

RIVERSIDE MUNICIPAL AIRPORT LEASE
Terminal Building – Café Lease

LEIMAMO BISHAW doing business as RIVERSIDE AIRPORT CAFE

On this _____ day of _____, 20____, the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and LEIMAMO BISHAW doing business as RIVERSIDE AIRPORT CAFE ("Lessee"), mutually agree as follows:

1. LEASED SPACE IN TERMINAL BUILDING. City hereby exclusively leases to Lessee solely for use as a restaurant the approximately 2,500 square feet of space located on the westerly end of the first floor of the Terminal Building of the Riverside Municipal Airport, located at 6951 Flight Road, Riverside, California, ("Restaurant Area") and the adjacent patio area ("Patio") consisting of approximately 720 square feet located along the northerly outer wall of said Terminal Building, all as designated on Exhibit "A," attached hereto and incorporated herein by this reference. The Restaurant Area and the Patio are hereinafter collectively referred to as the "Premises". If Lessee desires to lease additional space, including additional patio space or storage areas, Lessee shall submit a proposal to the Airport Manager. Approved additions to the Premises will be memorialized through an amendment to this Lease and subject to the payment of rent for the additional space at the then effective Airport rental rates, as approved by the City Council.

2. USE/OPERATION. Lessee shall use the Restaurant Area only for the operation of a restaurant which serves breakfast, lunch and dinner. The Patio shall only be used in conjunction with the restaurant located on the Restaurant Area, and Lessee shall provide and maintain in the Patio at least four round tables, which tables shall each have a large center umbrella and base together with four chairs. Lessee shall open the restaurant for business by 6:00 a.m. and close by 4:00 p.m. daily, excepting such holidays or other temporary modifications as to the operating hours as may be agreed to in writing by the Airport Manager of City at least thirty (30) days in advance. Hours may be extended upon agreement of Lessee and the Airport Manager upon a showing by Lessee that customer demand warrants the extension. Lessee shall maintain and operate the restaurant in compliance with all applicable state, county and local health regulations. All food, beverages, confections and other items sold or kept for sale on the Premises shall be of high quality, wholesome and pure, and must conform in all respects to federal, state and municipal food laws, ordinances and regulations. Lessee shall maintain continuously a restaurant license and shall maintain said restaurant to the standards as set forth by the Riverside County Health Services Agency or any other agency having jurisdiction. Lessee may use the Premises only for the use hereinabove authorized and for no other purpose.

Lessee may request approval from the Airport Manager to host special events utilizing the Airport public parking lot on the first Saturday of the requested month. The Airport Manager may approve or deny the request based on other activities scheduled at the Airport, parking lot availability, or other factors as may be relevant. In the event the request is approved, Lessee shall be solely responsible for obtaining any additional permits or approvals, including but not limited to those related to food or alcohol service and a special event permit, as may be required by law.

3. EXCLUSIVE RIGHT. Lessee shall have the exclusive right to operate a restaurant within the boundaries of the Riverside Municipal Airport ("Airport"). Lessee agrees and acknowledges that the exclusive right to operate a restaurant at the Airport shall not prohibit the vending machines dispensing food and/or beverages installed in the Airport Terminal Building, or the installation and use of the vending machines dispensing food and/or beverages provided by Fixed Base

Operators at the Airport as part of a pilots' lounge; and it shall not prohibit food services provided to employees or guests, but not the public, by any other lessee or operator at the Airport. In addition, Lessee agrees and acknowledges that the exclusive right to operate a restaurant shall not exclude vendors participating in City-sponsored events at the Airport from selling food and beverages. City agrees and acknowledges that the exclusive right to operate a restaurant by Lessee does exclude catering trucks from selling food or beverages at the Airport, and such catering trucks shall not be permitted by City to operate at the Airport, except as otherwise permitted in conjunction with a City-sponsored event described above. In the event a hotel is constructed or developed on the Airport, this exclusive right shall not apply to the development area of the hotel and any ancillary buildings constructed as part of the same development proposal and shall not prohibit the owner or operator of such hotel from operating a restaurant or other food services facility.

4. PUBLIC SPACE IN TERMINAL BUILDING. City licenses Lessee, and the employees and invitees of Lessee to use in common with others and solely in connection with Lessee's use of the Premises noted in Paragraph 1 (Leased Space in Terminal Building), all public spaces and facilities in and adjacent to the Terminal Building not exclusively assigned to others.

5. PUBLIC PARKING SPACES. City licenses Lessee, and the employees and invitees of Lessee, to use the vehicular parking spaces located within the public parking area designated for Terminal Building use.

6. RIGHT OF ACCESS. City shall permit full and unrestricted access by Lessee, and the employees and invitees of Lessee, without charge, to and from the Terminal Building and the Premises and facilities referred to above for all purposes contemplated by this Lease Agreement; provided, however, no right of access shall be provided to the Premises through the Terminal Building lobby between the hours of 5:00 p.m. and 7:00 a.m. of the next day and provided further that the hours of access through the Terminal Building lobby may be modified from time to time by City's Airport Manager upon written notice to Lessee. During the required hours of operation of the restaurant by Lessee on the Restaurant Area as set forth in Paragraph 2 and when access is not permitted through the Terminal Building lobby, access to the Restaurant Area shall only be through the common area door located in the front of the west wing of the Terminal Building immediately adjacent to the Restaurant Area and the door in the Patio, which doors are shown on Exhibit A, and not through the lobby.

7. TERM. This Lease Agreement shall commence on the date first written above and expire on December 31, 2031 ("Initial Term").

8. OPTIONS TO EXTEND. City hereby grants to Lessee an option to extend this Lease for an additional period of five (5) years following the expiration of the Initial Term as provided in Paragraph 7 (Term) above. Any extension to this Lease shall be on the same terms and conditions contained herein, provided, however, the rental payments shall be subject to negotiation by the parties hereto as hereinafter set forth.

If Lessee desires to exercise this option for the additional five (5) year period, Lessee must notify City in writing of such intent no later than one hundred twenty (120) days prior to the expiration of the Initial Term of five years. As soon as possible following receipt of the notice to exercise the option to extend, City and Lessee shall from time to time meet as necessary and negotiate in good faith the minimum monthly rental for the Premises, provided, however, if agreement as to such rental payment for the extension period is not reached by the parties sixty

(60) days prior to the expiration of the Initial Term, the minimum monthly rental amount shall be as reasonably determined by City and written notice thereof given by City to Lessee. If Lessee then determines not to exercise the option to extend this Lease based upon the minimum monthly rental as set by City, notice of such determination must be given in writing to City by Lessee no later than thirty (30) days prior to the expiration of the Initial Term of this Lease. The extension of this Lease including the rental amount applicable during the extension period shall be set forth in a written amendment to this Lease.

9. RENT/PAYMENT. Lessee shall pay to City the following amounts as rental for the Premises without deduction or offset:

- (a) Minimum Monthly Rental: Beginning August 1, 2021, Lessee shall pay to City as rental for the Premises the sum of Two Thousand One Hundred Ninety Eight Dollars and Eight Cents (\$2,198.08) per month, as adjusted each year commencing with the payment due on August 1, 2022, to reflect the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario 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, or two percent whichever is greater.
- (b) The minimum monthly rental shall be payable in advance on or before the first (1st) day of each month by check made payable to the "City of Riverside" and sent to the Revenue Division, City of Riverside, 3900 Main Street, Riverside, California 92522. Rent for less than a calendar month shall be prorated accordingly based upon a 30-day month.
- (c) A late fee equal to 10% of the monthly rental shall be added to any monthly payment not received by the City by the tenth (10th) day of the month in which it is due. Any rental payment received after the tenth (10th) day of the month will be first credited to payment of the late fee. Said late fee shall be added for each month thereafter until said rental payment and late fee or fees are paid in full. Said late fee or fees shall be considered as part of the rent due City hereunder.
- (d) (b) Percentage Monthly Rental. During the Initial Term of this Lease as set forth in Paragraph 7 (Term) above, Lessee shall pay to City an amount equal to six and three quarters percent (6.75%) of the sum total gross receipts as hereinafter defined from the sale of all food, beverages, gifts and miscellaneous items which occurred during the calendar month or any portion thereof two months prior to the date for payment less the minimum monthly rental already paid for that calendar month ("Percentage Rental"). The date for payment of the Percentage Rental shall be the first (1st) day of the month. Therefore, the percentage of the gross receipts for the month of December shall be due and payable on February 1 less the minimum monthly rental already paid for December; and the percentage of the gross receipts for the month of January shall be due and payable on March 1 less the minimum monthly rental already paid for January.
- (e) If Lessee chooses to exercise the option to extend this Lease for the option period as provided in Paragraph 8 (Option to Extend) above, the Percentage Rental payment shall be increased to seven percent (7%) of gross receipts less the minimum monthly rental as of the commencement of the additional five year term, and Lessee shall pay

to City an amount equal to seven (7%) of the sum total gross receipts as hereinafter defined from the sale of all food, beverages, gifts and miscellaneous items which occurred during the calendar month or any portion thereof two months prior to the date for payment less the minimum monthly rental already paid for that calendar month.

- (f) The Percentage Rental, if any payable to City, shall be paid by check to the "City of Riverside" and sent to the Revenue Division, City of Riverside, 3900 Main Street, Riverside, California 92522. The payment to City of the percentage of gross receipts above the minimum monthly rental payment shall be accompanied by a verified detailed statement from Lessee certifying the total gross receipts from the Premises during the reporting calendar month, the percentage of said total gross receipts and the minimum monthly rental paid for that calendar month, and such additional detail and breakdowns as may be reasonably required by City. Said statement shall be submitted to City even if the percentage of gross receipts for any calendar month does not exceed the minimum monthly rental for that calendar month and no percentage payment based on gross receipts is due City.
- (g) The term "gross receipts" as used herein shall mean the aggregate amount of all sales made and services including cover charges performed for cash, credit, charge, barter or otherwise of every kind, name and nature together with the aggregate amount of all exchanges of goods, wares, merchandise and services for like property or services at the selling price thereof, as if the same had been sold for cash at the fair and reasonable value thereof, whichever is greater. All sales and services shall be recorded on a cash register with cash register receipts available to the City for not less than three (3) years. Provided, however, that the term "gross receipts" as used herein shall not be construed to include (i) sales, occupation and other similar taxes or imposition imposed by government taxing agencies upon the sales or charges; (ii) return of merchandise by customers; and (iii) proceeds from the sales of any items not held for sale in the ordinary course of business. Gross receipts from sales or services shall be attributable to the month within which such sales are made or services furnished, regardless of whether such sales or services were made or furnished for cash or credit.
- (h) In addition to the monthly rental provided for in this section, Lessee shall pay a monthly utility fee for the HVAC system in accordance with section 16 hereof.
- (i) A late fee equal to ten percent (10%) of the percentage monthly rental shall be added to any such percentage rental payment not received by the City by the tenth (10th) day of the month in which it is due; and said late fee shall be added for each month thereafter until said rental payment and late fee or fees are paid in full.

10. SECURITY, CLEANING DEPOSIT AND RE-KEY CHARGE. Concurrently with the execution of this Lease Agreement, Lessee shall deposit with City the sum of Two Thousand Five Hundred Dollars (\$2,500.00) as a security and cleaning deposit. At the termination of this Lease Agreement, the deposit shall be returned to Lessee less any amounts retained by City for repairs, cleaning, or to cover other damages to the Premises, normal wear and tear excepted, or to be credited against any unpaid rental. City shall not be required to keep the security deposit separate from its general funds, and Lessee shall not be entitled to interest on such deposit.

If Lessee defaults with respect to any provision of this Lease Agreement, including but not limited to the provisions relating to the payment of rent, City may (but shall not be obligated to) use, apply or retain all or any part of the security deposit for the payment of any rent or any other

amount which City may spend or become obligated to spend by reason of Lessee's default, or to compensate City for any other loss or damage which City may suffer by reason of Lessee's default. The fact that City is holding or applying this security deposit shall not affect City's remedies upon any breach of this Lease Agreement by Lessee. If any portion of the security deposit is so used or applied, said application of funds shall not constitute liquidated damages for such default by Lessee, and Lessee shall, within five (5) days after written demand therefor, deposit cash with City in an amount sufficient to restore the security deposit to its original amount, and Lessee's failure to do so shall be a breach of this Lease Agreement.

11. RECORDS AND AUDIT. Lessee shall at all times during the term of this Lease keep complete and accurate books of account and other records pertaining to all of Lessee's business at the Premises. Records of daily receipts shall be kept by Lessee for not less than three (3) years and be available for inspection by the authorized representatives of City during regular business hours on demand.

Lessee agrees, within seventy-five (75) days of the close of Lessee's fiscal year during each year of the term of this Lease, to cause a reviewed statement of gross receipts for such fiscal year compiled by a certified public accountant approved by City, and a copy of such statement shall be delivered to City within such 75 day period. Lessee shall also provide to City such other financial and statistical information as City may from time to time reasonably require to enable it to ascertain whether Lessee is complying with the provisions of this Lease.

City reserves the right, at City's expense, to audit Lessee's books and records of receipts at any time for the purpose of verifying the gross receipts hereunder. If, as a result of such audit, it is determined that Lessee has underestimated the gross receipts as defined herein by one percent (1%) or more, the entire expense of the audit shall be borne by Lessee, and Lessee shall, within fifteen (15) days of issuance of a notice to Lessee of the amount, pay to City the cost of the audit. If it is determined that Lessee has underestimated the gross receipts, Lessee shall within fifteen (15) days of notice from City pay City the difference between the percentage of gross receipts paid and the gross receipts as shown by the audit plus the late charges as hereinabove set forth.

12. ADDITIONAL IMPROVEMENTS BY LESSEE. Lessee may install bar tabletop seating along the block wall at the north end of the Patio. This shall include the installation of clear plexiglass along the railings atop the block wall sufficient to protect the public from potential injury or damage resulting from aircraft prop wash or jet blast. The Plexiglass shall be maintained in a professional manner, repaired or replaced as needed, and shall not exceed the height of the railing. Lessee may make additional improvements to the Premises as may be appropriate subject to the prior written approval of the Airport Manager of City. Lessee shall submit plans and specifications for such improvements to said Airport Manager and obtain approval therefor prior to commencement of construction. Lessee shall construct such improvements in accordance with the approved plans and specifications. Approval by the Airport Manager shall not relieve Lessee from the obligation of obtaining any other necessary permits or approval from other City departments or governmental agencies having jurisdiction.

All such improvements which are installed in or attached to the building, and which are not trade fixtures, shall become the property of City.

13. DAMAGE OR DESTRUCTION. Lessee shall be responsible for any damages or destruction to the Premises and the common areas of the Airport Terminal Building resulting from acts or omissions of Lessee or the employees, agents, invitees or guests of Lessee, and shall repair

or compensate City for such damages or destruction and shall return the Premises to City, upon termination of this Lease Agreement, in its original condition except for reasonable wear and tear.

14. SIGNS. Lessee shall not erect or display or permit to be erected or displayed on the Premises any sign or advertising matter without first obtaining the written approval of the Airport Manager of City. Any signs which Lessee desires to install shall be submitted first to the Airport Manager for approval as to number, design, size, color and location. The Airport Manager shall not approve any sign which is not in harmony with the City's General Plan, Municipal Code or the appearance of the Riverside Municipal Airport. Consent by the Airport Manager shall not relieve Lessee from the responsibility of adhering to and conforming with any applicable City, State or federal law, ordinance or regulation thereon.

15. MECHANICS' LIENS AND PAYMENT BONDS. Lessee agrees to keep the Premises free from any and all claims of persons or firms or corporations, who at the request of Lessee or Lessee's contractor, furnish labor or materials to or for the benefit of the leased Premises. Lessee further agrees to indemnify and hold City harmless from any and all such claims.

City at any time may post and keep posted on the Premises appropriate notices to protect City against the claims of any persons, firms or corporations for work done, labor performed or materials furnished to the Premises. Before commencing any work relating to alterations or improvements affecting the Premises, Lessee shall notify City in writing of the expected date of the commencement of such work so that City can post and record the appropriate notices of non-responsibility to protect City from any mechanics' liens, materialmen's liens, or any other liens.

Prior to the commencement of any construction on the Premises when it is estimated that the cost of construction of such improvement shall be Twenty-Five Thousand Dollars (\$25,000) or more, Lessee shall post a payment bond with City in an amount equal to the proposed cost of construction. All such bonds must be issued by a company qualified to do business in the State of California and acceptable to the City Attorney. Such bonds shall be in a form acceptable to the City Attorney.

16. UTILITIES AND SERVICES. Lessee shall be responsible for the installation of any necessary utilities for the Premises, including the installation of separate meters or submeters therefor, if such utilities have not been previously installed., Lessee shall pay for sewer, gas, water, electricity and other utilities supplied to and used on the Premises during the term of this Lease, and shall hold City harmless therefrom.

The HVAC system presently serving the Premises is connected to the Terminal Building utility meter. In lieu of Lessee installing an independent utility meter for the HVAC system, it is agreed a separate monthly fee will be charged in addition to monthly rental fees. This fee will be based on a pro-rated amount of square foot space leased by Lessee and the monthly electrical billing for the Terminal Building. This fee will be adjusted annually based on the previous 12 months electrical billings.

Lessee shall make all necessary arrangements and pay for any janitorial services, water, gas, electricity, telephone, cable television, solid waste removal and all other charges for services which may be furnished to the Premises, and hold City harmless therefrom.

17. MAINTENANCE. Lessee agrees at Lessee's own expense to maintain the entire leased Premises and all improvements located therein according to all relevant state, county and municipal laws, statutes, ordinances and regulations, and keep said premises in a neat, clean, orderly and sanitary condition at all times, which includes the flooring, searing, paint, fixtures, etc.. This maintenance obligation also includes, but is not limited to, the prevention of the accumulation of any refuse or waste materials which might be or constitute a fire or health hazard, aesthetic problem, or public or private nuisance. Any and all waste generated on the leased Premises or caused by the operation of a restaurant on the Premises shall be disposed of by Lessee in a safe and proper manner and in accordance with any applicable law, ordinance, statute, rule or regulation concerning the disposal of such waste material. Lessee shall be responsible for grease traps, clogged sewer lines and other maintenance utilized in and caused by the operations of Lessee whether within or without the Premises.

Lessee shall provide a complete and proper arrangement for the adequate sanitary handling and disposal in accordance with applicable law or ordinance and good housekeeping practices of all trash, garbage and other refuse caused as a result of the operation of the restaurant on the leased Premises. Lessee shall provide and use a trash compactor or suitable covered metal receptacles for all garbage and trash in connection with the Premises. Piling of boxes, cartons, barrels or other similar items in an unsightly, unsafe or unlawful manner including littering of any nature on or about the leased premises is prohibited. City will designate a suitable location within the vicinity of the Terminal Building for the disposal of garbage and refuse. Cleanliness and maintenance of such designated area shall be the responsibility of Lessee. If the area is not properly maintained, City reserves the right to accomplish necessary maintenance at Lessee's expense.

Lessee shall pressure wash the Patio seating area a minimum of once per week.

Lessee shall be responsible to maintain the HVAC system serving the Premises in accordance with manufacturer recommendations, including but not limited to, routine inspection, maintenance, and repair or replacement, as necessary, by a qualified HVAC service provider.

Any damage to the Premises or any other part of the Terminal Building incurred during the delivery and installation of any of Lessee's equipment shall be the sole responsibility of Lessee to repair, with such repairs to be completed prior to the commencement of business operations.

Not more than every five (5) years during the term of this Lease, Lessee shall upgrade the restaurant including painting, decorating, replacement of worn carpet, drapes, flooring, window coverings, and furniture as may be necessary in order to maintain the restaurant in a neat and professional condition.

City, through its duly authorized representatives, may enter upon the leased Premises during regular business hours for the purpose of inspecting any or all of said property and the improvements and facilities thereon. The Airport Manager of City or other duly authorized representative may from time to time after said inspection of the leased Premises and after observation of the operation of the business thereon, require all such repairs or changes as shall be reasonable and consistent with maintaining the leased Premises and the improvements thereon in a manner consistent with businesslike operations. Lessee agrees to make all necessary repairs or changes within the period which may be reasonably required by the City's Airport Manager.

In the event the Airport Manager determines that repairs or improvements to the leased premises are necessary in order to maintain the premises for the uses contemplated herein, such requests shall be in writing and delivered or mailed to Lessee. Lessee shall promptly commence making such repairs or improvements within ten (10) days after service of such notice and diligently pursue such repair to completion. If within ten days after service of notice Lessee fails to commence repairs, or if after what the Airport Manager deems a reasonable time the Lessee fails to complete said repairs or maintenance, City may cause such repair or maintenance to be

made and add the cost thereof to the rent thereafter accruing. If said costs are not promptly paid by Lessee, this Lease shall be deemed to be in default, and City shall be entitled to all legal remedies provided hereunder.

18. PERMITS/LICENSES. Lessee shall be responsible for obtaining all required Federal, State, County and City licenses and permits for the operation of the business.

Lessee understands that the services performed under this Lease Agreement constitutes doing business in the City of Riverside, and Lessee agrees that Lessee will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Lease Agreement.

19. COMMUNICATIONS. Except for the payment of rent as hereinabove provided, all notices, requests, consents, approvals or other communications between the parties in connection with this Lease Agreement shall be in writing and personally delivered or mailed to the recipient party by certified mail at its last known address as follows:

City

Airport Manager
Riverside Municipal Airport
6951 Flight Road
Riverside, CA 92504
(951) 351-6113

Lessee

Leimamo Bishaw, doing business as
Riverside Airport Cafe
11711 Colette Ave., #1724
Riverside, CA 92505

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.

20. POSSESSORY INTEREST TAX. Lessee recognizes and understands that this Lease Agreement may create a possessory interest subject to property taxation and that the Lessee may be subject to the payment of property taxes levied on such interest. Any imposition of a possessory interest tax shall be a tax liability of Lessee solely and shall be paid by Lessee; and any such tax payment shall not reduce any rent due City hereunder.

21. INDEMNIFICATION. Except for City's sole negligence or willful misconduct, Lessee shall fully defend, indemnify and hold the City, its officers and employees, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorney's fees, which arises out of or is in any way connected with the performance of Lessee's activities on the Premises at the Riverside Municipal Airport, or any of Lessee's employees, agents, contractors, subcontractors or consultants and from all claims by Lessee's employees, agents, contractors, subcontractors or consultants for compensation for services rendered to Lessee in connection with this Lease Agreement, notwithstanding that City may have indirectly benefited from their services. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Lessee or any of Lessee's employees, agents, contractors, subcontractors or consultants.

The parties expressly agree that any payment, attorney's fees, cost or expense the City incurs or makes to or on behalf of an injured employee under its self-administered workers' compensation program is included as a loss, expense or cost for the purposes of this section, and that this section shall survive the expiration or early termination of this Lease Agreement.

22. INSURANCE. Lessee shall obtain and keep in full force and effect during the entire term of this Lease Agreement, commercial general liability and property damage insurance with a minimum limit of \$1,000,000 per occurrence. Lessee agrees to deposit with City upon execution of this Lease Agreement by City, certificates of insurance evidencing the required insurance with coverage at least equal to the above types and amounts as a minimum, and further agrees to file certificates with City during the entire term of this Lease Agreement showing continued coverage.

To be acceptable, the insurance coverage must meet the following requirements:

(a) Such policy(s) must provide that the policy shall not be canceled or materially changed unless thirty (30) days' prior written notice thereof by certified or registered mail has been given to City.

(b) The commercial general liability policy must provide that City shall be named as additional insured as respects all operations of the insured, which insurance shall be primary insurance and not contributing with any other insurance available to the City under any other third party liability policy or any self-insurance retention. Endorsement No. CG 20010413 shall be provided to the City.

(c) The commercial general liability policy shall contain either a provision for a broad form of contractual liability including leases, or an endorsement providing for such coverage.

(d) Each policy must be placed with a company authorized to do business in the State of California, having a policy holder rating of A or higher and a Financial Class of at least VII or higher.

City shall have the right at any time during the term of this Lease Agreement to review the type, form, and coverage limits of the insurance enumerated herein. If, in the opinion of City reasonably obtained, the insurance provisions in this Lease Agreement are not sufficient to provide adequate protection for City and the members of the public using Riverside Municipal Airport, City may require Lessee to maintain insurance sufficient to provide such adequate protection.

City shall notify Lessee in writing of any change in the insurance provisions necessary to provide adequate protection.

If Lessee does not deposit acceptable certificate of valid insurance policies acceptable in form and content to City, incorporating such changes, within sixty (60) days of receipt of such notice, this Lease Agreement shall be in default without further notice to Lessee and City shall be entitled to all legal remedies provided herein.

The procuring of such policy of insurance shall not be construed to be a limitation upon Lessee's liability nor as a full performance of its part of the indemnification provisions of this Lease Agreement. Lessee's obligation being, notwithstanding said policy or policies of insurance,

the full and total amount of any damage, injury or loss caused by the negligence or neglect connected with the operation under this Lease Agreement.

Lessee shall provide a valid certificate of insurance and additional insured endorsement prior to occupying the Premises under this Lease Agreement. No policy shall be acceptable unless first approved by the City's Risk Manager.

23. WORKERS' COMPENSATION. Lessee shall obtain and maintain in full force and effect during the term of this Lease Agreement workers' compensation insurance coverage in accordance with the provisions and requirements of the Labor Code of the State of California and any other applicable law. A certificate of insurance evidencing such coverage shall be filed with the City Clerk of City, which certificate shall provide that City will be given at least thirty (30) days' notice prior to cancellation.

24. RELEASE. City shall not be responsible for theft, loss, injury, damage or destruction of any aircraft vehicle or other property on the Premises, or accident or injury to Lessee, its officers, employees, agents or invitees. Lessee hereby releases and discharges City from any and all claims and demands of Lessee for loss or of damage to Lessee's property or injury to Lessee or Lessee's officers, employees, agents and invitees.

25. ASSIGNMENT AND SUBLETTING. In accordance with California Civil Code Section 1995.230, Lessee is absolutely prohibited from transferring Lessee's interest in this Lease Agreement.

26. INSOLVENCY OR BANKRUPTCY. Lessee agrees that if all or substantially all of Lessee's assets are placed in the hands of a receiver or trustee, and such receivership or trusteeship continues for a period of 30 days, or should Lessee make an assignment for the benefit of creditors or be adjudicated a bankrupt, or should Lessee institute any proceedings under the Bankruptcy Act or under any amendment thereof which may hereafter be enacted, or under any other act relating to the subject of bankruptcy wherein Lessee seeks to be adjudicated a bankrupt, or to be discharged of Lessee's debts, or to effect a plan of liquidation, composition, arrangement or reorganization under such bankruptcy, or should an involuntary proceeding be filed against Lessee under any such bankruptcy laws and Lessee consents thereto or acquiesces therein by pleading or default, then any such act shall be deemed a breach of this Lease Agreement, and neither this Lease Agreement nor any interest in and to the Premises shall become an asset in any of such proceedings and, in any such event and in addition to any and all rights or remedies of City hereunder or by law provided, this Lease Agreement shall terminate automatically as of the date on which any one or more of the above-described occurrences takes place, and in such event, it shall be lawful for City to re-enter the leased Premises and take possession thereof and remove all persons and all of Lessee's personal property, including trade fixtures and equipment therefrom, and Lessee shall have no further claim to the Premises or under this Lease Agreement.

27. DEFAULT; REMEDIES. If Lessee defaults in the payment of rent in the amounts and at the times provided in this Lease Agreement and if Lessee remains in default for three (3) days after service of notice of such default, City, acting by and through its Airport Manager, may treat such default as a total breach of this Lease Agreement and thereupon declare this Lease Agreement terminated.

In case of any other default upon the part of Lessee, City may give written notice of the same to Lessee and if the same shall not be corrected within ten (10) days after the giving of such notice, or such longer period as provided in said notice, City, acting through its Airport Manager, may treat such default as a total breach of this Lease Agreement and thereupon declare this lease terminated.

If after service of a notice of default, Lessee fails to cure such default within the time provided in said notice, City may at any time thereafter recover possession of the Premises by any lawful means and remove Lessee or other occupants and any possessions thereof. If this Lease Agreement shall have been so terminated by City, City shall have the right to any other remedy or remedies provided by law.

28. ENTRY BY CITY. City may enter upon any of the Premises at any reasonable time to inspect the same or for any purpose reasonably connected with the performance of City's obligations hereunder or in the exercise of its governmental functions.

29. ABANDONMENT. If Lessee shall abandon the Premises at any time during the term of this Lease Agreement or be dispossessed therefrom by process of law or otherwise, any personal property belonging to Lessee and left on the Premises thirty (30) days after such abandonment or dispossession shall be deemed to have been transferred to City, and City shall have the right to remove and to dispose of the same without liability to account to Lessee or to any person claiming under Lessee.

30. TERMINATION BY LESSEE. If any law or ordinance should come into effect during the term of this Lease Agreement, the terms of which so restrict the use to which the Premises can be put so that the Lessee is unable to use the Premises in the manner contemplated herein, then Lessee may, upon thirty (30) days' written notice to City, terminate this Lease Agreement.

31. 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.

32. EXISTING TITLE TO LEASED PROPERTY. Lessee accepts the conditions of City's title to the Premises as the same now exists without representation or warranty of any kind and Lessee shall be bound by any reservations, restrictions, easements, or encumbrances thereon which an examination of title would disclose.

33. 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 Agreement shall be tried in the Superior Court of California County of Riverside, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

34. 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 Premises, or any part thereof, in any manner whatsoever. Nothing in this paragraph shall in any way alter the provisions in this Lease Agreement against assignment or subletting or other transfers.

35. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Lease Agreement 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.

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

37. UNLAWFUL USE. Lessee agrees no improvements shall be erected, placed upon, operated nor maintained on the Premises, nor shall business be conducted or carried on thereon in violation of the terms of this Lease Agreement, or any regulation, order, law, statute, bylaw or ordinance of any governmental agency having jurisdiction thereover.

38. AIRPORT RULES AND REGULATIONS. Lessee and the employees and invitees of Lessee shall obey all rules and regulations and ordinances of City or other competent authority relating to operations at the Riverside Municipal Airport including the rules or procedures prescribed by a competent United States Government authority having applicable jurisdiction.

39. NONDISCRIMINATION. COMPLIANCE WITH TITLE 49. Lessee, on Lessee's own behalf and on the behalf of Lessee's 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 in the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease Agreement for a purpose for which a Department of Transportation (hereinafter referred to as ("DOT")) program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee 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 Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

Lessee, on Lessee's own behalf and on behalf of the personal representatives, successors in interest and assigns of Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

(a) no person on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition Acquired Immune Deficiency Syndrome or any condition related thereto, marital status, sex or sexual orientation shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

(b) 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 race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition Acquired Immune Deficiency Syndrome or any condition related thereto, marital status, sex or sexual orientation shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and

(c) that Lessee shall use the Premises 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 of 1964, and as said Regulations may be amended.

Lessee acknowledges and agrees that in the event of breach of any of the nondiscrimination covenants set forth in this paragraph, City shall have the right to terminate this Lease Agreement and re-enter and repossess said Premises thereon, and hold the same as if said Lease Agreement had never been made or issued. The provision of this paragraph does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

40. ACCOMMODATIONS AND SERVICES. Lessee shall furnish Lessee's accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and Lessee shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

Noncompliance with this paragraph shall constitute a material breach thereof and in the event of such noncompliance City shall have the right to terminate this Lease Agreement without liability therefor or at the election of City or the United States either or both said governments shall have the right to judicially enforce said provisions.

41. INSERTION. Lessee agrees that Lessee shall insert the above Paragraphs 39 (Nondiscrimination. Compliance With Title 49) and 40 (Accommodations and Services) in any license, lease, agreement, or contract by which said Lessee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Premises herein leased.

42. AFFIRMATIVE ACTION. Lessee assures that Lessee will undertake an affirmative action program as may be required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition Acquired Immune Deficiency Syndrome or any condition related thereto, marital status, sex or sexual orientation be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee 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. Lessee assures that Lessee will require that Lessee's covered suborganizations provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as may be required by 14 CFR Part 152, Subpart E, to the same effect.

43. DEVELOPMENT OF LANDING AREA. City reserves the right to further develop or improve the landing area of the Riverside Municipal Airport as said City sees fit, regardless of the desires or view of Lessee and without interference or hindrance.

44. MAINTENANCE OF LANDING AREA. City reserves the right to maintain and keep in repair the landing area of the Riverside Municipal Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

45. LEASE SUBORDINATE. This Lease Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between City and the United States of America relative to the development, operation, or maintenance of the Riverside Municipal Airport.

46. RIGHT OF FLIGHT. There is hereby reserved to City, 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 Premises. 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 or flight through the said airspace or landing at, taking off from or operation on the Riverside Municipal Airport.

47. NONINTERFERENCE WITH LANDING AND DEPARTURE OF AIRCRAFT. Lessee by accepting this Lease expressly agrees on Lessee's own behalf and on the behalf of Lessee's successors and assigns that Lessee will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Riverside Municipal Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, City reserves the right to enter upon the Premises hereby leased and cause the abatement of such interference at the expense of the Lessee.

48. LEASE SUBJECT TO U. S. GOVERNMENT ACQUISITION, CONTROL. This Lease 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 of the Riverside Municipal Airport or the exclusive or nonexclusive use of the Airport by the United States during time of war or national emergency.

49. AMENDMENTS. It is mutually understood and agreed that no alteration or variation of the terms of this Lease Agreement shall be valid unless made in writing signed by the parties hereto and that oral understanding or agreements not incorporated herein shall not be binding on the parties hereto.

50. SEVERABILITY. If any provision or clause of this Lease Agreement is declared invalid by a court of competent jurisdiction, the invalidity shall not affect the remaining provisions which can be given effect without the invalid provisions of clause. Such invalid provision or clause shall be severed from the remaining provisions and the balance shall remain enforceable and in full effect.

51. AUTHORITY. The individual(s) executing this Lease Agreement on behalf of Lessee each represent and warrant that they have the legal power, right and actual authority to bind Lessee to the terms and conditions hereof and thereof.


52. EXHIBITS. All exhibits referenced in this Lease Agreement are incorporated herein by reference.

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

CITY OF RIVERSIDE, a California charter
city and municipal corporation

LEIMAMO BISHAW, doing business as
RIVERSIDE AIRPORT CAFE

By: _____
City Manager


By: 
Name: Leimamo Taylor
Title: Owner

ATTEST:

By: _____
Name:
Title:

By: _____
City Clerk

APPROVED AS TO FORM:

By: 
Deputy City Attorney
Ruthann M. Salera

21-0016 RMS 5/18/21

Exhibit "A"

LEASE DESCRIPTION
Riverside Airport Cafe Lease

That portion of Lot 2 of Block 36 of Tract No. 5 of the Riverview Addition to the City of Riverside, as shown by map on file in Book 7, Page 7 of Maps, Records of Riverside County, California, described as follows:

COMMENCING at the northwesterly corner of Lot 7 of Gafford Gardens, as shown by map on file in Book 12, Page 97 of Maps, records of said Riverside County;

Thence North 0°18'47" East, at right angles to the northerly boundary of said Gafford Gardens, a distance of 15.00 feet to a line parallel with and distant 15.00 feet northerly, as measured at right angles, from said northerly boundary;

Thence South 89°41'13" East, along said parallel line, a distance of 975.39 feet;

Thence North 58°47'00" West, a distance of 1506.90 feet to the **POINT OF BEGINNING** of the parcel of land being described;

Thence North 76°17'00" West, a distance of 5.00 feet;

Thence North 13°43'00" East, a distance of 21.00 feet;

Thence North 76°17'00" West, a distance of 54.00 feet;

Thence South 13°43'00" West, a distance of 70.00 feet;

Thence South 76°17'00" East, a distance of 15.50 feet;

Thence South 13°43'00" West, a distance of 4.50 feet;

Thence South 76°17'00" East, a distance of 22.00 feet;

Thence North 13°43'00" East, a distance of 20.00 feet;

Thence North 76°17'00" West, a distance of 9.00 feet;

Thence North 13°43'00" East, a distance of 90.00 feet;

Thence South 76°17'00" East, a distance of 8.00 feet;

Thence North 13°43'00" East, a distance of 12.50 feet;

Thence South 76°17'00" East, a distance of 8.50 feet;

Thence North 13°43'00" East, a distance of 11.00 feet;

Thence South 76°17'00" East, a distance of 14.00 feet;

Thence North 13°43'00" East, a distance of 11.00 feet to the **POINT OF BEGINNING**.

Area – 3,671 square feet.

This description was prepared by me or under my direction in
conformance with the requirements of the Land Surveyors Act.

Curtis C. Stephens 2/8/21 Prep. (Signature)
Curtis C. Stephens, L.S. 7519 Date

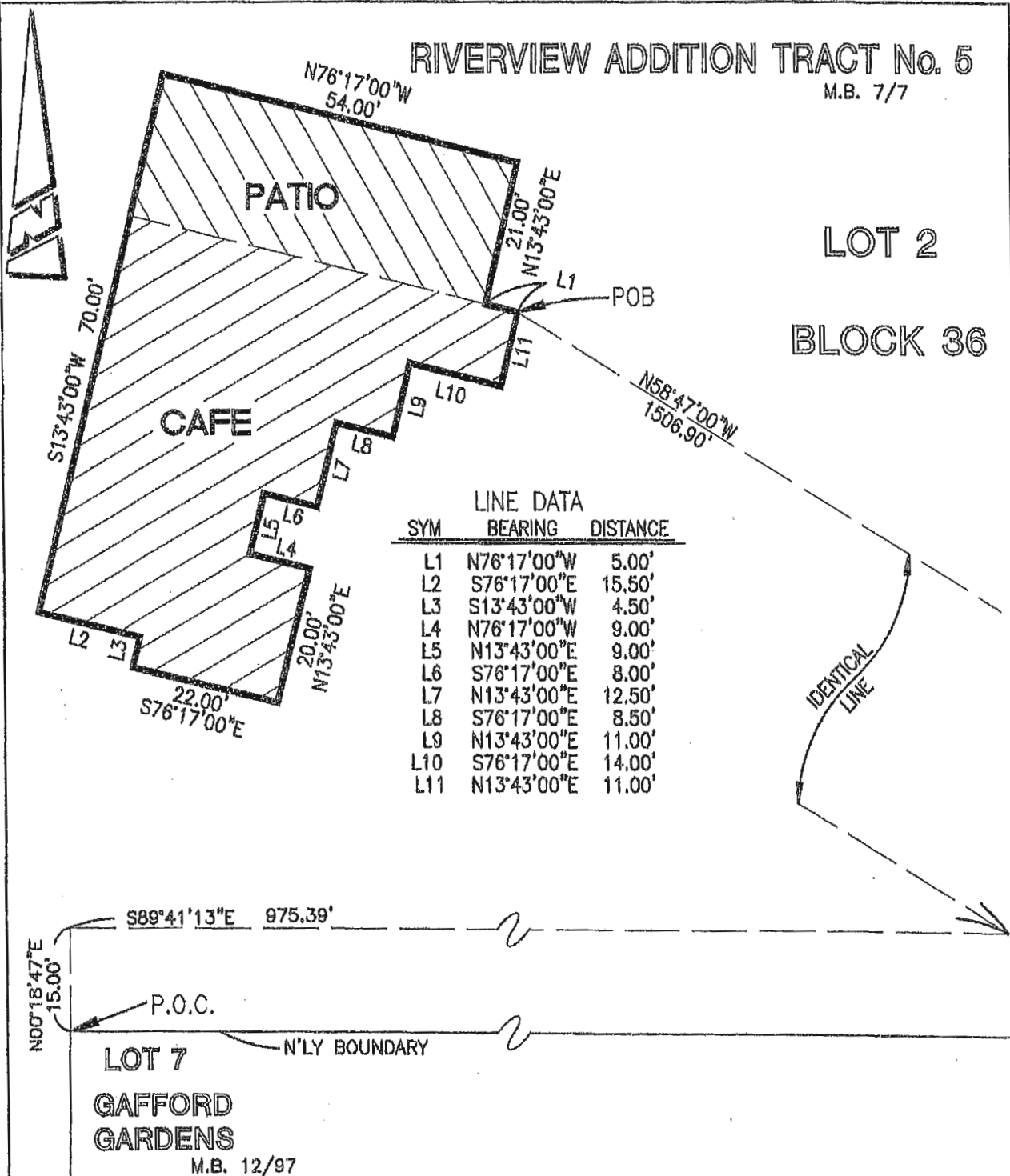


RIVERVIEW ADDITION TRACT No. 5

M.B. 7/7

LOT 2

BLOCK 36



• CITY OF RIVERSIDE, CALIFORNIA •

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

SHEET 1 OF 1

SCALE: 1"=20'

DRAWN BY: CURT

DATE: 2/8/21

SUBJECT: RIVERSIDE AIRPORT CAFE LEASE