

AIRCRAFT HANGAR KEEPERS AGREEMENT

BETWEEN

CITY OF MIDDLETON

AND

NAME:

ADDRESS:

CITY, STATE, ZIP:

Revised 12/04/03

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THIS AGREEMENT made and entered into this _____ day of _____ by and between the City of Middleton, a municipal corporation organized and existing under the laws of the State of Wisconsin, hereinafter referred to as "LESSOR," and _____, hereinafter referred to as "LESSEE".

WITNESSETH:

WHEREAS, Lessor is the owner and operator of Middleton Municipal Airport—Morey Field in the City of Middleton, Wisconsin (the "Airport"); and

WHEREAS, Lessee desires to operate as a Hangar Keeper for the purpose of renting aircraft hangars, or space within aircraft hangars, owned by Lessee and located at the Airport; and

WHEREAS, Lessor deems it advantageous to grant to Lessee the right to conduct the business of renting hangar space herein described, with the rights and privileges as herein set forth; and

WHEREAS, Lessor and Lessee are simultaneously entering into a Hangar Land Lease Agreement, the terms of which are part of the contractual relationship between Lessor and Lessee;

NOW, THEREFORE, in consideration of the mutual promises of the Lessor and the Lessee as set forth below, the Lessor and Lessee agree as follows:

**ARTICLE I
PREMISES**

Lessor hereby grants to Lessee the right to rent hangars and/or space within hangars (hereinafter referred to as the "Hangar") the location of which is shown on Exhibit "A," attached hereto and made a part hereof.

**ARTICLE II
TERM OF AGREEMENT**

The term of this Hangar Keepers Agreement shall be the same as the Hangar Land Lease Agreement between Lessor and Lessee, unless sooner terminated or canceled as herein provided.

**ARTICLE III
RENTAL AND FEES**

- A. Fees - From and after the commencement date, Lessee agrees to pay to Lessor a Semi-Annual fee based on 10% of the gross receipts the Lessee collects from rental fees charged tenants occupying space in hangars owned by Lessee. The Lessee shall report and certify all rents collected in the preceding 6 months on a form established by the Lessor. The Lessee shall also submit a year end statement of all receipts of the preceding calendar year. Gross receipts shall not include sales taxes collected from tenant as a result of rent fees collected.

- B. Failure to Pay Rent - No demand for rent need at any time be given, and it shall be the duty of Lessee to pay all monies when due.

ARTICLE IV RIGHTS AND PRIVILEGES OF LESSEE

Subject to the terms and conditions hereinafter set forth, Lessee is hereby given the following rights and privileges: -Lessee, as well as Lessee's tenants and invitees, shall have the rights and privileges of Lessee as set forth in the Hangar Land Lease Agreement between the parties. In addition, the Lessee shall have the non-exclusive right to lease or rent Hangars or Hangar space subject to the terms and conditions of this agreement and to the rules and regulations established for the conduct of a Hangar Keeper by the Airport and the Lessor.

ARTICLE V RIGHTS AND PRIVILEGES OF LESSOR

Lessor, in addition to any other rights and privileges herein retained by it, reserves the following rights and privileges:

- A. The Lessor or its designee may enter any Hangar covered by this agreement at any time upon reasonable notice to Lessee or Tenant of the Lessee, for any purpose necessary, incidental to, or connected with the exercise of its duties and obligations as the Airport Owner, including, but not limited to the following: fire protection, security purposes, repairs, additions, alterations or inspections for lease compliance.
- B. This Agreement shall be subordinate to the provisions of any existing or future agreement between the Lessor and the Federal Aviation Administration relative to the operation or regulation of the Airport.
- C. Airport Development - The Lessor has the right, but shall not be obligated to Lessee, to develop or improve the landing areas and other portions of the Airport as it sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance. If the development of the Airport requires the land covered under this lease, the Lessor shall have the right to either:
1. Substitute another parcel of land for the Leased Premises, and relocate Lessee's improvement(s) to that new parcel at no cost to the Lessee, or
 2. Purchase Lessee's hangar at its fair market value, as established by the City Assessor, and terminate this Agreement. In the event of a substitution and relocation or a hangar purchase and Agreement termination as permitted by this section, the Lessor shall have no liability to the Lessee for any loss, expense, damage or cost of any nature, except as defined herein.

- D. Aerial Approaches – The Lessor has the right to take any action it considers necessary to protect the aerial approaches and transition surfaces of the Airport against obstruction, together with the right to prevent the Lessee or sub-lessee from erecting or permitting to be erected any building or other structure on the Airport, which, in the opinion of the Airport Commission would limit the usefulness of the Airport or constitute a hazard to aircraft.
- E. War, National Emergency, Riot, or Natural Disaster - During time of war, national emergency, riot or natural disaster, the Lessor shall have the right to lease the entire Airport or any part thereof to the United States or State of Wisconsin for military or National Guard use and, in such event, the provisions of this Agreement, insofar as they are inconsistent with the provisions of any lease to any such unit of government, shall be suspended for the term of such government lease.
- F. Unrestricted Right of Flight - The Lessor, for the use and benefit of the public, has a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from, or operating on or about the Airport.

ARTICLE VI OBLIGATIONS OF LESSEE

Lessee shall have all of the obligations set forth in the Hangar Land Lease Agreement between the parties. In addition, Lessee shall have the following specific obligations:

- A. Acceptance - Lessee agrees to accept, and understands that Lessor shall not be required to furnish heat, electricity, water, telephone, or any other utilities or services to tenants of the Lessee in conjunction with the lease of said Hangar. Further, if these or other utility services are available to the tenant, Lessee agrees to act as landlord and to pay for such services promptly should the tenant fail to do so, within the time specified for payment by the utility.
- B. Janitorial Service - Lessee shall require that tenant provide all janitorial services within its leased Hangar. Lessee agrees that there will be no outside storage of equipment, materials, or supplies allowed on the leased premises and will enforce these rules with tenant. Lessee further agrees not to allow tenant to deposit any trash, garbage, petroleum products or other noxious materials on any part of the Airport. In the event Lessee fails to comply with this paragraph, Lessor may notify Lessee in writing that such violations exist, and in the event that Lessee fails to correct the condition within ten (10) days of the Lessor's written notice, the Lessor may provide the necessary cleanup or enter the Hangar Premises of Tenant and provide the necessary custodial service and bill the Lessee for the expense thereof.
- C. Alterations, Additions or Replacements - Lessee shall obtain prior written approval from the Lessor before making any changes or improvements to any Hangar owned by Lessee by either the tenant or Lessee.

- D. Locks - Lessee shall furnish a lock and key to tenant for the Hangar, and no other locking device shall be permitted on the Hangar.
- E. Assignment of Agreement - Lessee shall not permit tenant to assign this Agreement, nor sublet the leased Hangar for any reason, and shall require tenant to acknowledge that violation of this clause shall result in immediate cancellation of the tenant's Agreement with the Lessee without notice.
- F. Laws and Ordinances - Lessee shall require its tenant(s) and shall also comply with, at its own cost and expense, all applicable federal, state, or local laws, ordinances, rules or regulations of the Airport now in effect or hereafter promulgated. Any violation of this paragraph shall be construed as a material breach of this Hangar Keepers Agreement authorizing the termination thereof at the election of the Lessor, unless Lessee, upon receipt of written notice, takes immediate remedial measures acceptable to the Lessor.
- G. Fuel Storage and Hazardous Materials - Lessee shall not permit tenant(s) to store or maintain on the leased premises any fuels, or other hazardous materials, or to dispose of same on the Airport premises. Lessee may permit tenant(s), however, to store lube oil, cleaning solvents, and paints in closed containers. Such containers shall be kept in an approved steel storage locker labeled "FLAMMABLE." The Lessor may, in its discretion, prohibit or impose restrictions on the storage of said materials if, in the Lessor's opinion, the storage is deemed a safety hazard. Lessee shall require Tenant(s) to comply with NFPA 407, Paragraph 2-11.1, stating "Aircraft fuel servicing shall be done outdoors," and agrees to restrict any fueling operator from performing fueling in Lessee's leased Hangar. Lessee further agrees to prohibit any tenant from transporting, or cause to be transported, gasoline or other flammable liquids onto the Airport premises, for the purpose of self- fueling of aircraft. Disposing of any petroleum products on any portion of the Airport shall be cause for immediate termination of this Agreement at Lessor's discretion.
- H. Snow Removal - Snow removal on ramps within the air operations area is the responsibility of the Lessor. It shall be the Lessee's responsibility to clear and remove snow from the area covered by this lease either through tenant requirement or by self.
- I. Insurance - Lessee shall require its tenant(s) to each secure and maintain policies of insurance in an amount adequate to insure their interests in all property, both real and personal.

ARTICLE VII MAINTENANCE AND OPERATIONS BY LESSEE

- A. Lessee warrants that it shall require tenants to use the Hangar for storage of aircraft owned by Tenant and for no other purpose. Lessor may authorize the use of the premises for any other purpose upon terms and conditions that the Lessor, in its sole discretion, shall determine.

- B. The storage of automobiles, snowmobiles, motor homes, campers or other motor vehicles is specifically prohibited except that the personal automobile of an aircraft owner may be parked in Hangar for a reasonable period of time while such owner is using aircraft that is stored in such Hangar.

ARTICLE VIII OBLIGATIONS OF THE LESSOR

The Lessor agrees to keep the Airport in good repair at its sole expense, notwithstanding repairs required due to negligent damage caused by tenant, who shall be required to pay for such repairs.

ARTICLE IX CANCELLATION BY LESSOR

The Lessor may cancel this Hangar Keepers Agreement immediately upon or after any one of the following events:

1. Lessee becomes in arrears in the payment of the whole or any part of the amount agreed upon herein for a period of fifteen (15) days after the time such payments become due; or
2. The default by Lessee in the performance of any agreement required herein, and Lessee's failure to commence and diligently continue to correct such default within ten (10) days of written notice, unless a shorter time is specified in this Agreement; provided, however, that no notice of cancellation, as above provided, shall be of any force or effect if Lessee shall have remedied the default prior to receipt of the Lessor's notice of cancellation.

Failure of the Lessor to declare this Agreement terminated upon the default of Lessee for any of the reasons set out above shall not operate to bar or destroy the right of the Lessor to cancel this Agreement by reason of any subsequent violation of the terms of this Agreement. Further, the acceptance of rent by the Lessor for any period after a default of any of the terms, covenants or conditions by Lessee shall not be deemed a waiver of any right on the part of the Lessor to cancel this Agreement.

ARTICLE X CANCELLATION BY LESSEE

Lessee may cancel this Agreement under the circumstances set forth in the Hangar Land Lease Agreement between the parties.

**ARTICLE XI
SEVERABILITY**

In the event that any provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision in this Agreement.

**ARTICLE XII
NO PARTNERSHIP**

It is further mutually understood and agreed that nothing herein contained is intended or shall be construed as in any way creating or establishing the relationship of a joint venture or partnership between the parties hereto or as constituting the Lessee as the agent or representative or employee of the Lessor for any purpose or in any manner whatsoever.

**ARTICLE XIII
RIGHTS UPON TERMINATION**

Upon expiration or earlier termination of this Agreement, Lessee's rights herein shall cease, and Lessee shall immediately surrender the same. The Lessee further acknowledges and agrees that all existing or pending tenant agreements shall terminate concurrent with the expiration or cancellation of this agreement and the Lessee will cease and desist renting or leasing any Hangars or space within hangars owned by the Lessee.

**ARTICLE XIV
COVENANTS AND RESTRICTIONS**

Lessor has implemented Airport covenants and restrictions and the Lessor reserves the right to modify the covenants and restrictions from time to time as it deems necessary to accomplish its purposes. Lessee shall at all times comply with the covenants and restrictions and will require its tenants, agents, representatives, assigns, guests, employees, invitees, or persons admitted by the Lessee to said premises to also comply with the covenants and restrictions. Any violation of this paragraph is considered a material breach of this Hangar Keepers Agreement authorizing the termination thereof at the election of the Lessor.

**ARTICLE XV
SUCCESSORS AND ASSIGNS BOUND**

All of the provisions of this Hangar Keepers Agreement shall bind the heirs, legal representatives, successors, and assigns of the respective parties.

**ARTICLE XVI
PARAGRAPH HEADINGS**

All the paragraph and subparagraph headings of this Hangar Keepers Agreement are for reference only and shall not be considered to define or limit the scope of any provision.

**ARTICLE XVII
FEES AND NOTICES**

All fees due under this Hangar Keepers Agreement shall be made payable to City of Middleton, and shall be remitted to the Lessor at 7426 Hubbard Avenue, Middleton, Wisconsin 53562.

Notices shall be sufficient if hand delivered or sent by certified mail, postage prepaid, addressed to:

Lessor:	Airport Commission City of Middleton 7426 Hubbard Avenue Middleton, WI 53562	Lessee: _____ Address: _____ _____
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Or to such other addresses as the parties may designate to each other in writing from time to time.

**ARTICLE XVIII
CLOSING AND SIGNATURE**

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this _____ day of _____, 20__.

ATTEST:	LESSEE:
_____	_____

Signed this _____ day of _____, 20__.

CITY OF MIDDLETON, LESSOR:

By: _____
Douglas C. Zwank, Mayor

ATTEST:

Timothy R. Studer, City Clerk

ARTICLE IX

EXHIBITS

A. Hangar Location Layout

B. Minimum Standards