

Attachment 1

Sheriff G-9 Lease at Santa Ynez Airport

Project: Sheriff Hangar Lease Santa Ynez Airport
Folio: 003684
APN: 141-440-002

LEASE AGREEMENT
(Sheriff Hangar at Santa Ynez Airport)

THIS LEASE AGREEMENT (hereinafter "Agreement") is made

by and between the

SANTA YNEZ VALLEY AIRPORT AUTHORITY,
INC., a California non-profit public benefit corporation,
(hereinafter "SYVAA");

and

COUNTY OF SANTA BARBARA, a
political subdivision of the State of
California, (hereinafter "COUNTY")

with reference to the following:

WHEREAS, The Santa Ynez Valley Airport Authority (SYVAA) is a California non-profit, public benefit corporation, which was founded for the sole purpose of leasing, managing and operating the Santa Ynez Airport for the benefit of Santa Barbara County, the community, and the airport users; and

WHEREAS, COUNTY'S Sheriff's Office operates an Air Support Unit out of Santa Ynez Airport (hereinafter "Airport"); which is located at 900 Airport Road, in Santa Ynez, California (Assessor Parcel Number 141-440-002), for the purpose of providing fire, search and rescue and law enforcement services to Santa Barbara County; and

WHEREAS, COUNTY requires use of a hangar at the Airport to conduct its operations and has determined that Hangar G9 at Santa Ynez Valley Airport is appropriate for those needs; and

NOW, THEREFORE, in consideration of the premises and the provisions, covenants and conditions hereinafter set forth, SYVAA and COUNTY agree as follows:

1. **ADMINISTRATION AND ENFORCEMENT:** The provisions of this Agreement shall be administered and enforced for the COUNTY by the Santa Barbara County Sheriff, or designee.

2. **LEASED PROPERTY/USE:** SYVAA hereby leases to COUNTY and COUNTY hereby takes from SYVAA, exclusive use of Hangar G9, consisting of approximately 9,562 square feet including the office space therein, a Storage Box measuring 40ft by 10ft Conex outside Hangar G9, as well as exclusive use of three helicopter pads, known as "Pad 1", Pad "2", and "Pad 3", and 2 storage containers near Pads 1, 2 and 3, at the east end of the Airport, a Rescue Box measuring 8 feet by 20 feet, and a Storage Box measuring

10 feet by 6 feet (exact location subject to approval of airport manager); and nonexclusive use of the helicopter pad known as "Pad 4" (hereinafter collectively the "Leased Property"), all as shown on Exhibit "A", attached hereto and incorporated herein by reference. The Leased Property shall, during the term of this Agreement, be used by the Santa Barbara County Sheriff for office, training and hangar uses in connection with its Air Support Unit for the purpose of providing fire, search and rescue and law enforcement services to Santa Barbara County and for no other purpose unless otherwise approved by SYVAA. COUNTY shall not use or permit the use of the Leased Property in a manner that is unlawful, creates waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to the Leased Property or neighboring premises or properties. Except as provided herein, no other use of the Leased Property is permitted without prior written consent of SYVAA, which consent shall not be unreasonably withheld; provided, however, it shall be reasonable for the SYVAA to deny consent to any non-aeronautical use or any use which is otherwise inconsistent with the requirements of the Master Lease or Applicable Requirements (as both terms are defined below). To the extent County desires to have additional space added to the Leased Property, and SYVAA, in its sole and absolute discretion, allows such additional space to be added, the rent for such additional space shall be fifty-five cents (\$.55) per square foot per month and shall be subject to increase as provided in Paragraphs 7 and 8 below.

3. **ACCESS:** COUNTY shall have authorization to enter the Airport property at any time to gain access to the Leased Property. SYVAA shall provide COUNTY with any keys and combinations necessary to enter the property for access.

4. **PERMITTED PERSONNEL:** COUNTY agrees that it will not authorize or permit any person upon the Leased Property other than COUNTY'S agents, employees, licensees, or other persons necessary to conduct COUNTY'S operations at the Airport.

5. **PARKING:** COUNTY shall have exclusive use of seven parking spaces located on the north side of Hangar G9, all as shown on Exhibit A.

6. **TERM:**

A. **INITIAL TERM.** The initial term of this Agreement shall be for a period of ten (10) years, commencing April 1, 2024 (hereinafter "Commencement Date"), and terminating on March 31, 2034, subject to other provisions for termination or extension as herein contained.

B. **OPTION TO TERMINATE EARLY.** COUNTY shall have the option to terminate the Agreement before the expiration of the then current term at no cost to COUNTY for the sole purpose of building and occupying a new hangar that will incorporate all operations for the Air Support Unit for the COUNTY at the east end of the Airport. The effective date of such termination shall be the same date as the commencement date of the term of the new lease between the County and SYVAA for the new hangar referenced in the previous sentence.

7. **OPTION TO EXTEND:**

A. **OPTION TO EXTEND.** COUNTY shall have one option to extend the Agreement for one additional term of ten (10) years (the "Extended Term"), on the same terms and conditions as provided herein except for rent which shall be adjusted as set forth below. COUNTY shall provide SYVAA with written notice of its exercise of the foregoing option to extend at least one hundred eighty (180) days prior to expiration of the initial term. The foregoing option is

personal to the County and may not be transferred to or exercised by any assignee, transferee or sublessee of the COUNTY.

B. RENT FOR EXTENDED TERM. Rent for the Extended Term shall be adjusted commencing on April 1, 2034, to the greater of (i) one hundred and three percent (103%) of the rent for the month of March 2034 and (ii) rent for the month of April 2024 increased by the same percentage as the increase, if any, in the Consumer Price Index (All Items for All Urban Consumers 1982-84=100 Base), of the United States -Department of Labor, Bureau of Labor Statistics for Los Angeles-Long Beach-Anaheim, CA (the "Index") calculated according to the following formula:

$$X = \frac{A \times B}{C}$$

X = Adjusted rent commencing April 1, 2034

A = Rent as of April 2024

B = The monthly Index for March 2034

C = The monthly Index for April 1, 2024

The monthly rent as so adjusted shall be payable for each month commencing April 1, 2034 and continuing until April 1, 2035. Commencing April 1, 2035 the monthly rent for each and every subsequent year from and after April 1, 2035, shall be increased on April 1 of each year, from the monthly rent payable during the immediately preceding year of the Extended Term, by one hundred three percent (103%).

By way of example and not limitation, after 10 years, the rent for March 2034 shall be \$7,698 per month.

- (a) Assume the Index for March 2034 is 460 and the Index for April 1, 2024 is 333. In that case, rent on April 1, 2034, would be the greater of (i) 103% of \$7,698 which is \$7,929 and (ii) \$5,900 x 460/333=\$8,150. Since \$8,150 is greater than \$7,929, rent commencing April 1, 2034 would be \$8,150.
- (b) Assume the Index for March 2034 is 400 and the Index for April 1, 2024 is 333. In that case, rent on April 1, 2034, would be the greater of (i) 103% of \$7,698 which is \$7,929 and (ii) \$5,900 x 400/333=\$7,087. Since \$7,929 is greater than \$7,087, rent commencing April 1, 2034 would be \$7,929.
- (c) In either case, monthly rent thereafter shall increase annually commencing on April 1, 2035, by 103% of the monthly rent payable during the immediately preceding year.

8. **RENT:** Upon the Commencement Date, monthly rent for the Leased Property shall be **FIVE THOUSAND NINE HUNDRED DOLLARS (\$5,900.00)** per month for the first year of the term (i.e., for the period commencing April 1, 2024 through and including March 31, 2025). The monthly rent for each and every subsequent year after the Commencement Date shall be increased on April 1 of each year of the term of this Agreement, from the monthly rent payable during the immediately preceding year of the term, by one hundred three percent (103%). SYVAA shall execute and return such forms as the COUNTY may require for processing of the request for rent payments so that rent may be paid in a timely manner. The rent due for any period which is for less than one (1) calendar month shall be prorated based upon a thirty (30) day month and any unpaid rent for the period prior to the mutual execution of this Agreement shall be paid within three (3) business days of the mutual execution of this Agreement.

9. **NON-APPROPRIATION:** SYVAA understands that monies paid to SYVAA by COUNTY as rent are derived from federal, state, or local sources, including local taxes, and are subject to curtailment,

reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this Agreement in the event that such curtailment, reduction, or cancellation occurs. Termination shall be effective upon the expiration of six (6) calendar months after the mailing of termination notice by COUNTY to SYVAA, and the liability of the parties hereunder for further performance under the terms of the Agreement shall cease as to any future performance (but not as to any past performance which shall not be affected by such termination) upon the effective date of such termination.

10. **CONSTRUCTION AND IMPROVEMENTS:** COUNTY shall obtain prior written approval from SYVAA prior to the construction of any improvements or alterations ("Alterations") at the Leased Property. COUNTY shall not make any Alteration without SYVAA's prior written consent which shall not be unreasonably withheld. Any Alterations which the COUNTY shall desire to make shall be presented to SYVAA in written form with detailed plans. All consents given by SYVAA shall be deemed conditioned upon (i) COUNTY acquiring all applicable permits required by governmental authorities; (ii) the furnishing of copies of such permits together with a copy of the plans and specifications for the Alterations to the SYVAA prior to commencement of the work thereon; and (iii) the compliance by COUNTY with all conditions of said permits in a prompt and expeditious manner. COUNTY shall give SYVAA no less than five (5) business days written notice prior to the commencement of the construction of any Alterations, and shall keep the Leased Property free and clear of liens for labor and materials. Any such Alterations shall be done in a good and workmanlike manner and pursuant to all Applicable Law. In the event of any unauthorized Alterations to the Leased Property, the County shall be obligated to return the Leased Property to its condition prior to such unauthorized Alterations, at its sole cost and expense.

Title to all Alterations constructed or installed by or for COUNTY pursuant to this Agreement shall vest with COUNTY and, unless otherwise consented to by SYVAA, shall be removed by COUNTY upon the expiration or sooner termination of this Agreement.

11. **MAINTENANCE AND REPAIR:** SYVAA shall maintain the (i) foundation, roof, exterior walls and the hangar door, excluding any damage caused by County's negligence which shall be the responsibility of the County. Except as provided in the previous sentence, the COUNTY shall, at COUNTY's sole cost and expense, keep the Leased Property in good order, condition and repair, including without limitation, interior wall & ceiling insulation, bathroom and fixtures, plumbing, HVAC, ventilation, electrical, windows, septic system, exterior of the hangar and the parking areas. As part of maintaining the septic system in good order, condition and repair, County shall have such system professionally inspected and pumped at a minimum of every three (3) years.

12. **UTILITIES:** COUNTY shall pay all charges for utilities serving the Leased Property.

13. **TAXES AND ASSESSMENTS:** COUNTY shall pay prior to delinquency all taxes assessed against and levied upon the use or occupancy of the Leased Property by COUNTY, including but not limited to possessory interest taxes, together with any taxes assessed against and levied upon COUNTY-owned alterations, trade fixtures, furnishings, equipment on all other personal property of COUNTY contained in the Leased Property. COUNTY shall pay and discharge all taxes and assessments levied upon the Leased Property prior to delinquency.

14. **INDEMNIFICATION:** COUNTY shall defend, indemnify, and save harmless SYVAA, its officers, directors, members, agents, and employees from any and all claims, demands, damages, costs, expenses (including attorneys' fees), judgments, or liabilities arising out of County's negligent acts or omissions with respect to (i) this Agreement, (ii) the occupancy or use of the Leased Property or Airport or (iii) any default by the County in the performance in a timely manner of any obligation on County's part to be performed under this

Agreement, including but not limited to any act or omission to act on the part of COUNTY or its agents, employees, or contractors. The County's obligation to defend, indemnify and save harmless SYVAA, its officers, directors, members, agents, and employees does not extend to SYVAA's sole negligence or willful misconduct. The obligations of County under this Paragraph shall survive any termination or expiration of this Agreement.

15. **NONDISCRIMINATION:** SYVAA shall comply with COUNTY law, rules and regulations regarding nondiscrimination as such are found in the Santa Barbara Code and as such may from time to time be amended. These provisions are incorporated herein as if they were fully set forth. Noncompliance with provisions of this section shall constitute a material breach of this Agreement and in addition to any other remedies provided by law, COUNTY shall have the right to terminate this Agreement and the interest hereby created without liability therefor.

16. **INSURANCE**

A. GENERALLY: COUNTY shall obtain and maintain in full force and effect at all times during the term of the Agreement the insurance coverage set forth below at its sole cost and expense. All insurance coverage is to be placed with insurers which 1) have a Best's rating of no less than A-VIII as set forth in the most current issue of "Best's Key in Rating Guide" or "Best's Insurance Report - P/C Edition", and 2) are insurance companies admitted in the State of California. County and SYVAA shall have the right to review and adjust from time to time the minimum limits as established below. SYVAA shall notify COUNTY of any proposed adjustment, no less than fourteen days prior to the meeting at which the adjustment is considered. SYVAA shall inform the COUNTY of any approved change in the minimum limits by giving written notice to COUNTY within thirty (30) days following approval of said adjustment. Failure to comply with the insurance requirements shall place COUNTY in default.

B. GENERAL LIABILITY INSURANCE: COUNTY shall obtain and keep in force during the term of this Agreement a commercial general liability policy of insurance protecting COUNTY and SYVAA against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any accident occurring on or about the Leased Property caused or arising out of any act of COUNTY, pursuant to this Agreement. Said coverage shall include, but not limited to, the following:

- (1) Airport Liability Premises
- (2) Personal Injury Liability
- (3) Contractual Liability
- (4) Products Liability
- (5) Hangarkeepers Liability

Such general liability insurance shall provide single limit coverage applying to bodily and personal injury liability, including death resulting therefrom, property damage or a combination of these in an amount of not less than Two Million Dollars (\$2,000,000).

C. PROPERTY INSURANCE: COUNTY shall obtain and keep in force a policy or policies insuring loss or damage to the Leased Property. The amount of such insurance shall be equal to the full replacement cost of the improvements located on the Leased Property, as the same shall exist from time to time. Such policy shall insure against all risks of direct physical loss or damage, including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Leased Property as a result of a covered loss. Such policy shall also contain an agreed valuation provision in lieu of any co-insurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than

the Index (as defined above). If such insurance coverage has a deductible clause, the deductible amount shall not exceed One Thousand Dollars (\$1,000) per occurrence, and COUNTY shall be liable for such deductible amount in the event of an insured loss.

D. RENTAL VALUE INSURANCE. County shall obtain and keep in force a policy in the name of the Lessor with loss payable to Lessor insuring the loss of the full rent for a period of one year.

E. WAIVER OF SUBROGATION: Without affecting any other rights or remedies, COUNTY and SYVAA hereby release and relieve the other, waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such release and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable thereto. The parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against SYVAA or COUNTY, as the case may be, so long as the insurance is not invalidated thereby.

E. INSURANCE COVERAGE. The following requirements shall apply to all insurance coverage to be provided by COUNTY:

- (i) SYVAA, and its officers, directors, members, shareholders, agents and employees shall be named as "Additional Insured" on any policy.
- (ii) Any policy shall include a provision specifying that this insurance will operate as primary insurance and that no other insurance effected by SYVAA or other named insured will be called upon to contribute to a loss covered hereunder.
- (iii) COUNTY shall file with SYVAA certificate(s) of insurance covering all of the above insurance coverage.
- (iv) Certificates and policies shall state that the policy shall not be canceled or reduced in coverage without thirty- (30) days' prior written notice to SYVAA.
- (v) Approval of the insurance by SYVAA shall not relieve or decrease the extent to which COUNTY may be held responsible for payment of damages resulting from its operations.

17. **LATE CHARGES:** COUNTY hereby acknowledges that late payment by COUNTY to SYVAA of rent and other sums due hereunder will cause SYVAA to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of rent or other sum due from COUNTY shall not be received by SYVAA within fifteen (15) days after such amount shall be due, then without any requirement for notice to COUNTY, COUNTY shall pay to SYVAA a late charge equal to ten percent (10%) of such overdue amount. The parties hereby agree that such a late charge represents a fair and reasonable estimate of the cost SYVAA will incur by reason of late payment by COUNTY. Acceptance of such a late charge by SYVAA shall in no event constitute a waiver of COUNTY's default with respect to such overdue amount, nor prevent SYVAA from exercising any of the other rights and remedies granted hereunder.

18. **INTEREST ON PAST DUE OBLIGATIONS:** Any monetary payment due SYVAA hereunder, other than late charges, not received by SYVAA within thirty (30) days following the date on which it was due, shall bear interest at the rate of ten percent (10%) per annum from the date due until paid, but not exceeding the maximum rate allowed by law, in addition to the late charges provided for in Paragraph 17 above.

19. **NOTICES:** Any notice to be given to either party, by the other, shall be in writing and shall be served, either personally or by mail to the following:

COUNTY: Santa Barbara County Sheriff's Office
4434 Calle Real
Santa Barbara, CA 93110
(805) 681-4100

with copy to: Santa Barbara County General Services Dept.
Facilities Services, Real Property Division
1105 Santa Barbara Street
Courthouse Second Floor, East Wing
Santa Barbara, CA 93101
(805) 568-3070

SYVAA: Santa Ynez Valley Airport Authority, Inc.
900 Airport Road
Santa Ynez, CA 93460
(805) 688-8390

or at such other place as may be designated in writing. Such notices shall be served by depositing them addressed as set out above, postage prepaid, in the U.S. mail or by personal delivery. The date of mailing, or in the event of personal delivery the date of delivery shall constitute the date of service of such notice.

20. **DEFAULT:** A "Default" is defined as a failure by a party to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to such party under this Agreement. A "Breach" is defined as the occurrence of any one or more of the following Defaults, and where a grace period for cure after notice is specified herein, the failure to cure such Default prior to the expiration of the applicable grace period and shall entitle the non-defaulting party to pursue the remedies set forth in Paragraph 21 below.

A. **RENT.** Failure by County to make any payment of rent or any other monetary payment required to be made by County hereunder, where such failure continues for a period of five (5) business days following written notice thereof by SYVAA to County.

B. **OTHER MATTERS:** Except as provided in Paragraph 20.A. above, a Default by either party with respect to any other term, covenant, condition or rule contained herein, where such Default continues for a period of ten (10) days after written notice thereof by or on behalf of the non-defaulting party to the defaulting party specifying the particulars of the Default and the defaulting party fails to cure such Default within ten (10) calendar days from such notice; provided, however if the nature of the Default is such that it shall reasonably take more than ten (10) calendar days for such cure, then it shall not be deemed to be a Breach of this Agreement if the defaulting party commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion.

21. **REMEDIES:** In the event of a Breach by either party, the non- defaulting party may exercise any right or remedy at law or in equity which such non-defaulting party may have by reason of such Breach including but not limited to the following:

A. Where COUNTY is the non-defaulting party, COUNTY may terminate the Agreement and surrender possession.

B. Where SYVAA is the non-defaulting party, SYVAA may terminate the Agreement. In addition, SYVAA shall have the following additional remedies.

(i) Terminate COUNTY's right to possession of the Leased Property by any lawful means, in which case this Agreement and the term hereof shall terminate, and COUNTY shall immediately surrender possession of the Leased Property to SYVAA. In such event, SYVAA shall be entitled to recover from COUNTY (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the COUNTY proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the COUNTY proves could be reasonably avoided; and (iv) any other amount necessary to compensate SYVAA for all the detriment proximately caused by the COUNTY's failure to perform its obligations under this Agreement or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Leased Property, expenses of reletting, including necessary renovation and alteration of the Leased Property, reasonable attorneys' fees, and that portion of any leasing commission paid by SYVAA in connection with this Agreement applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Leased Property are located at the time of award plus one percent (1%). Efforts by SYVAA to mitigate damages caused by COUNTY's Default or Breach of this shall not waive SYVAA's right to recover damages under this Paragraph 21. If termination of this Agreement is obtained through the provisional remedy of unlawful detainer, SYVAA shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or SYVAA may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages.

(ii) Continue the Agreement and COUNTY's right to possession under California Civil Code Section 1951.4 after COUNTY's Breach and recover the rent as it becomes due, provided COUNTY has the right to sublet or assign, subject only to reasonable limitations. SYVAA and COUNTY agree that the limitations on assignment and subletting in this Agreement are reasonable. Acts of maintenance or preservation, efforts to re-let the Leased Property, or the appointment of a receiver to protect the SYVAA's interest under this Lease, shall not constitute a termination of the COUNTY's right of possession.

(iii) Pursue any other remedy now or hereafter available to SYVAA under the laws or judicial decisions of the State of California.

(iv) The expiration or termination of this Agreement and/or the termination of COUNTY's right to possession shall not relieve COUNTY from liability under any indemnity provisions of this Agreement as to matters occurring or accruing during the term hereof or by reason of COUNTY's occupancy of the Leased Property.

22. **TERMINATION:** This Agreement shall terminate and all rights of COUNTY shall cease and COUNTY shall quietly and peacefully deliver to SYVAA, possession and interest in the Leased Property and Airport property at the expiration of the term as provided in Section 6, TERM, herein above; or upon the Breach of one party, and the exercise of the non-defaulting party's right to terminate pursuant to Section 17,

REMEDIES, herein above.

23. **SURRENDER OF LEASED PROPERTY:** Upon expiration or termination of this Agreement or any extension thereof, COUNTY shall vacate and surrender the Leased Property to SYVAA in good condition and repair, except for ordinary wear and tear.

24. **ASSIGNMENT/SUBLETTING.** COUNTY shall not voluntarily or by operation of law, assign, transfer, mortgage, sublet, sublicense or otherwise encumber all or any part of COUNTY'S interest under this Agreement or in the Leased Property, without SYVAA's prior written consent, which consent may be withheld in SYVAA' sole and absolute discretion.

25. **COMPLIANCE WITH LAWS:** COUNTY shall, at COUNTY's sole cost and expense, fully, diligently and in a timely manner, comply with "Applicable Requirements", which term is used in this Agreement to mean (i) all applicable zoning, municipal, county, state, and federal laws, rules, regulations, ordinances, and directives, including, without limitation, the County Airport Code (collectively, "Applicable Laws"), (ii) all rules and regulations of the SYVAA relating to the use of the facilities of the Airport, including, without limitation, rules and regulations relating to the use of areas specifically designated for aircraft and hangars; and (iii) any covenants, easements and restrictions of record, permits, requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of SYVAA's engineers and/or consultants, relating in any manner to the Leased Property (including, but not limited to matters pertaining to (x) industrial hygiene, (y) environmental conditions on, in, under or about the Leased Property, including soil and groundwater conditions, and (z) the use, generation, manufacture, production, installation, maintenance, removal, transportation, storage, spill, or release of any "Hazardous Substances" (as defined below)) now in effect which may hereafter come into effect.

26. **FAA PROVISIONS:** This Agreement is subject to, and COUNTY shall comply with, certain provisions required by the Federal Aviation Administration (FAA) attached hereto as Appendix I and incorporated herein by reference.

27. **PROHIBITION ON ELECTRICAL OR ELECTRONIC INTERFERENCE:** COUNTY shall not make use of the Leased Property in any manner which might create electrical or electronic interference with navigational signals or radio communications, impair the ability of pilots to visually distinguish the airfield, or otherwise endanger the landing, taking off, or maneuvering of aircraft.

28. **DESTRUCTION OF THE LEASED PROPERTY:** Upon any material damage or destruction of the Leased Property, SYVAA shall have the option to either (i) use the proceeds of the casualty insurance maintained pursuant to Paragraph 16.C. and restore the Leased Property destroyed as a result of such casualty, at its sole cost and expense, in which case the rent payable by County for the period required for repair or restoration of such damage shall be abated in proportion to the degree to which County's use of the Leased Property is impaired or (ii) terminate the Agreement and retain the proceeds of the casualty insurance maintained pursuant to Paragraph 16.C. COUNTY waives the provisions of Civil Code Section 1932(2) and Civil Code Section 1933(4) with respect to any destruction of the Leased Property.

29. **HAZARDOUS SUBSTANCES:** COUNTY its agents, employees, contractors or representatives, will not use, permit, store, generate, release or discharge, any substance, chemical or waste (collectively, "Hazardous Substance") on the Airport that is identified as hazardous, toxic or dangerous in any Applicable Law. Notwithstanding the foregoing, COUNTY shall not be liable for any Hazardous Substances located on, under or about the Leased Property which existed prior to April 1, 2014, except to the extent such Hazardous

Substances have been otherwise released or discharged by COUNTY or its tenants, subtenants, licensees, employees, contractors or agents.

A. If COUNTY knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Leased Property, other than as previously consented to by SYVAA, COUNTY shall immediately give SYVAA written notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to, or received from, any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Substance including, but not limited to, all such documents as may be involved in any reportable use involving the Leased Property. In all events, COUNTY shall afford adequate opportunity to SYVAA to intervene or otherwise assert or protect SYVAA's interest with respect thereto, and prior to entering into any consent decree, settlement agreement or other compromise in connection with such action. COUNTY shall not cause or permit any Hazardous Substance to be spilled or released in, on, under or about the Leased Property (including, without limitation, through the plumbing or sanitary sewer system).

B. COUNTY shall indemnify, protect, defend and hold SYVAA, its officers, directors, members, agents, employees, and lenders, and the Leased Property, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Leased Property by or for COUNTY or by anyone under COUNTY's control. COUNTY's obligations under this Paragraph 29 shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by COUNTY, and the cost of investigation (including consultants' and attorneys' fees and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Agreement. In connection with the foregoing indemnity provisions, the acts or omissions of any other party or parties, except SYVAA, its officers, employees, and agents, shall be strictly attributable to COUNTY. No termination, cancellation or release agreement entered into by SYVAA and COUNTY shall release COUNTY from its obligations under this Agreement with respect to Hazardous Substances, unless specifically so agreed by SYVAA in writing at the time of such agreement.

C. The obligations of County under this Paragraph 29 shall survive any termination or expiration of this Agreement.

30. **"AS-IS" CONDITION:** COUNTY acknowledges and agrees that SYVAA has made no representations or warranties, express or implied, regarding the physical condition of the Leased Property or the suitability of the Leased Property for the COUNTY's intended purposes. COUNTY hereby accepts the Leased Property in its "as-is" and "with all faults" condition as of the date hereof.

31. **ENTIRE AGREEMENT:** The parties to this Agreement intend that their negotiations, conversations and statements made prior to execution are fully integrated and expressed herein, and no such negotiations, conversations or statements shall be deemed to create rights or obligations other than those stated herein.

32. **HOLDING OVER:** COUNTY shall have no right to retain possession of the Leased Property or any part thereof beyond the expiration or termination of this Lease. In the event that COUNTY holds over, then Base Rent shall be increased to one hundred fifty percent (150%) of the rent applicable and immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by SYVAA

to any holding over by COUNTY.

33. **CUMULATIVE REMEDIES:** No remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.

34. **ATTORNEYS' FEES:** In the event that any legal action instituted by either of the parties hereto to enforce or construe any of the provisions, conditions or covenants of this Agreement, or the validity thereof, the party prevailing in any such action shall be entitled to recover from the other party all court costs and reasonable attorneys' fees to be set by the court and the costs and fees incurred in enforcing any judgment entered. Attorneys' fees and costs whenever mentioned in this Agreement shall include those incurred with respect to arbitration proceedings, if any, sought, as the case may be, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense.

35. **AGREEMENT SUBJECT TO UNITED STATES GOVERNMENT:** This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

36. **TERMINATION OF EXISTING LEASE:** SYVAA and COUNTY are parties to an existing lease for the Leased Property under the terms of that certain Lease Agreement dated May 20, 2014 (the "Existing Lease"). Effective as of the date this Agreement is mutually signed by the SYVAA and COUNTY, the Existing Lease shall be deemed terminated and neither party shall have any further rights or obligations thereunder, except that COUNTY shall continue to be obligated under the Existing Lease for (i) any unpaid payment obligations including rent and (ii) any indemnity obligations thereunder.

37. **MISCELLANEOUS:** (a) Subject to the restrictions on any transfer by the COUNTY contained herein, this Agreement applies to and binds the heirs, successors, executors, administrators and assigns of the parties to this Agreement; (b) this Agreement is governed by the laws of the State of California; (c) this Agreement constitutes the entire agreement between the parties related to the lease of the Leased Property and supersedes all prior written and verbal agreements, representations, promises or understandings between the parties related thereto; (d) any amendments to this Agreement must be in writing and executed by both parties; (e) if any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, will not be affected and each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law; (f) the waiver by either party of any term, covenant, agreement or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition contained in this Agreement; (g) this Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same Agreement and facsimile and "pdf" signatures shall be fully binding and have the same effect as original signatures. All monetary obligations of COUNTY to SYVAA under the terms of this Agreement are defined as rent. The Leased Property is a portion of the real property leased to SYVAA pursuant to that certain Lease and Management Agreement effective December 8, 2020 (together with any amendments, "Master Lease"), by and between the COUNTY as lessor, and SYVAA as lessee. This Agreement is subject to all of the terms and conditions set forth in the Master Lease and to the extent the terms and conditions of this Agreement are inconsistent with the terms and conditions of the Master Lease, such inconsistency shall not be a default by SYVAA under the terms of the Master Lease.

Project: Sheriff Hangar Lease Santa Ynez
Folio: 003684
APN: 141-440-002

IN WITNESS WHEREOF, SYVAA and COUNTY have executed this Agreement to be effective as of the date executed by the COUNTY.

COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS

By: _____
Sheila De La Guerra
Deputy Clerk

Date: _____

SANTA YNEZ VALLEY AIRPORT
AUTHORITY, INC.

APPROVED:

DocuSigned by:

506FB21723C54E2...
Jourdi de Werd
President, SYVAA

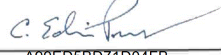
Signed by:

CB408A291A4C49C...
Bill Brown
Santa Barbara County Sheriff

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
BETSY M. SCHAFFER, C.P.A.
AUDITOR-CONTROLLER

Signed by:
By: 
0AC56B8DE45F483...
Tyler Sprague
Deputy County Counsel

DocuSigned by:
By: 
A99ED5BD71D04FB...
C. Edwin Price, Jr.
Deputy Auditor-Controller

APPROVED:
KIRK LAGERQUIST, DIRECTOR
GENERAL SERVICES DEPARTMENT

APPROVED AS TO FORM:
CEO/RISK MANAGEMENT

DocuSigned by:
By: 
19AEDA90054E4CE...
Kirk A. Lagerquist, Director
General Services Department

Signed by:
By: 
05F8335F00269466...
Greg Milligan
Risk Manager

EXHIBIT A
SANTA YNEZ AIRPORT
1 of 2



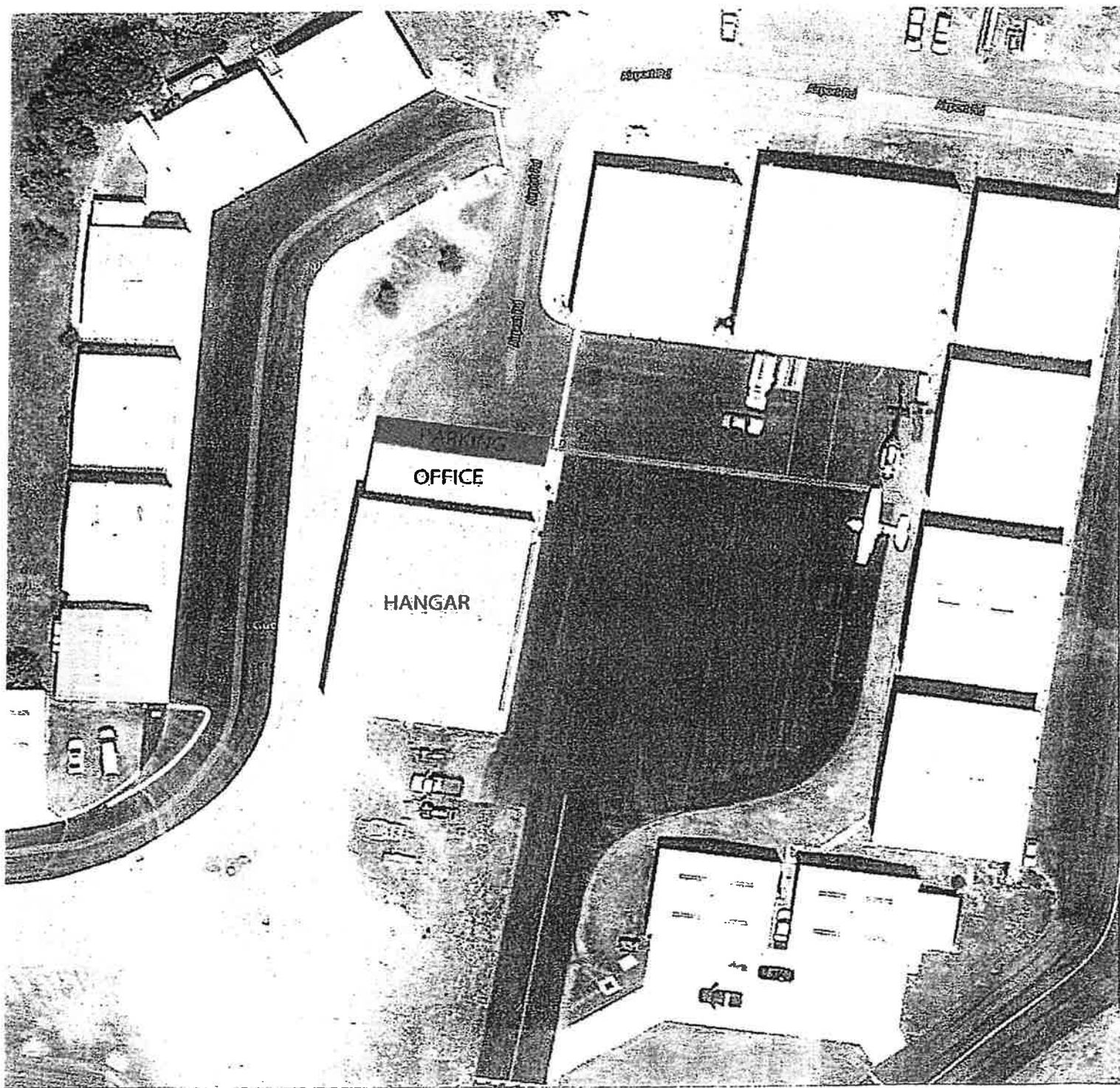


EXHIBIT A
HANGAR G9
2 of 2

APPENDIX I TO HANGAR LEASE AGREEMENT

1. The COUNTY, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Agreement for a purpose for which a United States Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, the COUNTY shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of the Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

2. COUNTY, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land that: (1) No person on the grounds of age, race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of age, race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) That the COUNTY shall use the Leased Property in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act 1964, and as said Regulations may be amended.

3. That in the event of breach of any of the above nondiscrimination covenants, SYVAA shall have the right to terminate the Agreement and to reenter and repossess said land and the facilities thereon, and hold the same as if said Agreement has never been made or issued.

This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. COUNTY shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the COUNTY may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Noncompliance with Provision 4 above shall constitute a material breach thereof and in the event of such

noncompliance the SYVAA shall have the right to terminate this Agreement and the estate hereby created without liability therefor or at the election of the County or the United States either or both said Governments shall have the right to judicially enforce Provisions.

6. COUNTY agrees that it shall insert the above five provisions in any Agreement by which said COUNTY grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Leased Property herein.

7. The COUNTY assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of age, race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. COUNTY assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The COUNTY assures that it will require that its covered suborganizations provide assurances to the COUNTY that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effort.

8. The SYVAA reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the COUNTY and without interference or hindrance.

9. SYVAA reserves the right but not the obligation to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of the COUNTY in this regard. No rental will be due under the terms of this Agreement during any period in which SYVAA loses the Airport in excess of sixty (60) consecutive days or it is no longer useable as an Airport.

10. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the SYVAA, the County and the United States, relative to the development, operation or maintenance of the Airport.

11. SYVAA, and the County hereby reserves to itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Property. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation of flight through said airspace or landing at, taking off from or operating on the Santa Ynez Airport.

12. COUNTY agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the Leased Property, or in the event of any planned modification or alteration of any present or future building or structure situated on the Leased

Property.

13. The COUNTY, by entering into this contract, expressly agrees for itself, its successors and assigns that it will not erect or permit the erection of any structure or object, or permit the growth of any tree on the Leased Property in violation of Federal height regulations. In the event the aforesaid covenants are breached, SYVAA reserves the right to enter upon the Leased Property and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the COUNTY.

14. The COUNTY, by entering into this contract agrees for itself, its successors and assigns that it will not make use of the Leased Property in any manner which might interfere with the landing and taking off of aircraft from Santa Ynez Airport, or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the SYVAA reserves the right to enter upon the Leased Property and cause the abatement of such interference at the expense of the COUNTY.

15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 40103(e) of U.S. Code Title 49 (49 U.S.C. 40103(e)).