

## **Items that must be met to process your lease at OGD:**

1. Sixty (60) days prior to your current lease expiration date, the **Lessee must send written notice to the Airport** that you wish to renew the land lease for your hangar. This obligation belongs to the Lessee and if the written request is not received at the Airport PRIOR to the lease expiration, you may lose any rights that you have under the now expired lease. This written request can be made by e-mail to [BryantGarrett@OgdenCity.com](mailto:BryantGarrett@OgdenCity.com) or by mailing your request to:

**Ogden Airport  
Attention: Airport Manager  
3909 Airport Road  
Ogden, Utah 84405**

**Keep in mind that the hangar owner's privileges contained within the lease are lost when the lease expires. Each hangar owner MUST pursue their lease renewal BEFORE it expires. The intention is to have a new lease in place to begin immediately upon the expiration of the prior lease.**

2. Please provide the following information for the correct lease:
  - a. The **legal name of the person(s) or business(es)** that will be responsible under the terms of the lease. Also, if this is a business entity, provide the type of business (e.g. Utah – LLC, S-Corporation, partnership, sole proprietorship, or non-profit). Provide State where the business entity is organized and provide evidence that the lease signatory is a principal in the business entity. We must have the exact business name or person's name, mailing address, phone number(s), and e-mail address(es).
  - b. **Provide the Make, Model, and FAA registration number of the aircraft** to be stored in the hangar. Note: The FAA registration must list the lease's signatory on it. If the FAA registration comes back to a business entity, the Utah, or other State, corporation / business listing must show the lease listed signatory as an operating principal owner / manager.
  - c. **How long of a lease are you seeking?** Please read the Mayor's Policy on Hangar Land Lease renewal. <https://www.ogdencity.com/DocumentCenter/View/5200/Airport-Lease-Renewal-Policy?bidId=> Most all leases indicate that only a five-year renewal may be offered. The age of your hangar and it's location may dictate the term of your lease. Please see the Mayor's Policy on Airport Redevelopment. <https://www.ogdencity.com/DocumentCenter/View/5201/Airport-Redevelopment-Plan-Policy?bidId=>

If your hangar is eligible for a fifteen (15) year lease and you choose to pursue one, you are required to enlist the services of a Utah licensed Professional Engineer to conduct a full "Tier One" structural assessment. A copy of the full report indicating that your hangar passed the assessment must be given to the Airport. These assessments can cost between \$700 and \$2,000 and may still require the hangar owner to make repairs or corrections to meet this requirement.

- d. **Must arrange for two separate inspections**, but they can be done at the same visit. Please keep in mind that just because the inspection has been done once, does not mean that your hangar passed, nor does it mean that the Airport has a copy of the paperwork indicating that your hangar passed the inspection.
  - i. Fire & Safety Inspection – contact Matt Schwenk (801) 866-3037 mobile or (801) 629-8790 work. Matt works on Mondays, Thursdays, and Fridays.
  - ii. Building & Code Enforcement Inspection – contact Jared Johnson at (801) 629-8950 to schedule.

There is no charge for these two inspections, but both inspections must be successfully passed to get a lease. Common issues found are items like: Water heaters not strapped down, no backflow prevention on water taps, breaker boxes not labeled, or access blocked, expired fire extinguishers, unsafe electrical, etc. In a few cases, the hangar was determined to be unsafe for entry.

- e. The Airport staff will need to come out to your hangar and verify the measurements of the leasehold and create the exhibit for the lease.
- f. **Insurance:** The insurance requirements vary between an individual pilot storing their aircraft in a hangar and a business entity conducting business on the airport. For an individual storing their aircraft in their hangar, what is needed is \$1 million in liability insurance and property insurance on the hangar's value.
  - i. OGDEN CITY CORPORATION shall be listed as additional insured or named insured.
  - ii. As a rule, hangar land lease tenants must carry **both** \$1M of liability insurance and property insurance in the amount that the hangar is valued at. If the tenant is leasing a hangar owned by Ogden City, you must have \$1M of liability insurance on the tail number of the aircraft to be stored in the hangar
  - iii. Coverage must meet Ogden City ordinances in Title 8 and within the lease agreement. See below:

### **8-3-2: INSURANCE REQUIREMENTS:**

#### Minimum Limits of Insurance:

1. Each person conducting a commercial activity involving aircraft operation, including, but not limited to, aircraft instruction, rental or charter, shall maintain aircraft liability insurance with limits of not less than one million dollars (\$1,000,000.00) per combined single limit per occurrence for bodily injury, personal injury, and property damage.
2. Each person conducting any commercial activity in which customers, vehicles or aircraft have access to or are operated on the ramps, apron, taxiways or runways shall maintain commercial general liability insurance with limits of not less than one million dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage; business automobile liability insurance with limits of not less than one million dollars (\$1,000,000.00) combined single limit per accident for bodily injury and property damage; workers' compensation limits as required by the laws of the state; and employer's liability insurance with limits of not less than one hundred thousand/five hundred thousand/one hundred thousand dollars (\$100,000.00/500,000.00/100,000.00).
3. Each person selling, storing, or maintaining aircraft, aircraft parts or fuel shall maintain products and completed operations liability insurance with limits of not less than one million dollars (\$1,000,000.00) combined single limit.

During construction, the lessee or owner, or the contractor of the lessee or owner, shall maintain all applicable liability insurance as stated in subsections A1, A2 and A3 of this section, commercial general liability insurance with limits of not less than one million dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage; business automobile liability insurance with limits of not less than one million dollars (\$1,000,000.00) combined single limit per accident for bodily injury and property damage; workers' compensation limits as required by the laws of the state; employers' liability insurance with limits of not less than one hundred thousand/five hundred thousand/one hundred thousand dollars (\$100,000.00/500,000.00/100,000.00); and all-risk builders' liability insurance coverage in the amount of the project cost and any other construction obligations that may arise.

Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions greater than one thousand dollars (\$1,000.00) must be declared to and approved by the city.

#### **ADDITIONAL OGD LEASE INSURANCE REQUIREMENTS SINCE July 25, 2017:**

**Insurance.** At Tenant's cost, Tenant shall procure the following insurance coverage prior to entering the Premises, and Tenant shall maintain its insurance coverage in force at all times when this Agreement is in effect in compliance with City's insurance requirements as they exist from time to time (including, but not limited to, the terms provided in Exhibit D):

**Aircraft Liability with Additional Coverage.** Aircraft liability insurance that includes premises liability, and, if applicable, mobile equipment coverage with a combined single limit for bodily injury and property damage of not less than one million dollars (\$1,000,000) per occurrence (and one hundred thousand dollars (\$100,000) per passenger seat for applicable claims), including, but not limited to, contractual liability coverage for Tenant's performance of the indemnity agreement set forth in Section 6.A. If any such coverage is not available to Tenant in the form of an aircraft liability policy, Tenant shall obtain substantially similar coverage through a commercial general liability policy.

Property. All risk property insurance coverage in an amount equal to the replacement cost (without deduction for depreciation) of the Tenant Improvements. Tenant is solely responsible for Tenant’s personal property, and Tenant may purchase insurance for Tenant’s personal property as Tenant may determine.

Automobile. If Tenant drives any automobile other than in the roadways and automobile parking areas at the Airport (including, but not limited to, if Tenant parks an automobile in Tenant’s hangar when permitted by this Agreement), comprehensive automobile liability coverage for claims and damage due to bodily injury or death of any person or property damage arising out of Tenant’s ownership, maintenance, or use of any motor vehicles, whether owned, hired, or non-owned, of not less than five hundred thousand dollars (\$500,000) single combined limit “per accident” for bodily injury and property damage.

Pollution. Tenant is responsible for environmental losses. Any pollution legal liability insurance obtained by Tenant shall comply with the requirements for insurance that are stated in this Agreement. If Tenant engages in self-fueling, Tenant shall comply with City’s self-fueling requirements, including, but not limited to, pollution legal liability insurance requirements.

Aircraft. Tenant is solely responsible for any damage or loss to the Aircraft. Tenant shall obtain insurance coverage for the Aircraft as Tenant may determine.

Business Interruption. Tenant is solely responsible for all costs of business interruption, however incurred, and Tenant may purchase business interruption insurance as Tenant may determine.

- iv. **A Certificate of Insurance alone is NOT enough to show that Ogden is additional insured.** A full copy of the policy is required. See next graphic for the reasoning behind this. Without a full copy of the policy to ensure that the Additional Insured Provisions are there, we have no assurance that the coverage exists.

 <b>CERTIFICATE OF AIRCRAFT INSURANCE</b>		DATE (MM/DD/YYYY) 11/13/2019
		<p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p> <p><b>IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</b></p>
PRODUCER Avemco Insurance Company 8490 Progress Drive, Suite 100 Frederick, MD 21701	CONTACT NAME: Avemco Insurance Company PHONE: 800-638-8440 (A/C, No, Ext):	FAX: 800-863-3338 (A/C, No):
E-MAIL ADDRESS: avemco@ave.com		<b>OGD has to have a copy of the full policy to ensure Ogden City is covered</b>
PRODUCER CUSTOMER ID No.		

**g. Did you buy an existing hangar?**

- i. If the sale occurred prior to January 1, 2020, the City / Airport needs two documents that you, as the buyer, need to get from the seller:
  - 1. First, would be a Bill of Sale. There are many different formats for a Bill of Sale and many of them will work for the City / Airport’s needs. You can find several examples online or you can contact the Airport Manger’s Office for samples that we have accepted in the past.

2. Second, would be a Transfer of Interest. This document is like a Quit Claim Deed. This document acknowledges that whatever claim that the Seller has in the property in question (hangar), is now being transferred to the Buyer.
  3. Due to at least a dozen existing situations, the Airport will NOT issue a TSA Airport Issued ID / access card until the buyer has initiated a new lease and provided the required documents. The buyer cannot gain the benefits of owning a hangar at OGD and not diligently pursue the required lease.
- ii. For any and all purchase / sale of existing hangars, AFTER January 1, 2020, please read the following information from the City Attorney:

To All Ogden Airport Tenants:

The airport has experienced many instances in which a hangar tenant attempts to sell their hangar or assign their hangar lease without the required written approval of Ogden City. This has resulted in several instances where a tenant received purchase money from a buyer, but the buyer obtains no lease or other enforceable interest in the hangar that was allegedly "sold" to the buyer. Some buyers have failed to qualify as airport tenants even years after an alleged sale. Airport lease agreements, as well as city ordinances and policies, require city approval of any transfer of the lease or leased premises, including hangars built upon leased premises. No city approval can or will be given unless the prospective buyer qualifies as an airport tenant before the sale transaction takes place.

Please be advised that effective immediately the city will not accept Bill of Sale or Transfer of Interest documents from any airport tenant as evidence of sale of any hangar, unless and until the proposed buyer has qualified as an airport tenant and the City has approved buyer to take assignment of an existing lease or to enter into a new lease. Tenants are prohibited from selling their hangars to a buyer that has not qualified as a tenant. A tenant who violates this directive and attempts to improperly sell or assign their hangar lease or leased premises, will be in breach of their lease agreement and subject to termination of the lease. The seller may also be liable to the unsuccessful buyer for damages.

If you intend to be involved in an airport transaction in the future, please contact the airport manager's office to discuss the transaction, begin the prospective tenant application process, and receive city forms approved for such transactions. Always obtain written city approval from the airport manager before a sale.

Thank you,

Gary R. Williams  
Ogden City Attorney  
2549 Washington Blvd., Suite 840  
Ogden, Utah 84401  
Phone (801) 629-8160 Fax (801) 629-8927  
GaryWilliams@OgdenCity.com

**h. Use of the hangar:**

- i. Do you intend to use your hangar to conduct simply store your owned or long-term leased aircraft at the OGD airport? Use the Private Hangar Lease Agreement.  
<https://www.ogdencity.com/DocumentCenter/View/5205/FORM---Ogden-Private-Hangar-Lease-Agreement-25-July-2017-00082850xA467D?bidId=>
- ii. Do you intend to use your hangar to conduct business at the OGD airport?
  1. Single Aeronautical Service Operator (SASO) Lease.  
<https://www.ogdencity.com/DocumentCenter/View/5206/FORM---Ogden-SASO-Lease-Agreement-25-July-2017-00082846xA467D?bidId=>
  2. Commercial Aeronautical Activities Permit (CAAP): A City Business License AND an OGD CAAP is required. A CAAP is usually required along with a SASO Lease, but a CAAP can be issued independently for business entities and individuals that are not leasing OGD Airport property, but that are conducting business at OGD. If you or anyone using your hangar is conducting business at the OGD Airport or in Ogden City, you must have also have an Ogden City Business License.
  3. Non-Aeronautical Business use? Please read the Mayor’s Policy on Non-Aeronautical Use of Airport Hangars Amendment.  
<https://www.ogdencity.com/DocumentCenter/View/5202/Non-Aeronautical-Use-of-Airport-Hangars-Amendment?bidId=>
- iii. **Do you intend to lease space in your hangar to someone other than yourself?** Any aircraft stored in your hangar, other than your own, **must have a sub-lease** and must have insurance based on the aircraft’s FAA tail number listing Ogden City Corporation as additional or named insured. The sub-lease form used will depend on the lease that you have. It will be one or the two listed below. The City / Airport must have a digital copy of YOUR lease or agreement with the person that you are subleasing to. Please do not redact out any of the information in your sublease. This will just delay or completely halt the process. The link to the City’s website for the correct form is listed below:
  1. SASO Sub-Lease <https://www.ogdencity.com/DocumentCenter/View/5203/FORM---Sublease-Addendum-for-SASO-Subtenant-19-May-2017-00082129xA467D?bidId=>
  2. Private Hangar Sub-Lease  
<https://www.ogdencity.com/DocumentCenter/View/5207/FORM---Sublease-Addendum-for-Private-Hangar-Subtenant-19-May-2017-00082131xA467D?bidId=>
- iv. **Do you own or have proprietary access to an aircraft?**
  1. The main purpose of the lease is for the storage of an aircraft that is owned, long term controlled by the hangar owner, or the aircraft is subject to an authorized sublease of a portion of the hangar. The City / Airport cannot approve a new lease for someone who doesn’t own, have long term control, or an approved sub-lease with someone who does own or have long term control of an aircraft.

2. The City / Airport must be able to validate that the person leasing or sub-leasing the hangar has a verifiable financial interest in the aircraft being stored.

**i. Current lease rates and future increases:**

Lease rates can be increased by the Ogden City Mayor and City Council and / or by the corresponding U.S. Consumer Price index. For the City to send invoices out in late December of 2019, we would have to use the 2018 CPI number below. We simply will not have the full year's (2019) CPI data until February 2020 or beyond.

OGD's CPI procedure that can be given out to everyone for transparency.

- i. The City/Airport will always use the Midwest Region / Mountain Plains Consumer Price Index (CPI) from the following Bureau of Labor Statistics website:

[https://www.bls.gov/regions/midwest/data/ConsumerPriceIndexHistorical\\_Midwest\\_Table.pdf](https://www.bls.gov/regions/midwest/data/ConsumerPriceIndexHistorical_Midwest_Table.pdf)

- ii. The City/Airport will begin producing annual invoices for the coming year, beginning in late December of each year. The lease rate escalation will be based on the previous full years CPI rate. (e.g. the increase that begins January 1, 2020, will be based on the full 2018 calendar year CPI. It is typical that the past full year's CPI is not published for approximately 90 days after the end of the calendar year.

- iii. All lease invoicing that does not begin on January 1st, will be prorated, so that all Airport land lease tenants will pay the escalated rate for 12 consecutive months.

- iv. The calculation of land lease rent rates will apply the new CPI escalation (2018) rate to the past calculation out to four (4) decimal places. We will not apply the new rate to the past year's rate per square foot.

- v. Once the new calculations are made, all rates will be rounded to the nearest penny (\$0.01).

vi. **The 2019 rates are:**

1. Unimproved Land - Aeronautical = \$0.1550 (four decimal places) or \$0.155 (rounded to the half cent)
2. Improved Land - Aeronautical = \$0.2892 (four decimal places) or \$0.29 (rounded)
3. Unimproved Land – Non-Aeronautical = \$0.6198 (four decimal places) or \$0.62 (rounded)  
Four (4) times the aeronautical rate
4. Improved Land – Non-Aeronautical = \$1.1570 (four decimal places) or \$1.16 (rounded)  
Four (4) times the aeronautical rate

vii. **2020 rates are proposed be with just a CPI increase:**

1. Unimproved Land - Aeronautical = \$0.1550 X 1.02910 (2018 CPI 2.910%) = \$0.1595 (four decimal places) or \$0.16 (rounded)
2. Improved Land - Aeronautical = \$0.2892 X 1.02910 (2018 CPI 2.910%) = \$0.2976 (four decimal places) or \$0.30 (rounded)
3. Unimproved Land – Non-Aeronautical = \$0.6198 X 1.02910 (2018 CPI 2.910%) = \$0.6378 (four decimal places) or \$0.64 (rounded) Four (4) times the aeronautical rate
4. Improved Land – Non-Aeronautical = \$1.1570 X 1.02910 (2018 CPI 2.910%) = \$1.1907 (four decimal places) or \$1.19 (rounded) Four (4) times the aeronautical rate

j. **The City / Airport is REQUIRED by FAA regulation to:**

1. Make Rates, Fees, and Charges Fair and Reasonable.
2. Charge “market rates” for Airport resources and services
3. Ensure that Rates, Fees, and Charges are NOT determined by methods that are discriminatory, capricious, or arbitrary
4. All aeronautical users are entitled to airport access on fair and reasonable terms without unjust discrimination. This does not mean this access is free.
5. However, OGD Airport may use different mechanisms and methodologies to establish fees for different facilities, e.g., for the airfield and terminal area, and for different aeronautical users, e.g., air carriers and fixed-base operators.
6. OGD Airport **must** maintain a fee and rental structure that in the circumstances of the airport, makes the airport as **financially self-sustaining as possible**.
7. The FAA encourages direct resolution of differences at the local level between local aeronautical users and the OGD Airport. Such resolution is best achieved through adequate and timely consultation between the airport proprietor and the aeronautical users about airport fees.

See the FAA’s policy at the link below:

[https://www.faa.gov/airports/airport\\_compliance/media/airports-rates-charges-policy-with-amendments.pdf](https://www.faa.gov/airports/airport_compliance/media/airports-rates-charges-policy-with-amendments.pdf)

k. **An Airport's Requirement to be Financially Self-Sustaining**

- i. Airport proprietors must maintain a fee and rental structure that in the circumstances of the airport makes the airport as financially self-sustaining as possible.
  - a. If market conditions or demand for air service do not permit the airport to be financially self-sustaining, the airport proprietor should establish long-term goals and targets to make the airport as financially self-sustaining as possible.
  - b. Airport proprietors are encouraged, when entering into new or revised agreements or otherwise establishing rates, charges, and fees, to undertake reasonable efforts to make their particular airport as self-sustaining as possible in the circumstances existing at such airports.
    - i. Absent agreement with aeronautical users, the obligation to make the airport as self-sustaining as possible does not permit the airport proprietor to establish fees for the use of the airfield that exceed the airport proprietor's airfield costs.
    - ii. For those facilities for which this policy permits the use of fair market value, the Department does not construe the obligation on self-sustainability to compel the use of fair market value to establish fees.
  - c. At some airports, market conditions may not permit an airport proprietor to establish fees that are sufficiently high to recover aeronautical costs and sufficiently low to attract and retain commercial aeronautical services. In such circumstances, an airport proprietor's decision to charge rates that are below those needed to achieve self-sustainability in order to assure that services are provided to the public is not inherently inconsistent with the obligation to make the airport as self-sustaining as possible in the circumstances.

- l. **Financial Obligations:** Lastly, we cannot offer a new or renewal lease to anyone that is in arrears with their financial obligations to the Airport or Ogden City.