



Ernest A. Love Field  
**Prescott Municipal Airport**  
**City of Prescott**

6546 Crystal Lane  
Phone: (928) 777-1114

Prescott, AZ 86301  
Fax: (928) 771-5861

TDD: (928) 778-5680

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## **Public Notice (revised)**

The City of Prescott owns and operates Prescott Municipal Airport (Ernest A. Love Field) for the benefit of the local communities and the state and national air transportation system. The City has established the Airport Department, under the supervision of the Airport Manager, to meet the air transportation needs of the public and ensure the safe and efficient operation of the airport. The City of Prescott owns and operates various storage facilities at the airport, and desires to rent these facilities in the safest and most efficient manner possible in accordance with federal, state and local guidelines.

In furtherance of these desires and ensuring a continuing benefit to the public, the City is proposing changes to the following documents and policies for the Airport:

**Aircraft Storage Waiting List Policy for City Operated Shade Hangars (New)**

**Aircraft Storage Waiting List Policy for City Operated T-Hangars (Revision)**

**Aircraft Storage Waiting List Policy for City Operated Large Hangars (Revision)**

**Aircraft Storage T-Hangar Relocation List Policy for City Operated T-Hangars (Revision)**

**Aircraft Storage Facility Rental Agreement (Revision)**

These documents may be viewed starting August 1, 2008 via the City website at <http://www.cityofprescott.net/services/airport/admin.php> or are available for review at the Airport Administration office during regular business hours.

On Wednesday, August 20, 2008 at 2:00 p.m., an informational meeting will be held at the City of Prescott Airport Administration Building upstairs conference room, 6546 Crystal Lane, Prescott.

Public comment relating to this document may be submitted in writing prior to September 5, 2008 to the City of Prescott, Airport Administration, 6546 Crystal Lane, Prescott, AZ 86301.

**PRESCOTT MUNICIPAL AIRPORT  
AIRCRAFT STORAGE FACILITY RENTAL AGREEMENT**

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This Rental Agreement made this \_\_\_\_\_ day of \_\_\_\_\_ between the City of Prescott, a municipal corporation of the State of Arizona, hereinafter referred to as "City", and \_\_\_\_\_, hereinafter referred to as "Tenant".

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

**CITY OF PRESCOTT**

A Municipal Corporation

**TENANT**

Signature \_\_\_\_\_

\_\_\_\_\_  
Airport Manager

Name \_\_\_\_\_

ATTEST:

Address \_\_\_\_\_

\_\_\_\_\_  
Phone \_\_\_\_\_

\_\_\_\_\_  
City Clerk

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By signing above, the parties hereto agree to the following terms and conditions:

**1. DESCRIPTION AND USE OF PROPERTY.**

A. City hereby rents to Tenant that certain property owned by Lessor at Ernest A. Love Field, Prescott, Arizona, described as follows: \_\_\_\_\_ (Rented Premises) for use as an aircraft storage facility for the following specific aircraft: \_\_\_\_\_ (Specified Aircraft)

B. It is the responsibility of the Tenant to advise the Airport Manager, with ten (10) days prior written notice, in the event that there is a change in aircraft being stored on the premises.

C. In the event that Tenant does not own a specific aircraft at the time this Agreement is being entered into, or in the event that the aircraft specified in Paragraph 1(A) is disposed of and not immediately replaced with another aircraft, this Agreement shall terminate in ninety (90) days, unless an extension is granted by the Airport Manager.

D. Notwithstanding the foregoing provisions, the Tenant may use the remaining space within the Rented Premises for the storage of parts, equipment, and supplies for the construction, maintenance or repair of the specified aircraft or any additional approved aircraft. Tenant may also store aviation related personal items including fixtures and furnishings. Storage of non-aviation items including, but not limited to: automobiles, recreation vehicles, boats, trailers and household goods are prohibited.

**2. TERM.** The term of this Agreement shall be month to month. Except as otherwise provided for in this Agreement, thirty (30) days written notice from either party to the other is required to terminate this Agreement.

**3. RENT; DEMAND.**

A. RENT. Tenant shall pay as initial rental to the City the sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_) per month, exclusive of applicable taxes, payable in advance on the first (1st) day of each month prior to the month to which it applies. Failure to pay the amount of the monthly payment by the twentieth (20th) day of the month in which it is due shall be grounds for termination of this Agreement. The amount owed may be periodically changed by Resolution of the Prescott City Council and Tenant agrees to pay the amount owed as set by the City Council, so long as such change applies equally to all similar facilities at the Airport. Any increases shall take effect not less than thirty (30) days after adoption of each such Resolution.

B. LATE CHARGE. Any payment not received by the twentieth (20th) day of the month in which it is due shall result in a late charge of 1.5% per month.

C. DEMAND. Demand for rent shall not be required at any time, on the premises or elsewhere, and Tenant shall pay the rent in full without demand being made therefore. Without waiver of this provision, it is the common practice for the City to bill its accounts receivable on a monthly basis. Nevertheless, the terms of this subparagraph govern over any terms contained on such bill.

- 4. DURATION; QUIET ENJOYMENT.** The Rental Agreement shall be month to month. The City covenants to keep Tenant in quiet possession and enjoyment of the premises during the term of this Rental Agreement, subject to the City's right to place utilities under and through the demised premises.
- 5. INDEMNITY.** Tenant shall assume all risks incident to the use of the premises as an aircraft storage facility and shall indemnify City against any loss, damage, or expense resulting from personal injury or damage to, or loss of property, or breach of any term of this Agreement, and against any loss, damage, or expense resulting from injury to Tenant and/or invitees caused in any manner by negligence of Tenant or invitees.
- 6. SUBLEASE OR ASSIGNMENT.** The premises shall not be sublet in whole or in part nor this Rental Agreement assigned or transferred in any manner. Any attempted assignment, subletting or transfer, of any kind, shall immediately terminate this Agreement without further notice.
- 7. CITY'S RIGHT TO ENTRY.** Tenant shall permit City, acting through and under the authority of the Airport Manager, and upon presentation of identification confirming that person's employment with the City, to have access to and to enter the leased premises with or without notice at reasonable times to inspect the premises, in order to ensure compliance with this Agreement, and with all applicable laws, rules and regulations and to perform such repairs and maintenance of the premises as needed. A Notice of Entry by the City shall be placed in a conspicuous location in the rented premises and shall contain the Date, Time, and Reason for entry and the name of the person making the entry on behalf of the City.
- 8. TENANT RESPONSIBILITIES.**
- A. Tenant must be the registered owner or exclusive lessee of the aircraft identified in Paragraph 1 above.
  - B. Tenant, if the owner of the aircraft, shall provide City with a copy of the current FAA Aircraft Registration Certificate and any current local registration certificates (if applicable). Tenant, if the lessee of the aircraft, shall provide City with a copy of the current exclusive lease agreement, acceptable to the Airport Manager, between Tenant and Lessor/Owner of the aircraft. In addition to the foregoing, other evidence of ownership or possessory right may be required by the City before any aircraft may be stored pursuant to this Agreement. Tenant shall provide the City with updated and current copies of the foregoing documents prior to occupying the Rented Premises and at least annually thereafter or more often if so requested by the Airport Manager.
  - C. Tenant shall comply with all statutes, ordinances, rules, airport policies and regulations that are applicable to Tenant's occupation of the premises.
  - D. Tenant agrees not to run any aircraft engine while in a hangar or shade, or direct propeller blast in a hazardous manner toward any hangar door or other aircraft.
  - E. Tenant will not use or knowingly allow the use of the Rented Premises for any commercial or revenue producing activities including but not limited to: aircraft maintenance, inspection, repair, flight instruction, or aircraft sales.
  - F. Notwithstanding the foregoing, maintenance to a Tenant's aircraft is only permitted as long as such maintenance is accomplished by the aircraft owner, or a direct employee, and in compliance with Federal Aviation Regulations 14 CFR Part 43, Arizona Revised Statutes, and the City Code. All other maintenance is specifically prohibited.
  - F. Tenant shall not attempt to fuel or de-fuel any aircraft, any vehicle or equipment while inside a hangar.
  - G. Tenant shall purchase and install a minimum of one(1) rechargeable B/C rated fire extinguisher, as specified for one thousand five hundred (1,500) square feet of hangar space by the Fire Code adopted by the City. The fire extinguisher, once installed, shall be inspected and maintained by the City.
  - H. Tenant agrees to be responsible for proper securing of aircraft after each usage. The City assumes no responsibility or liability for damage or loss to aircraft or its contents, automobiles, or other contents of the facility. All aircraft and contents or appurtenant items and accessories are stored solely at Tenant's risk. This Agreement shall not be construed as a bailment, and Tenant shall store aircraft at his own risk.
  - I. Notwithstanding the foregoing provisions, the Tenant may park personal motor vehicles inside the Rented Premises while the stored aircraft is/are in use. At no time may motor vehicles or other equipment be parked outside a hangar in such a manner as to become a hazard to taxiing aircraft.
  - J. Tenant shall not trade, sell or transfer in any manner his or her Rented Premises, unless otherwise specifically permitted pursuant to this Agreement. Notwithstanding the foregoing, the Airport Manager may grant permission for Tenants to trade hangars, provided that said hangars are similar in nature. If permission is granted by the Airport Manager, the execution of new rental agreements may be required by the City.
  - L. Provided that the Specified Aircraft is in an airworthy condition and with prior written approval of the Airport Manager, Tenant may be permitted to allow additional aircraft to occupy space within the Rented Premises. Tenant must demonstrate, to the Airport Manager, that the additional aircraft can occupy the Rented Premises at the same time as the Specified Aircraft without posing an undue hazard to either aircraft, the hangar or individuals. Tenant must provide those documents as specified in Paragraph 8.B for each additional aircraft and any additional direct and indirect costs which may be incurred by City being assumed and paid for by Tenant.
  - M. Tenants occupying a Rented Premises in the "D", "K", "P" Hangars shall be responsible for paying for electricity used in connection with the hangar separate from the rents listed above.
- 9. IMPROVEMENTS.** Improvements, including additions to rented hangars, and other improvements, shall not be altered or constructed without the prior written consent of the Airport Manager. All additions, changes and other

improvements erected or placed on the demised premises shall remain thereon and shall not be removed therefrom, and at the expiration of this Rental Agreement, all such improvements shall be the property of City. At the termination of this Agreement, all such improvements shall be free and clear of any and all encumbrances or liens of any kind.

**10. LOCKS.** City will provide to Tenant the only lock to be used with respect to the storage of aircraft in T-hangars. The City reserves the right to cut and otherwise remove in any manner any unauthorized locks on T-hangars, without prior notice.

**11. NOTICES.** Any notices required under this Rental Agreement shall be deemed sufficient if made in writing and sent by mail to either party at the following addresses:

<b>City:</b>	<b>with a copy to:</b>	<b>Tenant: Name and address as shown in signature block.</b>
City of Prescott	Airport Manager	
City Clerk	Airport Administration	
201 South Cortez	6546 Crystal Lane	
Prescott, Arizona 86303	Prescott, Arizona 86301	

**12. TERMINATION.**

- A. With Cause. The following acts or omissions by Tenant shall constitute a material breach of this Rental Agreement. The parties agree that, upon occurrence of any such act or omission, City may, at its option, commence termination proceedings by giving Tenant ten (10) days notice to cure said breach. In the event that the Tenant has not cured said breach within ten (10) days, this Agreement shall be terminated.
1. Abandonment of the premises for thirty (30) or more consecutive days.
  2. Assignment, transfer or sublease of the right to occupy the premises.
  3. Non-payment of rent.
  4. Committing waste or using the premises in a manner not authorized by this Rental Agreement.
  5. Initiation of any proceedings by Tenant under Chapter 7, Chapter 11 or Chapter 13 of the United States Bankruptcy Code.
  6. Breach of any provision of this Rental Agreement.
  7. Tenant shall at all times comply with all applicable federal grant compliance requirements as more particularly set forth in Exhibit "A", attached hereto and made a part hereof.
- B. It is expressly agreed by and between the parties that this Agreement is subject to the provisions of Title 33, Chapter 3, Article 4 of the Arizona Revised Statutes.

**13. NOTICE OF LIEN.**

- A. City shall have a possessory lien from the date rent is unpaid and due in all personal property stored within the Rented Premises, including but not limited to Tenant's aircraft. Property stored in the Rented 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, Tenant agrees to and shall disclose any lienholders or secured parties who have any interest in property that is or will be stored on the premises.
- B. It is expressly agreed by and between the parties that this Agreement is subject to the provisions of Title 33, Chapter 7, Article 7 of the Arizona Revised Statutes.

**14. PERSONAL INTEREST.** Tenant warrants that it did not collude with any other party or parties for the purpose of preventing any other party from obtaining a rental agreement.

**15. ATTORNEY'S FEES; COSTS.** In the event of any litigation or other proceeding concerning this Rental Agreement, the prevailing party shall be entitled to its reasonable costs and attorney's fees from the other party.

**16. CONFLICT OF INTEREST.** Pursuant to A.R.S. §38-511, the City of Prescott may cancel this contract, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City of Prescott is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. In the foregoing event, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this contract on behalf of the City of Prescott from any other party to the contract, arising as a result of this contract.

**17.** Tenant acknowledges that City has financed the subject aircraft storage facility from the proceeds of an obligation, the obligor of which has been provided certain covenants that the interest income with respect to such obligation will not be subject to federal income taxation under Section 103 of the Internal Revenue Code of 1986, as amended. For City to comply with such covenants, Tenant hereby covenants that Tenant is a natural person not engaged in a trade or business with respect to the use by Tenant of such aircraft storage facility for purposes of Section 141 of such Code. Tenant agrees to promptly take all actions reasonably necessary to allow City to comply with such covenants provided to such obligor upon written notice thereof from City. With respect to Section 5, Tenant shall indemnify City for, from and against any loss, damage or expense resulting from any breach of the foregoing covenants or any failure to take any action requested by City with respect to such covenants provided to such obligor.