

SECOND AMENDMENT TO EXTENSION AGREEMENT
PORT-A-PORT HANGAR LEASING

THIS SECOND AMENDMENT TO EXTENSION AGREEMENT is made and entered into this _____ day of _____, 2016, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City") and PORT-A-PORT HANGAR LEASING, a California general partnership ("Lessee").

RECITALS

WHEREAS, on November 27, 1984, City and Lessee entered into a Lease Agreement wherein Lessee leased from City three (3) portions of the Satellite III area of the Riverside Municipal Airport ("Lease Agreement"); and

WHEREAS, on July 17, 1997, City and Lessee entered into an Extension Agreement to the Lease Agreement to extend the term of the Lease Agreement ("Extension Agreement"); and

WHEREAS, on December 7, 2009, City and Lessee entered into a First Amendment to Extension Agreement to further extend the term of the Lease Agreement to add indemnification, insurance and notice sections ("First Amendment"); and

WHEREAS, City and Lessee now desire to include an Option to Extend the Lease Agreement for one (1) additional ten (10) year period; and

WHEREAS, City and Lessee have agreed to additional revisions to the Lease Agreement, which includes: (1) updating the annual Rental Rate; and (2) painting all hangars in the Lessee's leased area within five years.

NOW THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, City and Lessee agree as follows:

1. Section 3 of the Lease Agreement entitled "Term" is hereby amended by including an Option to Extend the Lease Agreement for one (1) additional ten (10) year period from December 31, 2026 to December 31, 2036.

2. Section 5 of the Lease Agreement entitled "Rental" shall be changed in its entirety to read as follows:

"Beginning January 1, 2017, Lessee shall pay to City as rental for the Premises the sum of Eight Thousand Seven Hundred Thirteen Dollars Thirty-Four Cents (\$8,713.34) per month, as adjusted each year commencing with the payment due on August 1, 2017, to reflect the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles-Anaheim-Riverside Standard Metropolitan Statistical Area ("Index") published by the Bureau of Labor Statistics of the United States Department of Labor for most recent 12-month

published index, based upon the corresponding increase, if any, in the Index as it stands on April of that year over the Index as it stood on April of the prior year including utilities therefor, but excluding telephone and janitorial services.”

3. Section 11 of the Lease Agreement entitled “Maintenance” is hereby amended by adding the following language:

“Lessee shall paint, or cause to be painted, all exposed areas of the hangars in the Port-A-Port Hangar Leasing’s leased area, depicted in Exhibit “A”, attached hereto and incorporated herein by reference, within five (5) years and in a color scheme to be coordinated with Airport.”

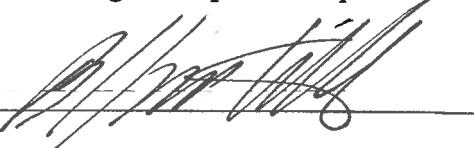
4. All other terms and conditions of that certain Lease Agreement between City and Lessee dated November 27, 1984, as extended and modified by the Extension Agreement dated July 17, 1997, and the First Amendment dated December 7, 2009, not inconsistent herewith or amended hereinabove, shall remain in full force and effect, and are hereby incorporated in this Second Amendment to Extension as if stated in full.

IN WITNESS WHEREOF, City and Lessee have caused this Second Amendment to be duly executed the day and year first above written.

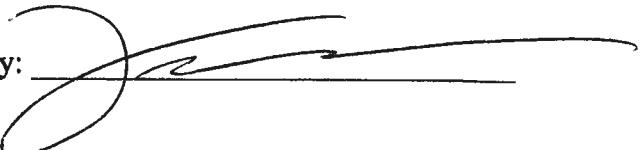
CITY OF RIVERSIDE, a California
charter city and municipal corporation

POR-T-A-PORT HANGAR LEASING,
a California general partnership

By: _____
City Manager

By: _____


Attest: _____
City Clerk

By: _____


Approved as to Form:

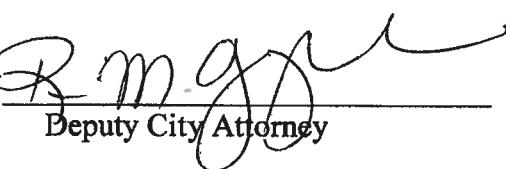
By: 
Deputy City Attorney

EXHIBIT "A"

