

**GROUND LEASE AGREEMENT**

**BY AND BETWEEN**

**THE MINOT INTERNATIONAL AIRPORT  
OF THE CITY OF MINOT, NORTH DAKOTA**

**AND**

**LARRY HUIZENGA**

**FOR**

**MINOT INTERNATIONAL AIRPORT FIRST ADDITION, LOT 6**

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## GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (“Agreement”), made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **THE MINOT INTERNATIONAL AIRPORT OF THE CITY OF MINOT, NORTH DAKOTA**, a North Dakota municipal corporation, hereinafter called the “CITY”, whose address is P.O. Box 5006, Minot, ND 58702-5006 and **Larry Huizenga**, whose address is 1600 16<sup>th</sup> Street NW, Minot, North Dakota 58703, hereinafter called the “LESSEE”, collectively referred to herein as the “PARTIES” and individually as a “PARTY.”

### **WITNESSETH:**

**WHEREAS**, the CITY is the owner and operator of the Minot International Airport (the “Airport”), located in the County of Ward, State of North Dakota, and operates the Airport for the promotion, accommodation and development of air commerce and air transportation; and

**WHEREAS**, the PARTIES now desire to enter into this Agreement to lease the Premises (as described and defined by Exhibit A) for such purposes and under the terms and conditions hereinafter contained;

**NOW, THEREFORE**, in consideration of the rents, covenants, and agreements contained herein, and other valuable consideration, the sufficiency of which is acknowledged by the PARTIES, their successors and assigns, the LESSEE does hereby lease from the CITY and the CITY does hereby lease to the LESSEE, the Premises, and agree as follows:

1. Premises and Initial Lease Term. The LESSEE, hereby agrees to lease the Premises from the CITY, for a term of TEN (10) years commencing on June 4, 2019 (hereinafter the “Effective Date”), and ending on June 3, 2029 (the “Initial Term”).
2. Initial Term Rent.
  - a. LESSEE agrees that, during years 1-5 of the Initial Term of this Agreement, it will pay an annual rent of One Thousand One Hundred Fifty-five and 00/100 Dollars (\$1,155.00) calculated at the rate of Twenty-two cents (\$0.22) per square foot per annum multiplied by a total square footage of Five Thousand Two Hundred and Fifty (5,250) square feet. Rent will be paid in equal monthly installments, commencing on the Effective Date, and payable thereafter on the first day of each calendar month. Failure by the LESSEE to pay its rental obligations under this Agreement within ten calendar days after such rental obligation is due, shall be considered a material breach, and subject this lease to termination by the CITY.

During years 6-10 of the Initial Term of this Agreement, LESSEE will pay an annual rate of One Thousand Three Hundred Sixty-five and 00/100 Dollars (\$1,365.00) calculated at the rate of Twenty-six cents (\$0.26) per square foot per annum multiplied by a total square footage of Five Thousand Two Hundred and

Fifty (5,250) square feet. Rent will continue to be paid in equal monthly installments payable on the first day of each calendar month during the remaining Initial Term of this Agreement.

3. Renewal Option. LESSEE and CITY agree that LESSEE may renew this Agreement for one (1) additional term of five (5) years (the “Renewal Term”) by providing written notice to CITY not less than ninety (90) days prior to expiration of the Initial Term. During the Renewal Term, LESSEE will pay an annual rent of One Thousand Five Hundred Seventy-five and 00/100 Dollars (\$1,575.00) calculated at the rate of Thirty cents (\$0.30) per square foot per annum multiplied by a total square footage of Five Thousand Two Hundred and Fifty (5,250) square feet. Rent will be paid in equal monthly installments payable on the first day of each calendar month during the Renewal Term under this Agreement. Failure by the LESSEE to pay its rental obligations under this Agreement within ten calendar days after such rental obligation is due, shall be considered a material breach, and subject this lease to termination by the CITY.
4. Holding Over. Should LESSEE remain in possession of the Premises after the expiration of the Initial Term or Renewal Term, without having executed a new Agreement, such holding over shall be subject to the terms and obligations of this Agreement, the term of the Agreement shall convert to a month-to-month tenancy, and all applicable federal, state and local laws applicable to month to month tenancies shall apply. Monthly rent shall increase by one cent (\$0.01) per year unless and until a new, written lease agreement is entered into by the PARTIES.

In the event of a holdover lease, either PARTY may terminate the tenancy by giving at least one calendar month’s written notice at any time. Rent is due and payable up to and including the date of termination. Failure by the LESSEE to pay its rental obligations under this Agreement within ten calendar days after such rental obligation is due, shall be considered a material breach, and subject this lease to termination by the CITY.

5. Use of Premises. The LESSEE hereby covenants and agrees that the LESSEE shall maintain those structures presently existing on the Premises as well as any Improvements made to or constructed on the Premises (collectively, the “Enhancements”), and that the Enhancements shall be used only for the purpose of airworthy aircraft storage, aviation related services, and other Permitted Uses.

A “Permitted Use” of the Premises for purposes of this Agreement shall include the following:

- a. Storing active aircraft;
- b. Sheltering aircraft for maintenance, repair, or refurbishment, but not indefinitely storing non-operational aircraft;
- c. Constructing amateur-built or kit-built aircraft provided that activities are conducted safely;
- d. Storing aircraft handling equipment, e.g., tow bar, glider tow equipment, workbenches, and tools and materials used to service, maintain, repair, or outfit

- aircraft; items related to ancillary or incidental uses that do not affect the hangars' primary use;
- e. Storing materials related to an aeronautical activity, e.g., balloon and skydiving equipment, office equipment, teaching tools, and materials related to ancillary or incidental uses that do not affect the hangars' primary use;
  - f. Storing non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar, e.g., televisions and furniture; or
  - g. Parking a vehicle at the hangar while the aircraft usually stored in that hangar is flying, subject to local airport rules and regulations.

LESSEE understands that the following uses of the Premises are considered "Prohibited Uses", are expressly prohibited by this Agreement:

- a. Use as a residence
- b. Operation of a non-aeronautical businesses, e.g., limo/taxi services, car and motorcycle storage, storage of inventory, and non-aeronautical business office space;
- c. Activities that impede the movement of the aircraft in and out of the hangar or other aeronautical contents of the hangar;
- d. Activities that displace the aeronautical contents of the hangar or impede access to aircraft or other aeronautical contents of the hangar;
- e. Storage of household items that could be stored in commercial storage facilities;
- f. Long-term storage of derelict aircraft and parts;
- g. Storage of items or activities prohibited by local or state law;
- h. Storage of fuel and other dangerous and Hazmat materials; and
- i. Storage of inventory or equipment supporting functions unrelated to the aeronautical use.

LESSEE agrees and understands that the Premises shall not be used for any prohibited purpose whatsoever unless LESSEE shall have first obtained prior written authorization from CITY. Authorization to expand LESSEE's use of the Premises may be withheld completely at the discretion of the CITY. LESSEE agrees that if there is any discrepancy regarding whether a use is permitted or prohibited on the Premises, that it shall be considered prohibited unless LESSEE receives confirmation from the CITY in writing that the use is permitted.

If the CITY discovers LESSEE is conducting a Prohibited Use on the Premises, the CITY in its sole discretion may immediately terminate this Agreement, following a notice and a reasonable cure period, which in any event shall not exceed thirty (30) days. If LESSEE repeatedly uses the Premises for a Prohibited Use, the LESSEE shall be considered in breach of this Agreement and the CITY may terminate this Agreement.

LESSEE shall have the right of ingress to and egress from the Premises subject to any safety and security measures adopted by CITY. The LESSEE understands that the Airport may be closed on a temporary basis and/or that airport use restrictions may be imposed, from time to time, for reasons including, but not limited to, hazardous

conditions, special events, safety, security, noise, and environmental issues. It is specifically understood and agreed that any concrete or asphalt ramp areas adjacent to the Premises may be used by LESSEE for short term airplane parking and for ingress and egress to the Premises.

CITY shall have the right to enter, at any time, upon the Premises and any building upon said land for the purpose of conducting any inspection it deems expedient to determine compliance with all terms and conditions of this Agreement. Reasonable efforts will be made to notify LESSEE before entering the Premises. When possible, LESSEE shall be allowed to accompany a CITY representative in entering the leased premises for inspection purposes.

If LESSEE places any locking devices on the outside doors to the Premises, LESSEE must ensure the CITY has accurate and up-to-date contact information for an individual that can grant access to the Premises.

6. Minimum Standards. LESSEE represents that it is at the time of execution of this Agreement, and will be throughout the duration of this Agreement, in compliance with the Airport Minimum Standards (“Minimum Standards”) as approved by the City, a copy of which is attached hereto as Exhibit B and incorporated by reference. The LESSEE agrees to comply with any and all amendments to the Minimum Standards and understands that they may be amended by the CITY from time to time. Notwithstanding any other provision set forth herein, non-compliance with the Minimum Standards as they exist at the time of execution or as amended shall constitute grounds for termination of this Agreement by the CITY following a written notice and a reasonable cure period, which in any event shall not exceed thirty (30) days.
7. Improvements. “Improvements” as used in this Agreement shall include any buildings, interior walls and ceilings, electrical and plumbing additions, built-in cabinetry, flooring, and any other enhancement made and affixed to the Premises by LESSEE. Plans and specifications for Improvements to be constructed on the Premises shall require written approval of the CITY prior to the commencement of construction or installation of any Improvements. Any modifications or alterations in such plans or concerning any Improvements to the Premises shall similarly require written approval by CITY before the Improvements are installed.
8. Ownership of Improvements.
  - a. During the term of this Agreement, LESSEE shall own all Improvements permitted by CITY constructed on the Premises until expiration of the Initial or Renewal Term or sooner termination of this Agreement. LESSEE shall not remove any Improvements once constructed on the Premises, except as permitted in writing by CITY.
  - b. Upon termination of this Agreement, all Improvements on the Premises shall,

without compensation to LESSEE, become CITY's property free and clear of any and all claims against them by LESSEE or any third party unless an Agreement is otherwise reached by the PARTIES and reduced to writing.

- i. Upon termination or expiration of a term of this Agreement, CITY may, at CITY's election, demand removal of all Improvements, as specified in this paragraph. A demand to remove Improvements by the normal expiration of the Initial Term or Renewal Term shall be deemed effective by notice given at any time within one month before the expiration date. A demand to remove Improvements upon any other termination of this Agreement shall be deemed effective by notice given in, or concurrently with, notice of such termination or within thirty (30) days after such termination.
  - ii. Upon receipt of a demand by the CITY to remove all Improvements, LESSEE agrees to meet and confer with the CITY to reach an agreed upon schedule to restore the Premises to the condition it was in prior to this Agreement taking effect. To that end, a photographic record must be taken of the Premises on the Effective Date to show the condition it was in at the time the PARTIES entered into this Agreement.
  - iii. If LESSEE fails to remove any Improvements from the Premises upon receipt of a demand by the City, CITY shall have the right to have such Improvements removed at the expense of LESSEE. As to any or all Improvements that CITY does not exercise said option for removal, title thereto shall vest in CITY, without cost to CITY, and without any payment to LESSEE.
9. Assignment or Subletting. This Agreement shall not be assigned nor the Premises nor any part thereof sublet or re-rented except with the written permission of the CITY.
10. Use by LESSEE Only. The Premises, or any part thereof, shall not be used, nor will LESSEE permit the Premises to be used, by any person, agency, group or corporation other than LESSEE without the prior permission of the CITY.
11. LESSEE's Obligation for Utilities, Taxes and Special Assessments. LESSEE shall pay for all utilities supplied to the Premises. It is expressly understood that CITY is under no obligation, nor will at any time be under any obligation whatsoever, to furnish any labor, materials, work, heat, electricity, water, gas or services, utility, or otherwise, to LESSEE.  
  
In addition, LESSEE shall be responsible for and shall pay any and all taxes imposed on the Premises pursuant to North Dakota law. Payment of any special assessments attributable to the Premises shall be LESSEE'S responsibility.
12. Quiet Enjoyment. CITY covenants with LESSEE that upon performing the obligations herein provided on its part to be performed, LESSEE shall have quiet enjoyment and peaceful possession of the Premises during the term of this Agreement and an extension



thereof.

13. Law Governing/Compliance with Laws. All provisions hereof, and words and phrases used herein, shall be governed and construed under the laws of the state of North Dakota; LESSEE shall comply with all applicable laws, ordinances, rules, and regulations of the Federal Aviation Administration, the Department of Homeland Security, the State of North Dakota, the City of Minot, and any other governmental entity or agency having jurisdiction over the Premises. Any lawsuit or other legal proceeding concerning interpretation of this Agreement shall be venued in a Court located in Ward County, North Dakota. LESSEE must immediately discontinue any use of the Premises which is declared by any governmental authority to be a violation of any local, state, or federal law.

14. Insurance, Liability, Indemnity and Waiver of Subrogation.

- a. LESSEE agrees to defend, indemnify, and forever hold harmless the CITY, it's City Council, boards and commissions, officers, agents, employees, volunteers, and contractors from any and all loss, damage, cost, expense, liability, demand, suit, attorneys' fees, judgments, and claims for damages of any kind or nature arising directly or indirectly from or in any manner related to LESSEE's possession, occupancy, or use of the Premises, regardless of any active or passive negligence by CITY. This indemnification shall include any claims which may hereafter be made against CITY on account of any personal injuries or property damage arising out of or resulting from LESSEE's use of the Airport or the Premises. For this indemnification purpose, LESSEE hereby agrees to procure and maintain at LESSEE's own cost and expense, for the duration of this Agreement, the following insurance against claims that may arise from or in connection with the possession, occupancy, operations and use of the Premises by LESSEE, its agents, representatives, employees, contractors, guests and invitees.
- b. Insurance: LESSEE agrees to carry and keep in force public liability and property damage insurance, all policies to be acceptable to CITY, who shall be named as an additional insured and furnished a copy of each policy or policies, as follows:
  - i. Airport Premises Liability: Combined single limit bodily injury and property damage, \$1,000,000 for each occurrence;
  - ii. Products/Completed Operations Liability: Combined single limit bodily injury and property damage, \$1,000,000 for each occurrence and in the annual aggregate;
  - iii. Owned, Hired, and Non-Owned Liability: \$1,000,000 for each occurrence;
  - iv. Ground Hangar Keepers Liability: \$1,000,000 each aircraft and \$1,000,000 for each occurrence; with a maximum deductible of \$10,000 each and every loss;
  - v. Workers Compensation Insurance: statutory, in compliance with North Dakota law; and
  - vi. Pollution Liability: \$1,000,000 for each occurrence.

- c. CITY hereby expressly disclaims any and all liability for any and all losses, damage, and/or claims to the aircraft, vehicles, and/or personal possessions of the LESSEE or for aircraft, vehicles, and/or personal possessions of other which are in the care, custody, and control of LESSEE, including but not limited to the loss of use and/or diminishment of value. CITY shall not be required to carry insurance on any of LESSEE'S property or to replace in whole or in part any of LESSEE'S property.
  - d. To the extent allowed by North Dakota law, the Parties hereto each hereby release and relieve the other and waive their claim of recovery for loss or damage to property on the Premises arising out of or incident to fire, lightning and other perils to the extent that said claims, actions, damages liability and expense are covered by insurance of either Party, whether due to negligence of either PARTY, their agents, or employees or otherwise so coverable by insurance. To the extent allowed by North Dakota law, the Parties agree to cause such release and to endorse such provisions in insurance policies issued for the Premises or PARTIES which are the subject of this Agreement.
  - e. The minimum amounts of insurance may be increased in accordance with increases, if any, reasonably determined by CITY to be necessary to maintain policy limits from time to time in amounts customary and usual for premises comparable to the Premises, and such increases, if any, are to be made on a yearly basis on or about the commencement of each rental year.
  - f. If Tenant, for any reason, should fail to maintain insurance coverage as required by this Agreement, the same shall be deemed a material breach of this Agreement. CITY, at its sole option, may terminate this Agreement and obtain damages from LESSEE as a result of such a breach, or, in the alternative, City may purchase such coverage (but has no obligation to do so), and cost of the same, including any interest on insurance premiums paid by CITY shall be deemed additional rent that shall be payable by LESSEE upon CITY'S demand.
  - g. LESSEE shall furnish CITY with original certificates and any amendatory endorsements or copies of the applicable policy language providing the insurance coverage required by this Agreement. All certificates and endorsements are to be received and approved by CITY before this Agreement is executed. However, failure to obtain these documents prior to execution of this Agreement shall not waive LESSEE'S obligation to provide the same to CITY. CITY reserves the right to require complete certified copies of all required insurance policies, including the endorsements required herein, at any time.
15. Rules and Regulations. LESSEE hereby agrees to observe and obey all rules and regulations promulgated, from time to time, by CITY governing conduct on and operations at the Airport and use of its facilities except that CITY agrees that any such

rules and regulations so promulgated shall not be inconsistent with any legally authorized rule or regulation of the FAA that may be binding on the CITY. This will include, but not be limited to, any rule or regulation concerning the ground rent provided herein being credited by any percentage paid by a fixed-base operator.

16. CITY Operates Airport. Nothing in this Agreement shall be construed to prevent CITY from taking any action it considers necessary to protect the aerial approaches to its Airport from obstructions, or to keep CITY from preventing LESSEE from erecting, or permitting to be erected on the leased Premises, any building, structure or obstruction which, in the opinion of CITY, would limit the usefulness of the Airport or constitute any kind of a hazard to aircraft.
17. LESSEE'S Personnel and Invitees. It is expressly understood that the operations of LESSEE, its personnel and invitees shall be conducted in an orderly and proper manner and so as not to annoy or be offensive to others at the Airport, and CITY shall have the right to complain to LESSEE as to the demeanor, conduct and appearance of LESSEE's personnel and those doing business with them, whereupon LESSEE will take all steps necessary to remove the cause of the complaint. It is further expressly understood that the willful failure on the part of the LESSEE to remove the cause of the complaint shall be deemed a material breach of this contract justifying termination of this contract by CITY.
18. Condition of Premises – Acceptance and Vacation. LESSEE acknowledges that the Premises is accepted as complete, and in good order by the LESSEE, in the condition in which it now is, and that the LESSEE will not do or permit anything to be done which would deface, damage or deteriorate the value thereof, and LESSEE agrees that it will leave the Premises in a condition satisfactory to CITY if and when it vacates said Premises ordinary wear and tear excepted. LESSEE shall keep the Premises clean and shall dispose of all debris and other waste matter which may accumulate in acceptable containers, with proper covers, for waste within the building or buildings, on said Premises.
19. Defaults and Remedies.

The following events shall constitute a material default and breach of this Agreement by LESSEE:

- a. Failure to Pay Rent/Amounts Due. The failure of LESSEE to pay any amounts due under this Agreement within ten (10) days after the same shall be due, or any failure to perform any other of the term, condition or other obligation of this Agreement to be observed or performed by LESSEE for more than thirty (30) days after written notice of such failure is given to LESSEE, shall be considered a material default and breach of this Agreement.
- b. Abandonment of the Premises by LESSEE. If LESSEE should abandon the Premises, the same shall be considered a material default and breach of this Agreement.

- c. LESSEE supplies materially false information to CITY. If LESSEE or an agent of LESSEE falsifies any report furnished to CITY pursuant to the terms of this Agreement, the same shall be considered a material default and breach of this Agreement.
- d. Lessee becomes a “Debtor” as defined by the U.S. Bankruptcy Code or the Premises becomes subject to a Execution of Attachment, Encumbrance, Lien, or Stop Notice. If LESSEE or any guarantor of this Agreement shall become bankrupt or insolvent, or file any debtor proceedings concerning the Premises in any court, or cause this Agreement to be taken under any writ of execution, the same shall be considered a material default and breach of this Agreement. Additionally, the filing or execution of attachment, encumbrance, lien or stop notice either against the Premises, CITY, or LESSEE related to the use or possession of the Premises shall be considered a material default and breach of this Agreement.
- e. Unapproved or Unauthorized Transfers of Interest. If LESSEE should make an unapproved or unauthorized transfer of any interest acquired under this Agreement, or assign this Agreement for the benefit of creditors, the same shall be considered a material default and breach of this Agreement.
- f. Failure to Comply with Insurance Requirements and other Lease Agreement Provisions. Failure to comply with any of the insurance requirements of this Agreement shall be considered a material default and breach of this Agreement. The failure to comply with any other provision of this Lease Agreement other than as specifically described within this Agreement for a period of fourteen (14) calendar days after written notice of such failure to comply shall be considered a material default and breach of this Agreement.

CITY, in addition to other any other rights and remedies it may have as prescribed by North Dakota Law, upon LESSEE’s material default and breach of this Agreement may avail itself of the following remedies, which are cumulative and not exclusive:

- a. Right of Re-entry. CITY may seek to reenter and recover possession of the Premises by any lawful means available under North Dakota law, in which case this Agreement shall immediately terminate, and LESSEE must immediately remove all personal property, including aircraft, from the Premises. LESSEE may surrender possession of the Premises at any time by giving CITY notice of its intent to surrender the Premises. Upon receiving LESSEE’s notice of intent to surrender possession of the Premises back to CITY, CITY may agree not to evict LESSEE on the condition that the LESSEE surrenders possession of the Premises in a timely manner. Upon surrender of the Premises to CITY, this Agreement shall terminate, and LESSEE will still be obligated to pay CITY any and all outstanding unpaid rental amounts, fees, or late charges as outlined in the lease for the Initial Term, Renewal Term, or Holdover Term, as applicable.

- i. CITY's Right to Re-enter and Relet Premises. Should CITY elect to re-enter the Premises, as herein provided, or take possession of the Premises pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Agreement or it may from time to time, without terminating this Agreement, make such alterations and repairs as may be necessary in order to relet the Premises at such rental or rentals and upon such other terms and conditions as CITY in its sole discretion may deem advisable. Upon each reletting, all rentals received by the CITY from such reletting shall be applied first to the payment of any indebtedness other than rent due hereunder from LESSEE to CITY; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorney's fees and of costs of such alterations and repairs; third, to the payment of residue and unpaid hereunder, and the rent due, if any, shall be held by CITY and applied in payment of future rent as the same may become due and payable hereunder. If such rentals received from such reletting during any month are less than that to be paid that month by LESSEE hereunder, LESSEE, upon demand shall pay any such deficiency to CITY.

No such re-entry or taking possession of the Premises by CITY shall be construed as an election on its part to terminate this Agreement unless a written notice of such intention is given to LESSEE or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, CITY may at any time after such re-entry and reletting elect to terminate this Agreement for previous breach of this Agreement.

- b. Damages. Should CITY at any time terminate this Agreement for any such breach, it may recover from LESSEE all damages it may incur by reason of such breach, including the cost of recovering the Premises, reasonable attorney's fees, and including the worth at the time of such termination the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Agreement for the remainder of the stated term over the then reasonable rental value of the Premises for the remainder of the stated term, subject, however, to CITY's duty to mitigate its damages, all of which amounts shall be immediately due and payable from LESSEE to CITY.
  - i. In the event a lawsuit shall be brought for recovery of possession of the Premises, for the recovery of rent or any other amount due under the provisions of this Agreement, or because of the breach of any other covenant herein contained on the part of LESSEE to be kept or performed, and a breach shall be established, LESSEE shall pay to CITY all expenses incurred therefor, including a reasonable attorney's fee, together with interest on all such expenses at the rate of 1.75% per month, or 21% per annum from the date of such breach of the covenants of this Agreement.
  - ii. No remedy herein or elsewhere in this Agreement or otherwise by law, statute or equity, conferred upon or reserved to CITY or LESSEE shall be

exclusive of any other remedy, but shall be cumulative, and may be exercised from time to time and as often as the occasion may arise. Nothing herein or elsewhere in this Agreement shall be construed to relieve a PARTY of its duty to mitigate its damages.

- iii. All monies due under this Agreement from LESSEE to CITY shall be due on demand, unless otherwise specified, and if not paid when due, shall bear interest at the rate of 1.75% per month, or 21% per annum until paid.

- 20. Termination. This Agreement is terminable with cause by either PARTY upon sixty (60) calendar days written notice setting forth a date of termination of the Agreement (the "Termination Date"). Upon notice of termination, LESSEE shall be obligated to pay any rental obligations or other fees due and owing the CITY by the Termination Date. Upon the Termination Date, LESSEE shall vacate the Premises and immediately remove all personal property, including any aircraft, from the Premises. If LESSEE fails to vacate the Premises or fails to remove all personal property from the Premises, CITY may seek to reenter and recover possession of the Premises by any lawful means. CITY may also, at its election, dispose of any remaining personal property in the appropriate manner provided for by law, and charge all costs associated with such disposal to LESSEE. LESSEE explicitly agrees that any personal property remaining on the Premises after the Termination Date is deemed abandoned by LESSEE, unless agreed to otherwise by the PARTIES in writing. As set forth in paragraph 7 of this Agreement, ownership of any Improvements to the Premises shall revert to and remain the property of the CITY upon termination of this Agreement, unless agreed to otherwise by the PARTIES.
- 21. Airport Development. CITY reserves the right to further change, develop or improve CITY property at the Airport as it sees fit, regardless of the desires or view of the LESSEE, and without interference or hindrance.
- 22. Airport Maintenance and Snow Cleaning. CITY reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair CITY property at the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of the LESSEE in this regard. CITY agrees to use reasonable efforts to keep the aircraft landing and parking areas reasonably clear of snow and within ten feet (10') of any leased structure. Without limiting the foregoing obligations, LESSEE shall not store any inoperable equipment unless undergoing maintenance or reconstruction. Unsightly materials not being used or creates a hazard shall be discarded or removed. In no case shall any hazardous materials of any type be stored within the Premises. All fuels necessary for aviation activities must be stored in appropriate containers. Failure to properly maintain the Premises as described in this paragraph shall be considered a material breach that will subject this Agreement to termination by CITY.
- 23. Event of War or National Emergency. During time of war or national emergency CITY shall have the right to Agreement the landing area or any part thereof to the United States Government for military or naval use and, if any such Agreement is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the

Agreement to the government, shall be suspended.

24. Agreement Subordinate to United States Government Requirements. This Agreement shall be subordinate to the provisions of any existing or future agreement between CITY and the United States, relative to the development, operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.
25. LESSEE'S Business Records – Public Records. It is specifically understood by LESSEE that CITY is a public body under North Dakota law and thus must comply with North Dakota's open records and open meeting laws.
26. Federal Aviation Regulations – Discrimination. It is expressly understood by LESSEE and agreed between the PARTIES that to the extent otherwise applicable to LESSEE:
  - a. Nondiscrimination Regarding USDOT Programs. LESSEE for itself, personal representatives, successors in interest, and assigns as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a U.S. Department of Transportation program or activity is extended, or for another purpose involving the provision of similar services or benefits, LESSEE shall maintain and operate such facilities and services in compliance with all applicable requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.
  - b. Nondiscrimination Regarding Facilities, Improvements, and Federally-Funded Activities. LESSEE for itself, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities and Premises or any activity conducted with or benefiting from Federal assistance, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, creed, color, sex, national origin, age, disability or marital status shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49 Code of Federal Regulations, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended, and in compliance with all other applicable Laws and Regulations, and shall obtain such compliance from any sub lessees or other PARTIES holding lower tier agreements.
  - c. Affirmative Action. LESSEE assures that it, and/or sub-tenant, will undertake an

affirmative action program as required by 14 Code of Federal Regulations Part 152, Subpart E – Nondiscrimination in Airport Aid Program, to insure that no person shall on the grounds of race, creed, color, national origin, sex, age, disability or marital status be excluded from participation in any employment activities covered.

- d. Human Rights Law. LESSEE agrees to comply with Section 296, and all other pertinent provisions of Article 15 of the Executive Law (also known as the Human Rights Law) and all other Federal and State statutory and constitutional non-discrimination provisions and agrees to comply with all pertinent provisions of the Americans with Disabilities Act of 1990, and all pertinent regulations pursuant thereto.
- e. Enforcement. In this connection, the LESSOR reserves the right to take whatever action it might be entitled by law to take in order to enforce these regulations.
- f. Non Exclusive Rights. It is hereby specifically understood and agreed between the parties that nothing herein contained shall be construed as granting or authorizing the granting of exclusive rights to LESSEE or others, as defined in Section 308 of the Federal Aviation Act of 1958, as amended.
- g. Agreement Preserves Compliance. This Agreement shall be interpreted to preserve LESSOR's rights and powers to comply with Federal and other governmental obligations.
- h. Subordination to Authority's Government Commitments. This Agreement is subordinate to the provisions of any Agreements between CITY and the United States or other governmental authority (regardless of when made) that affects the Airport, including, but not limited to, agreements governing the expenditure of Federal funds for Airport improvements. In the event that the Federal Aviation Administration or other governmental authority requires any modification to this Agreement as a condition of CITY entering any agreement or participating in any program applicable to the Airport, LESSEE agrees to consent to any such regulated modification.

27. Notices.

- a. All payments, demands and notices required herein shall be deemed to be properly served if sent in writing and given by hand delivery, regular, certified or registered mail, postage prepaid, to the last address previously furnished by the PARTIES hereto or through confirmed electronic notification. Notice shall be deemed given if by hand delivery, on the date of delivery; if by overnight mail service, on the date of delivery; if by registered or certified mail, on the date indicated on the receipt for delivery; and if by regular first-class mail, give days after deposit of the notice with postage fully prepaid, in a mailbox maintained by the United States Postal Service.



Until hereafter changed by the parties, in writing, notice shall be addressed as follows:

CITY: The Minot International Airport  
C/o: Airport Director  
305 Airport Road, Suite 216  
Minot, ND 58703

LESSEE: LARRY HUIZENGA  
1600 16<sup>TH</sup> St NW  
MINOT, ND 58703

- c. Any substitute address will be the address furnished by each PARTY to the other by giving notice in the manner proscribed herein.
28. Paragraph Headings. Paragraph headings contained herein are for convenience in reference only, and are not intended to define or limit the scope of any provisions of this Agreement.
29. Approval or Consent by CITY. Where consent or approval is required (except where clearly stated otherwise), such consent or approval shall not be unreasonably withheld by the CITY.
30. Final Agreement. This Agreement supersedes any and all prior understandings of the PARTIES, oral or written, in connection with the subject matter hereof and is intended by both PARTIES to be a complete and exclusive statement of their commitments and responsibilities with respect to the subject matter hereof.
31. Amendments. This Agreement may be changed, amended, or modified only upon the written consent of both PARTIES.
32. Severability. If any paragraph of this Agreement is for any reason found invalid or unenforceable, the invalid or unenforceable provision shall be deemed severed from the remainder of this Agreement and the remaining paragraphs shall remain in full force and effect to the fullest extent of the law.

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

THE MINOT INTERNATIONAL AIRPORT, a public body corporate and politic.

CITY OF MINOT

By \_\_\_\_\_  
Shaun Sipma, Mayor, City of Minot

Attest \_\_\_\_\_

Its \_\_\_\_\_

LARRY HUIZENGA

By \_\_\_\_\_  
LARRY HUIZENGA

Attest \_\_\_\_\_

Its \_\_\_\_\_

