

HABERSHAM COUNTY BOARD OF COMMISSIONERS

EXECUTIVE SUMMARY

SUBJECT: Commercial Use of Airport Hangar H2

DATE: July 11, 2022

☒ **RECOMMENDATION**

☐ **POLICY DISCUSSION**

BUDGET INFORMATION:

☐ **STATUS REPORT**

ANNUAL- \$0

☐ **OTHER**

CAPITAL- \$0

COMMISSION ACTION REQUESTED ON: August 15, 2022 (Item tabled until September 19, 2022 BOC meeting)

PURPOSE: The purpose of this agenda item is to make a formal recommendation to the Habersham County Board of Commissioners that they consider amending Michelle Curcio/Horizon Dreams LLC's current lease agreement for hangar H2 to allow for commercial use.

BACKGROUND / HISTORY: Ms. Curcio has a ground lease for Hangar H2. She has requested that her lease be amended to allow for commercial use as outlined in her Single Service Application.

FACTS AND ISSUES:

- Ms. Curcio brought her application to the Airport Commission in 2021 but did not move forward because she was hoping to acquire one of the new commercial hangars being built in 2022-2023.
 - It has been determined that the new commercial hangars will not be large enough to accommodate her needs and would not have adequate customer parking.
 - There is adequate parking available for her existing hangar.
 - Ms. Curcio will pay all costs related to converting the hangar to a commercial space.
 - Current lease will need to be amended to allow for commercial use
 - At their July 11, 2022 regular meeting, the Airport Commission voted unanimously to approve Ms. Curcio's single service application for aircraft rental, flight training, and specialized commercial flying services, contingent on the Board of Commissioners' approval to amend the current lease agreement for H-2 to allow for commercial use.
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OPTIONS:

- 1) Approve Recommendation
 - 2) Deny Recommendation
 - 3) Commission Defined Alternative
-

RECOMMENDED SAMPLE MOTION:

Motion to approve amending Michelle Curcio/Horizon Dreams LLC's current lease agreement for hangar H-2 to allow for commercial use.

DEPARTMENT:

Prepared by: Patti McLarty

**ADMINISTRATIVE
COMMENTS:**

_____ **DATE:** _____

County Manager

STATE OF GEORGIA
COUNTY OF HABERSHAM

TRANSFER AND ASSIGNMENT OF HANGAR LEASE

This Transfer and Assignment of Hangar Lease is entered into between Jeff Mitchell, Assignor, and Michelle Curcio, Assignee.

WHEREAS, on July 21, 2008, Habersham County, as Lessor, and Keith Campbell, as Lessee, entered into a certain Lease Agreement for Hangar H-2 ("Lease Agreement"); and

WHEREAS, a true and correct copy of said Lease Agreement is attached hereto as Exhibit "A"; and

WHEREAS, Keith Campbell, as Lessee, sought approval of the transfer of the Lease Agreement to Jeff Mitchell; and

WHEREAS, the Habersham County Board of Commissioners approved the transfer at their November 16, 2015 meeting; and

WHEREAS, Jeff Mitchell took possession of Hangar H-2 and became the Lessee as of November 16, 2015 to the current date; and

WHEREAS, Jeff Mitchell has been unable to locate the original or a copy of the transfer document assigning the Lease Agreement from Campbell to Mitchell; and

WHEREAS, Jeff Mitchell desires to transfer the Lease Agreement to Michelle Curcio and Michelle Curcio has agreed to accept the assignment of the Lease Agreement;

NOW, THEREFORE in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable considerations, the receipt and adequacy of which are acknowledged by the parties, the parties hereto agree as follows:

1. Assignor does hereby assign all of his rights and interest in and to the Lease Agreement to Michelle Curcio.
2. Assignor and Assignee understand, acknowledge and agree that this Transfer and Assignment of Hangar Lease is subject to the approval of the County Manager pursuant to Section 5 of the Habersham County Airport Rules and Regulations.
3. The effective date of this Transfer and Assignment shall be the date this Transfer and Assignment is approved by the County Manager.

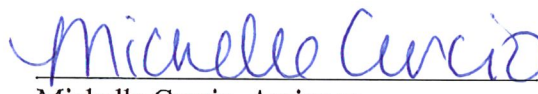
4. Assignee does hereby acknowledge that Assignee is familiar with the Habersham County Airport Rules and Regulations and that Assignee's use of said hangar is subject to said Rules and Regulations.
5. This Transfer and Assignment of Hanger Lease shall be interpreted under the laws of the State of Georgia.

This 16th day of ~~April~~, 2021.
August



Aug 16 2021 1:08 PM

Jeff Mitchell, Assignor



Michelle Curcio, Assignee

DATE OF APPROVAL BY
COUNTY MANAGER:

August 16, 2021.



~~Phil Sutton, County Manager~~

Alicia Vaughn, Interim County Manager

Hangar
#2

H2

LEASE AGREEMENT

This lease is made and entered into this 21st day of July, 2008, at Clarkesville, Georgia by and between Habersham County, the "Lessor" and KEITH CAMPBELL, the "Lessee."

ARTICLE 1. DEMISE, DESCRIPTION, USE TERM AND RENT

Lessor leases to Lessee, and Lessee leases from Lessor that certain property, hereinafter called the "leased property" situated in Habersham County and described as follows:

HANGAR H-2 IN THE HABERSHAM COUNTY AIRPORT

To be used only for the storage of aircraft and in accordance with uses normally incident thereto and for no other purpose for the term of thirty (30) years commencing on July 21, 2008, and ending on July 20, 2038, annual rental of \$1.00 payable as specified in Article 2. Further, Lessee shall not store any fuel, flammable materials, or any other hazardous materials within the hangar.

ARTICLE 2. RENT

Lessee shall pay Lessor through Habersham County Board of Commissioners, 555 Monroe Street, Unit 20, Clarkesville, GA 30523, the annual sum of one dollar (\$1.00) and other valuable considerations due and payable in advance on the 1st day of the lease agreement and every anniversary of same thereafter.

ARTICLE 3. LIABILITY/RISK COVERAGE

Lessor agrees to and shall, maintain during the entire term of this lease, coverage on the leased property through a risk management agreement, self-insurance, or any other type of liability coverage, deemed appropriate by the Lessor. This coverage shall be limited to the leased property and shall not include any contents within or on the leased property belonging to Lessee or any third party.

ARTICLE 4. UTILITIES

Lessee shall during the term hereof pay all charges for telephone, gas electricity, sewage and water used in or on the leased premises and for the removal of rubbish therefrom immediately on becoming due and shall hold Lessor harmless for any liability therefore.

ARTICLE 5. WASTE AND NUISANCE

Lessee shall not commit, or suffer to be committed any waste on the leased premises nor shall he maintain, commit, or permit the maintenance or commission of any nuisance on the leased premises or use the leased premises for any unlawful purpose.

ARTICLE 6. REPAIRS

Lessee shall maintain the leased premises in condition fit for their intended use, at all times.

ARTICLE 7. PERMITTED USES

- a. As to Lessee's personal aircraft, Lessee shall be allowed to perform all maintenance permitted by the FAA Rules and Regulations, as amended for non-certified personnel. Further, within the confines of the subject hangar and on the personal aircraft of Lessee, Lessee may contract for maintenance and repair of aircraft with FAA approved personnel and pursuant to FAA personnel and pursuant to FAA Rules and Regulations as amended. Maintenance and repair shall include but not be limited to annual inspection, general repairs, any repairs necessitated by the FAA personnel following inspection, or any AD requirements for the subject aircraft. The right of the Lessee to perform said maintenance and repairs in accordance with FAA Rules and Regulations as amended is an essential term of this lease. However, Lessee shall not allow within the confines of the hangar any maintenance or repair on any aircraft not owned or jointly owned by Lessee. This paragraph is not intended to allow a Lessee to establish a repair or maintenance shop within any hangar. Lessee shall hold County harmless for any repairs or maintenance performed on the subject aircraft and the County shall in no way be responsible for said work. By executing this agreement, Habersham County does not recognize the qualifications of any owner to conduct maintenance on his or her aircraft nor passes on the sufficiency of any mechanic or certified FAA personnel retained by owner for maintenance and repair.
- b. Lessee shall only use this Hangar for storage of and aircraft for non-commercial use. **Non-aviation related use will not be permitted except with recommendation of Airport Commission and approval by the Habersham County Board of Commissioners.**

ARTICLE 8. ALTERATIONS, IMPROVEMENTS AND FIXTURES

Lessee shall have the right to improve, add to or alter the leased premises and to install fixtures thereon, subject to the approval of the Airport Commission, provided however, that he shall not remove any such improvements, additions, alterations or fixtures without the prior written consent of Lessor, and provided, further, that on expiration or sooner termination of this lease, all improvements, including fixtures and any addition, alteration, or repair to the premises placed on or made to the premises by Lessee during the term, shall revert to and become the absolute property of Lessor, free and clear of any claims against them by Lessee or any third person, and Lessee agrees to hold Lessor harmless from any claims that may be made against such improvements by

any third persons. Any fixtures deemed necessary to be removed by the County shall be removed at the expense of the Lessee.

ARTICLE 9. INSPECTION BY LESSOR

Lessee shall permit Lessor, his agents and assigns, the Habersham County Airport Commission and its agents and assigns to enter into and upon the leased premises at all reasonable times for the purpose of inspecting the same or for the purpose of maintaining or making repairs to the premises.

ARTICLE 10. OPTION TO EXTEND AND HOLD OVER

- a. Lessee is hereby granted and shall, if not in default under this Lease, have an option to extend the term of this Lease for a consecutive annual period not to exceed 5 years. The rent for the hangar shall be equal to the going market rate for hangars at the time of the renewal of each lease term. The market rate shall be established as the rate charged for a similar square footage hangars in similar sized airports in Georgia. The lease shall be renewed under the same terms and conditions herein with the exception of the lease period and rent which shall be payable monthly and in advance on the 1st day of the month.
- b. This option shall be exercised only by Lessee's delivering to Lessor in person or by United States registered or certified mail on or before _____ . Written notice of this election to extend the term of this lease as herein provided.
- c. In the event Lessee does not extend term of this lease as herein provided, and such holds over beyond the expiration of the term hereof, such holdings over shall be payable on the first day of each and every month thereafter until the tenancy is terminated in a manner provided by law.

ARTICLE 11. ASSIGNMENT AND SUBLEASE

- a. Lessee shall have the right with the prior written consent of Lessor to assign this lease, and any interest therein, provided each assignee assumes in writing all Lessee's obligations under this lease.
- b. Lessee shall have the right without the prior written consent of Lessor to sublet the Leased premises or any part thereof and Lessee shall remain liable for each and every Obligation under this lease.

ARTICLE 12. MISCELLANEOUS

- a. Lessee will be subject to rules and operating conditions as set up by the Habersham County Airport Commission. Any changes in rules and

regulations by the Habersham County Airport Commission shall be presented for review by lessee at least 10 days prior to adoption by the Commission.

- b. If Lessor shall convey title to the demised property pursuant to a sale or exchange of property, the Lessor shall not be liable to Lessee or any immediate or remote assignees or successor of Lessee as to any act or omission from and after such conveyance.

IN WITNESS WHEREOF, the undersigned Lessor and Lessee hereto execute this agreement as of the day and year first above written.

Signed and acknowledged
in the presence of:

LESSOR:
Habersham County

Ophean Allison
Witness

By: *Jim B. Butterworth* (Seal)
Jim B. Butterworth, Chairman

Nellanee W. Ellison
Notary Public
Commission Expires: *March 18, 2010*

Attest: *Lisa A. Ritchie*
Lisa A. Ritchie, County Clerk

Signed and acknowledged
in the presence of:

LESSEE:

Witness

By: *Keith Campbell* (Seal)

Nellanee W. Ellison
Notary Public
Commission Expires: *March 18, 2010*

