

LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and effective this 1st day of _____ by and between Alamosa County - San Luis Valley Regional Airport, whose address is 2490 State Avenue, Alamosa, CO 81101, herein referred to as "Lessor" and _____, whose address is _____ herein referred to as "Lessee".

WHEREAS, Lessor is the owner of and has operational control of the San Luis Valley Regional Airport, and desires to lease portions of the terminal building located at said airport subject to the terms and conditions set forth herein; and

WHEREAS Lessee desires to lease the premises from Lessor for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Premises & Term.

- A. Lessor hereby leases to the Lessee approximately 280 square feet of space in the passenger waiting area located in the terminal building located at the San Luis Valley Regional Airport, with the right and privilege to solicit the renting of automobiles to the traveling public. Lessor shall designate to Lessee space in close proximity to the Airport Terminal for the parking of up to twenty (20) of Lessee's automobiles in a fenced parking area to be rented to the traveling public. Said spaces shall be used solely for business purposes and Lessee's personal vehicles shall be parked in designated public parking areas. Rental cars are required to be parked in designated spaces only. Lessor will designate 2-3 parking spots in the Terminal parking lot to be used for staging of rental vehicles. Passing the Airport's Air Operations Area (AOA) driver's training program will be required for Lessee's employees that access the AOA.
- B. No signs or advertising shall be placed on the leased premises without prior written consent of the Lessor, which shall not be unreasonably withheld. Lessor shall allow signs which conform to reasonable standards established by the Lessor at or near the following locations:
 1. At or near the Lessee's counter
 2. On the exterior of the terminal building
 3. At or near the designated rental vehicle parking spaces
 4. At or near the general public access roads to Airport.
- C. This agreement shall be effective from and after _____, 2022 and shall continue in full force and effect, unless terminated earlier pursuant to any provision of this agreement, until _____, 2025. This agreement shall automatically renew for a period of one year beginning _____, 2025, unless either party provides written notice to the other not less than thirty (30) days prior to the expiration of any lease period that it does not desire to renew said lease. The renewal terms shall be at the rental rate set forth below and

otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent.

Monthly:

Lessee shall pay to Lessor during the rental term the following rates:

- a. _____2022 - _____2023: The sum of \$0.00 /sq foot for the 280 square feet of occupied space in the terminal building; per year
- b. _____2023 - _____2024: The sum of \$23.12/sq foot for the 280 square feet of occupied space in the terminal building; per year
- c. _____2024 - _____2025: The sum of \$23.93/sq foot for the 280 square feet of occupied space in the terminal building; per year
- d. Concession Fee: The Lessee shall pay to Airport, as a monthly concession fee during the term of this agreement, an amount equal to _____ (at least five percent 5%) of Lessee's gross receipts derived from vehicle rentals made at or attributable to the Airport.
- e. All rental payments are due and payable on the twentieth (20th) day of the month for the preceding month.
- f. Lessee shall provide a monthly sales report to Lessor showing all rental car transactions and quantity of vehicles rented each month on the premises. This report shall be included with the rental payment each month.

3. Use

Notwithstanding the forgoing, Lessee shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Furthermore, Lessee shall not use the Leased Premises for any purposes contrary to any federal or state law. Lessee shall keep the leased premises clean and clear of all obstruction, clutter, and debris at all times. It is the intent of both the Lessee and Lessor that the Leased Premises will be used solely for the renting of automobiles to the traveling public. Janitorial services are not provided to the lessee's space.

4. Sublease and Assignment.

Lessee shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Lessor's written consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

To the extent applicable at any time during the Lease term, Lessor shall make, at Lessor's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy. Repairs to any improvement

made by Lessee with the express consent by the Lessor shall be at Lessee's sole expense subject to the obligations of the parties otherwise set forth in this Lease.

6. Alterations and Improvements.

Lessee, at Lessee's expense, shall have the right following Lessor's written consent to remodel, redecorate, and make minor additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Lessee may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Lessee shall have the right to place and install personal property, trade fixtures, equipment only to the extent necessary to meet the proposed use of the premises as described in paragraph 3 above. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Lessee at the commencement of the Lease term or placed or installed on the Leased Premises by Lessee thereafter, shall remain Lessee's property free and clear of any claim by Lessor. Lessee shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Lessee at Lessee's expense. Lessee expressly understands and accepts that any permanent building or structure made on the Leased Premises shall remain as part of the Leased Premises at the end of the lease term.

7. Insurance.

- A. If the Leased Premises or any other part of a Building is damaged by fire or other casualty resulting from any act or negligence of Lessee or any of Lessee's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Lessee shall be responsible for the costs of repair not covered by insurance.
- B. Lessee shall purchase and maintain comprehensive public liability insurance for claims for property damage, bodily injury, or death allegedly resulting from Lessee's activities into, upon, and leaving any part of the Airport in the amount not less than \$5,000,000. Automobile insurance required in the amount of Five Million (\$5,000,000.00). Workers Compensation insurance shall meet Statutory Requirements. All policies of insurance required herein shall be in a form and with a company or companies licensed to do business in the State of Colorado. Policies or certificates of required coverages shall be delivered to Lessor representative prior to exercising rights and privileges under the Agreement.
- C. If desired, Lessee shall maintain a policy or policies of comprehensive general liability insurance with respect to any personal property that is stored on the premises.

8. Utilities.

Utilities shall be provided by Lessor and shall be included in the base rent.

9. Entry.

Lessor shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Lessor shall not thereby unreasonably interfere with Lessee's business on the Leased Premises.

10. Damage and Destruction.

Subject to Section 7 above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Lessee's purposes, then Lessee shall have the right within ninety (90) days following damage to elect by notice to Lessor to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Lessee's purposes, Lessor shall promptly repair such damage at the cost of the Lessor. In making the repairs called for in this paragraph, Lessor shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Lessor.

Lessee shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Lessee's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Lessee. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Lessee's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Lessee's purposes.

11. Default.

If default shall at any time be made by Lessee in the payment of rent when due to Lessor as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Lessee by Lessor, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Lessee, and such default shall continue for thirty (30) days after notice thereof in writing to Lessee by Lessor without correction thereof then having been commenced and thereafter diligently prosecuted, Lessor may declare the term of this Lease ended and terminated by giving Lessee written notice of such intention, and if possession of the Leased Premises is not surrendered, Lessor may reenter said premises. Lessor shall have, in addition to the remedy above provided, any other right or remedy available to Lessor on account of any Lessee default, either in law or equity. Lessor shall use reasonable efforts to mitigate its damages.

12. Quiet Possession.

Lessor covenants and warrants that upon performance by Lessee of its obligations hereunder, Lessor will keep and maintain Lessee in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

13. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

Lessor:

**Alamosa County - San Luis Valley Regional Airport
2490 State Avenue
Alamosa, CO, 81101**

Lessee:

Lessor and Lessee shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

14. Waiver.

No waiver of any default of Lessor or Lessee hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Lessor or Lessee shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. Nothing herein shall be construed as a waiver of any right lessor may have pursuant to the Colorado Governmental Immunity Act.

15. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

16. Successors.

The provisions of this Lease shall extend to and be binding upon Lessor and Lessee and their respective legal representatives, successors and assigns.

17. Indemnification.

Lessee, shall to the extent allowed by law, indemnify and hold harmless Alamosa County and San Luis Valley Regional Airport ("SLVRA"), their agents, officials and employees, against all loss or damages, including penalties, charges, professional fees, interest, costs, expenses and liabilities of every kind and character arising out of, or relating to, any and all claims and causes of actions of every kind and character, in connection with or arising, directly or indirectly, out of this agreement, whether or not it

shall be alleged or determined that the harm was caused through or by the Lessee or subcontractor, if any, of their respective employees and agents. Lessee further agrees that its obligations to Alamosa County under this paragraph include claims against San Luis Valley Regional Airport whether or not such claim is covered by Workers' Compensation. Lessee expressly understands and agrees that any insurance or bond protection required by this agreement, or otherwise provided by Lessee, shall in no way limit the responsibility to indemnify, keep and save harmless and defend Alamosa County their agents, officials, and employees as herein provided. Lessee shall be entitled to assert on behalf of Alamosa County any defenses to which Alamosa County may be entitled, including sovereign immunity. Subject to the Colorado Governmental Immunity Act, Lessee's obligation to indemnify and hold Lessor harmless shall not apply to the claims, demands, suits, damages, or losses arising from or connected to the negligent acts, omissions, or willful misconduct of the Lessor.

18. Performance.

If there is a default with respect to any of Lessor's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Lessee to Lessor specifying the default, Lessee may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Lessee shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Lessee's receiving full reimbursement, Lessor shall pay the unreimbursed balance plus accrued interest to Lessee on demand.

19. Severability.

To the extent that this contract may be executed and performance of the obligations of the parties may be accomplished within the intent of the contract, the terms of this contract are severable, and should any term or provision of the contract or its attachments be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect the validity of any other term or provision herein.

20. Non-exclusivity.

This agreement is non-exclusive, and nothing herein shall be construed as to prevent Lessor from entering into similar agreements with other parties providing the same service upon substantially similar terms.

20. Compliance with Law.

Lessee shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Lessee's use of the Leased Premises. Lessee shall not discriminate against any person on the basis of race, color, national origin, age, sex, religion, and disability in providing services under this agreement.

21. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

22. Governing Law.

This Agreement shall be governed by the laws of the State of Colorado, and Venue for any dispute regarding this agreement shall be held in Alamosa County, Colorado.

23. Termination.

Either party may terminate this agreement with or without cause, by providing written notice to the non-terminating party as indicated in paragraph 13. Said termination shall be effective forty-five (45) days after notice has been provided.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

Lessee

Lessor

By: _____

By: _____

(Signature)

(Signature)

(Name)

Will Hickman

(Name)

Lessee

(Title)

Airport Manager

(Title)

(Date)

(Date)