DUPLICATE

DOCUMENT NO RR-316571
FILED JAN 13 2026
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

THIRD AMENDMENT TO FLAT RATE PARCEL GROUND LEASE

THIS THIRD AMENDMENT TO FLAT RATE PARCEL GROUND LEASE ("Third Amendment") is made and entered into by and between the CITY OF SAN DIEGO, a California municipal corporation ("City"), and AIR CENTER MYF, LLC, a California limited liability company ("Lessee"), to be effective as of the date this Amendment is executed by the parties and approved by the San Diego City Attorney (the "Amendment Effective Date"). The Original Lease (defined below), as amended by the First Amendment (defined below), Second Amendment (also defined below), and this Third Amendment are collectively referred to herein as the "Lease".

RECITALS

A. City owns that certain real property consisting of approximately 7.77 acres of unimproved land (the "Premises") located at the Montgomery-Gibbs Executive Airport (the "Airport"), 3750 John J Montgomery Dr., San Diego, CA 92123, as more particularly depicted on the attached Revised Exhibit 'A', and described on the attached Second Revised Exhibit 'A-1'.

B. Pursuant to that certain Flat Rate Parcel Ground Lease between City and Lessee, on file with the San Diego City Clerk as Document No. RR-311540 ("Original Lease"), the City leased a portion of the Premises defined therein as "Parcel 1" to Lessee, and also granted to Lessee an option to expand the Premises to include two further parcels identified in the Original Lease as "Parcel 2" and "Parcel 3" within seven years of the Commencement Date.

C. The Original Lease provided that the Commencement Date initiating the obligation of the Lessee to pay Rent would occur on the first day of occupancy by Lessee of Parcel 1, but no later than two (2) years from the Effective Date, or March 8, 2020. The Original Lease also required Lessee to secure all required permits and approvals to commence work on the improvements to the Premises in accordance with the General Development Plan within five (5) years from the Effective Date, or March 8, 2023.

D. Effective April 23, 2020, City and Lessee agreed to amend the Lease in that certain First Amendment to Flat Rate Parcel Ground Lease between City and Lessee, on file with the San Diego City Clerk as Document No. RR-312911 ("First Amendment"). Among other things, the First Amendment: increased the size of Parcel 1, decreased the size of Parcel 2, and extended the Commencement Date to no later than March 8, 2022.

E. Effective July 18, 2022, City and Lessee agreed to further amend the Lease in that certain Second Amendment to Flat Rate Parcel Ground Lease between the City and Lessee, on file with the San Diego City Clerk as Document No. RR-314101 ("Second Amendment"). Among other things, the Second Amendment: further extended the Commencement Date to no later than March 8, 2025, updated the General Development Plan to increase the Minimum Improvement Costs to not less than $10-million, and provided Lessee more time to secure all required permits and approvals to commence work

on the improvements to the Premises in accordance with the General Development Plan to March 8, 2026.

F. On March 8, 2025, the term of the lease commenced and the Lessee began making the monthly Rent payments for Parcel 1.

G. On June 4, 2025, Lessee delivered to City an Option Notice that Lessee wished to exercise its option to expand the Premises to include Parcel 2 and Parcel 3 (as such Parcels had been amended in the First Amendment). City and Lessee are in the process of completing an appraisal of Parcel 2 and Parcel 3 as required by section 1.2.2 of the Lease.

H. Lessee requests an extension of: (1) the Commencement Date to no later than March 8, 2027; and (2) the date to secure all required permits and approvals for work to commence on the improvements to the Premises to no later than March 8, 2028.

I. The parties desire to amend the Lease to provide Lessee with additional time as set out in Recital H.

J. As consideration for the City agreeing to extend the Commencement Date, the parties also desire to amend the Lease to update the General Development Plan to, among other things, increase the Minimum Improvement Cost to not less than $15-million.

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 set forth above are true and correct and are incorporated into this Third Amendment by this reference, as though fully set forth herein.

2. Incorporation of Defined Terms. All terms, phrases and words indicated to be defined terms by initial capitalization in this Third Amendment that are not specifically defined in this Third Amendment (if any) shall have the meaning ascribed to the same term, phrase, or word in the Lease.

3. Recital A, Recital B (as amended), Recital C, Recital D, and Recital E of the Original Lease are all hereby **DELETED** in their entirety.

4. Section 1.1 Premises, of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

    1.1 Premises. City hereby leases to Lessee and Lessee hereby leases from City, for the rent and upon the covenants and conditions hereinafter set forth, that certain real property situated at the Montgomery-Gibbs Executive Airport, in the City of San Diego, County of San Diego, California, consisting of approximately 7.77

acres of land (the "Premises") more particularly depicted on **SECOND REVISED EXHIBIT 'A'** and described on **SECOND REVISED EXHIBIT 'A-1**, both of which are attached hereto, and by reference are both made a part hereof, along with the non-exclusive use of all public airport facilities at the Airport including, but not limited to, taxiways, runways, customs facilities, aprons, navigational aids and facilities relating thereto, for the purpose of landings, takeoffs, and taxiing of Lessee's aircraft and/or Lessee's customers' aircraft, and all appurtenant easements and rights of access between the Premises and any adjacent public streets, rights-of-way, and utilities that exist as of the Effective Date and as the same may be modified from time to time during the Term.

The Premises also includes a non-exclusive right-of-way for Lessee to construct and maintain drainage and utilities infrastructure over, under, along and across that certain real property more particularly depicted on **SECOND REVISED EXHIBIT 'A-2'** and described on **REVISED EXHIBIT 'A-3'**, both of which are attached hereto, and by reference are both made a part hereof (the "Right of Way"). The Right of Way includes the right for Lessee to access the Right of Way from the adjacent parcels at the Airport. City reserves the right to grant access to and use of the Right of Way to adjacent leaseholds at the Airport; this reservation includes the right of City to grant adjacent leaseholders the right to connect to utilities located in the Right of Way.

Lessee accepts all "approximations" set forth in this Lease as being accurate and agrees not to use any future recalculations (however determined) of the Premises to attempt to adjust or otherwise affect the rents or other obligations contained in this Lease."

5. Sections 1.2 Option to Lease Parcel 2 and Parcel 3 to 1.2.6, inclusive, of the Lease are hereby **DELETED**.

6. Sections 1.3 First Right of Refusal – Additional Parcel to 1.3.7, inclusive, of the Lease are hereby **DELETED**.

7. The third paragraph of Section 1.10 Easements and Reservations of the Lease, as was amended by the First Amendment, beginning, "City hereby reserves …" and ending, " … except as set forth in this Section 1.10", is hereby **DELETED** in its entirety and **REPLACED** with the following:

   "City hereby reserves a right-of-way over that approximately 2,136 square feet portion of the Premises labeled as "RESERVED 24' WIDE FUTURE AIRPORT ROAD" and more particularly depicted **SECOND REVISED EXHIBIT 'A'** and more particularly described in the third paragraph of **SECOND REVISED EXHIBIT 'A-1'**, for an airport roadway ("Roadway") to be used by City, and City's lessees and their sublessees, employees, invitees, guests, agents, or officers. City and Lessee agree that Lessee shall not be entitled to any compensation for the use of the Roadway, except as set forth in this Section 1.10."

8. Section 2.1 Term, of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "2.1.Term. The term of this Lease shall commence on the first date of occupancy by Lessee of the Premises ("Commencement Date"), and shall continue for fifty (50) years (the "Term"). Notwithstanding the foregoing, the Commencement Date shall be no later than March 8, 2027. The Commencement Date shall be memorialized by City pursuant to the "Notice of Commencement Date" as attached hereto as Exhibit C. "Lease Year" as used in this Lease shall mean the twelve (12) month period commencing on the first day of the calendar month following the Commencement Date and each succeeding 12 month period thereafter during the Term. As used in this Section 2.1, "first date of occupancy" shall mean the date Lessee commences construction activities on the Premises, as determined by the City.
>
> Notwithstanding anything to the contrary in this Section 2.1, Lessee further agrees that any Rent Lessee previously paid the City prior to the Third Amendment to the Lease was due and owing at that time and that Lessee is not entitled to any refund or offset for any Rent so previously paid."

9. Section 3.2 Rent Amount of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "3.2. Rent Amount. The monthly rent ("Rent") for the Premises upon the Commencement Date shall be Twelve Thousand Four Hundred Eleven Dollars and fifty cents ($12,411.50). The Rent is subject to adjustment (pursuant to the CPI Index Adjustment Dates set forth in Section 3.2. I below) based on the increases, if any, in the CPI (as defined in Section 3.2.1) or Market Value Adjustments (established as described in Section 3.3), of the Premises. All references to "acreage" are best effort approximations and shall not be used to affect the rental structure or rental amounts set forth in this Lease or to be utilized in the future."

10. Section 3.2.1 CPI Adjustment of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

> "3.2.1 CPI Adjustments. If the Commencement Date is on or before March 8, 2026, then on the sixth (6th) anniversary of the Commencement Date, and every ten (10) years thereafter, the Rent shall be adjusted upward, and only upward, if applicable, to reflect any increases in the Consumer Price Index (the "CPI"). If the Commencement Date is after March 8, 2026, then on the fourth (4th) anniversary of the Commencement Date, and every ten (10) years thereafter, the Rent shall be adjusted upward, and only upward, if applicable, to reflect any increases in the CPI. The index used will be the CPI for "All Urban Consumers" for Los Angeles, Riverside, Orange County (1982-84 = 100) of the U.S. Department of Labor, Bureau of Labor Statistics. If the CPI is no longer published, the index for adjustment will be the U.S. Department of the Labor's "Comprehensive Official

Index" most comparable to the aforesaid index. In the event that such indices are no longer published, then another comparable index or source of such information generally recognized as authoritative will be substituted in the City's discretion. Regardless of the index publication dates, the effective dates of Rent adjustments shall be as specified in this Section 3.2.1. Each time the Rent is adjusted pursuant to this Section 3.2.1 is a "CPI Adjustment Date"."

11. Section 10.1.1 Parcel 1 Permits and Approvals of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

    10.1.1 Permits and Approvals. Prior to commencing any work on the Premises in accordance with the General Development Plan, Lessee shall (1) submit development plans and all documents required by the applicable City departments (e.g., Development Services Department); and (2) secure all required permits and approvals from competent governmental authorities for all work set forth in the General Development Plan, including final review pursuant to the California Environmental Quality Act ("CEQA"). For the avoidance of doubt, approval of this Lease does not foreclose all options, alternatives or mitigation measures for purposes of CEQA. If Lessee fails to secure all required permits and approvals from the competent governmental authorities to commence work on the Premises in accordance with the General Development Plan by March 8, 2028, the parties shall terminate this Lease pursuant to a lease termination agreement in a form approved by the San Diego City Attorney, without the need for further City Council resolution."

12. Section 10.1.2 Option(s) Permits and Approvals of the Lease is hereby **DELETED** in its entirety.

13. Section 10.3 Minimum Improvement Costs of the Lease is hereby **DELETED** in its entirety and **REPLACED** with the following:

    "10.3 Minimum Improvement Costs. Lessee agrees to spend, at minimum, the minimum improvement costs on the Premises as set forth in the General Development Plan."

14. Section 12.19(g) Council Policy 100-04 Americans with Disabilities Act ("**ADA**") Requirements is hereby added to the Lease as follows:

    "(g) Council Policy 100-04 Americans with Disabilities Act ("**ADA**") Requirements. Tenant will comply with the Landlord's ADA requirements under Council Policy 100-04, which is incorporated into this Lease by this reference. Tenant agrees that all subcontracts relating to this Lease or the Premises will contain the subcontractor's agreement to abide by the provisions of Council Policy 100-04."

15. Section 12.27.3 is hereby **ADDED** to the Lease as follows:

    "12.27.3. Lessee shall require all its subcontractors to certify compliance with the

Equal Pay Ordinance in written subcontracts."

16. Section 12.31 Product Endorsement is hereby **ADDED** to the Lease as follows:

    "12.31 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."

17. Section 12.32 Zero Emissions Municipal Buildings and Operation Policy is hereby **ADDED** to the Lease as follows:

    "12.32 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."

18. Exhibit "A" is hereby **DELETED** in its entirety and **REPLACED** with the **SECOND REVISED EXHIBIT 'A', SECOND REVISED EXHIBIT 'A-1', SECOND REVISED EXHIBIT 'A-2',** and **REVISED EXHIBIT 'A-3'**, attached to this Third Amendment.

19. Revised Exhibit 'A-1', Revised Exhibit 'A-2', Exhibit "A-3", and Exhibit D are hereby **DELETED** in their entirety from the Lease.

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

21. Confirmation of Agreement. The Lease, as amended by the First Amendment, the Second Amendment, and this Third 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.

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

23. 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 Third Amendment. The Parties participated substantially in the negotiation, drafting, and revision of this Third Amendment, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in this Third 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 Third Amendment. The words "include" and "including" in this Third Amendment shall be

construed to be followed by the words: "without limitation." Each collective noun in this Third 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 Third Amendment, refers to such document, as modified from time to time (excepting any modification that violates the Lease), and includes all exhibits, schedules, addenda, and riders to such document. The word "or" in this Third 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 Third Amendment refers to each such requirement as amended, modified, renumbered, superseded, or succeeded, from time to time.

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

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

26. Authority. Each individual executing this Third Amendment on behalf of another person or legal entity represents and warrants that they are authorized to execute and deliver this Third 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 Third Amendment is binding upon such person or entity in accordance with its terms. Each person executing this Third 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.

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

28. Counterparts. This Third 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.

SIGNATURE PAGE
TO
THIRD AMENDMENT TO
FLAT RATE PARCEL GROUND LEASE

IN WITNESS WHEREOF, City and Lessee sign and enter into this Third 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:
Air Center MYF, LLC,
a California limited liability company

By: _____
Deann Shier
Member

APPROVED AS TO FORM
on January 26, 2026:

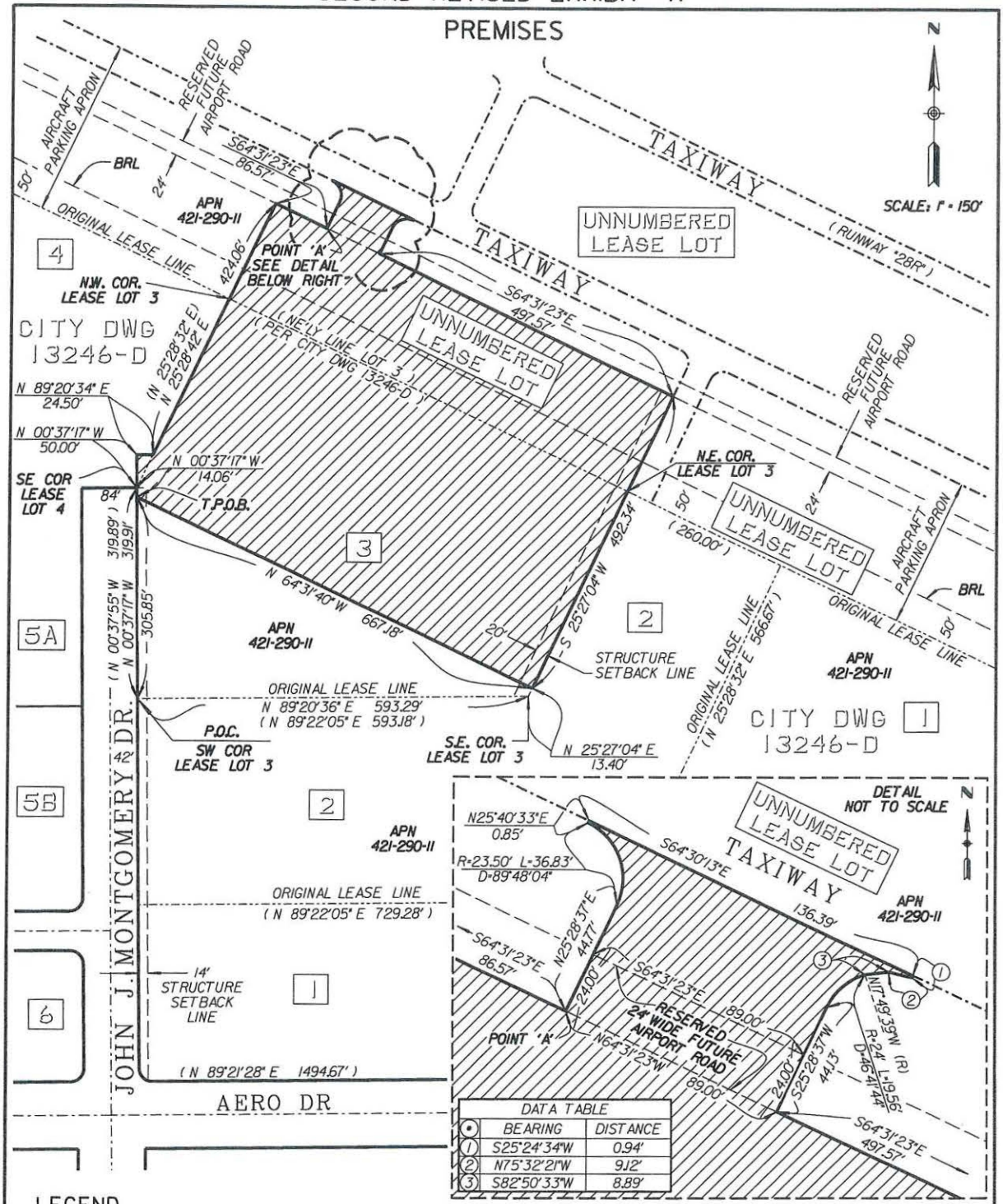
HEATHER FERBERT,
City Attorney

R-316571

By: _____
Andrew J. Alfonso
Deputy City Attorney

SECOND REVISED EXHIBIT 'A'

PREMISES



DATA TABLE		
	BEARING	DISTANCE
1	S25°24'34"W	0.94'
2	N75°32'21"W	9.12'
3	S82°50'33"W	8.89'

LEGEND

	PREMISES AREA = 338,495.63 SQ. FT., 7.7708 ACRES
XX	MONTGOMERY FIELD - LEASE LOTS PER CITY DWG 13246-2-D
P.O.C.	INDICATES POINT OF COMMENCEMENT
T.P.O.B.	INDICATES TRUE POINT OF BEGINNING
BRL	BUILDING RESTRICTION LINE
( )	INDICATES RECORD DATA PER CITY DWG 13246-D

PREPARED BY:

THE CITY OF SAN DIEGO
ENGINEERING AND CAPITAL
PROJECTS DEPARTMENT,
FIELD DIVISION - SURVEY SECTION.
UNDER THE DIRECTION OF
DANIEL R. WATKINS, LS 8877
SENIOR LAND SURVEYOR

Daniel R. Watkins 9/4/2025

DANIEL R. WATKINS P.L.S. 8877

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

MONTGOMERY - GIBBS EXECUTIVE AIRPORT
LEASE PARCEL OVER LEASE LOT 3,
PORTIONS OF LEASE LOT 4 AND AN UNNUMBERED LEASE PARCEL
CITY OF SAN DIEGO DWG NO. 13246-2-D

SECOND REVISED EXHIBIT 'A-1'
LEGAL DESCRIPTION
PREMISES

APN: 421-290-11

Those portions of Lease Lots 3, 4, and a portion of an un-numbered Lease Lot all within 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 southwest corner of said Lease Lot 3, said point lying on the easterly line of John J. Montgomery Drive as shown on said City of San Diego Drawing No. 13246-2-D; Thence along said easterly line of John J. Montgomery Drive North 00°37'17" West 305.85 feet to the **True Point of Beginning**; Thence continuing along said easterly line of John J Montgomery Drive North 00°37'17" West 14.06 feet to the southeast corner of said Lease Lot 4; Thence leaving said southeast corner of Lease Lot 4 and said easterly line of John J. Montgomery Drive North 00°37'17" West 50.00 feet; Thence North 89°20'34" East 24.50 feet to a point on the northwesterly line of said Lease Lot 3; Thence along said northwesterly line of Lease Lot 3 and through the northerly prolongation of said northwesterly line North 25°28'42" East 424.06 feet; Thence South 64°31'23" East 86.57 feet, heretofore known as **Point 'A'**; Thence North 25°28'37" East 44.77 feet to the beginning of a tangent 23.50 foot radius curve, concave westerly; Thence northerly and northwesterly along the arc of said curve through a central angle 89°48'04" a distance of 36.83 feet; Thence North 25°40'33" East 0.85 feet to the southwesterly edge of Taxi Way as shown on said City Drawing 13246-2-D; Thence along said southwesterly edge of Taxiway South 64°30'13" East 136.39 feet; Thence leaving said southwesterly edge of Taxi Way South 25°24'34" West 0.94 feet; Thence North 75°32'21" West 9.12 feet; Thence South 82°50'33" West 8.89 feet to the beginning of a non-tangent 24.00 foot radius curve, concave southerly, a radial bears North 17°49'39" West; Thence southwesterly along the arc or said curve through a central angle 46°41'44" a distance of 19.56 feet; Thence South 25°28'37" West 44.13 feet; Thence South 64°31'23" East 497.57 feet to a point on the northerly prolongation of the southeasterly line of said Lease Lot 3; Thence through said northerly prolongation and along said southeasterly line of Lease Lot 3 South 25°27'04" West 492.34 feet, said point lying North 25°27'04" East 13.40 feet from the southeast corner of said Lease Lot 3; Thence leaving said southeasterly line North 64°31'40" West 667.18 feet to the **True Point of Beginning.**

Reserving therefrom a right of way for future airport road described as follows:
Beginning at hereinabove described **Point 'A'**; Thence North 25°28'37" East 24.00 feet; Thence South 64°31'23" East 89.00 feet; Thence South 25°28'37" West 24.00 feet; Thence North 64°31'23" West 89.00 feet to the **Point of Beginning.**

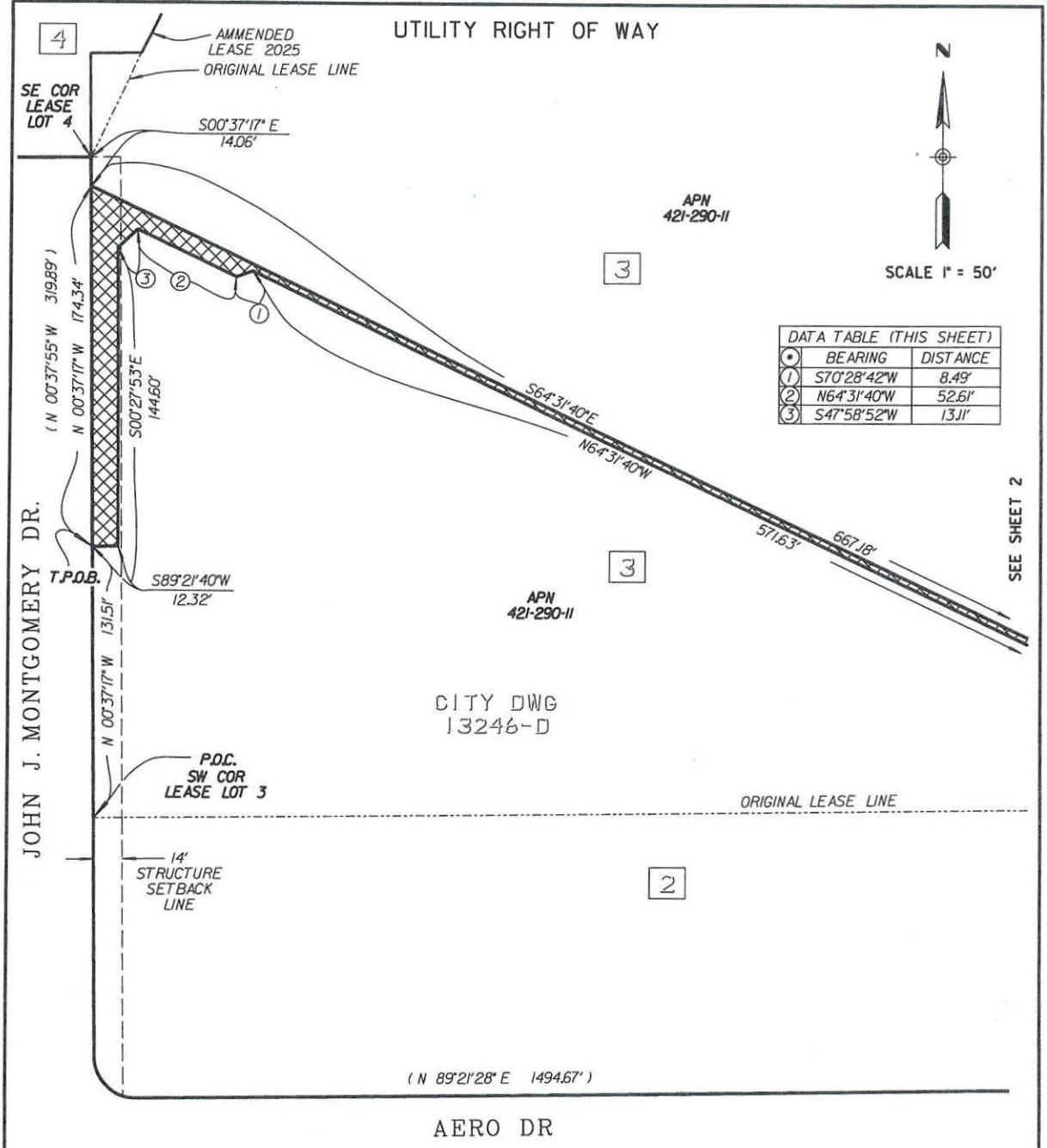
The above described parcel containing 338,495.63 Sq. Feet (7.7708 Acres).



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

File: 21003181_AMENDED LEASE 2025_LEASE LOT 3 POR LOT 4.docx
WBS 21003181– July, 2025

SECOND REVISED EXHIBIT 'A-2'



LEGEND

▨	GENERAL UTILITY RIGHT OF WAY TO BE ACQUIRED AREA = 8,427.90 SQ. FT., 0.1935 ACRE
XX	MONTGOMERY FIELD - LEASE LOTS PER CITY DWG 13246-2-D
P.O.C.	INDICATES POINT OF COMMENCEMENT
T.P.O.B.	INDICATES TRUE POINT OF BEGINNING
BRL	BUILDING RESTRICTION LINE
( )	INDICATES RECORD DATA PER CITY DWG 13246-D

PREPARED BY:

THE CITY OF SAN DIEGO
ENGINEERING AND CAPITAL PROJECTS DEPARTMENT.
FIELD DIVISION - SURVEY SECTION.
UNDER THE DIRECTION OF
DANIEL R. WATKINS, LS 8877
SENIOR LAND SURVEYOR

Dan R. Watkins 9/4/2025

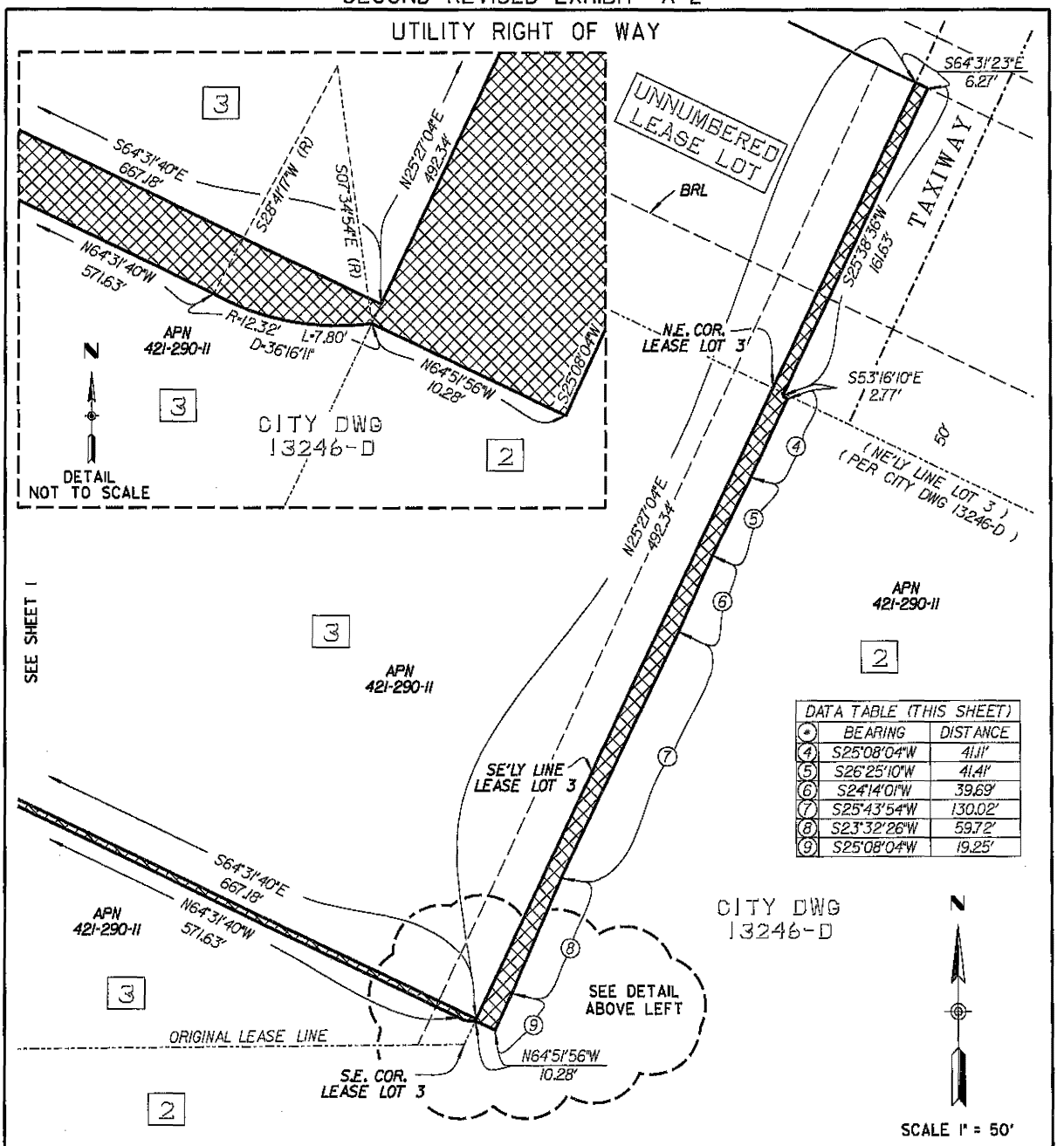
DANIEL R. WATKINS P.L.S. 8877

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

SHEET 1 OF 2 SHEETS

MONTGOMERY - GIBBS EXECUTIVE AIRPORT
UTILITY RIGHT OF WAY OVER PORTIONS OF LEASE LOTS 2, 3, AND AN UNNUMBERED LEASE PARCEL CITY OF SAN DIEGO DWG NO. 13246-2-D

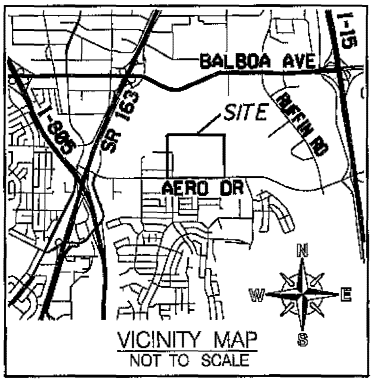
SECOND REVISED EXHIBIT 'A-2'



DATA TABLE (THIS SHEET)		
	BEARING	DISTANCE
4	S25°08'04"W	41.11'
5	S26°25'10"W	41.41'
6	S24°14'01"W	39.69'
7	S25°43'54"W	130.02'
8	S23°32'26"W	59.72'
9	S25°08'04"W	19.25'

LEGEND

- GENERAL UTILITY RIGHT OF WAY TO BE ACQUIRED AREA = 8,427.90 SQ. FT., 0.1935 ACRE
- XX — MONTGOMERY FIELD - LEASE LOTS PER CITY DWG 13246-2-D
- BRL — BUILDING RESTRICTION LINE
- ( ) — INDICATES RECORD DATA PER CITY DWG 13246-D



MONTGOMERY - GIBBS EXECUTIVE AIRPORT
UTILITY RIGHT OF WAY OVER A PORTION OF LEASE LOT 2, 3, AND AN UNNUMBERED LEASE PARCEL CITY OF SAN DIEGO DWG NO. 13246-2-D

REVISED EXHIBIT 'A-3'
LEGAL DESCRIPTION
UTILITY RIGHT OF WAY

APN: 421-290-11

Those portions of Lease Lots 2, 3, and a portion of an un-numbered Lease Lot all within 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 southwest corner of said Lease Lot 3, said point lying on the easterly line of John J. Montgomery Drive as shown on said City of San Diego Drawing No. 13246-2-D; Thence along said easterly line of John J. Montgomery Drive North 00°37'17" West 131.51 feet to the **True Point of Beginning**; Thence continuing along said easterly line of John J Montgomery Drive North 00°37'17" West 174.34 feet, said point lying South 00°37'17" East 14.06 feet from the southeast corner of Lease Lot 4 as shown on said City Drawing 13246-2-D; Thence leaving said easterly line of John J. Montgomery Drive South 64°31'40" East 667.18 feet to a point on the southeasterly line of said Lease Lot 3; Thence along said southeasterly line of Lease Lot 3 and through the northerly prolongation of said southeasterly line North 25°27'04" East 492.34 feet; Thence leaving said northerly prolongation South 64°31'23" East 6.27 feet; Thence South 25°38'36" West 161.63 feet; Thence South 53°16'10" East 2.77 feet; Thence South 25°08'04" West 41.11 feet; Thence South 26°25'10" West 41.41 feet; Thence South 24°14'01" West 39.69 feet; Thence South 25°43'54" West 130.02 feet; Thence South 23°32'26" West 59.72 feet; Thence South 25°08'04" West 19.25 feet; Thence North 64°51'56" West 10.28 feet to the beginning of a non-tangent 12.32 foot radius curve, concave northerly, a radial bears South 07°34'54" East; Thence westerly along the arc of said curve through a central angle of 36°16'11" a distance of 7.80 feet; Thence North 64°31'40" West 571.63 feet; Thence South 70°28'42" West 8.49 feet; Thence North 64°31'40" West 52.61 feet; Thence South 47°58'52" West 13.11 feet; South 00°27'53" East 144.60 feet; Thence South 89°21'40" West 12.32 feet to the **True Point of Beginning**.

The above described utility right of way containing 8,427.90 Sq. Feet (0.1935 Acre).



9/4/2025

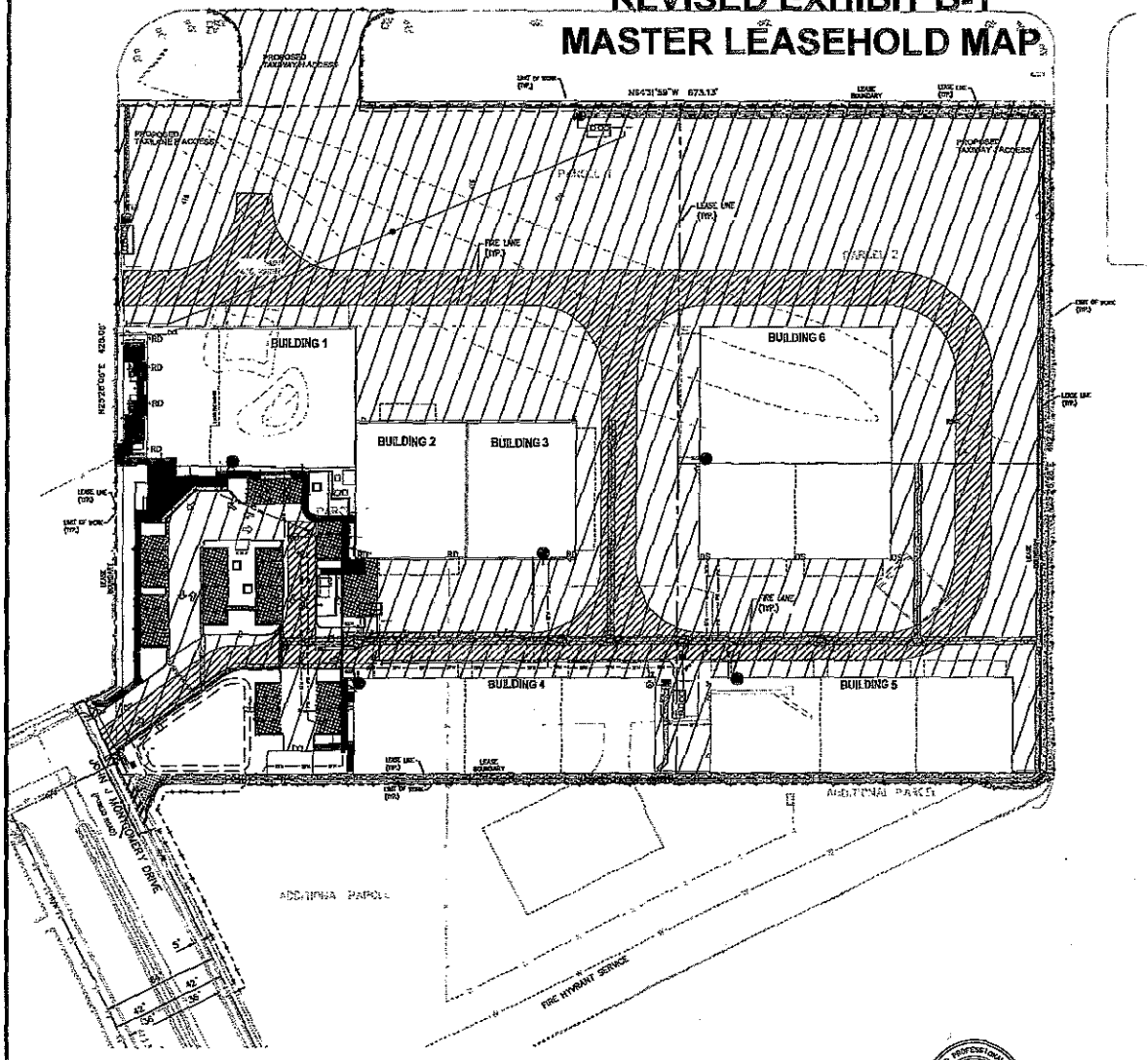
Daniel R. Watkins LS 8877 Date
Senior Land Surveyor, Field Engineering
City of San Diego
My Registration Expires 12-31-2025

File: 21003181_21003181_GEN UTIL ROW 2025.doc
WBS 21003181– August, 2025

SECOND REVISED EXHIBIT B
GENERAL DEVELOPMENT PLAN

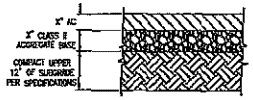
Phase 1: To be completed no later than March 31, 2028	**Commencement Date**	**Minimum Capital Improvement Costs**
-		
Maintenance Hangar & mezzanine - Building #2	March 8, 2026	
Rental Hangar - Building #3		
Rental Hangar - Building #4		
Rental Hangar - Building #5		
Trash & Fire Pump Room		
Airside Staging & Ramp Area		
Landscaped Parking Area, & Biofiltration Basin		
Total Minimum Improvements Costs		$8,500,000
Phase 2: To be completed no later than March 31, 2037		
Fixed Based Operator Building & Hangar - Building #1	March 8, 2035	$6,500,000
Rental Hangar - Building #6 - (Optional)		
Total Minimum Improvement Costs		**$15,000,000**

REVISED EXHIBIT B-1
MASTER LEASEHOLD MAP



PAVEMENT LEGEND

- 6"SDSM GUTTER SEE DETAIL A/G-05
- FIRE LANE/TAXIWAY/HANGAR/HEAVY TRAFFIC – ASPHALT 5"/15"
- VEHICLE PARKING/PARKING STALL – ASPHALT 3"/6"
- CONCRETE WALKWAY 4" PCC WITH #04 BARS @ 24" ON CENTER



NOTES:
1. THE PAVEMENT SECTIONS SHOWN ARE BASED ON THE ASSUMED R-VALUE OF 40. R-VALUE TESTS SHALL BE PERFORMED ON BULK SAMPLES OF THE SOILS THAT ARE EXPOSED AT THE FINISHED SUBGRADE ELEVATIONS AT THE COMPLETION OF THE MASS GRADING OPERATIONS. IF MATERIAL WITH LOWER R-VALUES ARE FOUND, INCREASED PAVEMENT SECTIONS WILL BE REQUIRED.

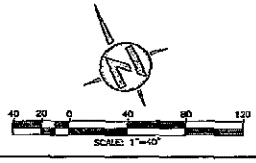
	AC	AGGREGATE BASE
VEHICLE PARKING/PARKING STALL	3"	6"
FIRE LANE/TAXIWAY/HANGAR/HEAVY TRAFFIC	5"	15"

AC PAVEMENT (PVT)

NOT TO SCALE

PAVEMENT NOTE:

THE FOREGOING PRELIMINARY PAVEMENT DESIGNS HAVE BEEN DEVELOPED USING SOIL DATA ACCESSED DURING OUR FIELD INVESTIGATION AND THE STANDARD DESIGN PROCEDURES SET FORTH BY CAL PAVEMENT DESIGN GUIDELINES, AND THE PORTLAND CEMENT ASSOCIATION PAVEMENT DESIGN GUIDELINES.



PRIVATE CONTRACT

WARNING
0 1/2 1
IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO SCALE.

PAVEMENT PLAN FOR:
AIR CENTER MYF, LLC
A PORTION OF LEASE LOT 3 IN MONTGOMERY-GIBBS EXECUTIVE AIRPORT

The City of SAN DIEGO
FOR CITY APPROVAL

DEVELOPMENT SERVICES DEPARTMENT
SHEET 16 OF 39 SHEETS

APPROVED FOR CITY ENGINEER ____ DATE ____

DESCRIPTION	BY	APPROVED	DATE
ORIGINAL	BWE		
AS BUILTS			

CONTRACTOR ____ DATE STARTED ____
INSPECTOR ____ DATE COMPLETED ____

PRIMARY BENCH MARK ____
TRIANGULATION ____
1676-6235 HORIZONTAL CONTROL
236-1725 LAMBERT COORDINATES
DRAWING NO. C-07
100514-16-D

BWE INC
CIVIL · STRUCTURAL · SURVEY · PLANNING
9489 BALBOA AVE, STE 270
SAN DIEGO, CA 92123 858 292 5550

RESOLUTION NUMBER R- 316571

DATE OF FINAL PASSAGE JAN 21 2026

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE THIRD AMENDMENT TO THE FLAT RATE LEASE BETWEEN THE CITY OF SAN DIEGO AND AIR CENTER MYF, LLC, FOR APPROXIMATELY 7.77 ACRES OF LAND LOCATED AT 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 consisting of approximately 7.77 acres of unimproved land (Property) generally located at 3750 John J. Montgomery Drive, San Diego, California 92123, within Montgomery-Gibbs Executive Airport (Airport).

B. On February 13, 2018, the Council approved Resolution R-311540 authorizing that certain Flat Rate Parcel Ground Lease between the City and Air Center MYF, LLC (Lessee), on file with the San Diego City Clerk as Document No. RR-311540 (Original Lease), for the future construction, operation, and maintenance of a helicopter fixed based operator facility at the Airport (Project) on 4.72 acres of the Property, with an option to expand the leasehold premises to the entire Property (Option).

C. By Resolutions R-312911 (Apr. 7, 2020) and R-314101 (May 17, 2022), the Council approved amending the Original Lease two times. The First and Second Amendments, which are on file with the San Diego City Clerk as Document Nos. RR-312911 and RR-314101 respectively, extended the Commencement Date of the Lease to no later than March 8, 2025, among other things. The Original Lease as amended by the First Amendment and the Second Amendment is referred to as the "Lease."

H. Under the Lease, the Lessee does not have a right to possess the Property until after the Lease's Commencement Date. Because the Third Amendment extends the Commencement Date, the Lessee will not have a right to possess the Property until the extended Commencement Date occurs.

I. The California Surplus Land Act (SLA), California Government Code sections 54220-54234, requires Council take formal action at a regular public meeting to declare that City-owned real property is either surplus land or exempt surplus land before the City may take any action to dispose of the real property. However, under California Government Code section 54234, subdivision(a), because the City originally entered into the Lease before September 30, 2019, the Third Amendment is not a "disposition" within the meaning of the SLA, because the "Commencement Date" of the Lease occurs before December 31, 2027.

J. 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 Third Amendment is approved.

2. The Mayor or designee is authorized, on behalf of the City, to sign and enter into the Third Amendment and take all other actions reasonably necessary to perform the City's obligations under the Lease, as amended by the Third Amendment. A copy of the Third

Passed by the Council of The City of San Diego on JAN 13 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 JAN 21 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- 316571

Passed by the Council of The City of San Diego on Jan 13, 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-316571** approved on **January 13, 2026**. The date of final passage is **January 21, 2026**.

DIANA J.S. FUENTES

City Clerk of the City of San Diego, California

(Seal)

By: _____, Deputy