

## HANGAR AREA LEASE

THIS AGREEMENT, made and entered into on the date indicated below by and between the City of New Richmond, State of Wisconsin, a municipal corporation, hereinafter called the Lessor, and \_\_\_\_\_, hereinafter called the Lessee.

WITNESSETH:

WHEREAS, the Lessor owns and operates an airport known as the New Richmond Regional Airport and said Lessee is desirous of leasing from the Lessor a certain parcel of land on the said airport, hereinafter more fully described, for the purpose of:

### **Aircraft storage only**

WHEREAS, the Lessee will use the below described property for the purpose of storing aircraft and shall conduct only such aircraft maintenance on its own aircraft as performed by the Lessee or by regular employees of the Lessee.

NOW, THEREFORE, for and in consideration of the rental charges, covenants, and agreements herein contained, the Lessee does hereby hire, take and lease from the Lessor and the Lessor does hereby grant, demise, and lease unto the Lessee the following premises, rights, and easements on and to the airport upon the following terms and conditions:

1. Property Description: **Lot \_\_, Row \_\_ of the Airport Layout Plan - New Richmond Regional Airport. Leased Property equals \_\_\_\_\_ square feet (\_\_\_' wide x \_\_\_' deep)**
2. Hangar Construction: The Lessee shall have the right to erect, maintain and alter buildings or structures upon said premises providing such buildings or structures conform to the applicable requirements of the Wisconsin Department of Commerce and pertinent provisions of any local ordinances in effect. All plans for such buildings or structures shall be reviewed and approved in writing by the Lessor prior to construction.
3. Terms: The term of this lease shall be for a maximum of ten (10) years commencing on July 1, 2000 and ending on June 30, 2010.

4. Rent: The Lessee agrees to pay to the Lessor for the use of the premises, rights, and easements herein described, a yearly rental of ten (10) cents per square foot for the land leased, for a total annual charge of \_\_\_\_\_, payable on July 1 annually. It is understood and agreed that the rental rate herein specified shall be subject to re-examination and readjustment at the end of each three year period of this lease, provided that any readjustment of said present rates, or as same may be amended hereafter, shall be reasonable.

5. Non-Exclusive Use: The Lessee shall have the right to the non-exclusive use, in common with others, of the airport parking areas, appurtenances and improvements thereon; the right to install, operate, maintain and store, subject to the approval of the Lessor in the interests of safety and convenience of all concerned, all equipment necessary for the safe hangaring of the Lessee's aircraft, the right of ingress to and egress from the demised premises, which right shall extend to the Lessee's employees, guests, and patrons; the right, in common with others authorized to do so, to use common areas of the airport, including runways, taxiways, aprons, roadways, and other conveniences for the take-off, flying and landing of aircraft.

6. Laws and Regulations: The Lessee agrees to observe and obey during the term of this lease all laws, ordinances, rules and regulations promulgated and enforced by the Lessor, and by other proper authority having jurisdiction over the conduct of operations at the airport.

7. Hold Harmless: The Lessee agrees to hold the Lessor free and harmless from loss from each and every claim and demand of whatever nature made upon the behalf of or by any person or persons for any wrongful act or omission on the part of the Lessee, his agents or employees, and from all loss or damages by reason of such acts or omissions.

8. Insurance: The Lessee agrees that he will deposit with the Lessor a policy of comprehensive liability insurance upon 90 days written notice from the Lessor.

9. Maintenance of Premises: The Lessee shall maintain the structures occupied by him and the surrounding land premises in good order and make repairs as necessary. No outside storage shall be permitted except with the written approval of the Airport Commission. In the event of fire or any other casualty to structures owned by the Lessee, the Lessee shall either repair or replace the leased area to its original condition; such action must be accomplished within 120 days of the date the damage occurred. Upon petition by the Lessee, the Lessor may grant an extension of time if it appears such extension is warranted.

10. Right to Inspect: The Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement.

11. Taxes: The Lessee shall pay all taxes or assessments that may be levied against the personal property of the Lessee or the buildings which he may erect on lands leased exclusively to him.
12. Signs: The Lessee agrees that no signs or advertising matter be erected without the consent of the Lessor.
13. Default: The Lessee shall be deemed in default upon:
  - a. Failure to pay rent within 30 days after due date;
  - b. The filing of a petition under Federal Bankruptcy Act or any amendment thereto including a petition for reorganization or an arrangement;
  - c. The commencement of a proceeding for dissolution or for the appointment of a receiver;
  - d. The making of an assignment for the benefit of creditors without the prior written consent of the Lessor;
  - e. Violation of any restrictions in this lease, or failure to keep any of its covenants after written notice to cease such violation and failure to correct such violation within thirty days.

Default by the Lessee shall authorize the Lessor, at its option and without legal proceedings, to declare this lease void, cancel the same, and re-enter and take possession of the premises.

14. Title: Title to the buildings erected by the Lessee shall remain with the Lessee and shall be transferable. Upon termination of this lease, the Lessee may, at the option of the Lessor, remove the buildings, all equipment and property therein and restore the leased property to its original condition.

15. Snow Removal: The Lessor agrees to provide **NO** snow removal services to the Lessee's leased premises in the hangar area.

16. Lease Transfer: The Lessee may not, at any time during the time of this lease, assign, hypothecate or transfer this agreement or any interest therein, without the consent of the Lessor.

17. Airport Development: The Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance. If the development of the airport requires the relocation of the Lessee, the Lessor agrees to provide a compatible location and agrees to relocate all buildings or provide similar facilities for the Lessee at no cost to the Lessee.

18. Subordination Clause: This lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States or the State of Wisconsin relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or stated funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by these agreements with the United States or the State of Wisconsin.

19. Arbitration: Any controversy or claim arising out of or relating to this lease or any alleged breach thereof, which cannot be settled between the parties, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the dispute rendered by the arbitrator(s) shall be final and binding on the parties.

20. Floor Height: The Lessee agrees to erect a building on the leased premises with a minimum finished floor height at least six (6) inches above the finished grade of the taxiway nearest the front of the building.

21. Taxiway Access: The Lessee is prohibited from operating automobiles on runways or main taxiways.

22. Parking: Automobile parking must be on the leased premises or on designated areas of the airport.

23. Hangar Construction: The lessee shall commence construction of the hangar building within six (6) months from the signing of the Hangar Area Lease unless an extension is authorized in writing by the Lessor. If an occupancy permit has not been issued within one (1) year from the signing of the Hangar Area Lease, the Lessor will request a building review from the Building Inspector. The Lessor reserves the right to terminate the lease if unsuitable progress is found.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, in the City of New Richmond, St. Croix County, Wisconsin.

LESSOR:

\_\_\_\_\_  
Airport Manager, Mike Demulling

LESSEE:

\_\_\_\_\_

\_\_\_\_\_