

**RESOLUTION
NO. 2021-07**

To State The Intent Of The City Of Dalton To Extend Its Existing Ground Lease With Dalton Aircraft, LLC For An Aviation Facility And Hangar At Dalton Municipal Airport For An Additional Period Of Time Following Expiration of Current Lease; To Indicate Terms Modified As To Rent And Aviation Fuel Fees; To Condition Such Ground Lease Extension On A Charter Amendment Of The City Of Dalton For Leasing Of Airport Real Estate; And For Other Purposes

WHEREAS, on January 1, 2006, the City of Dalton, as Lessor, executed a Lease Agreement with Dalton Aircraft, LLC, as Lessee, for a certain tract or parcel of land located at the Dalton Municipal Airport (Jolly Field) for sole use as a non-commercial fixed based operator (NLFBO) as defined in Section 18-38 of the 2001 Revised Code of Ordinances for the City of Dalton for a period to and through December 31, 2025; and

WHEREAS, the Lessor and Lessee executed a First Amendment To Lease on December 21, 2015 extending the original lease term to and through December 31, 2035; and

WHEREAS, the Lessee has presented to the City through its Airport Authority plans for renovation and upgrade of its hangar and aircraft operations facilities which conform to future airport operations planning and the Airport Authority has conveyed to the Mayor and Council its approval thereof; and

WHEREAS, in conjunction with Lessee's renovation and upgrade of its facilities the Lessee will be reducing the size of the tract that it leases and seeks an additional extension of the term of its ground lease with the Lessor to and through December 31, 2046 and the City finds an extension proper in the circumstances; and

WHEREAS, the City will seek to amend its Charter by local Act of the General Assembly of Georgia in the 2022 Regular Session to have authority to lease land on the Dalton Municipal Airport (Jolly Field) for terms up to twenty-five (25) years;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Dalton as follows:

-1-

The foregoing "WHEREAS" clauses constitute findings of fact of the Mayor and Council and may be considered as such in any future matter pertinent to the Lease Agreement between the parties.

-2-

Provided the City's Charter is amended by legislative process in the Georgia's General Assembly to authorize leases of lands up to 25 years and within a reasonable time following the effective date of such contemplated Charter amendment, the City of Dalton intends to make, execute, and enter an extension of a ground lease with Dalton Aircraft, LLC, its successor or assigns, to and through December 31, 2046 at 12:00 o'clock a.m. (midnight) for the land on which Lessee's Hangar and aviation facilities are presently located reduced by such square footage as the parties may hereafter agree.

-3-

In consideration thereof Lessee must consent to amendment of the terms of the original lease, as amended, to downsize the area of the airport which are part of its current leasehold and to pay rent to the City on the new leased land pursuant to the City's Lease Rates as set by the Airport Authority from time to time as well as pay a fuel flowage fee to the City based upon the rate structure as set by the Airport Authority from time to time. As part of such future lease extension the City shall receive an annual fuel flow report from the Lessee and be entitled to audit the fuel reports for accuracy of reporting and pay over of collected fees.

This Resolution and its passage by the Mayor and Council is limited only to a statement of the City's intent to extend ground lease but does not constitute an enforceable contract to extend ground lease or bind a future Mayor and Council.

SO RESOLVED, this _____ day of _____, 2021.

CITY OF DALTON

By: _____
Mayor

ATTEST:

City Clerk