corner also being on the west line of John J. Montgomery Drive as shown on said Drawing No. 13246-2-D; Thence leaving said west line of John J. Montgomery Drive and continuing along the south line of said Lease Lot 5-A South 89°25'51" West 810.73 feet; Thence leaving the south line of said Lease Lot 5-A North 00°36'46" West 231.66 feet; Thence North 24°30'19" West 805.77 feet to a point on the northerly line of said Lease Lot 9; Thence along said northerly line of Lease Lot 9 North 65°29'41" East 369.94 feet; Thence South 64°30'19" East 277.14 feet; Thence leaving said northerly line of Lease Lot 9 North 25°29'41" East 164.51 feet; Thence South 64°31'23" East 358.48 feet; Thence South 25°29'41" West 164.62 feet, said point lying on the northerly line of said Lease Lot 4; Thence leaving said northerly line of Lease Lot 4 South 25°29'41" West 270.87 feet; Thence South 89°23'42" West 121.45 feet; Thence South 00°36'18" East 65.00 feet; Thence South 89°23'42" West 34.33 feet; Thence South 00°36'18" East 149.92 feet to a point on the north line of the Administration Access Road as shown on said Drawing No. 13246-2-D; Thence along said north line of the Administration Access Road South 89°23'42" West 190.19 feet; Thence South 00°36'18" East 50.00 feet to a point on the south line of said Administration Access Road, said point also being a point on the north line of said Lease Lot 5-A; Thence along said south line of the Administration Access Road North 89°23'42" East 693.23 feet to the northeast corner of said Lease Lot 5-A, said point also being on said west line of John J. Montgomery Drive; Thence along said west line of John J. Montgomery Drive South 00°37'17" East 330.92 feet to the **Point of Beginning**.

Above described parcel of land contains 755,424.35 square feet, 17.3422 acres

Revised Exhibit 'A' attached and by this reference 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: REV PREM_OVER LEASE LOTS 4 5A AND 9_OLDAIR88.doc
IO21003181– October 2020