

**When recorded, mail to:
City of Prescott
City Clerk
201 S Cortez St
Prescott, Az. 86303**

**Airport Ground Lease – 2011-100A1
First Amendment**

**AMENDMENT NUMBER ONE TO AIRPORT GROUND LEASE WITH GUIDANCE
HELICOPTERS, INC.**

THIS AMENDMENT NUMBER ONE TO AIRPORT GROUND LEASE, is by and between the CITY OF PRESCOTT, an Arizona municipality (hereinafter referred to as "City" and/or "Lessor") and GUIDANCE HELICOPTERS, INC. (hereinafter referred to as "Guidance" and/or "Lessee"). Lessor and Lessee may be jointly called the "Parties", or individually, the "Party".

WHEREAS, City and Guidance entered into an Airport Ground Lease 2011-003, on January 12, 2011, ("Lease"), whereby the City leased to Guidance certain property at the Prescott Municipal Airport; and,

WHEREAS, the current Lease has a twenty (20) year term, with three five year options to extend the term; and

WHEREAS, Exhibit C – "Initial Improvements, Site Plan and Construction" is included as "reserved – no initial improvements proposed" and no plans to improve the current non-improved (gravel-covered) areas at the west end of the parcel have been presented to the City; and further, that only vehicle/equipment parking have occurred in the gravel areas at the west end of the parcel since lease commencement in 2011; and,

WHEREAS, Article XVII of the Lease states that, "If only a part [of the leasehold] is condemned and the taking of that part does not substantially impair the capacity of the remainder to be used for the purposes allowed by this Lease, Lessee shall continue to be bound by the terms, covenants and conditions of this Lease except, the monthly rental shall be reduced in proportion to the relationship that the compensation paid by the public entity for the portion the Premises condemned bears to the value of the whole of the Premises as of the date possession of the part is taken by the public entity"; and,

WHEREAS, in lieu of condemnation, the parties mutually agree to amend the Lease which will allow for the construction of a new Airport Passenger Terminal and roadway system to accommodate air service for more than 25,000 annual enplanements; and

WHEREAS, the original Lease did not provide for any designated vehicle parking for Lessee; and,

WHEREAS, the City is approving an substantially equivalent land swap with the Lessee, where the Lessee will forego any legal interest in the gravel covered area that is located west of the Leasehold (Exhibit A); and, in return Lessee will receive twelve vehicle parking spots (Exhibit B) for Lessee's sole use for the duration of the Lease term, with the understanding that signs and enforcement of proper use of those parking spots is the sole responsibility of Lessee; and,

WHEREAS, amending the Lease is in the best interest of the public health, safety and welfare.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City hereby amends Lease Agreement 2011-100, effective immediately upon execution of this Amendment Number One, and to modify Lease Agreement 2011-100 as follows:

SECTION ONE. THAT the Square Footage (referenced throughout the Lease) is reduced from 8058.60 sq.ft. (0.185 acres) to 5,798.60 sq.ft., as reflected on the incorporated Exhibit "A" to this Amendment Number One.

SECTION TWO. THAT upon execution of this First Amendment, the rental rate for the Lease will remain the same, to be adjusted annually per Article IV(C) of the original Ground Lease, with the Lessee receiving commensurate square footage with vehicle parking spots as identified in Section Three..

SECTION THREE. THAT the City, , will designate twelve vehicle parking spots, as identified on the incorporated Exhibit "B", for Lessee's use for the duration of the Lease term, with the understanding that signs and enforcement of proper use of those parking spots is the sole responsibility of Lessee.

SECTION FOUR. THAT all other terms and conditions of Airport Ground Lease 2011-100 remain in full force and effect throughout the term of this Lease. In the event of any inconsistencies between the Lease and this Amendment Number One, the terms of this Amendment Number One shall control. Except as expressly set forth in this Amendment Number One, Airport Ground Lease 2011-100 is otherwise unmodified and remains in full force and effect.

DATED THIS ____ Day of _____, 2019.

Lessee:

GUIDANCE HELICOPTERS, INC.

By: _____

Printed Name _____

Title _____

State of Arizona)
) ss.
)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019, by _____, personally known to me or proven to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executes it.

[Seal]
Signature _____

My commission expires:

Lessor:

CITY OF PRESCOTT, an Arizona municipality

By: _____
 GREG L. MENGARELLI, Mayor

ATTEST:

APPROVED AS TO FORM:

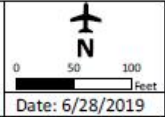
MAUREEN SCOTT
City Clerk

JON M. PALADINI
City Attorney

Exhibit A – New Passenger Terminal Roadway Pathway and Guidance Aviation Impact at 6540 Crystal Lane, Prescott, AZ



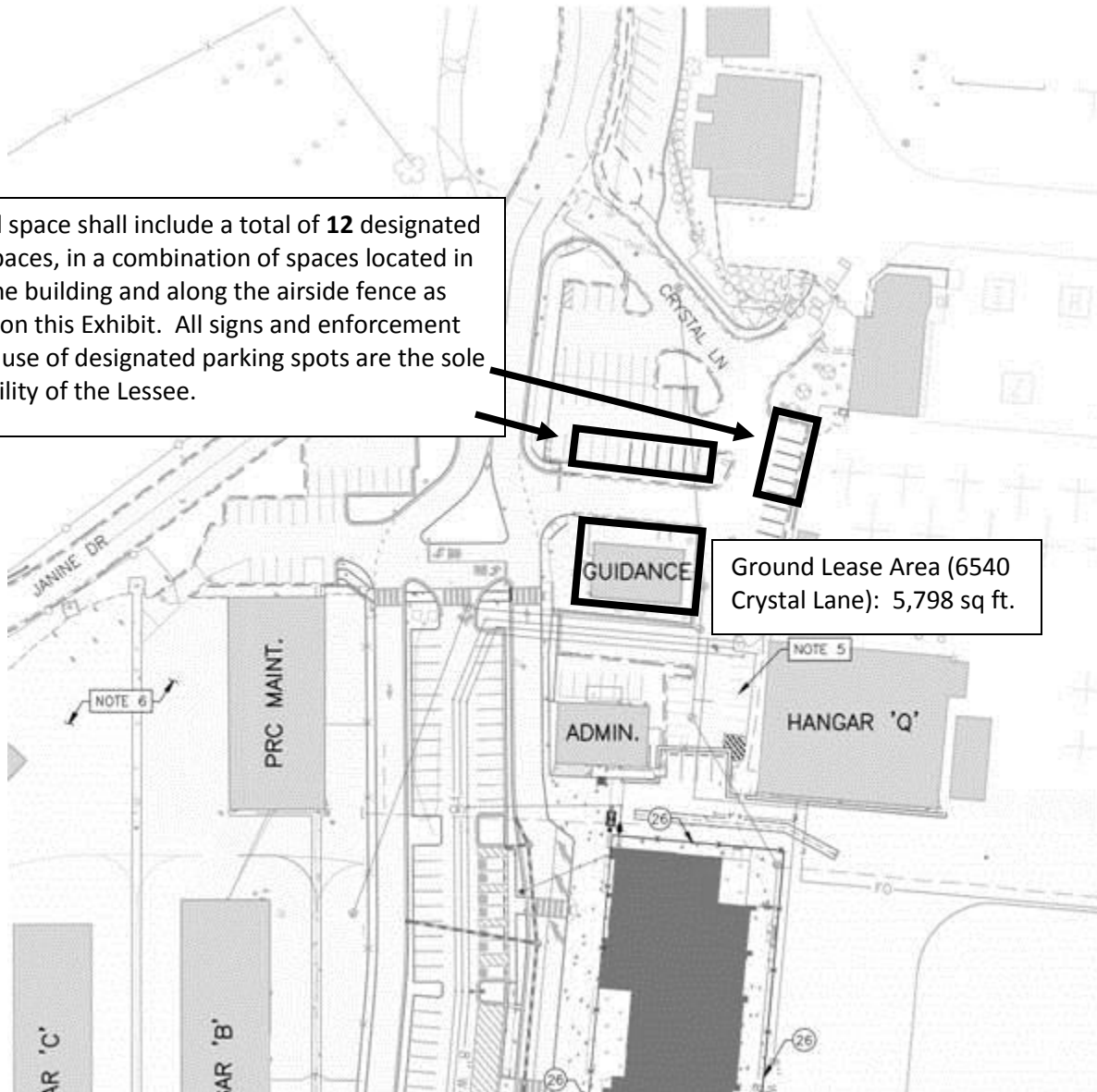
**PRESCOTT REGIONAL AIRPORT
NEW TERMINAL DESIGN**



Date: 6/28/2019

Exhibit B – Designated Vehicle Parking Locations

Leasehold space shall include a total of **12** designated parking spaces, in a combination of spaces located in front of the building and along the airside fence as indicated on this Exhibit. All signs and enforcement of proper use of designated parking spots are the sole responsibility of the Lessee.



Pending final construction of the new access road system for the new Passenger Terminal, the **twelve (12) dedicated parking spaces for Lessee will be accommodated through a combination of parking spaces as displayed on this exhibit and mutually agreed upon by Lessee, and administratively by the Airport Director. Dedicated parking spaces do not include any mandated ADA parking spaces.*