

**YELLOWSTONE REGIONAL AIRPORT
GENERAL AVIATION HANGAR LEASE – Non-Commercial
BLOCK/ROW _____ LOT _____ HANGAR _____ ?**

This Lease is made by and between the Yellowstone Regional Airport, a Wyoming Joint Powers Board, as Lessor, and [Full Name] ([Short Name]), as Lessee, for and in consideration of the mutual promises, covenants, agreements, and conditions within this Lease.

1. The Yellowstone Regional Airport Joint Powers Board ("Airport") manages certain land within the City of Cody for the use and benefit of the people of Cody and their guests. Lessee desires to make use of the Subject Property, which is shown in the attached Exhibit A, for aviation related activities and shall adhere to the Airport Minimum Standards in Exhibit B.

2. The uses of the Airport must be compatible with the provision of safe air transportation and with aircraft ground activity, not devote Airport land to non-aviation-oriented activity, and maintain an attractive appearance of the Airport as one of the "front doors" of Cody.

3. Lease. The Airport leases to Lessee and Lessee leases from the Airport the Subject Property described above, together with the right of ingress and egress as provided in paragraph 5 below.

4. Use of Subject Property.

A. The principal and predominant use of any building constructed on Subject Property, shall be for the Lessee's or their affiliates' own aircraft storage. At the discretion of the Lessee, Lessee may store other aircraft that are not owned by the Lessee, so long as Lessee does not charge for such storage. The storage of other aircraft within the building will not be construed by the Lessor as the Lessee engaging in commercial activity, as long as the predominant use remains storage of the Lessee's or their affiliates' own aircraft. As used in this Lease, an "affiliate" shall mean a corporation, limited liability company, trust, or other entity in which the Lessee owns a majority interest and, in which, the Lessee has the authority to bind such entity in a contractual obligation. Nothing in this paragraph shall be construed to allow the Lessee to assign or sublet the leased premises in violation of Section 23 below or allow the Lessee to engage in commercial activity.

B. The placement of and plans for improvements are subject to approval as provided below in paragraph 17. Lessee shall obtain written approval before commencing any construction. Such construction and any use shall comply with this Lease and with Cody's City Code.

C. Lessee shall keep and maintain the leased premises in a neat and orderly manner. This includes keeping grass cut and buildings painted a color approved by the Airport in the Minimum Standards, as well as concealing from view temporary storage of and making lawful disposal of debris, garbage, and other waste material arising out of its occupancy. Under no circumstances shall Lessee permit junk, debris, inoperable or unlicensed vehicles or equipment, or other unsightly material to be stored or otherwise located on the Subject Property.

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D. Fuels shall not be stored in hangars, except in aircraft.

E. Lessee shall not engage in commercial activity with the aviation public using the Airport. At no time may Lessee's invitees be unaccompanied by Lessee while at the Airport. Lessee is specifically prohibited from fueling aircraft inside any hangar and from engaging in the specific uses assigned to Fixed Base Operators, according to the specific use provisions of the Airport's Minimum Standards.

5. Uses in Common. Lessee shall have the nonexclusive right to use, in common with others, all Airport facilities and improvements of a public nature, which are now or may come to be provided, including but not limited to runways, taxiways, aprons, roadways, parking areas, and other common use facilities provided such use is in accord with applicable laws and regulations for the takeoff, flying, and landing of aircraft owned, leased, or rented by the Lessee and its occasional invitees.

6. Parking. Vehicles may be parked inside the hangar or at a parking area off the aircraft ramps designated by the Airport Director or such other locations within the Subject Property approved by the Airport Director. Vehicles shall not be parked within the Object Free Area while Lessee's aircraft is being operated. No motor vehicle shall be parked anywhere where aircraft may be or come to be operating. Vehicles and aircraft may be stopped and stand for loading and unloading in front of the hangars. Unattended vehicles or aircraft not in an area designated for their use will be regarded as illegally parked and may be towed at the discretion of the Airport Director.

7. Operations to be Lawful. Lessee and Lessee's improvements and use shall comply with this Lease and with all applicable laws, ordinances, rules, and regulations of the United States, State of Wyoming, and City of Cody including those laws, rules, and regulations which may be lawfully promulgated by any of the same during the term of this Lease. Where requirements differ among these various sources, the more stringent shall apply. Lessee shall further obey any other lawful directions of the Airport Director, even if Lessee wishes to appeal such directions. An appeal of any such direction shall be filed with the Chairman of the Board in writing. The notice to the Airport shall provide a clear and concise explanation of each individual claim. Said notice is to be submitted within ten (10) calendar days of the decision, which is the subject of the appeal. The Airport shall respond in writing within forty (40) days from receipt of the written appeal. The interpretation of the Airport shall be made in good faith and shall be considered conclusive. The Airport Director may enter into or on the Lessee's premises to conduct inspections to insure lawful and safe use of the premises within twenty-four (24) hours of written notice. Notice shall not be required in emergency situations.

8. Subordination to Federal Funding and Emergency Requirements. This Lease is subordinate to the provisions of any existing or future agreement between the Airport and the United States relative to the operation or maintenance of the Airport. The execution of which agreement has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. This Lease shall be subordinate to the right of the Airport during the time of war or national emergency to lease the landing area or any part thereof to the United States for military or emergency use. If any such lease is so made, the provisions of this Lease, in conflict with the provisions of the lease to the Government, shall be suspended for the duration of the conflict or emergency.

9. Compliance with Enforcement. Lessee shall comply with such enforcement procedures and orders as the United States may demand that the Airport follow or issue an order to comply

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with the Airport's assurances to the United States and to enforce applicable federal, state, and local laws.

10. Nondiscrimination. Lessee shall use the premises in compliance with all 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 IV of the Civil Rights Act of 1964 and as said regulations may be amended. Lessee, in its use of the Airport, will not on the grounds of race, creed, color, age, marital status, national origin, or handicap discriminate or permit discrimination against any person or groups of persons in any manner. Noncompliance with these assurances shall constitute a breach of this Lease. In the event of such noncompliance, the Airport may take appropriate action to enforce compliance and may terminate this Lease or seek judicial enforcement.

11. Airport's Reserved Rights. The Airport specifically reserves the right:

A. To develop, improve, or make any lawful use of the Airport premises as it sees fit regardless of the desires or views of the Lessee and without interference or hindrance by Lessee.

B. To maintain and keep in repair the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee on the Subject Property.

C. To enter upon the Subject Property within twenty-four (24) hours of written notice for the purpose of making inspections to determine compliance with the Minimum Standards, fire codes, building codes, or any covenant or condition of any contract or lease including this Lease. Notice shall not be required in emergency situations.

D. To take any action it considers necessary to protect the aerial approaches to the Airport against obstruction. Together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport, which in the opinion of the Airport would limit the usefulness of the Airport or constitute a hazard to aircraft.

E. To close the Airport or any of its facilities for maintenance, improvement, safety, or other public use.

F. To devote exclusive use of the Airport to emergency aircraft operations, including but not limited to fire suppression activities and medical operations.

12. Term and Renewal. The initial term of this Lease shall be for **eight (8)** months and nineteen (19) years, commencing at **12:01 AM on November 1, 2021** until 11:59 PM on **June 30, 2041**. This Lease may be renewed for **four (4) - five (5) year options**, so long as the rent and other conditions of the Lease are faithfully adhered to and subject to adjustment of rent as provided in paragraph 14. If Lessee determines to renew this Lease, it shall provide written notice at least six (6) months prior to the expiration of the term. The Lessor shall notify the Lessee, prior to expiration of the lease, no later than sixty (60) days prior to the 6 months limit of the Lessee to notify the Lessor of intent to renew.

Commented [D1]: Bob Redmond would like this wording removed.

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If Lessee desires to continue leasing the Subject Property after the expiration of any Extended Term, Lessee may request that Lessor grant a new lease agreement. If: (i) Lessee is not then in default under any provision of this Agreement; and (ii) such a new lease would be consistent with the Airport's master plan and Leasing Policy then in effect and any and all federal rules, regulations, directives, or other obligations with respect to Airport, including but not limited to the "grant assurances" to the FAA ; then Lessor will, offer the Lessee a new lease of the Subject property, under such terms and conditions that exist in the then-current Leasing Policy of the Lessor.

Commented [D2]: The airport director feels that the following should be added. "and (iii) Lessor determines that the condition of the improvements do not require removal by the Lessee under the terms of Section 13 and that the useful life of the existing improvements on the Leased Premises exceeds any requested extension term, then"

13. Leasehold Improvements. If the leased premise does not have a hangar or other building situated upon it, the Lessee shall within thirty (30) days of execution of this Lease provide the Lessor with plans and specifications for the hangar or other improvements to be placed upon the leased premises. If Lessor approves the submitted plans and specifications, the Lessee shall commence construction within six (6) months from the date of this Lease and the construction shall be pursued with due diligence and completed within 6 months. If the lease fails to comply with the time constraints as herein set forth, this Lease shall terminate at that time.

Commented [D3]: In the event that the lessor chooses not to renew due to the above (iii) the Lessee may appeal and request a new lease with a plan to make the necessary repairs to extend the "useful life" of the building and the lessee can make such repairs in the first year of the new lease.

Prior to commencing construction of improvements, Lessee shall be responsible for completing Federal Aviation Administration Form 7460 - Notice of Proposed Construction or Alteration. A copy of the completed and signed form must be provided to the Airport.

Leasehold Improvements is defined as all buildings, including but not limited to hangars and/or improvements, whether or not permanently attached to the Subject Property, placed and/or constructed on the Subject Property during the term of this Lease by the Lessee or left by a prior Lessee having the authority to sell said property to the Lessee. The Lessee shall own all improvements that it places or constructs on the leased premises and agrees that within thirty (30) days after the termination of this Lease or expiration of the lease term, the Lessee shall remove all such improvements and all other property owned by the Lessee and to restore the leased premises to a neat, clean, orderly condition, remove all concrete foundations, and restore the surface of the leased premises within said 30-day period of time. Any buildings, improvements, or other property remaining on the leased premises after such 30-day period shall, at the option of the Lessor, become the property of the Lessor. In the event such removal or restoration is not completed by the Lessee within such 30-day period, the Lessor may remove or cause the removal of any such building, improvements, or other property and restore or cause the restoration of the leased premises. The cost and expenses of same shall be paid by Lessee. Lessor shall be entitled to recover any such cost and expenses from Lessee, together with all attorney's fees and costs incurred by Lessor in enforcing this Lease. Lessor may remove or cause the removal of any such building.

14. Rent. Rent shall be payable annually in advance on July 1st of each year. Initially (as of July 1, 2021) in the amount of 23 cents (\$0.23) per square foot for Leasehold Improvements and 3 cents (\$0.03) per square foot for unusable land necessary to access a taxilane. Current square footage for [redacted] sq. ft. of Leasehold Improvements and [redacted] sq. ft. for unusable land setbacks. This currently totals \$ [redacted] per year. Prior to April of 2023 and every three (3) years thereafter, the Lessor will review lease rates at the Yellowstone Regional Airport and establish the rent, which will be effective for the new rent period beginning the following 3 years. Provided, however, such increase in rent will not exceed the consumer price increase for the previous period for which the rent was determined. At least thirty (30) days prior to the end of each lease term, the Lessor shall determine from the Bureau of Labor Statistics of the United States Department of Commerce - Consumer Price Index ("CPI") for All Urban Consumers for the month immediately preceding the end of the lease term. If it is higher than the CPI for the term, the basic rent may be increased in the same proportion as the increase in

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the CPI. The basic rent as thus calculated at the beginning of each new lease term shall remain at the same level for that lease term. In the event that the new proposed lease payment is unacceptable to Lessee, the Lease shall be terminated on June 30th of the current lease year.

15. Taxes, Assessments, and Fees. Lessee shall pay in a timely manner all taxes, assessments, and fees assessed or levied upon Lessee or the Subject Property. Lessee further agrees to not allow any such taxes, assessments, or fees to become a lien against the Subject Property or any improvement on it. Nothing shall prevent or prohibit the Lessee from contesting the validity or amount of any such tax, assessment, or fee in the timely manner authorized by law, but in no event shall Lessee permit any such process to proceed to a foreclosure upon Subject Property or any interest in it or in any Leasehold Improvement.

16. Utilities and Services. Lessee shall order, obtain, and pay for all utilities and services supplied to the Subject Property and shall pay all services and installation charges, including but not limited to electrical power, water, sewer, garbage, gas, and telephone services, which includes water and sewer connection and service charges. The parties agree and understand that the Airport shall not be responsible for snow removal on any portion of the Subject Property or for any apron area in front of Subject Property, which is commonly and primarily used by Lessee. Lessee shall arrange for and pay for removal of snow from Subject Property and such apron area. Any such snow shall not be placed on any improved property of the Airport, in any place obstructing pilot views of the aprons, runways, and taxiways, in any area where snow storage is otherwise in violation of Federal or local regulation or in violation of directions of the Airport Director. In the event the Airport elects to provide utilities or any other service to the Subject Property, Lessee agrees to pay for such services provided by the Airport to the Subject Property at rates to be determined by the Airport.

17. Construction. Installation, erection, and construction of Leasehold Improvements shall be at Lessee's sole cost and expense and according to drawings, specifications, and schedules submitted to and approved by the Airport and City prior to commencement of construction. Private hangars shall be constructed according to the Airport's Minimum Standards. Color, shape, architectural features, and other aesthetic issues shall be controlled by the Airport. Drawings shall accurately depict and describe all proposed Leasehold Improvements. All construction on the airport shall conform to the Airport's current Master Plan as approved by the Federal Aviation Administration. All drawings and specifications shall conform to the building, fire, and fire protection codes and regulations in effect in Cody, including but not limited to those set out in the Airport's Minimum Standards. No drawings and specifications shall be submitted for a building permit, as required by the City of Cody, until the same have been reviewed and approved in writing for airport purposes by the Airport Director. The Airport Director shall first seek the approval of the Airport Board and approvals by applicable Federal agencies. Airport Director approved drawings and specifications shall be submitted to the City Building Inspector. The City Building Inspector shall determine that the submitted drawings and specifications are identical to those approved by the Airport Director. Lessee shall make substantial progress toward construction of the buildings and physical facilities anticipated by the Lessee within twelve (12) calendar months after execution of this Lease. Completion and occupancy of the structures must occur within twenty-four (24) months after the date of execution of this Lease. Failure to achieve either substantial progress or completion shall constitute cause for the Airport to terminate this Lease or to extend the completion dates for construction.

18. Construction Indemnification. Lessee shall at all times indemnify and hold the Airport harmless from any and all claims for labor or materials and/or other construction liens in

connection with construction, repair, alteration, replacement, installation of structures, improvements, equipment, or facilities within the Subject Property and from the cost of defending against such claims, including attorney's fees and costs. In the event a lien is imposed or purportedly imposed upon the Subject Property as a result of such construction, repair, alteration, or installation, Lessee shall procure and record a bond, which frees the Subject Property from the claim of the lien and from any action brought to foreclose the lien. Should Lessee fail to procure and record said bond within thirty (30) days after filing of such a lien, this Lease shall be in default and shall be subject to immediate termination and possession by Airport, or Lessor may satisfy such lien or obtain a bond and the amounts paid by Lessor shall be added to the amounts owed by Lessee to Lessor.

19. Ownership of Tenant's Personal Property. Title to personal property placed on Subject Property by Lessee shall at all times during the term of this Lease or any extension of this Lease remain in the Lessee's name. Lessee shall have the right at any time to remove any or all personal property of every kind and nature that Lessee may have placed, brought, and/or installed upon the Subject Property. Lessee shall have said right to remove same at any time provided that upon any such removal of fixtures Lessee shall repair, at his own expense, any resulting damage and leave the Subject Property in a clean and neat condition. Lessee shall remove all personal property within thirty (30) days at the end of this Lease, any renewal of this Lease, or within 30 days after the termination of this Lease, for any reason. Personal property, including fixtures, remaining on the Subject Property after such time becomes the property of the Airport and may be disposed of by the Airport as allowed by law.

20. Repairs. Lessee shall repair any and all damages, excluding ordinary wear and tear, to the Airport and/or the Subject Property, which damages result from any acts, errors, or omissions of Lessee or Lessee's guests, invitees, employees, contractors, or agents. Repairs shall be completed within thirty (30) days of the date any such damage is incurred. In the event that Lessee cannot reasonably repair such damage within 30 days, Lessee shall provide prior written notice to the Airport and request an extension. Such an extension shall not be unreasonably withheld. The Airport may condition such extension upon the furnishing of collateral for the promise to repair in the form of a bond, cash escrow, or other arrangement acceptable to the Airport Director.

21. Indemnity. Lessee agrees to indemnify and hold harmless the Airport during the term of this Lease from any and all losses, actions, or judgments for damages, including but not limited to claims for personal injury, death, or property damage from any and all claims made by a third party against the Airport arising out of the acts, errors, omissions, or use of the leased premises by the Lessee or Lessee's guests, invitees, employees, contractors, agents, or others present on the leased premises with the consent of the Lessee. This indemnification obligation shall include reasonable attorney's fees and costs incurred by the Airport in defending, litigating, or responding to any claim, lawsuit, or threat of a claim or lawsuit regardless of whether a lawsuit is actually filed.

22. Insurance. Lessee shall maintain at all times during the term of the lease fire and extended insurance coverage, including water damage, as an indirect result of fire and a provision for debris cleanup, in an amount not less than ninety percent (90%) of the full replacement value of Leasehold Improvements.

A. Public liability insurance for bodily injury and property damage with a combined single limit for a total amount of not less than \$1,000,000.00. A current certificate of insurance evidencing compliance shall be provided to the Airport at all times during the

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term of this Lease. The limits of insurance shall not be deemed a limitation of Lessee's covenants to indemnify or hold harmless Airport as set forth above.

23. Assignment and Subletting. Lessee shall not assign, mortgage, encumber, or sublet the leased premises or any part without first having obtained the prior written consent of Lessor. Such consent shall not be unreasonably withheld. In the event the improvements on the leased premises are sold the new owner will seek to sign a new lease with the lessor.

24. Termination. This Lease may be terminated by the parties as follows:

A. Lessor may cancel and terminate this Lease at any time the Lessee shall be in default of any of the covenants, terms, and conditions within and shall remain in default for thirty (30) days after written notice from Lessor specifying the nature of said default.

25. Holding Over. In the event Lessee holds over after the expiration of the Lease or of any renewal of this Lease, such holding over shall be deemed to be a tenancy from month to month subject to conditions established by the Airport Director, including but not limited to an increase in the rental rate.

26. Abandonment. If Lessee abandons the Subject Property or it is dispossessed by third parties by process of law or otherwise, the Airport may terminate this Lease. Lessee shall not be entitled to the return of prepaid rent under this Lease. Any personal property belonging to Lessee and remaining on the Subject Property upon abandonment or dispossession shall be deemed to have been transferred to the Airport. The Airport shall have the right to remove and dispose of such property without liability or to dispose of it to any person claiming under Lessee, transfer it to a new lessee, and/or simply dispose of it as solid waste. The Airport shall have no need to provide an account.

27. Legal Proceedings. If any legal action or proceeding related to this Lease is initiated by any party to this Lease, the prevailing party shall be entitled to recover its costs, damages, and expenses, including commercially reasonable attorney's fees and costs and witness and expert witness fees incurred in prosecuting or defending the same, whether or not such action or proceeding is litigated or prosecuted to judgment. The prevailing party shall be the party awarded judgment as a result of trial or arbitration, unless the dispute was only as to the amount of a claim conceded to exist; in which case, the finder of fact shall determine the identity of the prevailing party.

28. Governing Law. This Lease is governed by the law of the State of Wyoming and venue for any legal proceedings shall be initiated in Park County.

29. Headings. The headings of paragraphs and articles of this Lease are provided as a guide to the reader and shall not in any way affect the meaning or interpretation of this Lease.

30. Time is of the Essence. Time is of the essence with respect to the obligations of the parties under this Lease.

31. No Election of Default Remedies. In the event of any default under this Lease, the non-defaulting party shall be entitled to all rights, powers, and remedies available at law or in equity, including without limitation specific performance, damages, equitable relief, and/or resort to any security. Any rights, powers, and remedies stated in this Lease, now or hereafter, existing in law, at equity, by statute, or otherwise are cumulative and concurrent and shall each

be in addition to and not in lieu of all the others. The exercise, the beginning of the exercise, or the forbearance of exercise by any party of any one or more of such rights, powers, and remedies shall not preclude the simultaneous or subsequent exercise by such party of any or all of such other rights, powers, and remedies.

32. No Waiver of Rights. The failure of the Airport to enforce its rights, powers, or remedies at any particular times or upon any particular occurrences shall not preclude those rights, powers, or remedies at any other time or with respect to any other occurrences. Any waiver of any right, power, or remedy must be done in writing and executed by the party to be charged with such waiver and executed with no fewer or different formalities and approvals than were attendant upon execution of this Lease. Any waiver of a breach of a covenant, term, or condition of this Lease shall not be deemed a waiver of any other breach of the same or any other covenant, term, or condition of this Lease. Acceptance of overdue performance of a covenant, term, or condition of this Lease shall not constitute a waiver of the breach existing prior to the performance, unless so agreed in writing by the recipient of the performance.

33. Counterpart Execution. This Lease may be executed in any number of counterparts. No single counterpart need be signed by all parties to this Lease, so long as each party has executed at least one such counterpart. This Lease shall then be considered fully executed. Each such counterpart shall be deemed to be an original instrument. All such counterparts together shall constitute one agreement. Electronic or facsimile signatures are deemed to have the same legal weight as original signatures.

34. Burden and Benefit; Assignment. This Lease shall bind and inure to the benefit of the parties and their respective heirs, legal representatives, successors, and assigns. Lessee shall neither assign this Lease nor sublet or rent Subject Property without the written consent of the Airport, which consent shall not be unreasonably withheld. That consent will, however, be conditioned upon an increase of rents to the then current Airport published lease rates for the Airport.

35. Integration. All exhibits and other attachments, if any, to this Lease are a part of this Lease as if set out again in this Lease. This Lease constitutes the entire lease between and among the parties and all prior negotiations and discussions, memoranda, correspondence, and communications as merged into and extinguished by this Lease. Provided, however, that nothing in this Lease shall be held to merge into this Lease any other written document described in this Lease or any Subdivision or Development Agreement among any of the parties, unless this Lease expressly identifies such other written document or agreement and states that this Lease supersedes such other document or agreement.

36. Interpretation. The language of this Lease shall be construed simply, according to its fair meaning, and not strictly for or against any party.

37. Notice. Notices between the parties may be made by personal delivery or by United States mail, prepaid postage, registered or certified, with return receipt requested, by electronic mail, or by recognized courier delivery (e.g. Federal Express, UPS, DHL, etc.) addressed to the parties at the addresses below or at such other addresses as the parties may subsequently designate by written notice given in the manner provided in this section. The parties are required to provide any change of address to each other.

38. The Airport does not waive its governmental immunity and expressly reserves the right to assert immunity as a defense to any action arising from this Lease. The Airport reserves the

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immunities, defenses, and rights available to it under the Wyoming Constitution and the Wyoming Governmental Claims Act.

LESSOR: YELLOWSTONE REGIONAL AIRPORT JOINT POWERS BOARD

2101 Roger Sedam Drive, Suite 1
Cody, WY 82414
(307) 587-5096

By _____
Douglas M. Johnston, Chairman Date

By _____
Aaron Buck, Airport Director Date

LESSEE: Individual's Name

Address – Street and/or P.O. Box _____
City, State Zip Code _____
Phone number (_____) _____ - _____

[Name] Date

OR if the lease is going into a company's name, use the following:

LESSEE: Full Company Name

Address – Street and/or P.O. Box _____
City, State Zip Code _____
Phone number (_____) _____ - _____

By _____
[Individual's Name] Date

Its _____
[Title]