



FALCON FIELD AIRPORT AIRCRAFT HANGAR STORAGE AGREEMENT

This AIRCRAFT HANGAR STORAGE AGREEMENT (“Agreement”) is by and between the CITY OF MESA, a Municipal Corporation, hereinafter referred to as the “CITY”, and _____, hereinafter referred to as the “TENANT.”

1. GENERAL INFORMATION FOR AGREEMENT.

Name (Area code + home telephone)

Mailing Address (Area code + mobile telephone)*

City, State, Zip (Area code + alternate contact #)*

(E-mail address)*

Name (Area code + home telephone)

Mailing Address (Area code + mobile telephone)*

City, State, Zip (Area code + alternate contact #)*

(E-mail address)*

STORAGE LOCATION: _____ EFFECTIVE DATE: _____

AIRCRAFT REGISTRATION #: _____ AIRCRAFT MAKE & MODEL #: _____

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2. **AGREEMENT.** The CITY hereby leases to TENANT a City-owned aircraft storage hangar (the “Leased Premises”) located at the Falcon Field Airport (hereinafter “Airport”) subject to the terms and conditions of this Agreement. The Leased Premises shall be used primarily for the storage of aircraft (either operational or under construction) in which TENANT has a verifiable interest including either an ownership interest of 20% or more, or the right to the use of the Aircraft pursuant to a bona fide exclusive lease agreement with respect to such aircraft (the “Aircraft”) with a term equal to or exceeding twelve (12) months.

TENANT shall provide documentation reasonably acceptable to the Airport Director of such ownership or other legal interest, including, but not necessarily limited to, a copy of the Federal Aviation Administration (FAA) Certificate of Aircraft Registration, applicable State registration, entity Articles of Organization / Incorporation, Operating / Shareholder’s Agreement, if applicable or, with respect to aircraft under construction, evidence and records of construction. TENANT shall provide CITY written notice of the purchase or sale of an aircraft within thirty (30) days of the transaction occurring.

3. **PERMITTED ASSIGNEES.** TENANT may allow a “Permitted Assignee” herein, to utilize the Leased Premises after providing written notification to the Airport. A “Permitted Assignee” shall mean:

- a. TENANT’s spouse;
- b. A member of TENANT’s immediate family;
- c. An individual who is already listed as a TENANT on this Agreement at the time that it is originally executed.

4. **TERM.** The term of this Agreement (the “Lease Term”) shall be on a month-to-month basis. This Agreement shall automatically renew for another Lease Term at the end of the current Lease Term, without action by either CITY or TENANT, unless terminated pursuant to Paragraph 18 below.

5. **RENT / FEES.** Airport rates, fees & charges are established by the Mesa City Council and are subject to change. TENANT shall pay rent, in advance, on or before the first day of each month to the City of Mesa. The initial monthly amount due is \$ _____ plus applicable taxes. In the event that TENANT fails to pay such rent on or before the 10th day of each month, then TENANT covenants and agrees that all sums to be paid under this Agreement, if not paid when due, shall be assessed a late fee in accordance with the Schedule of Fees and Charges for the airport. Failure on TENANT’S part to pay rent which is ninety (90) days past due shall constitute a breach of this Agreement and may result in termination of the Agreement.

Rent will be prorated, either upon initiation or cancellation of this Agreement.

TENANT has deposited \$ _____, which is equal to one month’s rent, as a refundable security deposit and \$ _____ as a partially refundable maintenance & cleaning deposit. Any security deposit made shall be refunded in full if the TENANT is current with regard to rental payments under this Agreement at the time of its termination. Any cleaning deposit made shall be refunded at the rate of 50% if the Leased Premises is left clean and in good condition, normal wear and tear excepted. The CITY may apply the security deposit against any and all costs incurred by the CITY for damage to the Leased Premises caused by the TENANT, his guests, and/or invitees; for failure to provide notice of termination under Section 18; and/or for any deficiency of fee payments. The CITY will apply the cleaning deposit for the costs of cleaning the Leased Premises upon termination of this Agreement for any reason. The CITY shall return the remainder of the security deposit and/or 50% of the cleaning deposit, if any, to the TENANT within sixty (60) days following any termination by either the CITY or the TENANT and shall provide an itemized statement outlining the reason(s) for retaining all or a portion of the security deposit and/or more than 50% of the cleaning deposit.

6. **RELEASE.** To the fullest extent permitted by law, TENANT shall hold the CITY, its officials, departments, employees, and agents harmless, for, from and defend the CITY against any and all claims or liabilities including but not limited to fire, theft, damage or loss to person, aircraft or property occurring in, on or about any part of the airport when that injury or damage is caused in part or in whole by the act, neglect, fault, or

omission of any duty by the TENANT except those injuries or damages resulting from negligent acts or omissions of the CITY, its officials, departments, employees, or agents.

7. **INDEMNIFICATION.** To the fullest extent permitted by law, TENANT agrees to release CITY, its officials, departments, employees, and agents, for, from, and against any and all loss, injury, damage to persons or property, or other liability of any nature occasioned by, but not limited to, fire, theft, vandalism, rain, flood, windstorm, hail, earthquake, collision or from any other cause, whether such cause be a direct, indirect, or merely a contributing factor in producing said loss, injury, damage or liability, except for any injuries or damages resulting from negligent acts or omissions of the CITY, its officials, departments, employees, or agents. All aircraft and other personal property stored at the Airport shall be stored at the TENANT's sole risk. CITY assumes no liability for loss or injury to persons or property while TENANT is using the Airport facilities.
8. **ACCEPTANCE OF LEASED PREMISES; REPAIR AND MAINTENANCE; DAMAGES.** TENANT accepts the Leased Premises on an "AS IS" basis. TENANT shall inspect the Leased Premises prior to TENANT occupying the Leased Premises to determine its condition at the beginning of the Lease Term, and shall submit to the Airport Director a written record of such condition that shall be retained as part of TENANT's file. TENANT shall immediately inform the Airport of any and all repairs to the Leased Premises that TENANT believes necessary. CITY shall maintain the Leased Premises, including hangar doors, door rollers and guides. TENANT shall maintain the Leased Premises in neat appearance and in a safe condition at all times. TENANT shall be liable, at its sole cost and expense, for repair of any and all damage to the Leased Premises, including hangers, caused by TENANT, and/or TENANT'S guests, and/or invitees, ordinary wear and tear excepted. Upon termination of this Agreement, TENANT shall return the Leased Premises to the CITY in substantially the same condition as it existed at the commencement of this Agreement, ordinary wear and tear excepted.
9. **COMPLIANCE WITH REGULATORY REQUIREMENTS.** TENANT shall comply with all Airport rules, regulations and policies as the same may be adopted or amended from time to time. In addition, TENANT shall not use the Leased Premises in a manner that constitutes a violation of applicable law. A copy of the Airport rules and regulations that are in effect as of the execution of this Agreement are attached hereto as Exhibit 'A.'

TENANT shall comply with all present and future laws, ordinances, requirements, rules, and regulations of all governmental authorities having jurisdiction over the Leased Premises or any part thereof. Without limiting the generality of the foregoing, TENANT shall comply with all applicable provisions of the Mesa City Code, Mesa Fire Code, Mesa Building Code, federal and state grant programs, Falcon Field Airport Master Plan, federal, state, and local environmental regulations, Surplus Property Instruments, FAA policies, rules, and regulations, and Transportation Security Administration (TSA) policies, rules, and regulations.

10. **RIGHT TO INSPECT.** The CITY shall have the right to inspect the Leased Premises at reasonable times and upon advance notice of at least forty-eight (48) hours. Notwithstanding the foregoing, TENANT acknowledges that CITY may enter the Leased Premises at any time for the purpose of responding to an emergency involving the Leased Premises. In the event that TENANT does not respond following two (2) attempts to contact him for purposes of maintenance or inspection of the storage space, the CITY shall secure the Leased Premises by placing a City-owned lock on the door of the Leased Premises. This lock shall remain on the door of the Leased Premises until the storage space has been inspected. Removal of the CITY lock prior to the inspection occurring will constitute a breach of the Rental Agreement and may result in termination of the Agreement. TENANT's failure to comply with the CITY's request for access to the Leased Premises shall also constitute a breach of this Agreement and may result in termination of the Agreement.

Tenants who are in the process of constructing or repairing an aircraft must demonstrate that progress has been made on said construction or repair since the prior inspection.

11. **INCONSISTENT USES.** TENANT shall not use the Leased Premises in a manner inconsistent with the purpose of this Agreement as set forth in Section 2 above, unless such activities are pursuant to a separate written agreement with the CITY. TENANT shall not operate any non-aviation activity on the Leased Premises. In addition, TENANT shall not use the Leased Premises for "business or commercial activity" within

the meaning of Chapter 9, Section 9-9-13(C) of the Mesa City Code. TENANT shall not use the Leased Premises for residential purposes.

12. **MAINTENANCE OF AIRCRAFT.** TENANT may perform maintenance activities on the Leased Premises provided that such activities comply with all applicable City of Mesa codes and ordinances.
13. **QUIET ENJOYMENT, SAFETY.** TENANT, agrees to conduct, and to cause his guests and/or invitees to conduct, all activities on the Leased Premises in a manner that will not interfere with the safety and quiet enjoyment of the Airport by other tenants and members of the public.
14. **ALTERATIONS TO LEASED PREMISES.** TENANT shall not make or cause to be made any alterations or improvements to the Leased Premises without the prior written consent of the City. Subject to the Airport rules, regulations and policies, and all applicable City of Mesa codes, TENANT may install storage shelves or other structures on the Leased Premises that (i) do not interfere with the principal purpose of this Agreement as set forth in Section 2 above (ii) are not attached to the hangar structure and (iii) do not harm, or require modification to, the hangar structure. Upon the termination of this Agreement, at the sole option of the CITY: (1) The alterations or improvements shall become the property of the CITY and shall remain on the Leased Premises; or (2) TENANT shall remove all alterations or improvements and return the Leased Premises to the CITY in the same condition as the Leased Premises existed at the commencement of this Agreement, ordinary wear and tear excepted.
15. **NOTICES.** Any notices required to be given under this Agreement shall be in writing and shall be deemed properly delivered, given or served when personally delivered to the CITY or TENANT, or in lieu of such personal service, sent by First Class United States mail addressed to TENANT at the address referenced in Tenant Contact Information in this Agreement. Notices shall be sent to the CITY as follows: **FALCON FIELD AIRPORT, Attention: Airport Director, 4800 E. Falcon Drive, Mesa, Arizona 85215.** In the event of personal service, notice shall be deemed given when personally served. In the event of service by First Class U.S. Mail, notice shall be deemed to have been given seventy-two (72) hours after the letter is postmarked by the United States Post Office or upon receipt of the letter, whichever is sooner. TENANT is solely responsible for keeping his/her mailing address and telephone number on file with the Airport current during the term of this Agreement and shall notify the Airport in writing within thirty (30) days of any change of address or telephone number. The CITY is not responsible for any issues arising from the TENANT's failure to maintain current contact information.
16. **ASSIGNMENT, SUBLEASE OR TRANSFER.** Except as provided herein, this Agreement is exclusive to the TENANT and shall not be assigned, sublet or otherwise transferred in whole or in part to any other person or entity, without the express written consent of the Airport Director. Notwithstanding the foregoing, TENANT may assign this Agreement to a "Permitted Assignee."

In the event of the death of the TENANT, upon notification of such death to the Airport Director, this Agreement shall be assigned to (i) the TENANT's surviving spouse, or (ii) if there is no surviving spouse or the surviving spouse declines such assignment, to a person designated by the TENANT on Exhibit 'B' hereto provided that such person is eligible to inherit from TENANT under Arizona Revised Statutes section 14-2103. In the event that such designated person fails to acquire at least a twenty percent (20%) interest in the Aircraft within twenty-four (24) months of TENANT's death, this Agreement shall terminate unless an extension is granted by the Airport Director in his/her sole and absolute discretion. If the foregoing provisions of this paragraph fail to provide for the succession of TENANT's interest in this Agreement, then this Agreement shall be deemed to have been assigned at the TENANT's death to the TENANT's personal representative or trustee (if the Aircraft is held in a living trust) and such personal representative or trustee may exercise the rights of the TENANT to assign this Agreement within twenty-four (24) months of the TENANT's death. At the end of such period, this Agreement shall terminate unless an extension is granted by the Airport Director in his/her sole and absolute discretion.

In the event TENANT plans to remove the aircraft from the storage space for an extended period of time, he may notify the City, and the City will assign a person from the applicable aircraft storage waiting list ("TEMPORARY TENANT") to utilize the storage space during the TENANT's absence. If the CITY assigns a

TEMPORARY TENANT to the storage space during the TENANT's absence, the TENANT will not be responsible for payment of rent during this time. TENANT will be solely responsible for removing any property or equipment from the storage space that he does not wish to be stored in the space during his absence. Neither the CITY nor the TEMPORARY TENANT assigned to the storage space shall be liable for the loss, removal, or damage to any property left by the TENANT during his absence. Granting permission to anyone other than the City-assigned TEMPORARY TENANT to utilize the storage space during the TENANT's absence shall constitute a breach of this Agreement and may result in the termination of the Agreement.

17. **SUCCESSORS IN INTEREST.** Subject to the restrictions upon assignment, sublease or transfer as set forth in Section 16 herein, this Agreement shall be in favor of and bind the heirs, executors, administrators, successors and assigns of the parties hereto.
18. **TERMINATION, BREACH OR DEFAULT.** TENANT may cancel this Agreement with fifteen (15) days prior WRITTEN notice to the Airport. Failure to so notify the Airport will result in the TENANT being charged the next month's rent and may result in the forfeiture of all or a portion of the security deposit.

The CITY may cancel this Agreement by giving the TENANT advance written notice, with such termination effective at the end of the next Lease Term following the current Lease Term in which such notice is given. Notwithstanding the foregoing, the CITY may terminate this Agreement immediately if TENANT conducts any criminal activity or violates any airport, City, state, and federal laws, codes, rules, regulations, and/or policies, which violation constitutes a danger or hazard to persons or property, as determined at the sole discretion of the City.

19. **ATTORNEY'S FEES; COSTS.** In any dispute between the CITY and TENANT, the prevailing party shall be entitled to recover from the other party all reasonable costs, including without limitation, reasonable attorney's fees. "Prevailing party" shall include without limitation, a party who dismisses an action for specific performance or for damages in exchange for sums due, performance of covenants breached or consideration substantially equal to the relief sought in the action.
20. **NOTICE OF LIEN.** The CITY shall have a possessory lien from the date rent is unpaid and due in all personal property stored within the Leased Premises, including but not limited to TENANT's aircraft. Property stored in the Leased Premises may be sold to satisfy the lien if TENANT is in default. In order to provide notice of sale to enforce the CITY's possessory lien, upon request, TENANT agrees to and shall disclose any lienholders or secured parties who have an interest in property that is or will be stored in the Leased Premises.
21. **NO WAIVER.** No waiver by a party of any provision of this Agreement or of the regulations governing the use of the Leased Premises shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement shall not prevent the exercise by that party of any other remedy provided in this Agreement.
22. **ENTIRE AGREEMENT.** This Agreement contains all the representations and the entire understanding and agreement between the parties pertaining to the use of the Leased Premises or any other matters connected therewith. All correspondence, memoranda, oral or written agreements pertaining to the Leased Premises or the parties hereto, which originated before the date of this Agreement are null, void and are replaced in total with this Agreement. This Agreement shall not be altered, amended, or modified except in writing signed by the CITY and TENANT.
23. **LAWS/FORUM.** This Agreement shall be governed by and interpreted according to the laws of the State of Arizona. This Agreement is subject to cancellation under the terms of Arizona Revised Statutes Section 38-511. No action shall be brought by any party hereto except in a court having jurisdiction in the State of Arizona and a venue in Maricopa County, Arizona.

24. TENANT ACKNOWLEDGEMENT. By my signature, I declare that I have read each provision of this Agreement and that all the information provided by me pursuant hereto and any attached documentation is true and correct. Further, I declare that I own or have the interest in the Aircraft listed in Section 1 of this Agreement represented by such information and documentation.

BY:

Date:

Signature of TENANT

Printed name

BY:

Date:

Signature of TENANT

Printed name

ACCEPTED:

Date:

AIRPORT DIRECTOR or designee

Printed name

TENANT CONTACT INFORMATION

For purposes of this Agreement, TENANT's address to which notices may be sent is as follows and additional contact information.

_____ Name	_____ (Area code + home telephone)
_____ Mailing Address	_____ (Area code + mobile telephone)*
_____ City, State, Zip	_____ (Area code + alternate contact #)*
	_____ (E-mail address)*

TENANT specifically provides below the name and address of another person who may be contacted in the event the City is unable to contact the TENANT.

_____ Name	_____ (Area code + home telephone)
_____ Mailing Address	_____ (Area code + mobile telephone)*
_____ City, State, Zip	_____ (Area code + alternate contact #)*
	_____ (E-mail address)*

EXHIBIT A

Airport Rules and Regulations

The current Airport rules and regulations are located in the Mesa City Code as follows:

Title 6, Chapter 3, Aircraft Regulations
Title 9, Chapter 9, Falcon Field Airport

These may be found at www.cityofmesa.org.

EXHIBIT B

Assignment Designee Upon Death of Tenant (Other than lawful spouse):

Name: _____

Address: _____

Telephone Number: _____

Mobile Phone Number: _____

Note: Designee must be eligible to inherit from TENANT under Arizona Revised Statutes section 14-2103.