

## FIRST AMENDMENT TO GROUND LEASE AGREEMENT

### GILLESPIE FIELD

THIS FIRST AMENDMENT TO GROUND LEASE AGREEMENT ("Amendment"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2025, by and between the COUNTY OF SAN DIEGO, a political subdivision of the State of California ("County"), and SGCLMC-WELD INVESTMENT COMPANY, L.P., a California limited partnership ("Lessee"), with reference to the following facts:

### R E C I T A L S

- A. County and Lessee are parties to that certain Ground Lease Agreement, dated March 17, 2021, said Lease also being known as County Contract No. 321159 ("Lease").
- B. The Commencement Date of the Lease, as set forth in Sections 1.6 and 1.7 thereto, is July 6, 2023 for 50 years, with expiration of the Term of the Lease being July 5, 2073.
- C. County and Lessee desire to amend the Lease to extend the Term by 25 years, with a new expiration date on July 5, 2098, and add a first option to extend the Term by 15 years, and a subsequent second option to extend the Term furthermore by 9 years, for a total of 99 years, reaching the combined limit for industrial use land, such that, if both options are exercised, the expiration of the Term of the Lease will be July 5, 2122.

NOW THEREFORE, in consideration of the above Recitals, which are incorporated herein by reference, and the mutual promises contained herein, the parties agree to amend and supplement the Lease as follows:

1. Amendment of Lease.

1.1 Article 1.6 Commencement Date is hereby amended as follows:

1.6 Commencement Date. The Commencement Date of the Lease is July 6, 2023.

1.2 Article 1.7 Term is hereby amended as follows:

1.7.1 Original Term. The term of this Lease ("Term") shall be for a period of 75 years commencing on the Commencement Date and expiring at 11:59 p.m. on July 5, 2098.

1.7.2 Option to Extend Lease Term. Lessee shall have the option to extend the Term for two (2) extended terms: the first option extending the Term by fifteen (15) years to terminate at 11:59 p.m. on July 5, 2113, and the second option extending the Term by nine (9) years to terminate at 11:59 p.m. on July 5, 2122.

1.7.3 Exercise of Options. Provided (a) at the time Lessee exercises Lessee's option, Lessee is not in default in the performance of Lessee's obligations under this Lease, (b) during the period following exercise of Lessee's option to the date of the commencement of the option period, Lessee shall not have committed any default in the performance of Lessee's obligations under this Lease that remains uncured as of the commencement of the option period, including any uncured delinquency in payment of rent, and (c) the extension of the Term does not result in a violation of the County's federal grant assurances or applicable County, State or federal laws, Lessee may

exercise such options by providing written notice to the County no later than twelve (12) months prior to the expiration of the original Term or prior extended term, as applicable. Lessee's failure to timely provide the required notice shall result in the termination of the options. All terms and conditions of this Lease shall apply during each extended term, including Lessee's obligations under Section 6.3 (Compliance with Laws) and Section 6.4 (Stormwater and Non-Stormwater Discharges).

1.3 The first sentence of Section 4.1(a) of the Lease is deleted in its entirety and the following substituted therefor: "Subject to adjustments as provided in Sections 4.2 (FIXED ADJUSTMENTS TO THE BASE MONTHLY RENT) and 4.3 (RENT RATE RENEGOTIATION), Lessee shall pay as rent for the use and occupancy of the Premises the Base Monthly Rent specified in Article 1 (SUMMARY OF BASIC LEASE PROVISIONS)."

1.4 Section 4.2 of the Lease is deleted in its entirety and the following substituted therefore:

4.2 Fixed Adjustments to the Base Monthly Rent. As used herein, a "Fixed Adjustment Date" means each of the following dates:

July 6, 2028	July 6, 2073
July 6, 2033	July 6, 2083
July 6, 2038	July 6, 2093
July 6, 2043	July 6, 2103
July 6, 2053	July 6, 2113
July 6, 2063	

On each Fixed Adjustment Date, the Base Monthly Rent shall be increased by seven and one-half percent (7.5%) over the Base Monthly Rent for the period immediately preceding the applicable Fixed Adjustment Date.

1.5 The first sentence of Section 4.3 of the Lease is deleted in its entirety and the following substituted therefor:

As used herein, a "Fair Market Adjustment Date" means each of the following dates:

July 6, 2048	July 6, 2088
July 6, 2058	July 6, 2098
July 6, 2068	July 6, 2108
July 6, 2078	July 6, 2118

On each Fair Market Adjustment Date, the Base Monthly Rent shall be adjusted, as applicable, to the higher of (i) the Base Monthly Rent in effect immediately preceding the applicable Fair Market Adjustment Date, or (ii) fair market rent ("Fair Market Rent") for the Premises as of the Fair Market Adjustment Date, calculated as follows; provided, however, that in no event shall any upward adjustment in the Base Monthly Rent as of the

Fair Market Adjustment Date exceed twenty-five percent (25%) of the Base Monthly Rent in effect prior to the applicable Fair Market Adjustment Date.

1.6 The first sentence of Section 4.3(a) of the Lease is deleted in its entirety and the following substituted therefor: "Commencing approximately two hundred (200) days prior to the applicable Fair Market Adjustment Date, County and Lessee ("the parties") shall attempt to agree upon the Fair Market Rent."

1.7 Article 33 - Working Families Ordinance, is hereby added:

Working Families Ordinance. Lessee shall comply with the Working Families Ordinance set forth in Sections 73.10, et seq. of the San Diego County Administrative Code, which ordinance pertains to the payment of wages, utilization of a skilled and trained workforce, working conditions, and the provision of paid sick leave. Lessee shall post the County's Working Families Ordinance notice (available upon request and at <https://www.sandiegocounty.gov/OLSE>) in a conspicuous and accessible place in each location at which employees are employed, as required by the Working Families Ordinance. Lessee shall maintain records sufficient to document Lessee's compliance with this Section, including, if applicable, evidence of qualification for an exemption from the Working Families Ordinance, and shall provide such records to County upon request. Lessee hereby grants County permission to conduct an investigation regarding Lessee's compliance with the Working Families Ordinance at any time, which investigation may include, but is not limited to, audit of documentation, inspection of the Premises, and interviews of employees and/or workers.

1.8 Article 34 - Counterparts; Electronic Transmittal; Electronic Signatures, is hereby added:

Counterparts; Electronic Transmittal; Electronic Signatures. This Lease and any amendments hereto may be executed in counterparts, and County and Lessee agree that each counterpart shall constitute one agreement binding on County and Lessee, notwithstanding that County and Lessee are not signatory to an original or same counterpart. Executed counterparts of this Lease or amendments hereto may be transmitted electronically, and County and Lessee agree that each counterpart of a fully executed Lease or amendment hereto transmitted electronically via pdf attachment shall be binding as if the signatures transmitted electronically were original signatures. This Lease and amendments hereto may be executed using electronic signatures, and County and Lessee agree that each electronic signature shall have the same legal effect and enforceability as a manually executed signature to the extent provided for in the Uniform Electronic Transactions Act codified in State of California Civil Code Sections 1633.1 - 1633.17.

2. Effects of Amendment. Except as amended by this Amendment, the Lease shall remain in full force and effect. In the event of a conflict between the provisions of the Lease, as previously amended, and those of this Amendment, this Amendment shall control.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Ground Lease Agreement on the date first written above.

SGCLMC-Weld Investment Company, L.P.  
a California limited partnership

By SGCLMC-Weld GP, LLC  
a Delaware limited liability company  
Its General Partner

By   
Lee M. Chesnut, Manager

COUNTY OF SAN DIEGO, a Political  
Subdivision of the State of California

By: \_\_\_\_\_  
Clerk, Board of Supervisors

APPROVED AS TO FORM AND LEGALITY  
COUNTY COUNSEL

BY \_\_\_\_\_  
SENIOR DEPUTY