DUPLICATE

SECOND AMENDMENT TO MONTGOMERY-GIBBS EXECUTIVE AIRPORT FLAT RATE LEASE

THIS SECOND AMENDMENT TO MONTGOMERY-GIBBS EXECUTIVE AIRPORT FLAT RATE LEASE ("Second Amendment") is made 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 the date this Second Amendment is signed as approved as to form by the San Diego City Attorney, as shown on the signature page to this Second Amendment ("Second Amendment Effective Date").

RECITALS

A. Pursuant to that certain Montgomery-Gibbs Executive Airport Flat Rate 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 leased 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. City and Lessee amended the Lease in that certain First Amendment to Flat Rate Parcel Ground Lease, effective November 1, 2020 ("First Amendment"), to, among other things, memorialize the City's exercise of an option in the Lease to require Lessee to lease from City an expanded Premises that also included Option Area 1 (as defined in the Lease).

C. The Lease includes an option for City to reduce the size of the Premises and Option Area 2 (as defined in the Lease) to accommodate the development of a Future Airport Road (as defined in the Lease). The City desires to exercise this option and the parties now desire to further amend the Lease to reflect that the City has exercised its option to take back the Future Airport Road by updating the description of the Premises and Option Parcel 2.

D. The Parties also desire to further amend the Lease revise the General Development Plan.

E. The Parties also desire to further amend the Lease to add and update standard City clauses that have become mandatory since the Lease and First Amendment were executed.

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. Incorporation of Recitals. The Recitals above are true and correct and are incorporated into this Second Amendment by this reference, as though fully set forth in this Second Amendment.

2. Capitalized Terms. Unless otherwise defined in this Second Amendment, capitalized terms used in this Second Amendment shall have the same meanings as given therefor in the Lease.

DOCUMENT NO RR-316762-2
FILED MAY 12 2026
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

3. The final paragraph of Section 1.1 of the Lease, beginning, "City has made Lessee aware ... ", and ending with, " ... in proportion to the amount of land taken back", is hereby **DELETED** in its entirety.

4. Section 3.2.3 Rent Amount Effective November 1, 2020, added to the Lease by the First Amendment, is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "3.2.3 Rent Amount Effective Upon the Second Amendment Effective Date. Effective on the first day of the calendar month following the Second Amendment Effective Date, the monthly rent ("Rent") for the Premises shall be Thirty-Eight Thousand Nine Hundred Eighteen Dollars ($38,918.00) which reflects the adjusted Rent based on the reduction of the size of the Premises effected by the Second Amendment to the Lease. The Rent will continue to be subject to adjustment as authorized in the Lease, including, but not limited to, pursuant to Sections 3.2.1 and 3.3."

5. Section 4.4 Encumbrance of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "4.4 Encumbrance. Subject to receipt of the City's prior written consent, Lessee may encumber its leasehold estate, and those permanent improvements that Lessee has constructed on the Premises during the term of this Lease, by a deed of trust, mortgage, chattel mortgage, or other security instrument to secure the payment of a promissory note or notes of Lessee, upon the express condition that the proceeds of such loan or loans be devoted exclusively to the purpose of developing either (a) the Premises in accordance with the General Development Plan, or (b) the "Premises" as such term is defined in that certain Flat Rate Lease between City and MYF Properties, LLC, on file with the San Diego City Clerk as Document No. RR-313508 (the "Executive Airpark Lease"), as may be amended from time to time. The "Premises" defined in the Executive Airpark Lease is referred to herein as the "Executive Airpark Leasehold Premises". However, no more than ten percent (10%) of the loan proceeds may be disbursed for payment of incidental costs of construction, including but not limited to the following: off-site improvements for service of the Premises or Executive Airpark Leasehold Premises, as the case may be; on-site improvements; escrow charges; premiums for hazard insurance or other insurance or bonds required by City; title insurance premiums; reasonable loan costs such as discounts, interest, and commissions; and architectural, engineering, and attorneys' fees and other normal expenses incidental to such construction.
>
> All encumbrances of the Premises or of any permanent improvements thereon must first be approved in writing by the City and shall also be for the exclusive purpose of either (y) the development of the Premises, or (z) the Executive Airpark Leasehold Premises pursuant to the Executive Airpark Lease, as may be amended from time to time. In the event any such approved deed of trust or mortgage or other security agreement should at any time be in default and be foreclosed or transferred

in lieu of foreclosure, City will accept the City-approved mortgagee or beneficiary thereof as its new tenant under this Lease with all the rights, privileges, and duties granted and imposed in this Lease. Upon prior written approval by City, said mortgagee or beneficiary may assign this Lease to its nominee, if, in the opinion of City, the nominee is a reputable, qualified, and financially responsible person or entity. Any deed of trust, mortgage, or other security agreement shall be subject to all of the terms, covenants, and conditions of this Lease and shall not be deemed to amend or alter any of the terms, covenants, or conditions hereof."

6. Section 12.30 Product Endorsement is hereby **ADDED** to the Lease as follows:

   "12.30 Product Endorsement. Lessee shall comply with Council Policy 000-41 concerning product endorsement requiring that any advertisement referring to City as a user of a good or service must have the prior written approval of the Mayor."

7. Section 12.31 Zero Emissions Municipal Buildings and Operation Policy is hereby **ADDED** to the Lease as follows:

   "12.31 Zero Emissions Municipal Buildings and Operation Policy. Lessee will comply with all requirements of Council Policy 900-03, as amended from time to time, which are incorporated into this Lease by this reference."

8. **Revised Exhibit A: Depiction of Premises Effective November 1, 2020** and **Revised Exhibit A-1: Legal Description of the Premises Effective November 1, 2020**, added to the Lease by the First Amendment, are both hereby **DELETED** in their entirety.

9. **Exhibit A** and **Exhibit A-1** are hereby **DELETED** in their entirety and **REPLACED** with **Second Revised Exhibit A** and **Second Revised Exhibit A-1**, attached to this Second Amendment. All references to "Exhibit "A"" in the Lease are hereby amended to be references to Second Revised Exhibit "A". All references to "Exhibit "A-1"" in the Lease are hereby amended to be references to Second Revised Exhibit "A-1".

10. **Exhibit B** and **Exhibit B-1** are hereby **DELETED** in their entirety and **REPLACED** with **Revised Exhibit B** and **Revised Exhibit B-1**, attached to this Second Amendment. All references to "Exhibit "B"" in the Lease are hereby amended to be references to Revised Exhibit "B". All references to "Exhibit "B-1"" in the Lease are hereby amended to be references to Revised Exhibit "B-1".

11. Confirmation of Agreement. The Lease, as amended by the First Amendment and this Second Amendment, is in all respects confirmed and all the terms, provisions, and conditions of the Lease, as amended, shall be and remain in full force and effect.

12. Entire Agreement. The Lease, as amended by the First Amendment and this Second Amendment, represents the entire understanding between the Parties as to the subject matter of the Lease, as so amended.

13. Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party drafted any part of this Second Amendment. The Parties participated

substantially in the negotiation, drafting, and revision of this Second Amendment, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in this Second Amendment may be used in the singular, plural, past tense or future tense, regardless of how it is defined, all in accordance with ordinary principles of English grammar, which shall govern all language in this Second Amendment. The words "include" and "including" in this Second Amendment shall be construed to be followed by the words: "without limitation." Each collective noun in this Second Amendment shall be interpreted as if followed by the words "(or any part of it)," except where the context clearly requires otherwise. Every reference to a document, including this Second Amendment, refers to such document, as modified from time to time (excepting any modification that violates the License), and includes all exhibits, schedules, addenda, and riders to such document. The word "or" in this Second Amendment includes the word "and," except where the context clearly requires otherwise. Every reference to a law, statute, regulation, order, form, or similar governmental requirement in this Second Amendment refers to each such requirement as amended, modified, renumbered, superseded, or succeeded, from time to time.

14. Governing Law. The procedural and substantive laws of the State of California shall govern the interpretation and enforcement of this Second Amendment, without application of conflicts of laws principles or statutes.

15. Binding on Successors and Assigns. This Second Amendment shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors, and assigns.

16. Authority. Each individual executing this Amendment on behalf of another person or legal entity represents and warrants that they are authorized to execute and deliver this Second Amendment on behalf of such person or entity in accordance with duly adopted resolutions or other authorizing actions which are necessary and proper and under such legal entity's articles, charter, bylaws, or other written rules of conduct or governing agreement, and that this Amendment is binding upon such person or entity in accordance with its terms. Each person executing this Second Amendment on behalf of another person or legal entity represents and warrants such entity is a valid, qualified corporation, limited liability company, partnership, or other unincorporated association in good standing in its home state and that such entity is qualified to do business in California.

17. No Other Representations or Warranties. Except as expressly set forth in this Second Amendment, no Party makes any representation or warranty material to this Second Amendment to any other Party.

18. Counterparts. This Second Amendment may be signed by the authorized representatives of the Parties in multiple counterpart originals (including facsimile or electronic counterpart originals), each of which shall be deemed an original, and all such counterpart originals, when taken together, shall constitute one agreement.

[Remainder of page intentionally blank. Signatures appear on immediately following page.]

SIGNATURE PAGE
TO
SECOND AMENDMENT TO
FLAT RATE PARCEL GROUND LEASE

IN WITNESS WHEREOF, City and Lessee sign and enter into this Second Amendment, by and through the signatures of their respective authorized representatives, as follows:

CITY:
The City of San Diego,
a California municipal corporation

By: _____
Jorge Rubio
Deputy Director, Chief of Airports
Economic Development Department

LESSEE:
MYF Holdings, LLC,
a Delaware limited liability company

By: _____
Ray Richmond
President

APPROVED AS TO FORM
on JUN 01 2026:

HEATHER FERBERT,
City Attorney

By: _____
Andrew J. Alfonso
Deputy City Attorney

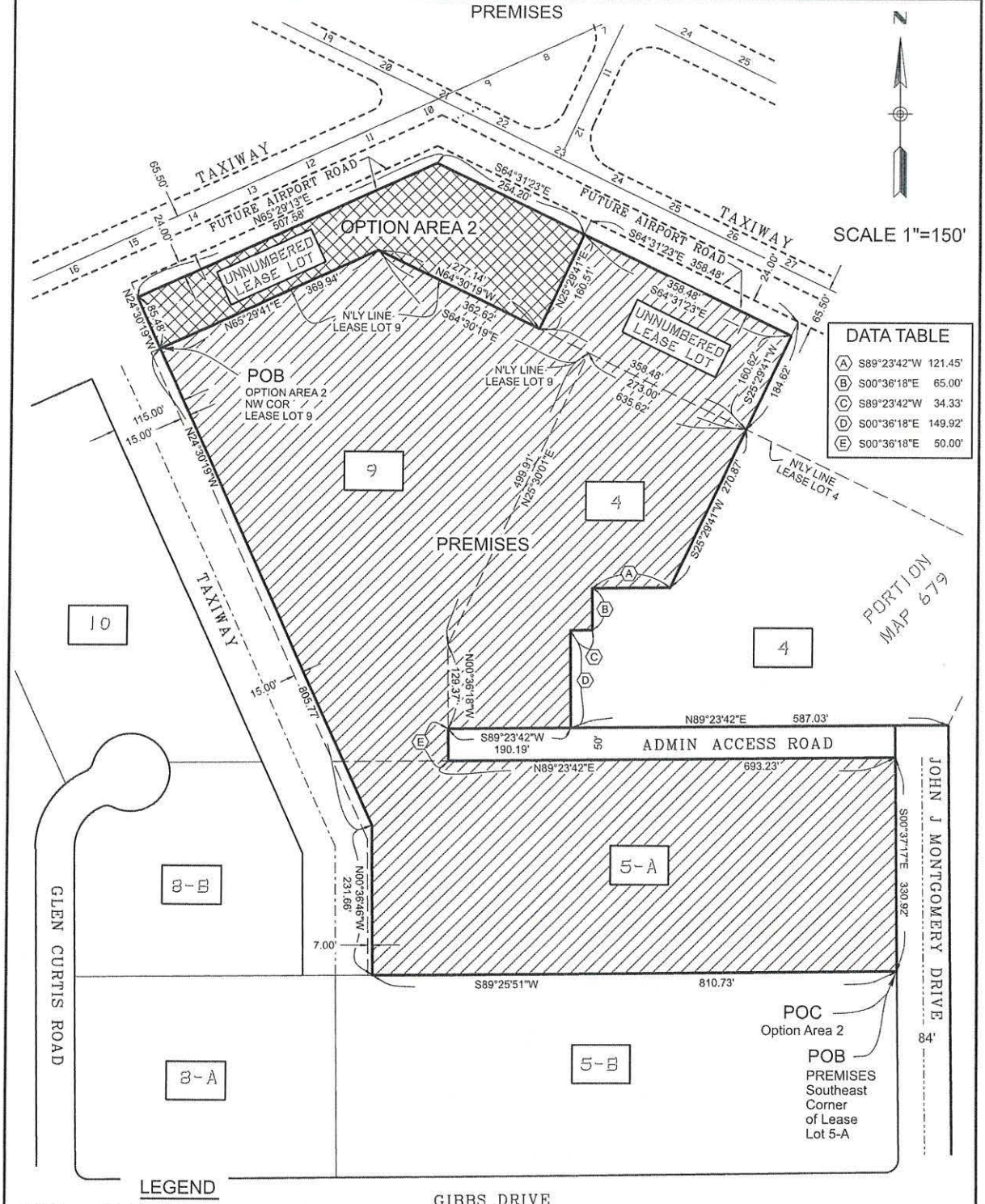
R-316762

SECOND REVISED EXHIBIT A
TO
MONTGOMERY-GIBBS EXECUTIVE AIRPORT
FLAT RATE LEASE

[*Attached behind this cover page*]

SECOND REVISED EXHIBIT 'A'

PREMISES



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

LEASE AREAS:
Premises
753,990.43 SQ FT,
17.3092 Acres

Option Area 2
80,150.02 SQ FT,
1.8400 Acres

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 7/02/2025
DANIEL R. WATKINS P.L.S. 8877

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

Montgomery–Gibbs Executive Airport

06/2025

SECOND REVISED EXHIBIT A-1
TO
MONTGOMERY-GIBBS EXECUTIVE AIRPORT
FLAT RATE LEASE

[*Attached behind this cover page*]

SECOND REVISED EXHIBIT "A-1"
LEGAL DESCRIPTION
PREMISES

APN: 760-222-00

That portion of Lease Lots 4, 5A, 9, and an Unnumbered Lease Lot 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 160.51 feet; Thence South 64°31'23" East 358.48 feet; Thence South 25°29'41" West 160.62 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 753,990.43 square feet, 17.3092 acres

Revised Exhibit 'A' attached and by this reference made a part hereto.



Daniel R. Watkins 7/02/2025

Daniel R. Watkins LS 8877 Date
Senior Land Surveyor, Field Engineering
City of San Diego
My Registration Expires 12-31-2025

File: 21002181_LEASE LOTS 4 5A AND 9_CROWN AIR_20250625
IO21003181– JUNE, 2025

SECOND REVISED EXHIBIT "A-1"
LEGAL DESCRIPTION
OPTION AREA 2

APN: 760-222-00

That portion of an Unnumbered Lease Lot 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:

Commencing at the southeast corner of Lease Lot 5-A as shown on said Drawing No. 13246-2-D, said corner also being on the west line of John J. Montgomery Drive as shown on said Drawing No. 13246-2-D, Thence leaving the said west line of John J. Montgomery Drive and 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 Lease Lot 9 as shown on said Drawing No. 13246-2-D, said point being the **Point of Beginning**; Thence leaving the said northerly line of Lease Lot 9 North 24°30'19" West 85.48 feet; Thence North 65°29'13" East 507.58 feet; Thence South 64°31'23" East 254.20 feet; Thence South 25°29'41" West 160.51 feet to a point on the said northerly line of Lease Lot 9; Thence along the said northerly line of Lease Lot 9 North 64°30'19" West 277.14 feet; Thence South 65°29'41" West 369.94 feet to the **Point of Beginning**.

Above described parcel of land contains approximately 80,150.02 square feet, 1.84 Acres.

Revised Exhibit 'A' attached and by this reference made a part hereto.

Daniel R. Watkins 7/02/2025

Daniel R. Watkins LS 8877 Date
Senior Land Surveyor, Field Engineering
My Registration Expires 12-31-2025

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

File: 21003181_OPTION AREA 2_20250625
IO21003181–JUNE 2025

REVISED EXHIBIT B
TO
MONTGOMERY-GIBBS EXECUTIVE AIRPORT
FLAT RATE LEASE

[*Attached behind this cover page*]

REVISED EXHIBIT B
GENERAL DEVELOPMENT PLAN

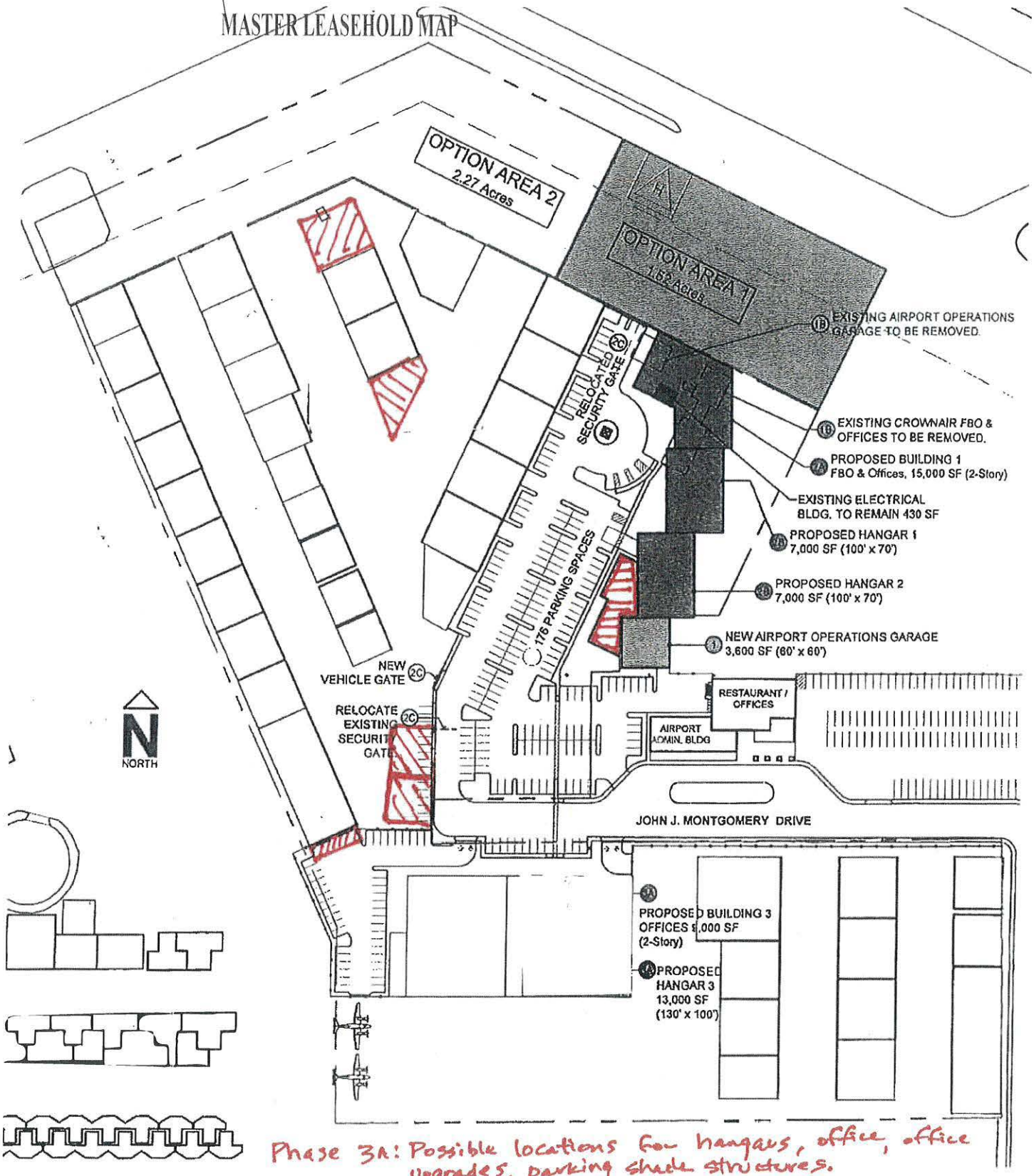
		Commencement Date	Estimated Minimum Capital Spend
Phase 1: To be completed no later than June 1, 2018			
1A:	Place temporary FBO building	June 1, 2016	
1B:	Design and submit plans for New Airport Operations Garage	June 1, 2016	
1B:	Construct new Airport Operations Garage • Metal storage building construction	December 1, 2016	$ 173,864
1C:	Demolition of Existing Buildings including existing operations garage	January 1, 2017	
Phase 2: To be completed no later than June 1, 2019			
2A:	Design and submit plans for FBO and metal hangar	December 1, 2017	
2A:	Design and submit Landscaping Plans	December 1, 2017	
2A:	Sitework to begin	January 1, 2018	
2A:	Construct FBO with adjacent offices • Approximately 15,000 sq ft, 2 story FBO and offices • Class B office construction	February 1, 2018	$1,337,418
2B:	Construct Metal Hangar • Approximately 7,000 sq ft (100' x 70') • Approximately 7,000 sq ft (100 X 70) • Consistent with Marshall & Swift Class S storage (328) hangar with an Average to Good Type classification	February 1, 2018	$ 334,354
2C:	Conclusion of Site work • Parking Lot Construction • New vehicle gate for existing lease area • Relocate Existing Gate 7 to end of drive area • Landscaping along parking lot, FBO building and John J. Montgomery Drive.	May 1, 2019	$ 422,624
Phase 3: To be completed by June 1, 2041			
3A:	Design and submit plans for hangars, office, office. upgrades, parking shade structures or equivalent improvements as agreed upon by Deputy Director Airports and MYF Holdings LLC	June 1, 2039	$1,515.740
3A:	Construct Improvements		
Total:			$3,784,000

REVISED EXHIBIT B-1
TO
MONTGOMERY-GIBBS EXECUTIVE AIRPORT
FLAT RATE LEASE

[*Attached behind this cover page*]

REVISED EXHIBIT B-1

MASTER LEASEHOLD MAP



Phase 3A: Possible locations for hangars, office, office upgrades, parking shade structures.

Scale: 1" = 80'

5/12/26
#108C
(R-2026-440)

RESOLUTION NUMBER R- 316762

DATE OF FINAL PASSAGE MAY 20 2026

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE SECOND AMENDMENT TO THE FLAT RATE LEASE BETWEEN THE CITY OF SAN DIEGO AND MYF HOLDINGS, LLC, FOR APPROXIMATELY 17.34 ACRES OF LAND, AND THE FIRST AMENDMENT TO THE FLAT RATE LEASE BETWEEN THE CITY OF SAN DIEGO AND MYF PROPERTIES, LLC, FOR APPROXIMATELY 26.2 ACRES OF LAND, BOTH LOCATED AT THE MONTGOMERY-GIBBS EXECUTIVE AIRPORT.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. The City of San Diego (City) owns that certain real property generally located at 3750 John J. Montgomery Drive, San Diego, California 92123, and commonly known as the Montgomery-Gibbs Executive Airport (Airport).

B. Council previously adopted Resolution R-310431(May 17, 2016) authorizing the Flat Rate Parcel Ground Lease between the City and Crownair Holdings, Inc., on file with the San Diego City Clerk as Document No. RR-310431 (Original Crownair Lease), for the continued operation and expansion of an existing fixed based operator facility at the Airport on approximately 16 acres (Crownair Premises). The Original Crownair Lease included an option for the City to expand the leasehold premises to approximately 17.34 acres (First Crownair Option). The Original Crownair Lease also included an option for the City to reduce the size of the leasehold premises to accommodate the future development of a road on the Airport (Second Crownair Option).

C. On November 22, 2016, with the City's written consent, Crownair Holdings, Inc. assigned the Original Crownair Lease to MYF Holdings, LLC (MYF Holdings).

Executive Airpark Premises elsewhere and a five-year extension of the term of the Executive Airpark Lease. A copy of the First Executive Airpark Amendment is included as Attachment 1 to the Staff Report.

I. The Office of the City Attorney prepared this Resolution based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The First Executive Airpark Amendment is approved.

2. The Second Crownair Amendment is approved.

3. The Mayor or designee is authorized, on behalf of the City, to sign and enter into the First Executive Airpark Amendment and take all other actions reasonably necessary to perform the City's obligations under the Executive Airpark Lease, as amended by the First Executive Airpark Amendment. A copy of the First Executive Airpark Amendment, when signed by both parties, shall be filed in the Office of City Clerk as Document No. RR-316762-1.

4. The Mayor or designee is authorized, on behalf of the City, to sign and enter into the Second Crownair Amendment and take all other actions reasonably necessary to perform the City's obligations under the Crownair Lease, as amended by the Second Crownair Amendment. A copy of the Second Crownair Amendment, when signed by both parties, shall be filed in the Office of City Clerk as Document No. RR-316762-2.

5. The Chief Financial Officer is authorized to accept and deposit all rent revenue from the Executive Airpark Lease, as amended by the First Executive Airpark Amendment, into the Airports Enterprise Fund (700033).

#108C

Passed by the Council of The City of San Diego on May 12, 2026, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	☒	☐	☐	☐
Jennifer Campbell	☒	☐	☐	☐
Stephen Whitburn	☒	☐	☐	☐
Henry L. Foster III	☒	☐	☐	☐
Marni von Wilpert	☒	☐	☐	☐
Kent Lee	☒	☐	☐	☐
Raul A. Campillo	☐	☐	☒	☐
Vivian Moreno	☒	☐	☐	☐
Sean Elo-Rivera	☒	☐	☐	☐

Date of final passage MAY 20 2026.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA
Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

By _____, Deputy

Office of the City Clerk, San Diego, California

Resolution Number **R-316762**

Passed by the Council of The City of San Diego on May 12, 2026, by the following vote:

YEAS:	**LACAVA, CAMPBELL, WHITBURN, FOSTER III, VON WILPERT, LEE, MORENO, ELO-RIVERA.**
NAYS:	**NONE.**
NOT PRESENT:	**CAMPILLO.**
RECUSED:	**NONE.**

AUTHENTICATED BY:

TODD GLORIA

Mayor of The City of San Diego, California

DIANA J.S. FUENTES

City Clerk of The City of San Diego, California

(Seal)

By: **Chrystal Rodriguez**, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true, and correct copy of RESOLUTION NO. **R-316762** approved on **May 12, 2026**. The date of final passage is **May 20, 2026**.

DIANA J.S. FUENTES

City Clerk of the City of San Diego, California

(Seal)

By: _____, Deputy