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CITY OF EL PASO DE ROBLES

SHORT-TERM RENTAL AGREEMENT FOR AIRPORT PROPERTY

This SHORT-TERM RENTAL AGREEMENT ("**Agreement**") is made and entered into as of September 30, 2024 at 7:31 PM (the "**Effective Date**"), by and between the CITY OF EL PASO de ROBLES, a municipal corporation ("**Landlord**"), and **Ontiveros, INC** ("**Tenant**"), who agree as follows:

RECITALS

- A. On June 1, 2017 the Tenant entered into that certain Short-Term Sub-Lease Agreement with Aviation Consultants Inc. (ACI) (the "**Original Agreement**") for the operation of their business located in the restaurant spaces located at the Paso Robles Municipal Airport, 4900 Wing Way, Paso Robles, CA 93446 (the "**Original Premises**").
- B. At that time of the Original Agreement, ACI was the fixed based operator (FBO) at the Paso Robles Municipal Airport and subleased the premises to Ontiveros, INC.
- C. Pending expiration on May 1 2021 the ACI FBO through administrative action the ACI FBO contract was set to month to month status.
- D. Via a public request for proposals (RFP) process Loyd's Aviation was selected by the City as the new FBO operator and the ACI contract is set to expire upon execution of a contract with Loyd's Aviation.
- E. Landlord and Tenant now desire to enter into a new short-term rental agreement in accordance with adopted Leasing Policy in order to allow the Tenant to continue operation of its restaurant business at the Paso Robles Municipal Airport .

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, City and Tenant agree as follows:

1. Premises. In consideration of the payment of a monthly rental fee, and on the terms and conditions set forth herein, Landlord agrees to rent to Tenant the following described area (herein the "Premises") 1720 SF of commercial restaurant space located at 4990 Wing Way, Paso Robles, CA 93446 (the "**Premises**"), all as depicted on Exhibit "A," attached hereto and incorporated herein by reference.

2. Use of Premises. Landlord hereby rents to Tenant, and Tenant hires from Landlord, the Premises for the purpose operating the Tenant's restaurant business operations at the airport, and for no other purposes without the prior written consent of Landlord. In addition, any conduct of business on the Premises shall be subject to the current Airport Rules & Regulations, Minimum Standards for Aeronautical Activities and adopted City Ordinances applicable to the conduct of said business within the City.

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3. Rental Rate. The monthly rental rate for the Premises shall be \$1,800 payable monthly in advance. The first full payment of rent shall be paid in full on or prior to the Effective Date of this Agreement (September 30, 2024 at 7:31 PM), and each subsequent payment of rent shall be due and payable on the first day of each calendar month thereafter. The monthly rental rate set forth above shall be escalated on July 1st following the first anniversary of the Effective Date and on July 1st of every year thereafter ("Adjustment Date") for the full term of this Lease, including any extensions, the Base Rent shall be increased by the same percentage increase as defined by the Consumer Price Index for the previous 12-month period. The standard to be used shall be the Consumer Price Index for all Urban Consumers San Francisco-Oakland Metropolitan area, Bureau of Labor Statistics, United States Department of Labor, 1982 = 100 ("Index"). The index which is published most immediately before the Adjustment Date shall be used. If the Index shall no longer be published, another Index generally recognized as authoritative for purposes of this paragraph shall be substituted. In addition to annual Consumer Price Index adjustments, in order to keep lease rates in line with fair market values throughout the life of the lease; base rent adjustments, if necessary, can be made every five years with adjustments to be determined by a rent study. The annual increase in monthly rent shall increase no more than Eight percent (8%) in any given year or twenty percent (20%) in any five-year period including any adjustment to Base Rent upon results of the rent study. In no event shall the rent adjustment be less than two percent (2%) per year. In the event that the Base Rent will be adjusted by rent study, the City shall, at its own cost and expense, be responsible for selecting and hiring an appraiser. All rent paid by Tenant to Landlord shall be in lawful money of the United States of America and shall be paid without deduction or offset, prior notice or demand, and at such place or places as may be designated from time to time by Landlord.

If any installment of rent or other payment due from Tenant is not received by Landlord within ten (10) days of the date upon which it is due, Tenant shall pay to Landlord an additional charge of ten percent (10%) of the overdue payment as a late charge.

4. Term; Extensions; Termination. The term of this Agreement shall commence on the Effective Date (September, 30, 2024 at 7:31 PM), and shall continue for a period of one (1) year. Absent written notice from either party to the contrary, this Agreement shall automatically extend for one (1) additional year, and subsequently each year thereafter, up to a maximum five (5) year term under this Agreement. Any such extensions shall be on the same terms and conditions as set forth in this Agreement, including without limitation the annual increase in rent provided for in Section 3.

4.1 Notwithstanding the foregoing, either Party may terminate this Agreement for an Event of Default as more particularly described in Section 4.2 of this Agreement. at any time by giving written notice of such termination to the other party not less than ninety (90) days prior to the date of such termination stated in said notice. Upon or prior to the date of termination of this Agreement, Tenant shall vacate the Premises and return the Premises to its original appearance and condition, as more fully described in Section 9 hereof. Upon failure by Tenant to vacate the Premises by the termination date, Landlord may remove all of Tenant's personal property and effects, and Tenant shall, within ten (10) days of receipt of notice from Landlord, reimburse to Landlord any costs and expenses incurred by Landlord for such removal of Tenant's personal property and effects, plus an administrative charge in the amount of ten percent (10%) of the cost thereof.

4.2 Default. Any of the following events or occurrences shall constitute a material breach of this Lease and shall constitute an Event of Default:

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(1) Any failure to pay any rent or other sums as and when due, provided Tenant shall have a period of three (3) days from the date of written notice of such failure from City within which to cure any default in the payment of rent or other sums. City shall not be required to provide such notice regarding Tenant's failure to make such payments when due more than twice during any calendar year, and any such failure by Tenant after Tenant has received two (2) such notices in any calendar year shall constitute a default by Tenant hereunder without any requirement on the part of the City to give Tenant notice of such failure or an opportunity to cure; or

(2) The failure to perform or comply with any condition, term, provision, promise, covenant, agreement, representation, warranty, guaranty, indemnity, duty or obligation made under this Lease, if not cured within fifteen (15) days from the date of written notice from the non-breaching party shall automatically and without further notice hereunder be an immediate Event of Default, entitling the non-breaching party to any and all remedies available to it hereunder or in law of equity provided, however, that if the breach is not reasonably capable of being cured within the aforesaid fifteen (15) days by the breaching party commenced to cure a within said period, the breaching party shall notify the non-breaching party in writing of the commencement of such a cure, and thereafter diligently pursues the same to conclusion and successfully completes said cure within sixty (60) days of receipt of notice of said breach or violation, it shall not be an Event of Default hereunder; or

(3) Any vacation or abandonment of the Premises for more than fourteen (14) consecutive days; or

(4) The appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment by Tenant for the benefit of creditors, or any action taken or suffered by Tenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated within sixty (60) days.

5. Maintenance. Tenant shall, at Tenant's sole cost and expense, maintain the Premises in a neat and clean condition, and shall be responsible for daily and continuous custodial care of the Premises. Said maintenance shall include routine weed abatement, removal of foreign objects and debris associated with access to and retrieval of equipment, and general cleanliness of the lease area. If Tenant fails to maintain the Premises in good order and repair, after thirty (30) days' prior written notice, Landlord may, at its option, make such repairs, and Tenant shall pay the reasonable cost thereof as additional rent hereunder within ten (10) days after receipt of a written statement therefor. In the event the giving of thirty (30) days' prior notice may result in additional damage to the Premises, Landlord may make such repairs, at Tenant's expense, without thirty days' prior written notice.

6. Improvements, Alterations. Tenant shall not cause or make any physical changes, site improvements or alterations to the Premises without the prior written consent of Landlord.

7. Access. This Agreement does not grant to Tenant any right, authority or access to any part of the airport, including but not limited to aircraft operating areas, for Tenant, its employees, customers or the general public, except the Premises and appropriate access thereto through designated routes to the premises.

8. As-Is Condition. Tenant acknowledges and agrees that it has been in possession of the Leased Premises as designated on Exhibit A under previous Agreements and is fully knowledgeable as to

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the condition of the Premises. Tenant agrees to continue to rent the Premises on an “as-is” basis. Further, Landlord hereby disclaims, and Tenant accepts the disclaimer of, any warranty, either express or implied, of the condition of the Premises. Tenant assumes full responsibility for the condition of the Premises and agrees to maintain and operate the Premises in a clean and efficient manner, acceptable to Landlord, subject to the continued and ongoing monitoring and inspection by Landlord to determine condition and compliance. Landlord makes no representations regarding the condition, status, compliance with laws or suitability for a particular purpose for Tenant's use.

9. Surrender of Premises. Upon termination of occupancy of the Premises, Tenant agrees to surrender the Premises to Landlord, return all keys to Landlord, and return all elements of the Premises to its former condition, including, if necessary, earthwork and grading of the site.

10. Utilities. Landlord does not agree to provide any utilities, with the exception of water service.

11. Insurance and Indemnity.

11.1 Landlord's Non-liability. Landlord shall not be liable for any loss, damage or injury of any kind to any person or property arising from any use of the Premises, or any part thereof, or caused by any defect in any building, structure or other improvement thereon or in any equipment or other facility therein, or caused by or arising from any act or omission of Tenant or any of its agents, employees, licensees or invitees, or by or from any accident on the Premises or any fire or other casualty thereon, or occasioned by the failure of Tenant to maintain the Premises and all improvements thereto in a safe condition, or arising from any other cause except where caused by the sole negligence of Landlord, its agents or employees.

11.2 Indemnification of Landlord.

A. To the fullest extent permitted by law, Tenant shall, at Tenant's sole expense and with counsel reasonably acceptable to Landlord, defend, indemnify, and hold harmless Landlord and Landlord's officers, officials, employees and agents from and against all claims, (including demands, losses, actions, causes of action, damages, liabilities, expenses, charges, assessments, fines or penalties of any kind, and costs including consultant and expert fees, costs of investigation, court costs and attorney's fees) from any cause, arising out of or relating (directly or indirectly) to this Agreement, the tenancy created under this Agreement, or the Premises, including without limitation:

- i. The use or occupancy, or manner of use or occupancy, of the Premises or buildings by Tenant;
- ii. Any act, error or omission, or negligence of Tenant or of any subtenant, invitee, guest, contractor or licensee or Tenant or any subtenant in, on, or about the Premises;
- iii. Tenant's conducting or managing of its business;
- iv. Any alterations, activities, work, or things done, omitted, permitted, allowed, or suffered by Tenant in, at, or about the Premises or buildings, including the violation of or failure to comply with any insurance requirements or any applicable laws, statues, ordinances, standards, rules, regulations, orders, decrees, or judgments in

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existence on the Commencement Date or enacted, promulgated, or issued after the date of this Agreement, and;

v. Any breach or default in performance of any obligation on Tenant's part to be performed under this Agreement, whether before or during the term of this Agreement or after its expiration or earliest termination.

B. This indemnification extends to and includes, without limitation, claims for:

i. Injury to any persons (including death at any time resulting from that injury);

ii. Loss of, injury or damage to, or destruction of property (including loss of use at any time resulting from that loss, injury, damage, or destruction); and

iii. All economic losses and consequential or resulting damage of any kind.

C. Tenant's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until all claims against Landlord involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitations.

11.3 Liability Insurance. Tenant shall procure and maintain at all times during the term of this Agreement, at its sole cost and expense, a policy or policies of comprehensive public liability insurance by the terms of which Landlord and Tenant are named as insured and are indemnified against liability for damage or injury to property or person, including death, of any person entering upon or using the Premises or any improvements thereon or any part thereof, with a combined single limit coverage in an amount of not less than Two Million Dollars (\$2,000,000.00) and annual aggregate coverage in an amount of not less than Two Million Dollars (\$2,000,000.00) applying to injury to or death of any one or more persons arising from the same occurrence and for damage or injury to property. If Landlord's reasonably exercised judgment determines that the liability insurance amounts set forth herein become inadequate, then Landlord may, by written notice, require an increase in coverage commencing with the next policy anniversary date. Such public liability insurance policy or policies shall be stated to be primary and noncontributing with any insurance which may be carried by Landlord and shall contain a provision (provided such provisions are available without increased premium) that the Landlord, although named as an insured shall nevertheless be entitled to recover under that policy for any loss, injury or damage to the Landlord, its agents and employees or the property of such persons by reason of the negligence of Tenant. Worker's compensation insurance shall be in the amounts required by law.

11.4 Endorsements. The following endorsements shall be attached to the liability insurance policy:

A. If the insurance policy insures on an "accident" basis, it shall be changed to an "occurrence" basis.

B. The policy must cover personal injury, as well as bodily injury.

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C. The coverage shall be at least as broad as comprehensive liability and broad form comprehensive general liability or "commercial" general liability.

D. The Landlord, its officers, agents, employees, and volunteers shall be named as insured under the coverage afforded with respect to liability arising out of activities performed by or on behalf of Tenant under this contract. The coverage shall contain no special limitations on the scope of protection afforded to Landlord, its officers, agents, employees and volunteers.

E. An endorsement shall be attached which states that the coverage is primary insurance and that any insurance or self-insurance fund maintained by or available to Landlord or any of its officers, agents, employees or volunteers shall be in excess of Tenant's insurance and shall not be called upon to contribute to a loss covered by the policy.

F. The policy must provide that it shall not be canceled or changed or made the "retroactive date" of the policy or any renewal or replacement policy be changed without thirty (30) days' prior written notice to Landlord.

G. A cross-liability endorsement must be included to the effect that each insured is covered as if separate policies had been issued to each insured.

H. The liability coverage may be either on a blanket basis or a policy which specifically identifies this Agreement with a contractual liability endorsement.

I. Any deductibles or self-insured retention must be declared to and approved by Landlord. At the option of Landlord, the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Landlord, its officers, agents, employees and volunteers or the Tenant shall procure a bond guaranteeing payment of losses and related investigation, claims administration and defense expenses.

J. If the policy or policies are written on a "claims made" basis, the retroactive date of such policies shall be maintained as the date this Agreement was executed or earlier in time notwithstanding any renewals of such policies or changes in insurance carriers. Further, the reporting period for claims made under such policy or policies shall, at a minimum, continue through sixty (60) days after termination of this Agreement.

11.5. Additional Requirements - Claims Made Policies.

A. Statement of Coverage. If the policy or policies are written on a "claims made" basis, the insurer shall provide Landlord with a statement specifically describing (A) the date coverage began under the policy and the retroactive date for claims received, (B) the reporting period(s) applicable to the policy, and (C) the incident, event and claims notice procedures applicable to the policy and the name and address of the person to whom notice of incidents, events and claims may be given.

B. Notice of Events and Claims. If the policy or policies are written on a "claims made" basis, Tenant shall give its insurance carrier and Landlord written notice of each and every event or incident occurring during the term of this Agreement that may ripen into a claim. Notice shall be given no later than ten (10) days after such event or incident.

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11.6. Fire Insurance. Tenant shall at all times during the term of this Agreement and at its sole expense, procure and maintain in full force a policy or policies of standard fire and extended coverage insurance insuring all improvements on the Premises in an amount equal to not less than the full replacement costs. Tenant agrees to reevaluate insurance coverage at three (3)-year intervals and to increase said coverage if it shall be less than the then full replacement cost of the improvements on the Premises. The amount of the full replacement cost shall be determined in writing by the carrier of insurance then in force and shall be binding on the parties for the purpose of this paragraph. The insurance policies insuring against fire or other casualty shall include a "Loss Payee" endorsement issued in favor of Landlord and the interest of the holder of any "mortgage" executed by Tenant in connection with obtaining of any interim or permanent financing with respect to the Premises and said policies shall provide that any loss is payable jointly to Landlord, Tenant and the holder, if any, of a "mortgage" in the Tenant's interest under this Agreement. Proceeds from any insurance policy shall be used in accordance with the provisions of this Agreement dealing with use of insurance funds for repair and restoration.

11.7. Certificates or Policies of Insurance. All policies of insurance procured and maintained by Tenant hereunder shall be issued by companies authorized to do business in California having not less than Best's A rating and shall be issued in the name of the Landlord and Tenant for the mutual and joint benefit and protection of the parties. Executed copies of all insurance policies or a certificate thereof shall be delivered to Landlord on the Commencement Date and shall contain a provision that not less than thirty (30) days' written notice shall be given to Landlord prior to the cancellation, reduction of coverage, expiration or any material change in any such policy.

11.8. Use of Insurance Funds for Repair and Restoration. In the event any buildings, structures or improvements located on the Premises are damaged by fire or other casualty, any such sums as are received from or on account of any policy of insurance covering the same shall, except as provided in Section 10 below, be expended for the restoration, repair or replacement of said buildings, structures or improvements.

11.9. Failure to Provide Insurance. If Tenant fails or refuses to procure or to maintain insurance as required by this Agreement or fails or refuses to furnish Landlord with required proof that the insurance has been procured and is in force and paid for, Landlord shall have the right at Landlord's election, without notice, to procure and maintain such insurance. The premiums paid by Landlord shall be treated as added rent due from Tenant with interest at the Bank of America prime rate, to be paid within thirty (30) days of demand. Landlord shall give prompt notice of the payment of such premiums, stating the amounts paid and the names of the insurer or insurers.

11.10. Waiver of Subrogation. The parties hereby release each other, and their respective representatives, from any claims for damage to any person or to the Premises and the improvements which may be located upon the Premises and to the fixtures, personal property, Tenant's improvements and alterations of Tenant in or on the Premises and the improvements which may be located upon the Premises that are caused by or result from risks insured against under any insurance policies carried by the parties hereto and in force at the time of any such damage. Each party hereto shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy, provided obtaining such a waiver in each such policy is then available at a reasonable charge.

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If Tenant fails or refuses to procure or to maintain insurance as required by this Agreement or fails or refuses to furnish Landlord with required proof that the insurance has been procured and is in force and paid for, Landlord shall have the right to procure and maintain such insurance at Tenant's sole cost and expense.

12. Rules and Regulations. Tenant agrees to abide by all rules and regulations, as amended from time to time, of the Federal Aviation Agency, the State of California, and the City of El Paso de Robles, and other duly constituted public authorities having jurisdiction over the Airport.

13. Hazardous Materials. Tenant shall not cause or permit any Hazardous Materials, as defined below, to be brought upon, kept, used, discharged, deposited or leaked in or about the Premises or the Property by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors), except to the extent such Hazardous Materials are used for cleaning and are kept and used in accordance with all applicable laws. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of any Hazardous Material on the Premises or the Property caused or suffered or permitted by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors) results in contamination of the Premises or the Property, or if contamination of the Premises or the Property by any Hazardous Material otherwise occurs for which Tenant is legally liable, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, damages, costs, liabilities and expenses (including, without limitation, diminution in value or use of the Property, attorneys' fees, consultant fees and expert fees) which arise during or after the Term as a result of such contamination. This indemnification shall include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work on or under the Premises. "**Hazardous Material**" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local, state or federal governmental authority or by common law decisions, including without limitation (i) all chlorinated solvents, (ii) petroleum products or by-products, (iii) asbestos and (iv) polychlorinated biphenyls.

14. Premises Inspection. Landlord, its agents or employees, upon prior written reasonable notice, shall have the right to enter upon the Premises at such times as Landlord may deem expedient for the purpose of inspecting said Premises during normal business hours.

15. No Assignment. Tenant shall not assign or sublet all or any portion of the Premises, and shall not assign, encumber or otherwise transfer any of its rights under this Agreement without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

16. No Waiver. Consent, waiver or compromise by Landlord of any of the provisions of this Agreement shall not be construed as a waiver of the Landlord's right to enforce the remaining terms and conditions of this Agreement.

17. Notices. Tenant agrees to notify Landlord in writing within ten (10) days of change of any personal information furnished to Landlord in connection with this Agreement. All notices required by this Agreement shall be deemed delivered upon personal delivery or deposit in the United States Mail, first class postage prepaid, addressed as follows:

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If to Landlord: City of El Paso de Robles
1000 Spring Street
Paso Robles, CA 93446

If to Tenant: Ontiveros, INC
Joseph P Ontiveros
730 South Main Street
Templeton, CA 93465

18. Attorneys' Fees. If any party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party or parties shall be entitled to recover from the losing party or parties reasonable attorneys' fees and costs of suit.

19. No Brokers. Tenant and Landlord each warrant to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Agreement and that it knows of no real estate broker or agent who is or might be entitled to a commission in connection with this Agreement. Each party to this Agreement shall indemnify, defend and hold harmless the other party from and against any and all claims asserted against such other party by any real estate broker, finder or intermediary relating to any act of the indemnifying party in connection with this Agreement.

20. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California. The provisions of this Agreement shall be construed in accordance with the fair meaning of the language used and shall not be strictly construed against either party.

21. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the City of El Paso de Robles, its successors and assigns and Lessee and its permitted successors and assigns.

22. Invalidity of Provisions. If any provision of this Agreement is found to be invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of any such provision shall not affect the validity and enforceability of the remaining provisions hereof.

23. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original part and all of which together shall constitute a single agreement.

24. Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or Landlord may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Agreement pursuant to the

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election below; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through Landlord and in coordination with the Building's property manager; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion. By initialing below, Tenant represents that:

Tenant wishes to have a CASp inspection of the Premises Initials: _____

Tenant hereby waives its right to have a CASp inspection of the Premises Initials:

25. Revenue & Taxation Code Section 107.6 Possessory Interest Tax. Tenant recognizes and understands that this Agreement may create a possessory interest subject to property taxes and that, if a possessory interest is created, Tenant shall, be responsible for payment of property taxes levied against such possessory interest.

26. Entire Agreement/Amendment. This Agreement contains the entire agreement of the parties and supersedes all prior negotiations, drafts, and other understandings which the parties may have concerning the subject matter hereof. This Agreement may not be modified except by written instrument duly executed by the parties hereto or their successors in interest.

27. Authority/Consents & Approvals. Each of the persons executing this Agreement on behalf of Tenant warrants and represents that Tenant is a duly organized and validly existing entity, that Tenant has full right and authority to enter into this Agreement and that the persons signing on behalf of Tenant are authorized to do so and have the power to bind Tenant to this Agreement. Tenant shall provide Landlord upon request with evidence reasonably satisfactory to Landlord confirming the foregoing representations. The approval of Landlord, wherever required in this Agreement, shall mean the approval of the City Manager.

28. Recordation. Tenant shall not record this Agreement or a short form memorandum hereof without Landlord's prior written approval.

29. Reserved.

30. Compliance with Federal Requirements

30.1 Tenant, for itself, its heirs, personal representatives, successors in interest, sub-lessees 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 said property described in this Lease for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed 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, or as said Regulations may be amended.

30.2 Tenant, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running

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with the land: (A) that no person on the grounds of race, color or national origin 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, color or national origin shall be excluded from participation in, denied the benefits of or otherwise be subject to discrimination; and (C) that Tenant 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.

30.3. Tenant agrees that it shall insert Sections 30.1 and 30.2 in any lease agreement by which said Tenant 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.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

Landlord: City of El Paso de Robles

Tenant: Ontiveros, INC

Ty Lewis, City Manager

Joseph P. Ontiveros

ATTEST:

Melissa Boyer, City Clerk

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Exhibit A

MAP SHOWING PREMISES

Exterior Terrace 550 SF

Dining 660 SF

Kitchen 510 SF

Totaling 1720 SF

