

## Hangar Lease Agreement

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between the City of Gardner, Kansas, a Municipal Corporation, (“City” or “Lessor”) and \_\_\_\_\_, (“Lessee”).

WHEREAS, Lessor owns and operates the Gardner Municipal Airport (“Airport”); and,

WHEREAS, on the Airport premises, Lessor owns hangars for the storage of aircraft; and,

WHEREAS, Lessee desires to rent a hangar for the storage of Lessee’s aircraft, as indicated in this Agreement.

**NOW, THEREFORE, the parties agree:**

### Article 1. Exclusive Use of Leased Premises

1. Pursuant to the terms of this Agreement, Lessor hereby leases and rents to Lessee, the exclusive use and occupancy of Hangar \_\_\_\_\_ as shown on attached Exhibit A, (“Leased Premises”).

2. Lessee shall use the Leased Premises for the storage of the particular airworthy aircraft owned or leased by Lessee, as identified on Exhibit B, (“Aircraft”).

3. If at any time while the Lessee is in possession of the Hangar, the Aircraft is no longer Airworthy, the Lessee may have up to three (3) years from the date the Aircraft is determined to be no longer Airworthy, to return the Aircraft to an airworthy condition. An Aircraft is deemed “Airworthy” if it has been issued an airworthiness certificate by the Federal Aviation Administration. Lessee shall provide Lessor with the valid certificate of airworthiness upon such determination. Ultralight vehicles meeting the criteria of FAR 103 are exempt from the air worthiness certificate.

4. Upon execution of this Agreement, Lessee must provide the following documentation related to the Aircraft:

a. ‘N’ number of the Aircraft;

5. Lessee shall notify Lessor within two (2) months of any change of Aircraft stored within the Leased Premises at which time the parties shall execute an amendment of this Agreement to reflect such changed Aircraft. Following such Amendment, Lessee shall provide Lessor with valid, updated versions of the documentation listed in subsection 4.

### Article 2. Rent and Delinquencies

1. **Rental Rate.** Lessee shall pay Lessor monthly rent for the Leased Premises in the amount of \$\_\_\_\_\_. (“Base Rent”). Such rent shall be paid on or before the first day of each month, in advance of such month, and without demand. Rent payments shall be directed to the following address:

City of Gardner  
Attn: Hangar Lease  
120 E. Main Street  
Gardner, KS 66030

2. **Delinquent Payments.** Any rent payment, or costs assessed pursuant to this Agreement, due hereunder shall be deemed delinquent if not paid within ten (10) days of the due date, a late fee equal to 5% of the monthly installment shall be added to the amount due.

### **Article 3. Term & Renewal**

1. This Lease shall commence on the date of execution of this Agreement and will continue from month to month until terminated unless either party notifies the other of its intention to non-renew the Lease for any reason. Such notification shall be in writing, and be provided no less than thirty (30) days notice.
2. Any automatic renewal of this Lease shall be under the same terms and conditions as set forth herein, except that the Base Rent shall be set annually by the Gardner City Council and a minimum of 30 days notice shall be provided to the Lessee before any rate change becomes effective.

### **Article 4. Conditions of Lessee's Use**

1. Lessee shall comply with all terms of this Agreement, and all laws and regulations relating to the Airport and Leased Premises, in Lessee's use of the Leased Premises. Failure to comply with such terms and regulations may result in termination of this Lease by Lessor, pursuant to Article 14.
2. Lessee accepts the Leased Premises in the condition existing as of the date of execution of this Agreement.
3. Lessee shall, at all times, keep and maintain the Leased Premises in good order, condition and free of trash, debris and obstructions. The Leased Premises shall be kept in a clean and orderly condition that allows the Aircraft to be freely moved in or out. Lessee shall promptly clean up any fuel, oil or other spills within the Leased Premises. Lessee shall not dispose of any other waste, refuse, household trash, construction debris, or hazardous materials, on the Airport premises with the exception of: (1) depositing of spent Aircraft oil at the designated location; and, (2) depositing of non-household trash and non-construction debris generated through Lessee's use and occupancy of the Leased Premises in the on-site dumpster provided by the Lessor.
4. Lessee shall be solely responsible for the maintenance and repair of the Aircraft and any furnishings or equipment stored upon the Leased Premises. If Lessee causes damage to the Leased Premises, the hangar building, or elsewhere on Airport premises, Lessee shall reimburse Lessor the costs to repair such damage, following such repairs. Such reimbursement shall be due on or before the due date for the Lessee's next monthly rent payment.
5. Lessee shall comply with Gardner Airport Minimum Standards adopted by Lessor for the use of the Leased Premises, as they currently exist and as they may be amended from time to time.

### **Article 5. Leasehold Improvements**

1. Lessee shall not alter any existing fixtures or improvements or alter the Leased Premises' walls, floor, ceiling or electrical system in any manner; nor shall Lessee hang anything from ceiling, walls, beams, doors, or fixtures which could cause significant damage in the Leased Premises; nor shall Lessee add fixtures, installations or improvements or in any other way modify the Leased Premises; without the express and prior written approval of the Airport Manager.
2. If the Airport Manager gives prior written approval for any work pursuant to subsection 1, all such work shall thereafter be conducted by Lessee, at Lessee's sole cost and expense. All such work shall comply with all applicable codes and ordinances.
3. Lessee warrants that it will not allow nor cause any lien or encumbrance to attach to the Leased Premises by reason of any work it conducts in the Leased Premises, or for any other reason.

### **Article 6. Locks and Keys**

1. Lessee shall provide a key to the Lessor to access the Leased Premises. If a lock is changed, the Lessee shall immediately provide a new key to the Lessor.

## **Article 7. Utilities**

1. Lessor shall be responsible for, and pay any charges for, electricity provided to the Leased Premises. Lessee agrees to prevent excessive and inordinate use of such utilities.
2. Other than electricity, as described in subsection 1, no utilities shall be provided or permitted at the Leased Premises.

## **Article 8. Inspection and Right of Entry**

1. Lessor *reserves the right* to make periodic inspections of the Leased Premises to ensure compliance with this Agreement and to inspect and repair the Leased Premises. Lessor will provide 48 hour notice before entering the Leased Premises.
2. Notwithstanding subsection 1, Lessor shall be entitled to inspect and enter the Leased Premises at any time, without notice to Lessee, in the following circumstances:
  - a. In the event of a fire, natural disaster, or emergency; and,
  - b. If Lessor has a reasonable belief that a safety or fire hazard exists in the Leased Premises, and that such hazard poses an immediate threat to life or property; and,
  - c. To search for an activated Emergency Locator Transmitter.
3. If, during any inspection, Lessor finds a condition that is hazardous, unsafe, or in violation of this Agreement, Lessor shall give Lessee notice of such condition, and provide Lessee with an opportunity to abate such condition within a specified time period. The specified time period shall be based upon the nature of the condition, the type of violation of this Agreement, or threat to life or property, and shall be at least 24 hours but no more than 10 calendar days. If Lessee fails to abate the condition by the deadline, Lessor may terminate this Agreement pursuant to Article 14, or Lessor may abate the condition and Lessee shall pay Lessee's costs of abatement on or before the due date of Lessee's next monthly rent payment.
4. Notwithstanding subsection 3, if during any inspection, Lessor finds a condition that poses an immediate threat or danger to life or property, Lessor may immediately abate the condition without providing Lessee with notice or opportunity to abate. Lessee shall pay Lessor's costs of such abatement, on or before the due date of Lessee's next rent payment.

## **Article 9. Airport Maintenance and Construction**

1. **Snow Removal.** Lessor provides snow removal services on the Airport premises. Snow removal to the Leased Premises shall only be conducted to the extent that Airport resources allow, and only after all runways, aprons, and taxiways have been first cleared.
2. **Airport Maintenance and Construction Activities.** Lessee recognizes that from time to time, during the term of this Agreement, it will be necessary for the Lessor to initiate and carry forward extensive programs of construction, reconstruction, expansion, relocation, maintenance and repair on the Airport premises. Such activities may inconvenience Lessee or temporarily interfere with Lessee's use of the Leased Premises. Lessee agrees that Lessor shall not be liable to Lessee for any such inconvenience or interference, and Lessee waives any right to claim damages or other consideration therefore.

## **Article 10. Laws, Rules and Regulations**

1. Lessee shall comply with all applicable laws in Lessee's use of the Leased Premises and in Lessee's activities on the Airport premises.
2. Lessee shall comply with all applicable rules, regulations, orders and restrictions which are now in force, or which may hereafter be adopted, by the City of Gardner, Kansas, in respect to the operation of the Airport; and shall also be subject to any and all applicable laws, statutes, rules, regulations or orders of

any governmental authority, federal or state, lawfully exercising authority over the City of Gardner or Lessee's operations conducted hereunder.

### **Article 11. Insurance and Indemnification**

1. **Lessor:** Lessor agrees to keep the building where the leased premises are located insured against loss or damage from fire or other casualties. Lessor shall NOT insure any property owned by Lessee, and Lessee shall not be a loss payee on any insurance policy maintained by Lessor.

2. **Lessee:** Lessee agrees to maintain in full force and effect during the term of this Agreement, and any extension thereof, insurance on the Aircraft to be hangared at the Leased Premises, such insurance to afford protection of not less than \$100,000.00 with respect to any one person, \$100,000.00 with respect to any one accident, not less than \$200,000.00 with respect to property damage. The CITY OF GARDNER shall be named as an additional insured on such policy.

All such policies of insurance shall be issued by an insurance company licensed to do business in the State of Kansas with at least an 'A' rating. Lessee shall provide to Lessor certification or proof of current insurance prior to use of the Hangar by Lessee.

3. **Hold Harmless.** Lessee agrees to save and hold Lessor harmless, and shall indemnify, at all times from any and all damage, claim or expense arising out of or in any way connected with any act of negligence committed by Lessee, its officers, agents or employees in the use of the premises or arising out of any breach by them of any rules of any authorized agency of the United States governing the use of the Airport or any reasonable rules or regulation established by Lessor governing the use of said Airport.

### **Article 12. Casualty Loss**

1. In the event of destruction of the Leased Premises, or part thereof, Lessee must immediately notify the Airport Manager.

2. In the event of a partial destruction of the building herein leased, Lessor shall, as promptly as may be reasonably practical, repair, restore or at their option replace with substantially equivalent substitutes the improvement so damaged. In the event of the total destruction of the building which does not result from the negligence of Lessee, either party may terminate this Lease upon serving the other written notice of such intention within thirty (30) days from and after the date of total destruction. If Lessor does not so terminate, then Lessor shall proceed after said thirty (30) day period to repair, restore and replace said building.

3. If partial or total destruction occurs or arises out of the negligence or fault of Lessee, its officers, employees or agents, then Lessee shall promptly reimburse Lessor for the cost of repair, restoration or replacement and shall pay for any loss sustained by Lessor as a result of such occurrence. If said loss or destruction is attributable to the fault of Lessee and is insurable and insured, Lessor agrees to grant Lessee sufficient time to have any and all insurance claims processed and Lessor reimbursed by Lessee's insurance carrier.

4. If such damage or destruction was without the fault of Lessee and a portion of the Leased Premises becomes unusable by reason of such damage or destruction, the rental herein provided shall be abated during the period of repair, restoration or replacement in an amount proportionate to the amount of space made unusable by such damage.

### **Article 13. Federal Right of Use and Subordination**

1. During time of war or national emergency, Lessor shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the Leased Premises or any other Airport facilities. If any such agreement is executed, the provisions of this Agreement shall be suspended or terminated, at the Lessor's option.

2. This Agreement shall be subordinate to the provisions of any outstanding agreement between Lessor and the United States relative to the maintenance, operation or development of the Airport premises.

3. In the event that the FAA requires modifications or changes to this Agreement as a condition precedent to the granting of funds to the Airport, Lessee agrees to consent to such amendments, modification, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may be reasonably required to enable Lessor to obtain FAA funds.

#### **Article 14. Termination and Surrender**

1. This Lease shall terminate in any one the following circumstances:
  - a. At the expiration of its base term or any renewal term;
  - b. Upon at least thirty (30) days written notice of termination, for any reason, given by either party to the other;
  - c. Upon Lessee's breach of any condition or term of this Agreement, on the date specified in Lessor's written notice to Lessee of such breach and termination; or,
  - d. If Lessee fails to pay rent, or any cost assessed hereunder, by the tenth day of the month in which it was due, on the date specified in Lessor's written notice to Lessee of such default and termination.

2. Lessee covenants and agrees that upon expiration of a lease term or termination of the Agreement for any reason, Lessee shall surrender the Leased Premises in the same or better condition existing at execution of this Agreement, normal wear and tear excepted, and shall remove its property, improvements or installations prior to the date of termination. Lessee shall repair any damage to the Leased Premises caused by the removal of such property, improvements or installations. Any property, improvements or installations not so removed shall become the property of Landlord.

3. In the event Lessee continues to occupy the Leased Premises beyond a termination date, with or without Lessor's consent, the terms and provisions of this Agreement shall continue to apply until Lessee surrenders the Premises. Lessee shall be responsible for paying rent and costs for the Leased Premises during such holdover term.

#### **Article 15. Notices**

Any notice or other communication pursuant to this lease shall be given as required by the terms of this Agreement, to the following:

To Lessor:

Airport Manager  
Gardner Municipal Airport  
120 E. Main Street  
Gardner, KS 66030  
(913)-856-0914  
E-mail: bfaust@gardnerkansas.gov

To Lessee:

Name: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Phone Number: (\_\_\_\_) \_\_\_\_\_  
E-mail: \_\_\_\_\_

#### **Article 16. Miscellaneous Provisions**

1. **Non-Waiver.** The failure of Lessor to insist, on any one or more occasions, upon strict compliance with all terms and conditions of this Agreement, shall not constitute a waiver of Lessor's right to demand strict compliance on any future occasion.
2. **Assignment and Subleasing.** Lessee shall not assign or sublet its rights or obligations under this Agreement to any person or entity without Lessor's prior written consent. The option to sublet will terminate on December 31, 2016 unless an extension is approved by the Gardner City Council.

3. **Severability.** If any part, term or provision of this Agreement, or any attachments or amendments hereto, is declared invalid, void, or enforceable, all remaining parts, terms and provisions shall remain in full force and effect.

4. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Kansas.

5. **Entire Agreement.** This Agreement, including attachments incorporated herein by reference, represents the entire Agreement and understanding between the parties, and this Agreement supersedes any prior negotiations, proposals or agreements. Unless otherwise provided in this Agreement, any amendment to this Agreement shall be in writing and shall be signed by the City and the Consultant, and attached hereto.

**IN WITNESS WHEREOF, the parties have executed this Lease Agreement the day and year first above written.**

**LESSOR:**  
**CITY OF GARDNER, KANSAS**

**LESSEE:**

\_\_\_\_\_  
By: Airport Manager – City of Gardner

\_\_\_\_\_  
By: