

**LEASE OF VACANT PROPERTY**  
**ROHR, INC.,**  
**A UTC AEROSPACE SYSTEMS COMPANY**

This Lease ("Lease") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2017, between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and ROHR, INC., A UTC AEROSPACE SYSTEMS COMPANY, a Delaware corporation authorized to do business in California ("Lessor"), both parties mutually agree as follows:

1. **PROPERTY LEASED.** City hereby leases from Lessor the real property, consisting of approximately 9 acres of land at the easterly end of Lessor's property located at 8200 Arlington Avenue, Riverside, California, also known as APN 151-130-004 and a portion of APN 151-130-001 ("Property") and more specifically delineated in Exhibit "A" attached hereto and incorporated herein.

2. **PURPOSE.** City shall have use of and unlimited access to the Property as a construction staging yard and material storage yard to deposit, store, and retrieve materials, tools, implements, equipment, vehicles, storage bins, and other materials by the City and its contractor(s) for the purpose of constructing the Riverside Transmission Reliability Project (RTRP). The Lessor shall be restricted from use of the Property except for ingress and egress purposes to facilitate routine maintenance, monitoring and maintenance of existing wells, security, and as otherwise agreed to by the City.

3. **TERM.** This Lease agreement shall be for a period of three (3) years commencing on the date Lessor delivers possession of the Property to City by sending a Notice of Commencement of this Lease which shall be delivered to City no later than December 31, 2017 ("Commencement Date"). Lessor shall have completed the removal of lighting fixtures and all assets owned or controlled by Lessor such as vehicles, tools, jigs, crates, and pallets except permanent structures from the Property and shall have completed the installation of the perimeter security fencing and gates as described in Section 7 of this Lease prior to issuing the Notice of Commencement to the City.

4. **OPTIONS TO EXTEND.**

(a) Lessor grants to City two options to extend the Lease term (the "Options"). The extension options shall each be for a period of one (1) year, subject to the conditions described in this Section 4 (the "Option(s) Period").

(b) The Option(s) Period shall be exercised by City delivering to Lessor written notice thereof no later than ninety (90) days prior to the expiration of the original term of the Lease or the expiration of the first option to extend period.

(c) The rent payable by City during any extended term shall be on the same terms and conditions as the Lease.

5. **RIGHT TO SELL.**

(a) Notwithstanding anything to the contrary herein, Lessor may sell all or a portion the Property at any time after the two-year anniversary of the Lease term, as measured from the Commencement Date; provided; however, that Lessor shall notify Lessee in writing of its intent to sell ("Notice of Sale") at least twelve (12) months prior to the date on which Lessor expects to consummate such sale. Lessor shall provide Lessee with a written notice to vacate the Property ninety (90) calendar days prior to the expected sale date, but no sooner than the conclusion of the twelve (12) month

anniversary of Lessor's Notice of Sale. For the sake of clarity, Lessor's right to sell the Property during any year of the Lease term (including option periods) shall be limited to bona-fide third-party purchasers.

(b) If Lessor exercises its right to sell the Property as contemplated by paragraph (a) above, then Lessor shall, within ninety (90) calendar days from the date Lessee vacates the Property, refund Lessee any unused portion of the rent [the Reference Amount times (the number of days in the Lease Year before the conveyance) divided by 365 in accordance with the refund schedule set forth below:

Refund Schedule	
Lease Year in which Property is conveyed in connection with sale	Reference Amount
Year 3	\$167,000
Year 4	\$1.00
Year 5	\$1.00

6. **RENT.** City shall pay the sum of Five Hundred Thousand Dollars (\$500,000) to the Lessor within sixty (60) days of execution of this Lease as compensation for the first three (3) years rent. Rent for the Option years is One Dollar (\$1) each year and shall be paid by the City in advance on or before the anniversary of the Commencement Date each year. Rent during any partial year will not be prorated, nor refunded.

7. **IMPROVEMENTS BY LESSOR.** Lessor shall remove lighting fixtures and all assets owned or controlled by Lessor such as vehicles, tools, jigs, crates, and pallets except permanent structures from the Property, reconfigure parking and driveways to accommodate rearrangement of employee parking, and provide perimeter security fencing and gates around the Property similar in design as delineated in Exhibit "B" attached hereto and incorporated herein. Lessor shall secure all applicable approvals and permits and, if required to do so by the California Environmental Protection Agency State Water Resources Control Board, will implement Storm Water Pollution Prevention Plan (SWPPP) Best Management Practices (BPM) outside of the Property. All work described in this Section 7 shall be performed by the Lessor. All costs related to the improvements cited in this Section including design, permits, materials, labor, project management, SWPPP, BMP, etc. shall be borne at the sole expense of the Lessor.

8. **IMPROVEMENTS BY CITY.** City shall provide temporary power to the Property, exterior lighting sufficient to illuminate the entire Property and, if required to do so by the California Environmental Protection Agency State Water Resources Control Board, will implement Storm Water Pollution Prevention Plan (SWPPP) Best Management Practices (BPM) within the property. City and or its contractor(s) shall be responsible for security of materials and equipment on the Property. Security may include guards, dogs, remotely monitored video surveillance, or a combination of security measures. The City or its contractor shall provide potable water and sanitation. City shall remove all improvements at the end of this Lease and shall return the Property to the same or better condition as at the commencement of the Lease. Fencing and gates will remain in place following the term of the Lease except where the Lessor directs the City to remove the fencing and gates on or prior to the expiration of the Lease or within thirty (30) days after surrender of the Property by the City. All work described in this

Section 8 shall be performed by the City. All costs related to the improvements cited in this Section including design, permits, materials, labor, project management, etc. shall be borne at the sole expense of the City.

9. **MAINTENANCE.** City agrees, at its own expense, to maintain and keep the Property in good condition and repair, and to keep the Property in an attractive, neat, clean and orderly condition. This includes, but is not limited to, minor weed abatement, the removal of refuse or waste materials which might be or constitute a fire hazard or a public or private nuisance; and the disposal in a safe and proper manner, and in accordance with any applicable law, ordinance, statute, rule or regulation, of any industrial or hazardous waste or hazardous materials. The City shall not bring any hazardous waste or hazardous materials onto the Property, except for reasonable quantities of fuel in the fuel tanks of mechanical equipment and vehicles used in the ordinary course of the City's business on the Property.

10. **NOTICES.** All notices, requests, consents, approvals or other communications between the parties in connection with this Lease shall be in writing and personally delivered or mailed to the recipient party by certified mail at its last known address as follows:

City

City of Riverside  
Community & Economic Development Dept.  
Attn: Property Services Division  
3900 Main Street  
Riverside, CA 92522

Lessor

Rohr, Inc.  
Attn: General Manager  
8200 Arlington Avenue  
Riverside, CA 92522

The parties may, from time to time, change their respective addresses for the purpose of this paragraph by sending notice of such change to the other as provided herein. Any notice given pursuant to this paragraph shall be deemed served when personally served or when placed in the U. S. mails with postage prepaid and addressed to the recipient at the recipient's latest known address.

11. **INSURANCE.** City shall maintain a self-insurance policy during the term of this Lease that will cover City's activities and use of the Property during the term of this Lease.

12. **ASSIGNMENT.** Neither party shall voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber any part of this Lease or in the Property without the other party's prior written consent, which consent shall not be unreasonably withheld.

13. **DEFAULT; REMEDIES.**

(a) Default. The occurrence of any one or more of the following events shall constitute a default under this Lease:

- i) The vacation or abandonment of the Property by City.
- ii) The failure by City to make any payment of rent, fee or any other payment required to be made by Lessor hereunder as and when due. If City does not fully cure such default within fifteen (15) days after City has been served with a notice of such default, this Lease shall be terminable at Lessor's option.

- iii) The failure of the Lessor to issue the Notice of Commencement to the City by December 31, 2017 as specified in Section 3, TERM.

(b) Remedies:

- (i) In addition to all other rights and remedies it might have, Lessor shall have the right to terminate this Lease and City's right to possession of the leased Property in the event of a default as set forth above.
- (ii) Upon termination of this Lease, whether by lapse of time or otherwise, City shall immediately vacate the Property and deliver possession thereof to Lessor.
- (iii) In the event of a default under section 12(a)(iii) above, Lessor shall refund payment made by City for rent specified in Section 6, RENT, and shall do so within sixty (60) days of City issuing a demand for return of payment.

14. **TERMINATION BY LESSEE.** City may terminate this Lease upon thirty (30) days' written notice to Lessor. Should City seek to terminate this Lease prior to its expiration, City shall pay the full amount due on any remaining term of the Lease.

15. **WAIVER OF DEFAULT.** Acceptance by either party of performance following a default will not be deemed a waiver of such default. No waiver of a default will constitute a waiver of any other default.

16. **EMINENT DOMAIN.** In the event all or any part of the Property is taken or damaged by the exercise of the power of eminent domain, all compensation and damages payable by reason of the condemnation of the real property shall be payable to Lessor without any apportionment to City, City hereby waiving any claim for leasehold damages attributable to this Lease having any bonus value.

17. **PROPERTY TAXES.** Lessor acknowledges it shall be solely responsible for payment of all real property taxes levied or assessed against the Property, and that City has no responsibility for payment of such taxes during the term of this Lease.

18. **VENUE.** Any action at law or in equity brought by either party hereto for the purpose of enforcing a right provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

19. **PROVISIONS BINDING ON SUCCESSORS.** Each and all of the covenants, conditions and agreements herein contained shall, in accordance with the context, inure to the benefit of and be binding upon the parties hereto, and the successors in interest, agents and assigns of such parties, or any person who may come into possession or occupancy of the Property, or any part thereof, in any manner whatsoever. Nothing in this paragraph shall in any way alter the provisions in this Lease against assignment or subletting or other transfers.

20. **PARTIAL INVALIDITY.** If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the

provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

21. **MARGINAL CAPTIONS.** The various headings and numbers herein and the groupings of the provisions of this Lease into separate sections and paragraphs are for the purpose of convenience only, and shall not be considered a part hereof.

22. **ENVIRONMENTAL INDEMNITY.** City shall indemnify Lessor and hold Lessor harmless from any cost, liability or expense imposed upon Lessor under any local, state or federal law, ordinance, statute, rule, regulation, or judicial or administrative order because of or arising out of any contamination of the Property or any contamination of groundwater or surrounding lands because of or arising out of contamination at or from of the Property to the extent caused or contributed by the actions of the City or the City's contractors, employees, agents or invitees.

**[SIGNATURES ON FOLLOWING PAGE]**

IN WITNESS WHEREOF the parties hereto have caused this Lease to be executed the day and year first above written.

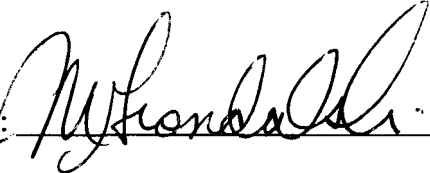
**CITY OF RIVERSIDE, a California  
charter city and municipal corporation**

**ROHR, INC., a UTC Aerospace Systems  
Company, a Delaware corporation  
authorized to do business in California**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: City Manager

By: 

Name: Michael Grondalski

Title: Vice President, Operations

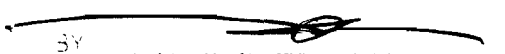
ATTEST

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM

By:   
Deputy City Attorney

CERTIFIED AS TO FUNDS AVAILABILITY:

  
BY \_\_\_\_\_  
Chief Financial Officer/ City Treasurer

**EXHIBIT “A”**

RUTLAND AV.

RIVERSIDE COUNTY  
FLOOD CONTROL

ARLINGTON AV.

VAN BUREN BLVD.

PROPERTY  
APPROXIMATELY 9 ACRES FOR USE AS A TEMPORARY  
MATERIAL YARD FOR CONSTRUCTION OF RIVERSIDE'S  
ELECTRICAL TRANSMISSION PROJECT KNOWN AS THE  
RIVERSIDE TRANSMISSION RELIABILITY PROJECT (RTRP)

APN 151-130-001

APN 151-130-001

APN 151-130-004

RIVERSIDE COUNTY  
FLOOD CONTROL  
NOT A PART OF  
PROPOSED LEASE

RIVERSIDE COUNTY  
FLOOD CONTROL  
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RIVERSIDE COUNTY  
FLOOD CONTROL

EXHIBIT  
"A"



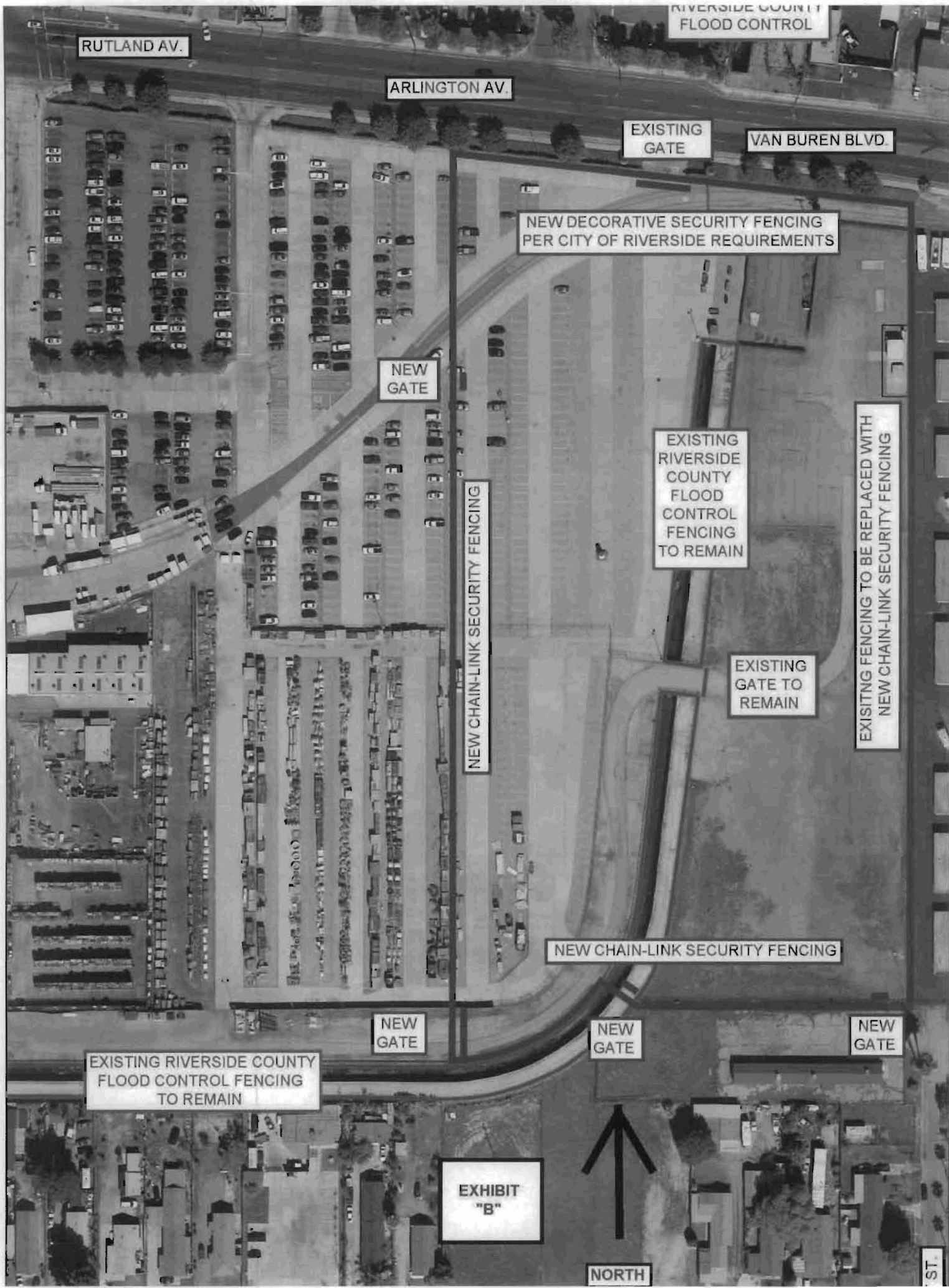
NORTH

MONTGOMERY ST.



EXHIBIT “B”

EXHIBIT “B”



RUTLAND AV.

ARLINGTON AV.

RIVERSIDE COUNTY  
FLOOD CONTROL

EXISTING  
GATE

VAN BUREN BLVD.

NEW DECORATIVE SECURITY FENCING  
PER CITY OF RIVERSIDE REQUIREMENTS

NEW  
GATE

NEW CHAIN-LINK SECURITY FENCING

EXISTING  
RIVERSIDE  
COUNTY  
FLOOD  
CONTROL  
FENCING  
TO REMAIN

EXISTING  
GATE TO  
REMAIN

EXISTING FENCING TO BE REPLACED WITH  
NEW CHAIN-LINK SECURITY FENCING

NEW CHAIN-LINK SECURITY FENCING

NEW  
GATE

EXISTING RIVERSIDE COUNTY  
FLOOD CONTROL FENCING  
TO REMAIN

NEW  
GATE

NEW  
GATE

EXHIBIT  
"B"



NORTH

ST.