CITY OF SAN DIEGO
Real Estate Assets Department/Airports Division
MONTGOMERY FIELD AIRPORT

(619) 573-1440/1441 • 3750 John J. Montgomery Drive, San Diego, California 92123

MONTHLY AIRCRAFT PARKING RENTAL AGREEMENT

Whereas, General Aviation has been an important aspect of the Montgomery Field Airport ("AIRPORT") since its inception; and

Whereas, the City of San Diego ("CITY"), a Municipal Corporation has available for use by the owners and operators of General Aviation aircraft certain tie-down spaces at the AIRPORT; and

Whereas, pursuant to the authorization of Sections 68.0100 - 68.0222 of the San Diego Municipal Code and other authority vested in the City Manager, or his designee ("DIRECTOR"), DIRECTOR meaning Director of the Airports Department of the City and his authorized assistants, deputies, employees and representatives, in behalf of the CITY, is authorized to enter into a Rental Agreement (AGREEMENT"), for basing General Aviation aircraft at AIRPORT;

By this AGREEMENT, the CITY hereby leases to Robert L. Ambler and Raymond H. Moore, Jr. ("TENANT"), subject to the following terms, conditions, and provisions:

ADVISORY STATEMENT: Read the conditions of this agreement carefully before you sign. TENANT's signature and the subsequent approval of the DIRECTOR, will permit you to rent an aircraft tie-down space at AIRPORT from the CITY. TENANT's use of an aircraft tie-down space is subject to the terms of this AGREEMENT and the provisions of Municipal Code. The conditions of this agreement and the appropriate section(s) of the Municipal Code will be strictly enforced.

CONDITIONS

1. Term - Aircraft tie-down spaces are rented on a month-to-month basis. This AGREEMENT may be terminated by you or by the DIRECTOR, or his designate, upon a 30-day written notice. Upon the termination of this AGREEMENT TENANT must restore TENANT's tie-down space to its original state and remove any hangar or other authorized improvements. That restoration is subject to the reasonable satisfaction of the DIRECTOR, or his designate, and must be at no cost to the CITY.

2. Assignment - **Assignment of this AGREEMENT and continued use of an aircraft tie-down space is contingent upon the TENANT's ownership of an aircraft.** The TENANT's aircraft registered in this agreement shall occupy the assigned tie-down space. TENANT shall not assign or sublet this AGREEMENT or any interest therein or premises of any part thereof to any other person without the consent of the DIRECTOR. Approval of an assignment shall not be interpreted as an approval for future assignments. Approvals will be on a short term, case-by-case basis. Any such subletting or assignment without consent shall be grounds for termination of AGREEMENT at the option of the DIRECTOR.

3. Allocation of Spaces - Aircraft tie-down spaces will be assigned on a first-come first-served basis from the Airports Division waiting list. Preference as to a specific tie-down space will be considered, the DIRECTOR reserves the right to designate the tie-down space.

4. Rental Rates - The monthly rate for aircraft tie-down spaces will be in accordance with the Airports Division Fee Schedule. The Fee Schedule is reviewed annually and is subject to change after a 30-day written notice to those affected by the change.

5. Security Deposit - TENANT shall submit and maintain a refundable deposit equal to two months rent with the CITY during the term of this AGREEMENT. The CITY may deduct any delinquent fees, costs or charges (including late payment fees) resulting from the use of the assigned space on the airport. At no time will the Security Deposit be less than two months rent. Should the monthly fee be adjusted, the amount maintained by TENANT will be adjusted accordingly. Additional Security Deposit sums required as a result of a fee adjustment, or resulting from deductions as a result of a late payment, shall be deposited by the TENANT within thirty (30) days after receiving written notice of the adjustment. Any portion of the security deposit remaining after termination of this agreement, shall be returned to the TENANT without interest.

6. Payment - Rent begins upon the commencement date of this AGREEMENT. Rent is due and payable on that date, it will be prorated to cover TENANT's tie-down rent up to the 1st of the month. Subsequent monthly rental fees may be paid monthly, quarterly, semi-annually, or annually in advance. Automatic billing will start on the 1st day of billing cycle selected through the City Treasurer office. Rent payments are due within 30 days from the date of billing. Rents not paid within 30 days will be considered overdue. Administrative collection fees will be added to process and collect overdue accounts. Returned checks are subject to an additional $10.00 fee.

7. Conditions of Use - Violations of these conditions may lead to termination of this AGREEMENT:

a. TENANT's aircraft and/or hangar must fit within the assigned tie-down space. Exceptions will be authorized in writing provided infringement into an adjacent area does not diminish the usability of another aircraft tie-down space, constitute a safety hazard, intrude into entry ways or taxiway or otherwise block the public right of way. Regardless of infringements authorized or not, all hangar space built outside the assigned tie-down space will be accessed an additional monthly tie-down based on Airports Division Schedule of Fees and Charges approved by the City Manager.

b. Tie-down spaces may not be utilized in any manner which, in the opinion of the DIRECTOR, or his designate, creates a nuisance.

c. TENANT may not make any improvements, changes, or alterations to TENANT's tie-down space without the written authorization of the DIRECTOR, or his designate.

d. The assigned space is made available to the TENANT solely for the purpose of tie-down and storing of the TENANT's aircraft, and not for the operation of a commercial enterprise. The conduct of any commercial activity from the assigned space, such as (but not limited to) aircraft charter, rental, repair, or instructional service is prohibited. This exclusion shall not prohibit the incidental use of the aircraft in providing transportation in the course of TENANT's business, or profession or other commercial activity.

e. TENANT shall not install any utilities; such as gas, electricity, water/sewer, telephone/telegraph, without prior written approval of the DIRECTOR and obtaining all required permits from the CITY.

f. Routine aircraft maintenance performed on the CITY aircraft tie-down space will be limited to "Preventive Maintenance" performed by the owner of the aircraft assigned to the tie-down space as set forth in the Federal Aviation Administration Circular No. 43-12 and FAR Part 43, Appendix A, paragraph (c). Any use, storage or disposal of materials which would be considered hazardous to the environment must be used, stored, or disposed of in accordance relevant State, County and local regulations. Hangars are subject to unannounced inspections by County Health Services, San Diego Fire Department and/or airport operations officials to ensure these requirements are met.

g. Fueling of an aircraft while in a hangar is prohibited. Fueling of TENANT's aircraft must be performed solely by an authorized lessee on the AIRPORT.

h. Authorized parking of motor vehicles will only be permitted within the confines of allotted aircraft tie-down space. Violators will be towed at owners expense. Authorized motor vehicles will be permitted in aircraft tie-down areas for pick-up/drop-offs and/or during the time an owner is tending to his/her aircraft. **Parking in aircraft taxi lanes is prohibited.** All operators of motor vehicles shall yield to all moving aircraft.

I. Only TENANT may utilize the aircraft tie-down space. The DIRECTOR may approve short-term guest parking on a case-by-case basis. Approval must be obtained in advance of guest occupation.

j. The installation/replacement of aircraft tie down chains is the responsibility of the CITY. Repair/replacement of worn or damaged chain will be made at no expense to the TENANT unless neglect is involved. In case of neglect, a charge to cover replacement costs will be made to the renter of the tie down space.

k. TENANT shall be solely responsible for properly securing his or her aircraft and hangar.

l. TENANT shall keep his or her tie-down space clear of any debris, obstructions, health, fire, or safety hazards. No person shall keep or store or cause to be kept or stored in any manner on an the airport any materials which constitute in the opinion of the Fire Marshal a fire hazard. At no time will the TENANT knowingly release pollutants or any other non-storm water discharges from those premises which might enter into the Storm Water Conveyance System. If a fuel, oil, or any other hazardous material spill occurs, TENANT will immediately take all reasonable action to contain and clean-up the release.

TENANT is solely and fully responsible and liable in the event TENANT's hazardous material(s) storage, usage, or activity under this agreement causes or permits hazardous material(s) to be released on the airport. If any hazardous material release occurs as a result of the TENANT's hazardous material storage or usage, the TENANT shall bare the sole cost and expenses to immediately remove such hazardous material release in accordance with applicable governmental regulations. In addition to all other rights and remedies of the CITY, if the TENANT does not immediately clean up and remove any such hazardous material release, the CITY may pay to have same removed and the TENANT shall reimburse the CITY of any costs incurred by the CITY, together with interest at the maximum rate allowed by law.

TENANT shall indemnify and hold the CITY harmless against all loss, damage, liability and expenses which the CITY may sustain as a result of the presence or clean-up of the hazardous material(s) on the assigned space or airport which may have been caused directly or indirectly by the TENANT's hazardous material(s) storage, usage, or activities on the airport.

TENANT shall notify the Airport Operations office as soon as possible to evaluate the extent of the spill and determine if it is a State mandated reportable spill situation. Spill absorbent material may be available through the Airport Operations office to assist in clean-up. Violations of these provisions and requirements are violations to the San Diego Municipal Codes and may be prosecuted as misdemeanors and subject to penalties provided in the code.

TENANT's obligations under this section for clean-up and removal of hazardous material(s) releases to the TENANT's storage, usage, activities on the airport shall survive the expiration or termination of this AGREEMENT.

m. At no time shall a minor under the age of eighteen (18) years of age be allowed to loiter, idle, wander, stroll, or play in or upon the airport premises without a parent, guardian, or other adult person having the care and custody of the minor(s). **Bicycling, skateboarding, roller skating, or similar type activities are prohibited on the airport.**

8. Liability - By signing and entering into an agreement with the CITY , TENANT is acknowledging and agreeing that the CITY has granted its permission for use of the assigned space only for the purposes and in accordance with the provisions of this agreement. By entering into this agreement, the CITY is not agreeing in any manner to accept obligations or responsibility for the safekeeping of the aircraft, hangar, or other property of the TENANT, TENANT's agents, contractors, officers, employees, or invitee. TENANT is responsible for the security of the

TENANT's aircraft and/or hangar. The CITY accepts no responsibility for damage to the TENANT's aircraft and/or hangar and its contents. All risks, sole costs and expenses in connection with TENANT's use of the tie-down space and any hangar which may be permitted are the TENANT's. All aircraft owners must maintain adequate liability insurance to cover possible damages to any property while using the airport.

The privilege of using the airport and its facilities shall be conditioned upon the assumption of full responsibility and risk by the user thereof and the CITY, its agents and/or employees shall not be liable for loss, damage or injury to persons or property arising out of any accident, incident or mishap of any nature whatsoever and/or form any cause whatsoever to any individual, aircraft or property occurring on the airport or in the use of any facilities.

Any person who is authorized by the CITY to utilize CITY-owned and operated aircraft shelter, T-hangar, or outdoor tie-down spaces for tie-down of general aviation aircraft at the airport shall keep in full force and effect at all times the following ***minimum insurance coverage*** and requirements:

a. Minimum Insurance Coverage and Limits. TENANT, at its sole cost and expense, shall maintain at all times when TENANT is in possession of the premises, a comprehensive policy of general liability insurance in which the CITY, its officials employees, agents, contractors, and volunteers are added as additional insured parties with respect to operation of the named insured at, or from, the Montgomery Field Airport or assigned space occupied and used by the named insured pursuant to the agreement issued by the CITY, for any and all claims arising during the Lease term for damages or injuries to goods, wares, merchandise, and property and/or for any personal injury or loss of life in, upon, or about the Premises in a combined single limit amount of not less than $1 million, per occurrence, including $500,000 for bodily injury to any person.

b. Deductible and Self-insured Retention. Any deductible or self-insured retention must be declared to and approved by the DIRECTOR and the CITY's Risk Management office.

c. Other Insurance Provisions.

   1) The named insured's insurance coverage shall be primary insurance as respects to the CITY, its officers, employees, agents, contractors and/or volunteers for liability arising out of the named insured operations. Any insurance or self-insurance maintained by the CITY, its officials, employees, agents, contractors or volunteers shall be excess of the named insured's insurance and shall not contribute with it.

   2) Coverage shall state that the TENANT's insurance shall apply separately to each insured against whom claim us made or suit is brought, except with respect to the limits of the insurer's liability.

   3) This insurance shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail has been given to CITY. Cancellation of coverage for non-payment of premium will require ten (10) days written notice to the CITY.

   4) The above thirty (30) day written notice is not required if the AGREEMENT is terminated and the aircraft is immediately removed from the Airport, or if the aircraft is sold and immediately removed from the airport.

d. Acceptability of Insurers. All insurance required by this AGREEMENT shall be placed with a carrier acceptable to the CITY's Risk Management office.

e. Verification of Coverage. TENANT shall furnish the CITY with certificates of insurance necessary to satisfy the DIRECTOR that the insurance requirements of this agreement have been met. Proof of or changes in insurance shall be mailed to the following address;

City of San Diego
Montgomery Field Airport Operations
3750 John J. Montgomery Drive
San Diego, CA 92123

f. Cancellation. Failure to maintain the required insurance coverage and/or provide verification of coverage will result in cancellation of this AGREEMENT.

9. Hold Harmless - TENANT agree to indemnify and save the CITY and its agents and employees harmless from any and all liability, claims, damages, or injuries to any person, including injury to yourself, or any of the TENANT's employees, representatives, agents, guests, licensees, invitee, patrons, or any other person whomsoever, and all expenses of investigating and defending against same:

a. Arising from or alleged to have arisen from or connected with the use of or operations on the rented aircraft tie-down space.

b. Caused or claimed to be caused by the independent acts of yourself, the TENANT's agents or employees, or the concurrent acts of the CITY, or their agents or employees.

10. Hangars - Will be permitted on rented aircraft tie-down spaces under certain conditions. Written authorization for a hangar may be included in this agreement if the following conditions are met:

a. The hangar can be located on the TENANT's tie-down space without infringing on an adjacent area, or a waiver of this condition is granted.

b. TENANT must comply with all CITY and County laws and ordinances, and obtain all required permits. This includes the installation, size and properly maintained fire extinguisher appropriate for aircraft fires.

c. Hangars must be installed in accordance with the manufacturer's specifications and in accordance with a plan approved by the DIRECTOR.

d. The initial appearance/condition of the hangar must be acceptable to CITY. Hangars and must be maintained in good condition as determined solely by the CITY.

e. Hangars will be utilized only **for the purpose of storage of aircraft and not for the operation of a commercial enterprise.**

f. Hangars not meeting all of the conditions stated above will be evaluated on their individual merits. They must have prior written approval of the DIRECTOR and obtain all required permits from the CITY.

g. Posting of a bond or a cash deposit sufficient to ensure removal of the hangar will be required upon execution of the aircraft tie-down space AGREEMENT.

11. Right of Entry - The CITY reserves the right to enter the TENANT's aircraft tie-down space and/or hangar for the purpose of viewing and ascertaining the condition of the premises or to protect its interests in the premises or to inspect any uses being made of the premises. This right of entry will normally be performed with the TENANT's authorization and presence, but the CITY also reserves and shall have the right, without notice, to enter upon the assigned space or hangar in an emergency at all times.

12. Description of Hangar - No hangar on this parking area. The shape and height of the hangar must be consistent with adjacent hangars and all other rules listed in Paragraphs 8 & 10 above.

13. Unairworthy Aircraft - Storage of unairworthy aircraft in assigned aircraft tie-down spaces for a period greater than one hundred and eighty (180) consecutive days is prohibited, unless the owner demonstrates, to the DIRECTOR reasonable satisfaction, that the owner is actively engaged in an effort to bring such aircraft into airworthy condition, and obtains the express written consent of the DIRECTOR to continue storage of such aircraft for additional specified period of time in order to bring the aircraft into airworthy condition. The DIRECTOR may cause or authorize the tow away, removal, or storage of any unairworthy aircraft or components thereof not complying with this condition, at the owners's sole cost and expense.

14. Assignment, Transfer or Sale - The AGREEMENT shall not constitute a deed, lease or grant of an easement by the CITY. This agreement is personal to the TENANT, and is not transferable or assignable unless approved in advance, and in writing, as provided in this section of the AGREEMENT.

a. Partnership or Joint Venture. If the TENANT is a partnership or joint venture, all partners or joint venturers in the new entity must be a signatory on the AGREEMENT. Signatories of the AGREEMENT for the assigned space must be described in the Agreement Summary for a minimum of three (3) years prior to the request for reassignment or transfer of this AGREEMENT. Only under these conditions will the DIRECTOR consent to a transfer or reassignment of this AGREEMENT to such a new entity within the partnership or joint venture.

b. Corporation. If the TENANT is a corporation, and such corporation has based aircraft in the assigned space described in the Agreement Summary for a minimum of three (3) years prior to the request for reassignment, or transfer of this Agreement, the DIRECTOR will consent to a transfer or reassignment of this Agreement to such new corporation.

In the event the TENANT is a corporation which has as its only substantial assets one or more aircraft and at least one shareholder, partner or joint venture in the new entity has been a signatory on the AGREEMENT for the assigned space as described in the Agreement Summary for three (3) years prior to the request for reassignment or transfer of this AGREEMENT, the DIRECTOR will consent to a transfer or reassignment of this AGREEMENT to such new entity.

15. Default - The occurrence of any of the following events shall constitute a Default thereunder by the TENANT:

a. Failure to timely pay any fees, charges, or deposits required to be paid to the CITY as specified in this agreement.

b. Failure to maintain in full force and effect the minimum insurance coverage specified in the agreement.

c. Failure to conform to, or the violation of. Any of the terms, conditions or provisions contained in this agreement.

16. Termination of Agreement - This Agreement may be terminated under the following circumstances:

a. Default by the TENANT. In the event of any default by the TENANT, in addition to any other remedies available at law or equity, the DIRECTOR may, on behalf of the CITY, after giving thirty (30) days advance written notice to the TENANT, revoke and terminate this Agreement. The TENANT may, during the thirty (30) days following the notice, conform to or abide by the requirements of this Agreement, in which case this Agreement shall continue in effect.

b. Termination Without Cause. This AGREEMENT is revocable, and the DIRECTOR may, at any time upon thirty (30) days advance written notice to the TENANT, terminate this AGREEMENT without cause. Any AGREEMENTS terminated under this section the TENANT shall be given priority on the Montgomery Field Airport tie-down waiting list for comparable assigned space parking.

c. Cancellation by the TENANT. The TENANT may, at any time upon the (15) days advance written notice to the DIRECTOR, cancel this Agreement, provided that TENANT promptly pay the CITY all fees and charges owed to date of cancellation and promptly removes all aircraft and equipment from the assigned space as of the date of cancellation.

17. Aircraft Removal - If this Agreement is terminated, TENANT shall be required to remove the aircraft and all other property stored in the assigned space within the time set forth in the advance written notice of termination. The CITY will take necessary action to remove or dispose of the aircraft, other property which may be located therein, place such aircraft on any portion of the airport, and store such other property at the TENANT's sole cost and expense in a public or private warehouse. Such termination and removal shall in no way release the TENANT from any obligations accrued thereunder to the date of such termination.

When such aircraft is so placed on any portion of the airport, the TENANT shall become obligated to the CITY, with respect to such aircraft, all tie-down rates as may be applicable at the airport, including all reasonable charges imposed and expenses incurred by the CITY or Airport to remove the contents of the assigned space.

18. Lien; Lock-Down of Aircraft - TENANT hereby acknowledges that the CITY may seek to impose a lien upon the TENANT's aircraft, and all other property placed on the assigned space, for delinquent fees, storage and other charges. The CITY may remove said aircraft and/or property assigned hereby and subsequently relocate for non-payment and exclude the TENANT from use or possession of said aircraft and/or property if fees due under this Agreement are not paid by the TENANT by the fifteenth (15th) day following written notice of such delinquency.

The TENANT further covenants and agrees to hold the CITY harmless for the removal, lock-down and storage of any aircraft and all property moved in accordance with this section.

The TENANT further covenants and agrees to permit the CITY or its agents to dispose of any aircraft and all property remaining on the assigned space after abandonment in accordance with California Civil Code, Section 1980, et seq. This section shall also apply where this Agreement has been terminated by breach or cancellation by either of the parties hereto. It is acknowledged that the CITY may also notify the TENANT of abandonment in accordance with Section 1951.3 et seq. of the California Civil Code.

19. Daily Rate - Upon termination of this Agreement, the TENANT shall be obligated to pay fees computed at the then current daily rates for comparable transient spaces until the TENANT has removed the aircraft and all property from the assigned space and Airport.

20. Waiver - No waiver of default by either party if any of the terms, conditions, and provisions of this Agreement shall be construed as, or operate as, a waiver of any subsequent default of any of the terms, conditions, provisions contained herein, to be kept and observed by the other party. The consent or approval by one party to the other party shall not be deemed to waive or render unnecessary the need for consent or approval of any subsequent, similar act.

21. Consent / Notices - Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in advance, in writing, and shall be executed by a person having the express authority to grant such approval or consent. All written notices given in conjunction with this Agreement shall be effective when personally delivered or after three (3) working days upon deposit in the U.S. Mail, certified or registered, postage prepaid, to the address of record as set forth in the Agreement Summary or to such other address as either party shall designate in writing.

AGREEMENT SUMMARY

Effective Date: September 7, 1999 Aircraft Type: Super Cub

Assigned Space Number: 5B/2D Aircraft N#: 3716M

The Airport Manager's office will be notified immediately of any changes of aircraft parked at this site.

TENANT's Name: Robert L. Ambler and Raymond H. Moore, Jr.

Address of record for official notices or correspondence.

2769 Nipoma Street

City: San Diego State: CA Zip Code: 92106

Telephone Numbers: (H) Ambler (619) 222-7535 / Moore (619) 448-5565

(Hangar) _____

All fees established below are subject to adjustments as provided in AGREEMENT.

$ 85.00 per month (Assigned Space)

$ 00.00 (Additional Fees)

$ 170.00 (Security Deposit) Paid by Robert L. Ambler (In Full) Trust Fund Acct# 063923

Airport Address for Correspondence: *City of San Diego*
Montgomery Field Airport Operations
3750 John J. Montgomery Drive
San Diego, CA 92123

24. "I understand and agree to abide to the terms, conditions, restrictions, and obligations of this agreement."

TENANT: Robert L. Ambler
City Account # 099782 Signature - Robert L. Ambler

TENANT: Raymond H. Moore, Jr
Signature - Raymond H. Moore, Jr.

By: _____ September 7, 1999
DIRECTOR designee,
BILL DALBY
Airports Manager, Montgomery Field

25. Hangar Authorization:

By: _____ September 7, 1999
DIRECTOR designee,
BILL DALBY
Airports Manager, Montgomery Field