

EXHIBIT E - Sample Ground Lease Agreement

FORT WORTH MEACHAM INTERNATIONAL AIRPORT GROUND LEASE AGREEMENT LEASE SITE **SITE DESIGNATION** **LESSEE NAME**

This **GROUND LEASE AGREEMENT** (“Lease”) is made and entered into by and between the **CITY OF FORT WORTH** (“Lessor” or the “City”), a home rule municipal corporation organized under the laws of the State of Texas, acting by and through **Fernando Costa**, its duly authorized Assistant City Manager, and **[LESSEE NAME]** (“Lessee”), a **[COMPANY TYPE AND STATE OF REGISTER]**, acting by and through **[AUTHORIZED SIGNATORY]**, its duly authorized **[AUTHORIZED SIGNATORY TITLE]**.

In consideration of the mutual covenants, promises and obligations contained herein, the parties agree as follows:

1. **PROPERTY LEASED.**

Lessor hereby demises to Lessee **[XX,XXX]** square feet of ground space (“Ground”) at Fort Worth Meacham International Airport (“Airport”) in Fort Worth, Tarrant County, Texas, identified as Lease Site **[XX]**, (“Premises”), as shown in **Exhibit “A”**, attached hereto and hereby made a part of this Lease for all purposes.

2. **TERM OF LEASE.**

2.1. **Initial Term.**

The initial term of the Lease (“Initial Term”) shall commence at 12:00 a.m. on **[START DATE]** (“Effective Date”), and expire at 11:59 p.m. on **[END DATE]**, unless terminated earlier as provided herein.

2.2 **Renewals.**

If Lessee performs and abides by all provisions and conditions of this Lease, upon expiration of the Initial Term of this Lease, Lessee shall have **[NUMBER]** options to renew for an additional **[NUMBER]** years each (a “Renewal Term”). In order to exercise an option to renew, Lessee shall notify Lessor in writing of its desire to renew this Lease no less than ninety (90) days and no more than one hundred eighty (180) days prior to the expiration of the Initial Term.

2.3. Holdover.

If Lessee holds over after the expiration of the Initial Term or any Renewal Term, this action will create a month-to-month tenancy. In this event, for and during the holdover period, Lessee agrees to pay all applicable rentals, fees and charges at the rates provided by Lessor's Schedule of Rates and Charges or similarly published schedule in effect at the time of the Holdover. The hangar rate will be adjusted to equal the then Fair Market Value, as determined by Lessor's market analysis. In no case shall the hangar rate be less than the value assessed upon completion of a property appraisal completed by a third party vendor that has been approved and secured by Lessor. A ten percent (10%) increase will be added to the Fair Market Value rate until a new lease agreement is approved and executed. The holdover period will not exceed six (6) months from the time the current lease agreement expires. Upon the expiration of the holdover period, the City may exercise all legal rights and remedies available, including but not limited to eviction.

3. RENT.

3.1. Ground Rate.

Lessee shall commence the payment of rent for the Ground on the Effective Date. Lessee hereby promises and agrees to pay Lessor, as annual rent for the Ground, **[WRITTEN DOLLAR AMOUNT]** Dollars and **XX/100 (\$XX,XXX)**, at a rate of **(\$0.45)** per square foot, payable in equal monthly installments of **[WRITTEN DOLLAR AMOUNT]** Dollars and **XX/100 (\$X,XXX)**.

3.2. Rate Adjustments.

3.2.1. Consumer Price Index Adjustments.

The rental rates under this Lease are based on Lessor's current published Schedule of Rates and Charges. Rental rates are subject to increase beginning **October 1, 2020**, and on October 1st of any subsequent year during the Initial Term and any Renewal Term, to reflect any upward change in the Consumer Price Index for the Dallas/Fort Worth Metropolitan Area, as announced by the United States Department of Labor or successor agency (i) for the first increase, since the Effective Date of this Lease and (ii) for each subsequent increase, since the effective date of the last increase (the "Annual Rent Adjustment"); provided, however, that Lessee's rental rates shall not exceed the then-current rates prescribed by Lessor's published Schedule of Rates and Charges.

3.2.2. Five-Year Adjustments, Ground Rate.

In addition to the Annual Rent Adjustments, on **October 1, 2024**, and every fifth (5th) year thereafter for the remainder of the term of the Lease, the

Ground rental rate shall automatically be adjusted to equal the then-current rates prescribed by the Schedule of Rates and Charges.

3.3. Payment Dates and Late Fees.

Monthly rent payments are due on or before the first (1st) day of each month. Payments must be received during normal business hours by the due date at the location for Lessor's Aviation Department set forth in Section 15. Rent shall be considered past due if Lessor has not received full payment after the tenth (10th) day of the month for which payment is due. Without limiting Lessor's termination rights as provided by this Lease, Lessor will assess a late penalty charge of ten percent (10%) per month on the entire balance of any overdue rent that Lessee may accrue.

4. CONSTRUCTION AND IMPROVEMENTS.

4.1. Mandatory Improvements.

As additional security for this Lease, Lessee covenants and agrees that it shall construct the improvements set forth below on the Premises owned by the City of Fort Worth. The improvements approved shall be referred to as "**Mandatory Improvements**", as referenced in **Exhibit "B"**.

4.1.1. Lessee shall commence construction within six (6) months following the execution of this Lease. Construction and issuance of a Certificate of Occupancy (CO) of an approximately **XX,XXX** square foot hangar and associated apron shall be completed no later than eighteen (18) months after construction commenced.

4.1.2. Lessee shall complete the Mandatory Improvements according to the Project Schedule ("**Schedule**"), as identified in **Exhibit "B-1"**. For each major task on the Schedule, Lessee shall provide, at a minimum, a 24-hour advance notice of commencement.

4.1.3. At the completion of construction, Lessee shall provide to the Lessor: a copy of the CO, a complete set of Record Drawings and/or As-Built Drawings in Adobe PDF and AutoCAD formats, and a Summary of the total cost/value of the Mandatory Improvements.

4.1.4 No later than thirty (30) days after issuance of a CO, Lessee shall submit a Request for Inspection to a Registered Accessibility Specialist (RAS) within the Texas Department of Licensing and Regulation, after obtaining the proper signature from the Lessor, to ensure compliance with the Texas Accessibility Standards (TAS). Once the TAS inspection has been completed, Lessee shall submit to Lessor, a copy of the final inspection report, within thirty (30) days of the date of the report.

Lessee shall fully comply with all provisions of this Section 4 in the performance of any such Mandatory Improvements. Should construction not be completed as evidenced by the issuance of a Certificate of Occupancy within the applicable time period set forth above,

Lessee shall be in default of this Lease and Lessor shall terminate Lessee's rights to the Premises in its entirety.

In the event that Lessor and Lessee agree to deviate from the terms, provisions, specifications or conditions of this Lease in any way, an Amendment to the Lease shall be signed and dated by both Lessor and Lessee and shall be attached to and made a part of this Lease and shall supersede the previous terms, provisions, and specifications as specifically identified. Upon issuance of the Certificate of Occupancy Lessor shall take full title to the Mandatory Improvements on the Premises.

The commencement and completion dates in this Section 4.1 are subject to the provisions of Section 27 below, and any delay by reason of force majeure shall result in a day-for-day extension of the period for performance, provided that the party is diligently and continuously pursuing in good faith a remedy to the delay during such time.

4.2. Discretionary Improvements.

Lessee may, at its sole discretion, perform modifications, renovations, improvements or other construction work on or to the Premises (collectively, "**Improvements**") so long as it first submits all plans, specifications and estimates for the costs of the proposed work in writing and also requests and receives in writing approval from the Director of Aviation or authorized representative ("**Director**"). Lessor agrees to respond in writing to Lessee's requests for approval within thirty (30) calendar days of receipt of such requests. Lessee covenants and agrees that it shall fully comply with all provisions of this Section 4 in the undertaking of any such Improvements. Lessor shall take full title to any Improvements on the Premises upon the expiration or earlier termination of this Lease, provided that trade fixtures shall remain the property of Lessee and may be removed so long as Lessee repairs any damage caused thereby.

4.3. Process for Approval of Plans.

Lessee's plans for Improvements shall conform to the Airport's architectural standards and must also receive written approval from the City's Departments of Planning and Development and Transportation and Public Works. All plans, specifications and work shall conform to all federal, state and local laws, ordinances, rules and regulations in force at the time that the plans are presented for review.

4.4. Documents.

Lessee shall supply the Director with comprehensive sets of documentation relative to any Improvement, including, at a minimum, as-built drawings of each project. As-built drawings shall be new drawings or redline changes to drawings previously provided to the Director. Lessee shall supply the textual documentation in computer format as requested by Lessor.

4.5. Bonds Required of Lessee.

Prior to the commencement of any Mandatory Improvement or Improvement, Lessee shall deliver to Lessor a bond, executed by a corporate surety in accordance with Texas Government Code, Chapter 2253, as amended, in the full amount of each construction contract or project. The bond shall guarantee (i) satisfactory compliance by Lessee with all applicable requirements, terms and conditions of this Lease, including, but not limited to, the satisfactory completion of the respective Improvements, and (ii) full payments to all persons, firms, corporations or other entities with whom Lessee has a direct relationship for the construction of such Improvements.

In lieu of the required bond, Lessee may provide Lessor with a cash deposit or an assignment of a certificate of deposit in an amount equal to 125% of the full amount of each construction contract or project. If Lessee makes a cash deposit, Lessee shall not be entitled to any interest earned thereon. Certificates of deposit shall be from a financial institution in the Dallas-Fort Worth Metropolitan Area which is insured by the Federal Deposit Insurance Corporation and acceptable to Lessor. The interest earned on the certificate of deposit shall be the property of Lessee and Lessor shall have no rights in such interest. If Lessee fails to complete the respective Improvements, or if claims are filed by third parties on grounds relating to such Improvements, Lessor shall be entitled to draw down the full amount of Lessee's cash deposit or certificate of deposit and apply the proceeds to complete the Improvements or satisfy the claims, provided that any balance shall be remitted to Lessee.

4.6. Bonds Required of Lessee's Contractors.

Prior to the commencement of any Mandatory Improvement or Improvement, Lessee's respective prime contractor shall execute and deliver to Lessee surety performance and payment bonds in accordance with the Texas Government Code, Chapter 2253, as amended, in the amount of the respective contract price to cover the costs of all work performed under such contractor's contract for such Improvements. Lessee's prime contractor shall also furnish a maintenance bond in an amount equal to the contract price as security to protect Lessor against any defects in any portion of the improvements. The maintenance bond shall remain in effect for two (2) years after the date of final acceptance of the improvement by the Lessor. Lessee shall provide Lessor with copies of such bonds prior to the commencement of such Improvements. The bonds shall guarantee (i) the faithful performance and completion of all construction work in accordance with the final plans and specifications as approved by Lessor and (ii) full payment for all wages for labor and services and of all bills for materials, supplies and equipment used in the performance of the construction contract. Such bonds shall name both Lessor and Lessee as dual obligees. If Lessee serves as its own contractor, Section 4.5. shall apply.

4.7. Releases by Lessor Upon Completion of Construction Work.

Lessor will allow Lessee a dollar-for-dollar reimbursement from its cash deposit account or reduction of its claim upon Lessor's certificate of deposit upon (i), where Lessee serves as its own contractor, verification that Lessee has completed construction work or (ii), where Lessee uses a contractor, receipt of the contractor's invoice and verification that the contractor has completed its work and released Lessee to the extent of Lessee's payment for such work, including bills paid, affidavits and waivers of liens.

5. USE OF PREMISES.

Lessee hereby agrees to use the Premises solely for aviation-related purposes only and strictly in accordance with the terms and conditions of this Lease. Lessee shall have the right to sublease portions of the Premises, including individual hangars, to various third parties ("**Sublessees**") for aviation-related purposes only under terms and conditions acceptable to and determined by Lessee, provided that all such arrangements shall be in writing and approved in advance by Lessor. All written agreements executed by Lessee to Sublessees for any portion of the Premises shall contain terms and conditions that (i) do not conflict with Lessee's duties and obligations under this Lease; (ii) incorporate the terms and provisions of this Lease; (iii) restrict the use of the Premises to aircraft storage or other aviation or aviation-related purposes acceptable to Lessor; and (iv) treat users of the same or substantially similar facilities in a fair and non-discriminatory manner. Lessee shall use a standard lease form for all Sublessees and shall submit a copy of such standard lease form, including rental rates, to the Director prior to Lessee's execution of its first lease and from time to time thereafter following any material changes to such lease form, including, without limitation, any changes to Lessee's rental rates for portions of the Premises. Lessee may make non-material modifications to its standard lease to the extent that such are not contrary to Lessor's Sponsor's Assurances.

6. REPORTS, AUDITS AND RECORDKEEPING.

Lessor reserves the right to require Lessee to provide Lessor with a written annual report, in a form acceptable to the Director, which reflects Lessee's rental rates for any subleases of the Premises in the immediately preceding calendar year. If required, such written annual report shall be provided to Lessor within thirty (30) days following the end of the preceding calendar year. Lessor may request, and Lessee shall promptly provide, similar reports on a more frequent basis that reflect Lessee's rental rates for the period requested by Lessor. These reports shall be delivered to Lessor's Department of Aviation at the address provided in Section 15. In addition, Lessee shall keep and maintain books and records pertaining to Lessee's operations at the Airport and other obligations hereunder in accordance with Lessee's current basis of accounting or, if Lessee changes such basis, in a manner satisfactory to Lessor's Internal Auditor and at a location within the City of Fort Worth. Lessee's basis of accounting will be deemed to be to the satisfaction of Lessor's Internal Auditor if it is in compliance with industry standards or generally accepted accounting principles. Upon Lessor's request and following reasonable advance notice, Lessee will

make such books and records available for review by Lessor during Lessee's normal business hours. Lessor, at Lessor's sole cost and expense, shall have the right to audit such books and records in order to ensure compliance with the terms of this Lease and the Sponsor's Assurances made by Lessor to the Federal Aviation Administration.

7. **UTILITIES.**

Lessee, at Lessee's sole cost and expense, shall be responsible for the installation and use of all utility services to all portions of the Premises and for all other related utility expenses, including, but not limited to, deposits and expenses required for the installation of meters. Lessee further covenants and agrees to pay all costs and expenses for any extension, maintenance or repair of any and all utilities serving the Premises. In addition, Lessee agrees that all utilities, air conditioning and heating equipment and other electrically-operated equipment which may be used on the Premises shall fully comply with Lessor's Mechanical, Electrical, Plumbing, Building and Fire Codes ("**Codes**"), as they exist or may hereafter be amended.

8. **MAINTENANCE AND REPAIRS.**

8.1. **Maintenance and Repairs by Lessee.**

Lessee agrees to keep and maintain the Premises in a good, clean and sanitary condition at all times, reasonable wear and tear excepted. Lessee covenants and agrees that it will not make or suffer any waste of the Premises. Lessee, at Lessee's sole cost and expense, will make all repairs or replacements necessary to prevent the deterioration in condition or value of the Premises, including, but not limited to, the maintenance of and repairs to all hangars and other structures, doors, windows and roofs, and all fixtures, equipment, hangar modifications and surrounding pavement on the Premises. Lessee shall be responsible for all damages caused by Lessee, its agents, servants, employees, contractors, subcontractors, licensees or invitees, and Lessee agrees to fully repair or otherwise cure all such damages at Lessee's sole cost and expense.

Lessee agrees that all improvements, trade fixtures, furnishings, equipment and other personal property of every kind or description which may at any time be on the Premises shall be at Lessee's sole risk or at the sole risk of those claiming under Lessee. Lessor shall not be liable for any damage to such property or loss suffered by Lessee's business or business operations which may be caused by the bursting, overflowing or leaking of sewer or steam pipes, from water from any source whatsoever, or from any heating fixtures, plumbing fixtures, electric wires, noise, gas or odors, or from causes of any other matter.

8.2. **Compliance with ADA.**

Lessee, at its sole cost and expense, agrees to keep and maintain the Premises in full compliance at all times with the Americans with Disabilities Act of 1990, as

amended ("ADA"). In addition, Lessee agrees that all improvements it makes at the Airport shall comply with all ADA requirements.

8.3. Inspections.

8.3.1. Lessor shall have the right and privilege, through its officers, agents, servants or employees, to inspect the Premises. Except in the event of an emergency, Lessor shall conduct such inspections during Lessee's ordinary business hours and shall use its best efforts to provide Lessee at least four (4) hours' notice prior to any inspection.

8.3.2. If Lessor determines during an inspection of the Premises that Lessee is responsible under this Lease for any maintenance or repairs, Lessor shall notify Lessee in writing. Lessee agrees to begin such maintenance or repair work diligently within thirty (30) calendar days following receipt of such notice and to then complete such maintenance or repair work within a reasonable time, considering the nature of the work to be done. If Lessee fails to begin the recommended maintenance or repairs within such time or fails to complete the maintenance or repairs within a reasonable time, Lessor may, in its discretion, perform such maintenance or repairs on behalf of Lessee. In this event, Lessee will reimburse Lessor for the cost of the maintenance or repairs, and such reimbursement will be due on the date of Lessee's next monthly rent payment following completion of the maintenance or repairs.

8.3.3. During any inspection, Lessor may perform any obligations that Lessor is authorized or required to perform under the terms of this Lease or pursuant to its governmental duties under federal state or local laws, rules or regulations.

8.3.4. Lessee will permit the City's Fire Marshal or his or her authorized agents to inspect the Premises and Lessee will comply with all requirements of the Fire Marshal or his or her authorized agents that are necessary to bring the Premises into compliance with the City of Fort Worth Fire Code and Building Code provisions regarding fire safety, as such provisions exist or may hereafter be amended. Lessee shall maintain in proper condition accessible fire extinguishers of a number and type approved by the Fire Marshal or his or her authorized agents for the particular hazard involved.

8.4. Environmental Remediation.

To the best of Lessor's knowledge, the Premises comply with all applicable federal, state and local environmental regulations or standards. Lessee agrees that it has inspected the Premises and is fully advised of its own rights without reliance upon any representation made by Lessor concerning the environmental condition of the Premises. ***LESSEE, AT ITS SOLE COST AND EXPENSE, AGREES THAT IT SHALL BE FULLY RESPONSIBLE FOR THE REMEDIATION OF ANY VIOLATION OF ANY APPLICABLE FEDERAL, STATE OR LOCAL ENVIRONMENTAL REGULATIONS OR STANDARDS THAT IS CAUSED BY LESSEE, ITS OFFICERS, AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR INVITEES.***

9. **SIGNS.**

Lessee may, at its sole expense and with the prior written approval of the Director, install and maintain signs on the exterior of the hangar or Premises related to Lessee's business operations. Such signs, however, must be in keeping with the size, color, location and manner of display of other signs at the Airport. Lessee shall maintain all such signs in a safe, neat, sightly and physically good condition.

10. **RIGHTS AND RESERVATIONS OF LESSOR.**

Lessor hereby retains the following rights and reservations:

- 10.1.** Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, including, but not limited to, the right to prevent Lessee from erecting or permitting to be erected any building or other structure which, in the opinion of Lessor, would limit the usefulness of the Airport, constitute a hazard to aircraft or diminish the capability of existing or future avigational or navigational aids used at the Airport.
- 10.2.** Lessor reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee. Accordingly, nothing contained in this Lease shall be construed to obligate Lessor to relocate Lessee as a result of any such Airport developments or improvements.
- 10.3.** This Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States Government, which relates to the operation or maintenance of the Airport and is required as a condition for the expenditure of federal funds for the development, maintenance or repair of Airport infrastructure. In the event that any such existing or future agreement directly causes a material restriction, impairment or interference with Lessee's primary operations on the Premises ("**Limitation**") for a period of less than seven (7) calendar days, this Lease shall continue in full force and effect. If the Limitation lasts more than seven (7) calendar days, Lessee and Lessor shall negotiate in good faith to resolve or mitigate the effect of the Limitation. If Lessee and Lessor are in good faith unable to resolve or mitigate the effect of the Limitation, and the Limitation lasts between seven (7) and one hundred eighty (180) days, then for such period (i) Lessee may suspend the payment of any rent due hereunder, but only if Lessee first provides adequate proof to Lessor that the Limitation has directly caused Lessee a material loss in revenue; (ii) subject to ordinary wear and tear, Lessor shall maintain and preserve the Premises and its improvements in the same condition as they existed on the date such Limitation commenced; and (iii) the term of this Lease shall be extended, at Lessee's option, for a period equal to the duration of such Limitation. If the Limitation lasts more than one hundred eighty (180) days, then (i) Lessor and Lessee may, but shall not be required to, (a) further adjust the payment of rent and other fees or charges, (b)

renegotiate maintenance responsibilities and (c) extend the term of this Lease, or (ii) Lessee may terminate this Lease upon thirty (30) days' written notice to Lessor.

- 10.4.** During any war or national emergency, Lessor shall have the right to lease any part of the Airport, including its landing area, to the United States Government. In this event, any provisions of this instrument which are inconsistent with the provisions of the lease to the Government shall be suspended. Lessor shall not be liable for any loss or damages alleged by Lessee as a result of this action. However, nothing in this Lease shall prevent Lessee from pursuing any rights it may have for reimbursement from the United States Government. If any lease between Lessor and the United States Government executed pursuant to this Section 10.4 directly causes a Limitation for a period of less than seven (7) calendar days, this Lease shall continue in full force and effect. If the Limitation lasts more than seven (7) calendar days, Lessee and Lessor shall negotiate in good faith to resolve or mitigate the effect of the Limitation. If Lessee and Lessor are in good faith unable to resolve or mitigate the effect of the Limitation, and the Limitation lasts between seven (7) and one hundred eighty (180) days, then for such period (i) Lessee may suspend the payment of any rent due hereunder, but only if Lessee first provides adequate proof to Lessor that the Limitation has directly caused Lessee a material loss in revenue; (ii) subject to ordinary wear and tear, Lessor shall maintain and preserve the Premises and its improvements in the same condition as they existed on the date such Limitation commenced; and (iii) the term of this Lease shall be extended, at Lessee's option, for a period equal to the duration of such Limitation. If the Limitation lasts more than one hundred eighty (180) days, then (i) Lessor and Lessee may, but shall not be required to, (a) further adjust the payment of rent and other fees or charges, (b) renegotiate maintenance responsibilities and (c) extend the term of this Lease, or (ii) Lessee may terminate this Lease upon thirty (30) days' written notice to Lessor.
- 10.5.** Lessor covenants and agrees that during the term of this Lease it will operate and maintain the Airport and its facilities as a public airport consistent with and pursuant to the Sponsor's Assurances given by Lessor to the United States Government through the Federal Airport Act; and Lessee agrees that this Lease and Lessee's rights and privileges hereunder shall be subordinate to the Sponsor's Assurances.
- 10.6.** Lessee's rights hereunder shall be subject to all existing and future utility and drainage easements and rights-of-way granted by Lessor for the installation, maintenance, inspection, repair or removal of facilities owned or operated by electric, gas, water, sewer, communication or other utility companies. Lessee's rights shall additionally be subject to all rights granted by any ordinance or statute which allows utility companies to use publicly-owned property for the provision of utility services.
- 10.7.** Lessor agrees Lessee shall have the right of ingress and egress to and from the Premises by means of roadways for automobiles and taxiways for aircraft including access during the construction phase of airport improvements, unless otherwise agreed to in writing by both parties. Such rights shall be consistent with the rules and regulations with respect to the occupancy and use of airport premises as adopted

from time to time by the City of Fort Worth and by the Federal Aviation Administration or any other state, federal or local authority.

11. **INSURANCE.**

Lessee shall procure and maintain at all times, in full force and effect, a policy or policies of insurance as specified herein, naming the City of Fort Worth as an additional insured and covering all public risks related to the leasing, use, occupancy, maintenance, existence or location of the Premises. Lessee shall obtain the required insurance specified to be maintained by a commercial tenant in accordance with **Exhibit "C"**, the "City of Fort Worth Aviation Insurance Requirements" attached hereto and made part of this Lease for all purposes.

In addition, Lessee shall be responsible for all insurance to construction, improvements, modifications or renovations to the Premises and for personal property of its own or in its care, custody or control.

11.1. **Adjustments to Required Coverage and Limits.**

Insurance requirements, including additional types of coverage and increased limits on existing coverages, are subject to change at Lessor's option and as necessary to cover Lessee's and any Sub lessees' operations at the Airport. Lessee will accordingly comply with such new requirements within thirty (30) days following notice to Lessee.

11.2 Lessee shall procure and maintain at all times, in full force and effect, a policy or policies of insurance as more particularly set forth in **Exhibit "C"**, which is attached hereto and incorporated herein for all purposes.

11.3 As a condition precedent to the effectiveness of this Lease, Lessee shall furnish Lessor with appropriate certificates of insurance signed by the respective insurance companies as proof that it has obtained the types and amounts of insurance coverage required herein. Lessee hereby covenants and agrees that not less than thirty (30) days prior to the expiration of any insurance policy required hereunder, it shall provide Lessor with a new or renewal certificate of insurance. In addition, Lessee shall, at Lessor's request, provide Lessor with evidence that it has maintained such coverage in full force and effect.

12. **INDEPENDENT CONTRACTOR.**

It is expressly understood and agreed that Lessee shall operate as an independent contractor as to all rights and privileges granted herein, and not as an agent, representative or employee of Lessor. Lessee shall have the exclusive right to control the details of its operations and activities on the Premises and shall be solely responsible for the acts and omissions of its officers, agents, servants, employees, contractors, subcontractors, patrons, licensees and invitees. Lessee acknowledges that the doctrine of *respondeat superior* shall not apply as between Lessor and Lessee, its officers, agents, employees, contractors and subcontractors.

Lessee further agrees that nothing herein shall be construed as the creation of a partnership or joint enterprise between Lessor and Lessee.

13. **INDEMNIFICATION.**

LESSEE HEREBY ASSUMES ALL LIABILITY AND RESPONSIBILITY FOR PROPERTY LOSS, PROPERTY DAMAGE AND/OR PERSONAL INJURY OF ANY KIND, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH ITS USE OF THE AIRPORT UNDER THIS LEASE OR WITH THE LEASING, MAINTENANCE, USE, OCCUPANCY, EXISTENCE OR LOCATION OF THE PREMISES, EXCEPT TO THE EXTENT CAUSED BY THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF LESSOR, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES.

LESSEE COVENANTS AND AGREES TO, AND DOES TO THE EXTENT ALLOWED BY LAW, WITHOUT WAIVING ANY DEFENSES PROVIDED BY LAW, HEREBY INDEMNIFY, HOLD HARMLESS AND DEFEND LESSOR, ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS OR LAWSUITS FOR EITHER PROPERTY DAMAGE OR LOSS (INCLUDING ALLEGED DAMAGE OR LOSS TO LESSEE'S BUSINESS AND ANY RESULTING LOST PROFITS) AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH LESSEE'S USE OF THE AIRPORT UNDER THIS LEASE OR WITH THE USE, LEASING, MAINTENANCE, OCCUPANCY, EXISTENCE OR LOCATION OF THE PREMISES, EXCEPT TO THE EXTENT CAUSED BY THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF LESSOR, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES.

LESSEE ASSUMES ALL RESPONSIBILITY AND AGREES TO PAY LESSOR FOR ANY AND ALL INJURIES OR DAMAGES TO LESSOR'S PROPERTY WHICH ARISE OUT OF OR IN CONNECTION WITH ANY AND ALL ACTS OR OMISSIONS OF LESSEE, ITS OFFICERS, AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES OR INVITEES, EXCEPT TO THE EXTENT CAUSED BY THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF LESSOR, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES.

LESSOR DOES NOT GUARANTEE POLICE PROTECTION TO LESSEE, ANY SUBLESSEES OR THEIR PROPERTY. LESSOR IS OBLIGATED ONLY TO PROVIDE SECURITY ADEQUATE TO MAINTAIN LESSOR'S CERTIFICATION UNDER FAA REGULATIONS. LESSEE SHALL COMPLY WITH ALL APPLICABLE REGULATIONS OF THE FAA RELATING TO AIRPORT SECURITY. LESSEE SHALL PAY ALL FINES IMPOSED BY THE FAA ON LESSOR OR LESSEE RESULTING FROM LESSEE'S OR ANY SUBLESSEES' FAILURE TO COMPLY WITH SUCH FAA REGULATIONS OR TO PREVENT UNAUTHORIZED PERSONS

OR PARTIES FROM THEIR OBTAINING ACCESS TO THE AIR OPERATIONS AREA OF THE AIRPORT FROM THE PREMISES.

14. TERMINATION.

In addition to termination rights contained elsewhere in this Lease, Lessor shall have the right to terminate this Lease as follows:

14.1. Failure by Lessee to Pay Rent, Fees or Other Charges.

If Lessee fails to pay any rent, fees or other charges due under this Lease, Lessor shall deliver to Lessee a written invoice and notice to pay the invoice within ten (10) calendar days. If Lessee fails to pay the balance outstanding within such time, Lessor shall have the right to terminate this Lease immediately.

14.2. Breach or Default by Lessee.

If Lessee commits any breach or default, other than Lessee's failure to pay rent, Lessor shall deliver written notice to Lessee specifying the nature of such breach or default. Lessee shall have thirty (30) calendar days following receipt of such written notice to cure, adjust or correct the problem to the standard existing prior to the breach. If Lessee fails to cure the breach or default within such time period, Lessor shall have the right to terminate this Lease immediately, unless such breach or default is not susceptible to cure within thirty (30) calendar days, in which event Lessee shall have such additional time to effect a cure as determined by Lessor.

14.3. Abandonment or Non-Use of the Premises.

Lessee's abandonment or non-use of the Premises for any reason for more than thirty (30) consecutive calendar days shall constitute grounds for immediate termination of this Lease by Lessor, unless such non-use is caused by Force Majeure, as set forth in Section 27 below.

14.4. Lessee's Financial Obligations to Lessor upon Termination, Breach or Default.

If Lessor terminates this Lease for any non-payment of rent, fees or other charges or for any other breach or default as provided in Sections 14.1, 14.2 or 14.3 of this Lease, Lessee shall be liable for and shall pay to Lessor all rent due Lessor for the remainder of the term then in effect as well as all arrearages of rentals, fees and charges payable hereunder. In no event shall a reentry onto or reletting of the Premises by Lessor be construed as an election by Lessor to forfeit any of its rights under this Lease.

14.5. Rights of Lessor Upon Termination or Expiration.

Upon termination or expiration of this Lease, all rights, powers and privileges granted to Lessee hereunder shall cease and Lessee shall vacate the Premises.

Within twenty (20) days following the effective date of termination or expiration, Lessee shall remove from the Premises all trade fixtures, tools, machinery, equipment, materials and supplies placed on the Premises by Lessee pursuant to this Lease. After such time, Lessor shall have the right to take full possession of the Premises, by force if necessary, and to remove any and all parties and property remaining on any part of the Premises. Lessee agrees that it will assert no claim of any kind against Lessor, its agents, servants, employees or representatives, which may stem from Lessor's termination of this Lease or any act incident to Lessor's assertion of its right to terminate or Lessor's exercise of any rights granted hereunder.

15. NOTICES.

Notices required pursuant to the provisions of this Lease shall be conclusively determined to have been delivered (i) when hand-delivered to the other party at such addresses listed below, or at such other addresses as the receiving party designates by proper notice to the sending party, or (ii) three (3) days after being deposited in the United States Mail, postage prepaid, addressed as follows:

To LESSOR:

City of Fort Worth
Aviation Department
4201 N Main St, Suite 200
Fort Worth, TX 76106

To LESSEE:

[LESSEE NAME]
ATTN: [AUTHORIZED SIGNATORY]
[MAILING ADDRESS]
[CITY, STATE, ZIP]

16. ASSIGNMENT AND SUBLETTING.

16.1. In General.

Lessee shall have the right to sublease portions of the Premises as provided by and in accordance with Section 5 of this Lease. Otherwise, Lessee shall not assign, sell, convey, sublease or transfer the entirety of its rights, privileges, duties or interests granted by this Lease without the advance written consent of Lessor.

16.2. Conditions of Approved Assignments and Subleases.

If Lessor consents to any assignment or sublease, all terms, covenants and agreements set forth in this Lease shall apply to the assignee or sublessee, and such assignee or sublessee shall be bound by the terms and conditions of this Lease the same as if it had originally executed this Lease. The failure or refusal of Lessor to approve a requested assignment or sublease shall not relieve Lessee of its obligations hereunder, including payment of rentals, fees and charges.

17. LIENS BY LESSEE.

Lessee acknowledges that it has no authority to engage in any act or to make any contract which may create or be the foundation for any lien upon the property or interest in the

property of Lessor. If any such purported lien is created or filed, Lessee, at its sole cost and expense, shall liquidate and discharge the same within thirty (30) days of such creation or filing. Lessee's failure to discharge any such purported lien shall constitute a breach of this Lease and Lessor may terminate this Lease upon thirty (30) days' written notice. However, Lessee's financial obligation to Lessor to liquidate and discharge such lien shall continue in effect following termination of this Lease and until such a time as the lien is discharged.

18. TAXES AND ASSESSMENTS.

Lessee agrees to pay any and all federal, state or local taxes or assessments which may lawfully be levied against Lessee due to Lessee's use or occupancy of the Premises or any improvements or property placed on the Premises by Lessee as a result of its occupancy.

19. COMPLIANCE WITH LAWS, ORDINANCES, RULES AND REGULATIONS.

Lessee covenants and agrees that it shall not engage in any unlawful use of the Premises. Lessee further agrees that it shall not permit its officers, agents, servants, employees, contractors, subcontractors, patrons, licensees or invitees to engage in any unlawful use of the Premises and Lessee immediately shall remove from the Premises any person engaging in such unlawful activities. Unlawful use of the Premises by Lessee itself shall constitute an immediate breach of this Lease.

Lessee agrees to comply with all federal, state and local laws; all ordinances, rules and regulations, and minimum standards of Lessor; all rules and regulations and minimum standards established by the Director; and all rules and regulations and minimum standards adopted by the City Council pertaining to the conduct required at airports owned and operated by the City, as such laws, ordinances, rules and regulations, and minimum standards exist or may hereafter be amended or adopted. If Lessor notifies Lessee in accordance with Section 15 above of any violation of such laws, ordinances, rules or regulations, Lessee shall immediately desist from and correct the violation.

19.1 Compliance with Minimum Standards and Schedule of Rates and Charges:

Lessee hereby agrees to comply at all times with the City's Minimum Standards, as may be adopted by the City Council from time to time. Lessee shall be bound by any charges adopted in the City's Schedule of Rates and Charges, as may be adopted by the City Council from time to time.

20. NON-DISCRIMINATION COVENANT.

Lessee, for itself, its personal representatives, successors in interest and assigns, as part of the consideration herein, agrees as a covenant running with the land that no person shall be excluded from participation in or denied the benefits of Lessee's use of the Premises on the basis of race, color, national origin, religion, disability, sex, sexual orientation, transgender, gender identity or gender expression. Lessee further agrees for itself, its personal representatives, successors in interest and assigns that no person shall be excluded from the provision of any services on or in the construction of any improvements or alterations to the

Premises on grounds of race, color, national origin, religion, disability, sex, sexual orientation, transgender, gender identity or gender expression.

Lessee agrees to furnish its accommodations and to price its goods and services on a fair and equal basis to all persons. In addition, Lessee covenants and agrees that it will at all times comply with any requirements imposed by or pursuant to Title 49 of the Code of Federal Regulations, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and with any amendments to this regulation which may hereafter be enacted.

If any claim arises from an alleged violation of this non-discrimination covenant by Lessee, its personal representatives, successors in interest or assigns, Lessee agrees to indemnify Lessor and hold Lessor harmless.

21. LICENSES AND PERMITS.

Lessee shall, at its sole expense, obtain and keep in effect all licenses and permits necessary for the operation of its operations at the Airport.

22. GOVERNMENTAL POWERS.

It is understood and agreed that by execution of this Lease, Lessor does not waive or surrender any of its governmental powers.

23. NO WAIVER.

The failure of Lessor to insist upon the performance of any term or provision of this Lease or to exercise any right granted herein shall not constitute a waiver of Lessor's right to insist upon appropriate performance or to assert any such right on any future occasion.

24. VENUE AND JURISDICTION.

If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Lease or of Lessee's operations on the Premises, venue for such action shall lie in state courts located in Tarrant County, Texas or the United States District Court for the Northern District of Texas, Fort Worth Division. This Lease shall be construed in accordance with the laws of the State of Texas.

25. ATTORNEYS' FEES.

In the event there should be a breach or default under any provision of this Lease and either party should retain attorneys or incur other expenses for the collection of rent, fees or charges, or the enforcement of performance or observances of any covenant, obligation or agreement, Lessor and Lessee agree that each party shall be responsible for its own attorneys' fees.

26. **SEVERABILITY.**

If any provision of this Lease shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

27. **FORCE MAJEURE.**

Lessor and Lessee shall exercise every reasonable effort to meet their respective obligations as set forth in this Lease, but shall not be held liable for any delay in or omission of performance due to force majeure or other causes beyond their reasonable control, including, but not limited to, compliance with any government law, ordinance or regulation, acts of God, acts of omission, fires, strikes, lockouts, national disasters, wars, riots, material or labor restrictions, transportation problems and/or any other cause beyond the reasonable control of Lessor or Lessee.

28. **SIGNATURE AUTHORITY.**

The person signing this agreement hereby warrants that he/she has the legal authority to execute this agreement on behalf of the respective party, and that such binding authority has been granted by proper order, resolution, ordinance or other authorization of the entity. Each party is fully entitled to rely on these warranties and representations in entering into this Agreement or any amendment hereto.

29. **HEADINGS NOT CONTROLLING.**

Headings and titles used in this Lease are for reference purposes only and shall not be deemed a part of this Lease.

30. **CHAPTER 2270 OF THE TEXAS GOVERNMENT CODE.**

Lessee acknowledges that in accordance with Chapter 2270 of the Texas Government Code, the City is prohibited from entering into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms "boycott Israel" and "company" shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. *By signing this Lease, Lessee certifies that Lessee's signature provides written verification to the City that Lessee: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Lease.*

31. ENTIRETY OF AGREEMENT.

This written instrument, including any documents attached hereto or incorporated herein by reference, contains the entire understanding and agreement between Lessor and Lessee, its assigns and successors in interest, as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provisions of this Lease. The terms and conditions of this Lease shall not be amended unless agreed to in writing by both parties and approved by the City Council of Lessor.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Lease in multiples on this the ____ day of _____, 2020.

CITY OF FORT WORTH:

By: _____
Fernando Costa,
Assistant City Manager

Date: _____

STATE OF TEXAS §

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **Fernando Costa**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the **City of Fort Worth** and that he executed the same as the act of the **City of Fort Worth** for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day _____, 2020.

Notary Public in and for the State of Texas

APPROVED AS TO FORM AND LEGALITY:

By: _____
Thomas Royce Hansen,
Assistant City Attorney

ATTEST:

By: _____
Mary J. Kaiser
City Secretary

M&C:

Date:

1295 Certificate Number:

Contract Compliance Manager:

By signing, I acknowledge that I am the person responsible for the monitoring and administration of this contract, including ensuring all performance and reporting requirements.

Leasing Coordinator:

Name Printed:

LESSEE:
LESSEE NAME

By: _____
Authorized Signatory,
Title

Date: _____

STATE OF _____ §

COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of _____, on this day personally appeared **[AUTHORIZED SIGNATORY]**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of **[LESSEE NAME]** and that he executed the same as the act of **[LESSEE NAME]** for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day _____, 2020.

Notary Public in and for the State of _____

EXHIBIT A - SURVEY

REAL PROPERTY DESCRIPTION AND MAP
FOR
LEASE SITES **XX**

DRAFT

EXHIBIT “B”

MANDATORY IMPROVEMENTS LEASE SITE **XX**

Approximately **XX,XXX Square Feet Hangar**

All mandatory improvements for Lease Site **XX**, as detailed below, must be completed in accordance with Section 4 of the Lease and the proposed site plan and completed survey set forth in Exhibit A attached hereto.

1. Lessee shall submit a 7460 Notice of Proposed Construction of the hangar to the FAA no less than sixty (60) calendar days prior to the commencement of construction.
2. Construction shall commence within six (6) months following the execution of the Lease. Construction and issuance of a Certificate of Occupancy of the approximately **XX,XXX** square foot hangar and associated apron shall be completed no later than eighteen (18) months after construction commenced.
3. Construction shall be completed according to the Project Schedule. For each major task on the Schedule, at a minimum, a 24-hour advance notice of commencement shall be provided.
4. At Construction Completion, the following shall be provided:
 - A copy of the Certificate of Occupancy
 - A complete set of Record Drawings and/or As-Built Drawings (in Adobe PDF and AutoCAD formats)
 - A Summary of the total cost/value of the Mandatory Improvements

In the event that Lessor and Lessee agree to deviate from the terms, provisions, specifications or conditions of these Mandatory Improvements in any way, an Amendment to the Lease shall be signed and dated by both Lessor and Lessee and shall be attached to and made a part of the Lease and shall supersede the previous terms, provisions, and specifications as specifically identified. Upon issuance of the Certificate of Occupancy Lessor shall take full title to the Mandatory Improvements on the Premises.

EXHIBIT “B-1”

PROJECT SCHEDULE

**MANDATORY IMPROVEMENTS
LEASE SITE **XX****

ACTIVITY	START	FINISH
Site Survey		
Metes & Bounds		
Airport/City Design Review		
Preliminary		
Final		
Acquire Building Permits		
FAA		
Airspace Study - 7460		
Construction		
Pre-Construction Meeting w/Airport		
Staking		
Utilities Coordination/Clearance		
Site Grading, Contour, Excavation, etc.		
Hangar Foundation		
Apron Paving		
Parking Lot/Parking Spaces		
Pedestrian Walkway(s), if applicable		
Concrete Quality Assurance Tests		
Structure Build-out		
Ramp/Hangar Lighting		
Landscaping		
Inspections		
Final Inspection		
Certificate of Occupancy		

All provisions of the Lease and this Project Schedule shall be fully complied with in the performance of any such Mandatory Improvements. Should construction not be completed as evidenced by the issuance of a Certificate of Occupancy within the applicable time period set forth above, Lessee shall be in default of the Lease and the Lessor shall terminate Lessee’s rights to the Premises in its entirety.