

**FOURTH AMENDMENT TO LEASE/CONCESSION AGREEMENT
No. 5321**

This Fourth Amendment to Lease/Concession Agreement ("Fourth Amendment"), dated for reference purposes only as of March 15, 2018 is by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Landlord"), and JATO AVIATION, LLC, a California Limited Liability Company ("JATO" or "Tenant").

Recitals

A. As authorized by San Mateo County Resolution No. 68821, County and Tenant entered into a Lease/Concession Agreement, dated for reference purposes only as of June 1, 2007 (the "Agreement"), for use of Suite #8 at the San Carlos Airport Administration Building, located at 620 Airport Drive, San Carlos, California, which consists of approximately 470 rental square feet of office space (the "Premises") for the purpose of specified aviation related activities; and

B. On March 23, 2010, County and Tenant entered into a First Amendment to Lease/Concession Agreement ("First Amendment"), increasing the size of the Premises to approximately 710 rentable square feet with a corresponding increase in the Base Rent and Utility Charge; and

C. On June 26, 2012, County and Tenant entered into a Second Amendment to Lease/Concession Agreement ("Second Amendment"), extending the Term, reducing the Premises and corresponding Base Rent and Utility Charges accordingly, and modifying certain sections of the agreement to comply with standard County lease terms; and

D. County and Tenant entered into the Third Amendment to Lease/Concession Agreement (individually "Third Amendment", collectively with all executed amendments "Agreement as Amended"), dated for reference purposes as June 23, 2014, increasing the Premises to approximately 800 rentable square feet and increasing the Base Rent and Utility Charges accordingly; and

E. The Term of the Lease/Concession Agreement expired on June 30, 2017, and Tenant has been operating in hold over in accordance with Section 34 of the Agreement, and

F. County and Tenant desire to amend the Lease/Concession Agreement to extend the Term, increase the Premises, and modify the Base Rent and Utility Charges accordingly under the terms and conditions set forth in the Agreement as Amended.

Agreement

For good and valuable consideration as hereinafter set forth, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Term.** Any references to the expiration date in the Agreement as Amended notwithstanding, the expiration date of the Agreement as Amended is hereby extended to March 30, 2023. Tenant shall have no options to extend the Term.

2. **Premises.** Any references to the Premises in the Agreement as Amended notwithstanding, as of the Effective Date, the Premises shall consist of approximately 1,531 rentable square feet of office space herein after referred to as Suite 8. The new Premises is shown in Exhibit A attached hereto.

3. **Rent.** Any references to the Base Rent in the Agreement as Amended notwithstanding, as of the Effective Date, the Base Rent shall be \$3,368.20 per month, which rate shall be subject to annual adjustment in accordance with Section 8 (Rental Adjustments) of the Agreement as Amended.

4. **Utilities.** Any references to the Utility Charge in the Agreement as Amended notwithstanding, as of the Effective Date the Utility Charge shall be \$377.00 which rate shall be subject to adjustment in accordance with Section 6C (Utility Charge) of the Agreement.

5. **Tenant Improvements.** Within 90 days after the Effective Date, Tenant shall install new carpet and paint within the Premises of quality, style, cost, and color as approved in writing by the Airport Manager on behalf of the County. Upon completion of the installation of the carpet and paint, Tenant shall submit to County proof of payment to the contractor, in a form reasonably acceptable to the County. Upon approval of said costs, County shall provide written authorization to deduct the cost of such installation from Base Rent due herein. In no event shall County authorize the deduction of Base Rent for approved Tenant Improvements by an amount to exceed \$5,050.00.

6. **Assignment and Subletting.** Section 35 of the Agreement as Amended shall be deleted in its entirety and replaced with the following:

Tenant shall not, either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the Premises, or any portion thereof, without the written consent of Landlord first had and obtained, which consent may be withheld at the sole discretion of the County, and a consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Any such assignment or subletting without such consent shall be voidable, and shall, at the option of Landlord, constitute a default under this Lease.

If Tenant is a corporation, any dissolution, merger, consolidation, or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital stock of Tenant, or the sale of at least 51 percent of the value of the assets of Tenant, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least 10% of the total combined voting power of all classes of Tenant's capital stock

issued, outstanding, and entitled to vote for the election of directors. This paragraph shall not apply to corporations the stock of which is traded through an exchange or over the counter.

7. **Compliance with Airport Rules and Regulations and FAA Standard Provisions:** Section 32 shall be amended to read as follows:

Tenant agrees to comply with all San Mateo County Airport ordinances, resolutions, rules and regulations, and at all times to cooperate with County in its operation and management of said airport. Tenant shall notify all users of its facilities of all applicable rules and regulations.

Tenant shall comply with the standard provisions for all leases of airport land promulgated by the Federal Aviation Administration, as set forth in the attached Exhibit B, and as those provisions may be revised from time to time.

Tenant shall comply with Standards for Fixed Base Operators (the "Minimum Standards") as amended from time to time by the Board of Supervisors affecting all operators on County Airports holding concessions similar to Tenant's. The Minimum Standards currently in effect are set forth in the County of San Mateo, Airport Business Operating Standards dated May 1994. Tenant recognizes that it has full responsibility for meeting these Standards. Should these Minimum Standards be amended, the Tenant shall have ninety (90) days to meet the new Minimum Standards. Should the tenant be unable to meet the new Minimum Standards, the Tenant shall be determined to be in default of this Lease.

Tenant shall notify all users of its facilities and pilots of aircraft as to all applicable rules and regulations and require users and pilots to comply with them.

8. **Early Termination:** Section 21 shall be amended in its entirety to read as follows:

County is currently assessing the feasibility of redeveloping portions of the Airport. Should County require a portion or all of the Premises to accommodate the redevelopment of the Airport, County may require, by providing written notice to Tenant, that Tenant relocate their operations to another location on the Airport within 120 days. If Tenant does not provide County with a written notice consenting to the relocation of their operations within 45 days of receiving County's notice, County may, at County's discretion, terminate the Lease. Should Tenant agree to relocate operations, Tenant shall be solely responsible for the costs incurred from said relocation.

9. **Exhibit C.** Section 11: Signage and Windows shall be deleted in its entirety and replaced with the following:

Tenant shall be limited to two (2) exterior signs. The dimensions of each sign shall be no more than 29" x 16". One sign is permitted on the air side of the terminal building and another on the ground side of the terminal building. Each sign shall be mounted securely to the building above the Tenant's entrance doors and in a location and position pre-approved by the Airport Manager. Appropriate signage may also be added to the doors of the Premises. All draft styles, materials, size, proposed locations and installation methods of all new and replacement signage and doors shall be approved in advance by the Airport Manager and conform to all requirements herein.

10. **Effective Date; Approval.** This Fourth Amendment shall become effective (the "Effective Date") when the Fourth Amendment is duly executed and delivered to Permittee, following adoption by the County Board of Supervisors of a resolution authorizing said execution.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AMENDMENT, PERMITTOR ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF COUNTY HAS AUTHORITY TO COMMIT COUNTY HERETO UNLESS AND UNTIL THE COUNTY BOARD OF SUPERVISORS HAS ADOPTED A RESOLUTION AUTHORIZING THE EXECUTION OF THIS SECOND AMENDMENT TO THE AGREEMENT. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF COUNTY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH A RESOLUTION, AND THIS AMENDMENT SHALL BE NULL AND VOID UNLESS THE BOARD OF SUPERVISORS ADOPTS A RESOLUTION AUTHORIZING THE EXECUTION OF THIS FOURTH AMENDMENT. APPROVAL OF THIS AMENDMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF COUNTY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED, NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON COUNTY.

11. **Counterparts.** This Fourth Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

12. **No Further Amendments; Conflicts.** All the terms and conditions of the Lease/Concession Agreement as amended by the Fourth Amendment to Lease/Concession Agreement shall remain in full force and effect except as expressly amended herein, and together with this Fourth Amendment to Lease/Concession Agreement constitutes the entire agreement between County and Tenant and may not be modified except by an instrument in writing duly executed by the parties hereto.

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County and Tenant have executed this Fourth Amendment to Lease/Concession Agreement as of the date first written above.

TENANT:

JATO AVIATION, LLC, a California Limited Liability Company

By: 
April Gafford
President

COUNTY:

COUNTY OF SAN MATEO,
a political subdivision of the State of California

By: _____
Dave Pine
President, Board of Supervisors

Attest:

Clerk of the Board

Resolution No.: _____