

**AIRPORT LAND LEASE AND
HANGAR DEVELOPMENT AGREEMENT**

This Agreement made and entered into this 27th day of June, 2023, by and between Huerfano County, in the State of Colorado, a County Government, hereafter referred to as the County or "Lessor", acting by and through its Board of County Commissioners, and hereafter referred to as Lessor and Dennis Dalton herein referred to as "Lessee"/ The purpose of this agreement is a land lease for aircraft hangar construction and use.

For and in consideration of the rent to be paid by Lessee at the times, in the amounts and under the conditions herein expressed, and in further consideration of the covenants herein imposed upon Lessee, to be by Lessee faithfully kept and performed County hereby leases, lets, and rents unto Lessee the following described tract of land, being a part of the Spanish Peaks Airport in Huerfano County, Colorado more particularly described as follows.

I. DESCRIPTION OF PROPERTY

A tract of land: County Rd 101, Schedule 21447

Hangar # 9

Measuring 50 wide feet by 60 deep

Totaling 3000 square feet of land leased.

~~A structure measuring _____ feet wide by _____ feet deep is to be constructed on above lot. This agreement does not convey any ownership more particularly described above.~~

Lot size is determined by building footprint plus 10 feet added to the depth and sides for parking allowance and hangar spacing. Parking area must be a designed concrete apron and approved by the County Building Inspector.

II. TERM

- A. The term of this lease shall be for a period of (20) years, beginning on March 1, 2023 and, ending February 28, 2043, unless the same is sooner terminated as provided in Sections IX and X. At expiration or termination, all improvements including the concrete slab will be removed, at Lessee's expense unless the lease is extended by mutual agreement. In the event that Lessee fails to leave the premises in as good as condition when Lessee took possession, Lessor may undertake to clean and restore the premises all at the expense of the Lessee.
- B. The mutual option to renew must be exercised, in writing, by or before, 60 days of the expiration date, should both parties agree. The mutual option to renew will be for ten (10) years. Additional mutual renewal options may be exercised at ten (10) year intervals, not to exceed 3 additional (10) year terms, if lease responsibilities have been adhered to and both parties amenable.

III. RENT

- A. The land rent will be based on \$0.05 cents per square foot, to be paid to the County, by Lessee, in the sum of \$ 153.00 per year; to be paid on or before December 31st of each year payable to Lessor. Renewed leases will be based on \$0.20 cents per square foot.
- B. In the event the County is required to initiate collection of unpaid rent, then Lessee agrees to pay all costs of collection, including attorney's fees.

IV. ACTIVITY

The property herein being leased is limited to personal plane storage, aircraft related items, and personal vehicle while flying and shall not be used for warehousing of Lessee's or anyone else's personal property No residential use shall be permitted of the hangar. Lessee shall not use the premises for commercial purposes whatsoever, unless by separate agreement, and FAA approval. In addition, the storage and accumulation of flammable or hazardous materials in or near the hangar is prohibited. Neither Lessee nor

its assigns shall enter into other uses not specifically authorized by this agreement, or by virtue of another agreement with the County.

V. COMPLIANCE WITH LAWS AND REGULATIONS

Lessee agrees to comply strictly with all Federal, State of Colorado, and local laws, including but not limited to ordinances of Huerfano County, Colorado, all resolutions of the Board of County Commissioners of Huerfano County, Colorado and all regulations of the Federal Aviation Administration or any other regulatory body having jurisdiction with regard to regulations relating to safety. Further, Lessee shall pay all Federal, State, and local taxes assessed on the hanger and aircraft stored within.

VI. CONSTRUCTION

Prior to building any structure, modifications, or additions all plans must be approved by the County Building Inspector, and the FAA by way of form 7640-1 and Categorical Exclusion. Building will be constructed according to the Huerfano County regulations and building codes as adopted at the time of construction, with any necessary building permits issued by the County prior to construction. To insure the viability of the structure, the County will require that the hangar or approved additions to a present structure(s) go through the Huerfano County Building Department submittal and approval process. The proposed hangar must meet all building codes for its intended use, modifications approved before implemented and all pertinent fees paid. The Building Inspector will conduct inspections of the facility during construction, and must be contacted per schedule of inspections as each schedule is make ready, before the next schedule of construction may proceed. Any discrepancies must be corrected before further construction is permitted.

Lessee agrees to and is responsible for the following:

1. All utility permits and installation.
2. To construct connecting apron pavement according to the specifications of the County.

3. Design hangar in such a manner to blend in with architectural and general appearance of the adjoining airport facilities as approved by the County.
4. If a propane tank is installed, it must conform to local codes per location and method of installation.
5. Any interior additions or modifications must be approved by the Airport Manager to ensure compliance with intended hangar use.
6. Hangar development shall commence with 3 months after FAA approval and be completed with a final inspection and acceptance by Huerfano County one year from issuance of a building permit. If a building permit is not applied for with 3 months after FAA approval this lease with automatically terminate.

VII. TITLE OF DESIGNATED IMPROVEMENTS TO REVERT

At termination or expiration of lease, all below ground and ground level improvements constructed by Lessee remain vested with the Airport. If deemed unusable or undesirable by the Airport, Lessee agrees to remove said improvements within 90 days of lease expiration date at Lessee's expense and at the Airport's direction.

VIII. ASSIGNABILITY

This lease agreement shall not be conveyed or assigned to a third party except with the express written consent of the County. The County reserves the right to renegotiate any and all portions of this agreement with said third party who shall not rely upon this agreement as a reason or basis for sub-leasing or assignments. No partial or total sublease of the hangar or other shared use agreement of the hangar is allowed without written approval by County.

IX. ABANDONMENT

Should Lessee abandon the above premises and fail to use the same for a period of ninety (90) consecutive days, then at the option of County, this Lease Agreement may be terminated, and all parties released there from and all improvements on County's land shall then pass to and vest in County.

X. TERMINATION OF LEASE

Should Lessee fail to comply with the provisions of this lease in any respect, the County retains the right to terminate this lease in accordance with the provisions of this agreement. Both parties retain the right to voluntarily terminate this lease upon mutual written consent. Upon termination for noncompliance of any portion of this agreement, Lessee shall have thirty (30) days to remove all personal property including structures and the concrete slab from the premises unless an extension is applied for in writing explaining the nature of need. After the thirty (30) day period all improvements and property will then become part of the real estate and property of Huerfano County.

XI. MAINTENANCE

Lessee agrees to keep premises in a neat and orderly condition at all times. Vegetation shall be kept trimmed to a height not exceeding 6 inches. If repeated violations are noted by Airport staff, and following written notice to Lessee, the Airport will take measures to alleviate the impasse and Lessee agrees to pay restitution in an amount to cover the cost of remedy. The building will be kept in a state of good repair. Lessee agrees to make repairs within 60 days of notice by the Airport in writing. Damaged panels, broken windows, peeling paint, heaved or broken pavement, are examples of conditions that will not be tolerated.

XII. AIRPORT RESPONSIBILITIES

Lessee shall have use of the Spanish Peaks Airport facilities including runways and taxiways, excepting other leased area.

XIII. ENFORCEMENT

A delay by either party in enforcing provisions of this lease does not constitute a waiver thereof.

XIV. MODIFICATION

This agreement may be modified at any time by mutual written consent.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

LESSOR:

LESSEE:



Dennis Dalton

John Galusha, Chairman, Board of
County Commissioners

ATTEST:

Erica Vigil, Clerk & Recorder

Dustin Hribar, Spanish Peaks Airfield
Manager.