

Approved 12/27/11

## POLICY FOR GROUND LEASE AT KREMMLING AND GRANBY AIRPORTS

1. Grand County will send out lease amendments during the month of December each calendar year. If the lessee desires to have commercial use during the following calendar year, he/she should execute the lease amendment and return it to Grand County between January 1<sup>st</sup> and 15<sup>th</sup>. **No amendment will be allowed except during this time period. All amendments must be received by Grand County no later than January 15<sup>th</sup> and it is the lessee's sole responsibility to make sure any amendment has been received by Grand County by the 15<sup>th</sup> of January along with the required proof of insurance and the annual lease payment.**
2. The commercial rate for ground lease will begin at \$0.10/sq. ft., the same as the personal ground lease, and will escalate annually per the Boulder CPI. However, if a current ground lease holder wishes to enact the commercial allowance, it will be at the rate currently assessed for the personal ground lease. Example: Ground lease holder has held a ground lease with Grand County for five (5) years. His current rate, based an annual escalation of the Boulder CPI is now \$0.13/sq. ft. That would be the commercial rate assessed. The \$0.10/sq. ft. is for a new ground lease or amendment, where a hangar is being constructed, either personal or commercial.
3. Any person choosing to amend the ground lease to allow commercial use must comply with all insurance requirements included in the amendment, and this proof must be provided to Grand County during the renewal period (January 1<sup>st</sup> through 15<sup>th</sup> of each year). Any ground lease holder who does not supply the correct proof of insurance will not be allowed a commercial use. Adequate proof of insurance includes a comprehensive public liability, fire and extended coverage, hangar keepers insurance and if applicable, workman's compensation insurance. Grand County must be named as an additional insured on these policies, and any ground lease on the Kremmling Airport must also name the Town of Kremmling as an additional insured.
4. All other terms and conditions of the original ground lease apply during the period of the commercial usage. This includes the time frame of the original ground lease.
5. If the FBO operator in Kremmling elects to sub-lease a hangar from a ground lease holder who has executed the ground lease amendment, the FBO operator will name the hangar owner as well as Grand County and the Town of Kremmling as an additional insured on the required policies.

6. At the time of a ground lease for a new hangar, the lessee must execute the original ground lease. At this time, the lessee may also execute the ground lease amendment for commercial use. This is the only time the choice of commercial usage will be allowed out of the cycle stated in the amended ground lease. If the new hangar owner does not execute the amended ground lease at the time he/she executes the original ground lease, then he/she must wait until the specified time of the year to make the designation for commercial usage.
7. If a hangar owner sells his/her hangar during the year, the new owner will have an opportunity at that time to choose the personal or commercial lease, at the rate of the previous hangar owner and for the time period left on the original lease.
8. Hangars owned by either the Town of Kremmling or Grand County and leased to aircraft owners will not be allowed to have commercial usage.

**NO COMMERCIAL USE OF HANGARS CONSTRUCTED ON A GROUND LEASE WILL BE ALLOWED UNLESS THE LEASE AMENDMENT HAS BEEN EXECUTED AND SUBMITTED PER THE AMENDED LEASE TIMEFRAME ALONG WITH REQUIRED PROOF OF INSURANCE AND PAYMENT OF LEASE.**

Hangar.lease.policy