FIRST AMENDMENT TRUCKEE TAHOE AIRPORT DISTRICT AERONAUTICAL LEASE AGREEMENT WITH TRUCKEE TAHOE SOARING ASSOCIATION (TTSA)

THIS FIRST AMENDMENT TO AERONAUTICAL LEASE AGREEMENT ("First Amendment") is made and entered into by and between the TRUCKEE TAHOE AIRPORT DISTRICT, a special district of the State of California ("Lessor") and TRUCKEE TAHOE SOARING ASSOCIATION (TTSA), a California 501c3 corporation ("Lessee"). Lessor and Lessee are refereed herein individually as a "Party" or collectively as they "Parties."

- 1. <u>Background</u>. Lessor and Lessee entered into that certain Truckee Tahoe Airport District Aeronautical Lease Agreement dated November 18, 2024 ("Lease") for certain premises described therein and referred to TTSA Glider area Building/Shop/Shed ("Existing Premises"). Lessee has notified Lessor of its desire to expand its use of the Existing Premises to include a portion of the adjacent campground area ("Campground area") (the "Expansion Premises"). Lessor agrees to lease the Expansion Premises to Lessee on the same terms and conditions set forth in the Lease, except as modified by this Amendment. Capitalized terms used in this First Amendment without a definition shall have the same meaning given to such terms in the Lease.
- 2. <u>Expansion Premises</u>. The portion of the Campground Area to be leased to Lessee are two 700'x 30' parcels of unimproved land as shown in <u>Exhibit A</u> attached hereto.
- 3. <u>Rents, Fees, and Other Charges</u>. Effective May 15, 2025 ("**Rent Commencement**"), rent for both the Existing Premises and Expansion Premises shall be adjusted as follows:

Elements/	Approximate	Rate Per	Annual Rent
Improvements	Square Feet	Square	
•		Foot per	May 15, 2025 – October 15,
		Annum	2025
Campground	42,000	\$.084	\$1,470
(Expansion			
Premises)			
Aeronautical	10,700	\$.60	\$2,675
Improved			
Land			
Gravel/	78,261	\$.20	\$6,522
Asphalt			
Apron			
Road Use	Area "D"	\$400 flat	\$400
	Road	fee	
Total			\$11,067

Lessee acknowledges that it shall be responsible for any and all rent, fees, and additional expense obligations under the Lease for the Leased Premises, including the Expansion Premises, from the Rent Commencement.

- 4. Condition of Expansion Premises. Lessee acknowledges that the Expansion Premises are being delivered strictly on an "as is" basis, without reliance on any representation or warranty whatsoever, express or implied, of Lessor or any other party regarding the ownership, construction, fitness, condition or suitability for Lessee's purpose and intended use of the Expansion Premises. Lessee further acknowledges that Lessor has no obligation to perform, fund, or make any repairs, modifications or improvements of any kind or nature to the Expansion Premises. Any additional work or alterations necessary to meet Lessee's specific operational requirements shall be Lessee' responsibility, at Lessee's sole cost and expense, and shall be performed in compliance with the terms of the Lease and all applicable laws and regulations.
- 5. <u>Early Access; Tenant Improvements</u>. Upon full execution of this First Amendment, Lessee and its employees and contractors may enter the Expansion Space before the Rent Commencement to conduct work necessary to prepare the Expansion Space for its intended use ("**Tenant Improvements**"), subject to the conditions in this Section. During the period between the full execution of this First Amendment and the Rent Commencement ("**Pre-Rent Period**"), Lessee shall be responsible for the following:
 - a. Non-Responsibility. Lessee acknowledges that any improvements, alterations, or work performed in the Expansion Space during the Pre-Rent Period shall be completed at Lessee's sole cost and expense, and Lessor shall bear no responsibility or liability for such work. Lessee shall post and maintain any legally required notices of non-responsibility on behalf of the Lessor in accordance with applicable law, prior to the commencement of any work or Tenant Improvements.
 - b. <u>Utilities</u>: Lessee shall cover and pay timely for all utility expenses directly associated with the Expansion Premises during the Pre-Rent Period.
 - c. <u>Indemnity; Mechanics Liens</u>. Lessee agrees to indemnify, defend, and hold Lessor harmless from and against any and all claims, demands, costs, liabilities, damages, losses, expenses, and causes of action, including, but not limited to, mechanic's liens, attorneys' fees, and court costs, arising directly or indirectly from any work, alterations, or improvements performed in, on, or about the Expansion Premises by Lessee, its agents, employees, contractors, or subcontractors. This indemnification shall survive the expiration or termination of the Lease and shall apply regardless of whether such claims arise during or after the completion of the work.
 - d. <u>Insurance</u>: Lessee shall obtain and maintain liability and property insurance for the Expansion Premises as required under the Lease, effective upon delivery of the Expansion Premises for construction or improvement purposes. Such insurance shall remain in full force and effect throughout the term of the Lease and any

- applicable holdover period, with coverage amounts, policy terms, and additional insured requirements consistent with those specified in the Lease.
- e. <u>Maintenance and Care</u>: Lessee shall be responsible for any routine maintenance or repair arising from its work within the Expansion Premises during this period, provided that Lessee's responsibility shall not extend to structural repairs or maintenance, which shall remain the responsibility of the Lessor, except for the extent any repairs or maintenance are brought as a result of Lessee's negligence or willful misconduct.
- f. <u>Compliance with Regulations and Permits</u>: Lessee shall ensure that all work in connection with the Tenant Improvements is conducted in compliance with the Lease, and all applicable building codes, laws, regulations, and any required permits. Lessee shall obtain written consent from Lessor for any substantial modifications or alterations to the Expansion Premises.
- g. <u>Liability and Indemnification</u>: Lessee agrees to indemnify, defend, and hold harmless Lessor from and against any claims, liabilities, or damages, including costs and expenses defending such claims including, without limitation, Lessor's reasonable attorneys' fees and costs, arising from the activities of Lessee and Lessee's contractors in the Expansion Premises during the Pre-Rent Period. Lessee shall be responsible for any damages caused to the Expansion Premises as a result of its Tenant Improvements. This indemnification shall survive the expiration or termination of the Lease and shall apply regardless of whether such claims arise during or after the completion of the work.
- 6. <u>Use of Campground</u>. Leese may use the designated campground subject to the following conditions and for no other purpose:
 - a. <u>Permitted Use:</u> The campground may be used for camping by individuals or groups directly involved in glider activities, including but not limited to private pilots, seasonal employees and volunteers but is not otherwise available to the general public.
 - b. <u>Campfires and Barbecues</u>: Campfires are only permitted in gas-powered firepits. Barbecues are subject to the same restrictions, (ie. no charcoal barbecues allowed.) Lessee must observe all local laws, regulations, and fire bans.
 - c. <u>Bear Habitat:</u> Lessee must ensure that all food and scented items, including trash bins, are secure from access by bears and other wildlife.
 - d. Pets: Pets must remain on-leash at all times and may not be left unattended.
 - e. <u>Camping Revenues</u>: Lessee is permitted to earn revenue by collecting camping fees subject to a 10% concession fee to be paid to Lessor monthly as additional rent.

Lessor reserves the right to audit Lessee's records upon reasonable notice to ensure compliance with this provision.

- f. <u>Restroom Facilities:</u> Lessee is responsible for providing and maintaining adequate restroom facilities.
- 7. Qualified Commercial Tenant Status/SB 1103 Compliance. Lessee hereby represents and warrants that, as of the execution of this First Amendment, it is not deemed a "qualified commercial tenant" defined in California Civil Code section 827(b)(7)(D)(as amended from time to time) as follows:
 - a. A sole proprietorship, partnership, limited liability company, or corporation that (i) has 5 or fewer employees, including the owner, and (ii) generally lacks sufficient access to loans, equity, or other financial capital (a "microenterprise," as defined in California Business and Professions Code section 18000),
 - b. A restaurant with fewer than 10 employees, or
 - c. A nonprofit organization with fewer than 20 employees.

If Lessee's status changes to a "qualified commercial tenant" at any time during the Lease Term, Lessee shall provide notice to Lessor within 10 business days of such change in status.

- 8. <u>Integration of First Amendment and the Lease.</u> This First Amendment and the Lease shall for all purposes, be deemed to be one instrument. In the event of any conflict between the terms and provisions of this First Amendment and the terms and provisions of the Lease, the terms of this First Amendment shall control and prevail. Except as expressly defined herein, all terms which are defined in the Lease shall have the same meaning in this First Amendment. The Expansion Space shall be used in accordance with all terms and conditions of the Lease including but not limited to those applicable to the Leased Premises by reference, unless otherwise stated herein.
- 9. <u>Ratification; Effect of Amendment.</u> Except as expressly modified or amended by this First Amendment, the Lease and all terms, covenants, and conditions contained therein shall remain unchanged and in full force and effect.
- 10. <u>Entire Agreement.</u> This First Amendment and the Lease, represent the final and entire agreement between Lessor and Lessee regarding the subject matter hereof and may not be contradicted by evidence of prior, subsequent, or contemporaneous oral communications or agreements of the Parties.
- 11. <u>Modification.</u> No amendment or modification to the Lease, as amended, shall be valid and binding unless in writing and executed by both Parties hereto.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the day and year last set forth below.

Dated:, 2025	Dated:, 2025	
LESSOR:	LESSEE:	
TRUCKEE TAHOE AIRPORT DISTRICT, a California special district	TRUCKEE TAHOE SOARING ASSOCIATION, a California 501c3 Corporation	
By:	By:	
Name:	Name:	
Its:	Its:	
APPROVED AS TO FORM:		
BEST BEST & KRIEGER, LLP		
Truckee Tahoe Airport District Counsel		

Exhibit A

Truckee Tahoe Soaring Association Campground Area 2025

