

**City of Fayetteville Staff Review Form**

**2020-0833**

**Legistar File ID**

**11/5/2020**

City Council Meeting Date - Agenda Item Only  
N/A for Non-Agenda Item

Summer Fallen

10/2/2020

AIRPORT SERVICES (760)

**Submitted By**

**Submitted Date**

**Division / Department**

**Action Recommendation:**

Airport-Staff requests a resolution to approve and allow the Mayor to sign a terminal lease agreement between the City of Fayetteville and Ross Executive Aviation.

**Budget Impact:**

Account Number	Fund
Project Number	Project Title
<b>Budgeted Item?</b> <u>NA</u>	Current Budget \$ -
	Funds Obligated \$ -
	<b>Current Balance</b> \$ -
<b>Does item have a cost?</b> <u>NA</u>	Item Cost
<b>Budget Adjustment Attached?</b> <u>NA</u>	Budget Adjustment
	<b>Remaining Budget</b> \$ -

V20180321

**Purchase Order Number:** \_\_\_\_\_

**Previous Ordinance or Resolution #** \_\_\_\_\_

**Change Order Number:** \_\_\_\_\_

**Approval Date:** \_\_\_\_\_

**Original Contract Number:** \_\_\_\_\_

**Comments:**



**MEETING OF NOVEMBER 5, 2020**

**TO:** Mayor Lioneld Jordan and City Council  
**THRU:** Susan Norton, Chief of Staff  
**FROM:** Summer Fallen, Airport Services Manager  
**DATE:** October 2, 2020  
**SUBJECT:** **Ross Executive Aviation Terminal lease**

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**RECOMMENDATION:**

Staff requests a resolution to approve and allow the Mayor to sign a terminal lease agreement between the City of Fayetteville and Ross Executive Aviation.

**BACKGROUND:**

The terminal office space is at 4500 S School Ave, Suite D, Fayetteville, AR 72701. It is currently occupied by Ross Executive Aviation.

**DISCUSSION:**

Ross Executive Aviation would like to continue to lease Suite D located inside the terminal.

**BUDGET/STAFF IMPACT:**

This lease will provide \$3,300 in revenue annually to the airport.

**Attachments:**

Staff Review Form  
City Council Memo  
Terminal Lease Agreement

**LEASE AGREEMENT for the OFFICE SPACE in the TERMINAL BUILDING**

LESSEE NAME: Ross Executive Aviation                      PHONE NUMBERS:  
Billing Address: Attn: John P. Ross                      Home: \_\_\_\_\_  
10109 Seven Oaks Dr                      Work: \_\_\_\_\_  
Fort Smith, AR 72908                      Cell: 479-973-2759  
Email: \_\_\_\_\_                      Emergency: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_                      Emergency Contact: \_\_\_\_\_  
Tax I.D. Number: \_\_\_\_\_                      Date of Birth: \_\_\_\_\_  
Beginning date: December 1, 2020                      Beginning rent amount: \$275.00

This **LEASE** is executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the City of Fayetteville, Arkansas, 113 W Mountain Street, Fayetteville, Arkansas, 72701, hereinafter called The City, and Ross Executive Aviation, Attn: John P. Ross of 10109 Seven Oaks Dr., Fort Smith, AR 72908, Ph. 479-973-2759 or 479-646-7272 hereinafter called Ross Executive Aviation.

1. **Leased Premises.** The City leases to Ross Executive Aviation, and Ross Executive Aviation leases from the City office space located at 4500 S. School Avenue, Ste. D, Fayetteville, Arkansas, as reflected on “Exhibit A” attached hereto and make a part hereof. Leased Premise shall be for Ross Executive Aviation’s exclusive use to operate flight instruction and aircraft sales. The terminal building is a “No Smoking” facility.

2. **Lease Term.** Subject to earlier termination as hereinafter provided, the initial term of this Agreement shall be for a period of five (5) years beginning the first day of December 1, 2020 and ending November 30<sup>th</sup>, 2025. The City or Ross Executive Aviation may terminate this lease at any time by giving the other party thirty (30) days written notice of termination

Rent will be increased every two years using the CPI rate, plus one percent using the formula on Lease Attachment #1. A new lease will be negotiated at the end of five years.

3. **Rental Fees.** Rent for the first two years of this lease, Ross Executive Aviation agrees to pay the City for the use of the premises the sum of \$275.00 per month. The initial lease payment is due and payable upon the execution of this Lease Agreement, and all subsequent monthly lease payments shall be due and payable in advance on or before the first day of each calendar month thereafter.

In addition to any remedy available to it hereunder, the City may impose as additional rent a delinquency charge on all overdue payments, at the maximum rate allowed by law.

4. **Utilities, Maintenance and Janitorial Services**

A. **By The City:** The City shall be responsible for the payment of the utilities associated with Ross Executive Aviation's water, sewer, lights, heating and cooling. The City shall maintain and keep in good repair so much of the Airport premises as is not under the exclusive control of Ross Executive Aviation. The City shall provide janitorial services only for all areas used in common by Airport terminal tenants. The City shall not be responsible for, or pay for any expense which might arise due to, the installation and /or removal of equipment used in Ross Executive Aviation's business operation or signs.

B. **By Ross Executive Aviation, Inc.:** Ross Executive Aviation shall be responsible for the installation, relocation, modification and maintenance of all utility service other than that necessary to provide water, sewer, light, heat or air to the Leased Premises. The City shall maintain and keep in good repair so much of the Airport premises as is not under the exclusive control of Ross Executive Aviation. Ross Executive Aviation shall maintain Leased Premises in a clean, orderly, and attractive condition; not allow the accumulation of rubbish, trash, or other waste material on the Lease Premises and provide for and supply all janitorial service for their exclusive use area. Ross Executive Aviation shall place any materials or trash in trash receptacles. Written approval from the Airport Director must be obtained prior to any improvements or additions to any part of the Leased Premises, or the installation of any attachment to the building (i.e. antennas, tower or signs). Any signs installed shall meet all of the City's Sign Regulations, and furthermore, any sign erected on or attached to the Lease Premises must have the prior written approval of the Airport Director.

5. **Hazardous Substances.** Ross Executive Aviation shall not cause or permit any Hazardous Substance to be used, stored, generated or disposed of on or in the Leased Premises, or in any Airport Drainage system. If the Airport property becomes contaminated in any manner due to Ross Executive Aviation's actions, Ross Executive Aviation shall indemnify and hold Harmless the Airport from any and all claims, including a decrease in value of the Airport property.

6. **Insurance.** Ross Executive Aviation shall provide the following:

A. Workman's Compensation Insurance, as required by Arkansas Law.

B. Lessee shall obtain and maintain continuously in effect at all times during the term hereof, at Ross Executive Aviation's sole expense in amounts approved by the Airport's Minimum Standards.

C. A Certificate of Insurance shall be furnished to the Airport, naming the City as Additional

Insured, and be kept current at all times by the operator until such time as the lease is canceled. Ross Executive Aviation shall indemnify, protect, defend and hold completely harmless, the City and their trustees from and against all liability, losses, suits, claims, judgments, fines or demands arising from injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this lease, Ross Executive Aviation use or occupancy of the Airport premises, the rights, licenses, or privileges granted Ross Executive Aviation herein, or the acts or omissions of Ross Executive Aviation's agents, employees, regardless of where the injury, death or damage may occur. The City shall give notice to Ross Executive Aviation of any such liability, loss, suit, claim or demand, and Ross Executive Aviation shall defend same using counsel reasonably acceptable to the City. No word, sentence, paragraph or phrase shall be construed to waive that tort immunity set forth under Arkansas Law.

7. **Use of Airport.** Ross Executive Aviation is granted the use, in common with other airport terminal tenants, of the airport terminal building and grounds together with all facilities, equipment, improvements, and services which have been or may hereafter be provided. Ross Executive Aviation agrees to observe and obey the City's Ordinances and Regulations with respect to use of the demised premises and Airport; provided, however, such Ordinances and Regulations shall be consistent with safety and with all the City, county, state, and federal ordinances, rules and regulations. Ross Executive Aviation agrees to abide by the rulings of the Federal Aviation Administration with respect to the use of the Leased Premises. "*The Minimum Standards for Fayetteville Executive Airport, Drake Field*" herein referred to as Airport's Minimum Standards at the Fayetteville Executive Airport are made part of this lease by reference as if included word for word.

Ross Executive Aviation agrees to use the premises only for a business office for Ross Executive Aviation. Any business other than the business office for Ross Executive Aviation shall require the Airport Director's approval. Ross Executive Aviation will obtain and keep in force all certifications, permits and licenses required for the operation of the business office. Ross Executive Aviation further agrees not to store any flammable material on the premises or in any way endanger or violate the provisions of Fayetteville's property insurance policy or the requirement of same. Such violations shall constitute a material breach of this Lease. Upon termination of Lease, Ross Executive Aviation will leave all premises used in the same or better condition as existed at the initiation of the Lease.

8. **Rights of Ingress and Egress.** Ross Executive Aviation shall have full and free right of ingress to and egress from the Leased Premises for Ross Executive Aviation, its employees, customers, guests, and other invitees except as reserved below. Such rights shall also extend to persons or organizations supplying materials or furnishing services to Ross Executive Aviation. The City reserves the right to close any means of ingress and egress, so long as other reasonable means of ingress and egress to the Leased Premises are available to Ross Executive Aviation. The City may enter the Leased Premises at any reasonable time for any purpose necessary, or incidental to, the performance of City's obligations hereunder.

Ross Executive Aviation shall take reasonable measures to insure that the conduct of their business does not adversely affect their neighbors or the common areas of the building. Excessive or objectionable noise, odors, or light fixtures shall not be allowed to escape from the premises.

9. **Events of Default.** The following shall be events of default under the Lease, and include any one or more of the following:

- A. Non-payment of the rental amount.
- B. If Ross Executive Aviation transfers, subleases or assigns, either voluntarily or by operation of law, any portion of its interest in this Lease.
- C. Ross Executive Aviation voluntarily abandons, deserts, or vacates the Leased Premises.
- D. Ross Executive Aviation shall fail to comply with insurance requirements.

10. **Termination.**

A. The City or Ross Executive Aviation may terminate this lease at any time by giving the other party thirty (30) days written notice of termination.

B. On the expiration or other termination of this lease, Ross Executive Aviation's right to use the Leased Premises shall cease, and Ross Executive Aviation shall vacate the premises without unreasonable delay. All property installed, erected, or placed by Ross Executive Aviation in, on, or about the premises leased hereunder shall be deemed to be personalty and shall remain the property of Ross Executive Aviation. Ross Executive Aviation shall have the right at any time during the term of this Lease, or any renewal or extension thereof, and for an additional period of fourteen (14) days after the expiration of other termination of this Lease, to remove any or all of such property, subject, however to Ross Executive Aviation's obligation to repair all damage, if any, resulting from such removal. Any and all property not removed by Ross Executive Aviation prior to the expiration of the aforesaid fourteen (14) day period shall thereupon become a part of the premises on which it is located and title hereto shall thereupon vest in the City or the City may require removal and restoration by Ross Executive Aviation.

11. **Assigning, Subletting and Encumbering.** Ross Executive Aviation shall not sublet the Leased Premises, nor permit other persons to occupy the Leased Premises, not grant any license or concession for any part of the Leased Premises, or assign its rights under this Lease without the written consent of The City. No such subletting or assignment shall release Ross Executive Aviation from its obligations to pay the rental set forth herein.

12. **Mailing and Notice.** Any notice or consent required by this lease shall be sufficient if sent by Certified Mail, return receipt required, postage paid, to the following address:

**CITY OF FAYETTEVILLE:**

Airport Administration Office  
4500 S. School Avenue, Suite F  
Fayetteville, Arkansas 72701  
Ph. 718-7642

**ROSS EXECUTIVE AVIATION**

Ross Executive Aviation.  
Attn: John P. Ross  
10109 Seven Oaks Dr.  
Fort Smith, AR 72908  
Ph. 479-973-2759 or 479-646-7272

13. **Nondiscrimination.** Ross Executive Aviation agrees that it will not, on the grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons. Ross Executive Aviation will assure compliance with all regulations in regard to Non-discrimination and Affirmative Action. Ross Executive Aviation acknowledges that it is the policy of the Airport that it shall not discriminate on the basis of race, color, notional origin, or sex in the award and performance of all Airport contracts.

14. This Agreement shall be construed under the laws of the Sate of Arkansas.

**IN WITNESS WHEREOF**, the parties have executed this Lease on the day and year first above written.

**THE CITY OF FAYETTEVILLE:**

By: \_\_\_\_\_  
Lioneld Jordan, Mayor Date

**ATTEST:**

By: \_\_\_\_\_  
Kara Paxton, City Clerk and Treasurer Date

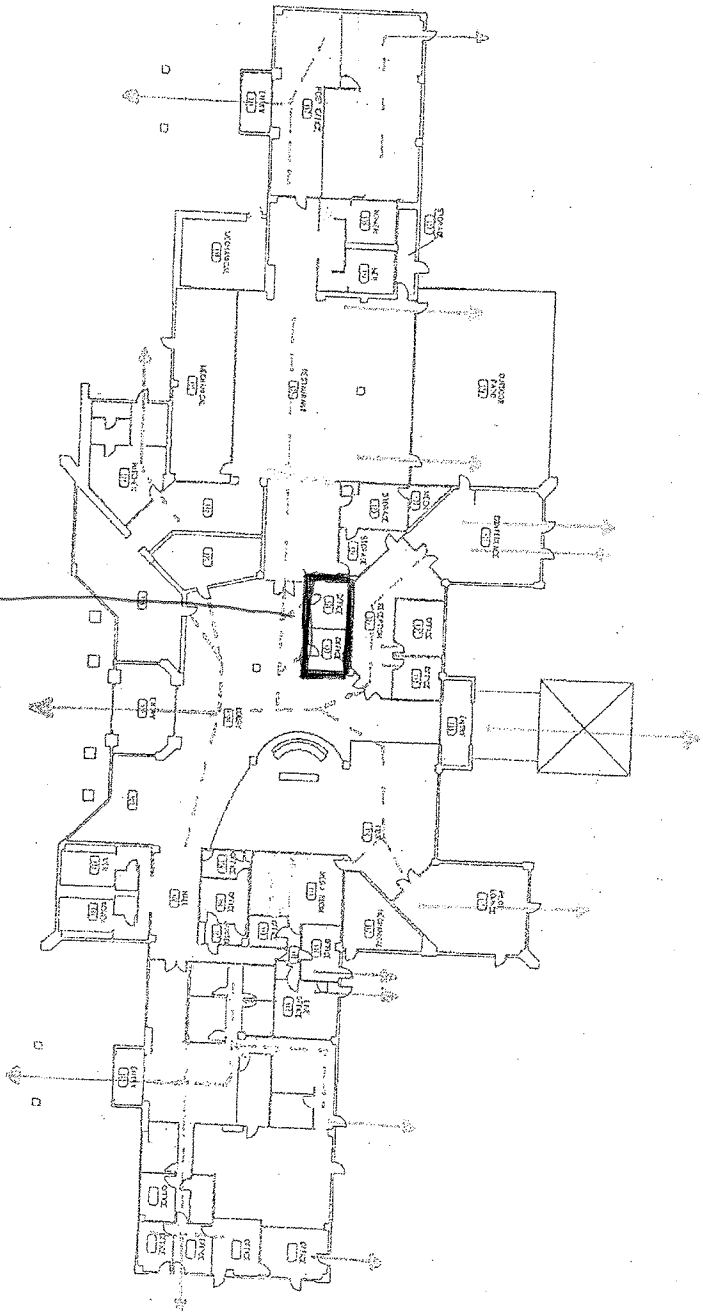
**ROSS EXECUTIVE AVIATION**

I have received a copy of the Airport's Minimum Standards \_\_\_\_\_  
(tenant's initials)

By: John P. Ross \_\_\_\_\_ President/owner \_\_\_\_\_ 9-30-2020  
(Name) (Title) Date

Signature: John P. Ross \_\_\_\_\_

Fayetteville Executive Airport  
Terminal Building



Suite D  
ROSS Executive  
Aviation

Street side

Ramp side

NORTH