

**Lewiston-Nez Perce County
Regional Airport Authority**

Land Lease Policy

April 2011

I. In General

A. The purpose of this document is to:

1. Provide general guidelines for administration of leases.
2. Provide a means to bring leases to a consistent set of terms and conditions.
3. Assist in the long-term implementation of the Airport Master Plan

B. Lease rates are set by the Authority Board of Commissioners and incorporated in an Authority Fee Policy.

II. Definitions

A. Aeronautical Activity: Any activity conducted on airport property that makes the operation of an aircraft possible or that contributes to or is required for the safe operation of aircraft. The following activities are among those considered to be aeronautical activities within this definition:

- Charter operations
- Pilot training
- Aircraft rental
- Sightseeing
- Aerial surveying
- Crop dusting
- Air carrier operations (both airline passenger and air cargo)
- Aircraft sales and service
- Aviation fuel and oil sales (whether or not conducted in conjunction with other included activities)
- Repair and maintenance of aircraft
- Sale of aircraft parts
- Any other activities that, because of their direct relationship to the operation of aircraft.

B. Minimum Standards for Commercial Aeronautical Activities: The airport sponsor of a federally obligated airport agrees to make available the opportunity to engage in commercial aeronautical activities by persons, firms, or corporations that meet reasonable minimum standards established by the airport sponsor. The airport sponsor's purpose in imposing standards is to ensure a safe, efficient and adequate level of operation and services is offered to the public. Such standards must be reasonable and not

unjustly discriminatory. In exchange for the opportunity to engage in a commercial aeronautical activity, an aeronautical service provider engaged in an aeronautical activity agrees to comply with the minimum standards developed by the airport sponsor. Compliance with the airport's minimum standards should be made part of an aeronautical service provider's lease agreement with the airport sponsor.

C. Zone: A portion of the airport as established by the Airport Authority to which common land use restrictions, development guidelines, or other lease and/or fees, and/or lease guidelines would apply.

D. Renewal by Lease Option: The extension of a lease termination date authorized as an option by the lease.

E. Planned Tenant Development (PTD): The design and construction of a parcel of land to accommodate more than one building and/or hangar and supporting infrastructure, including taxiway(s), access road(s), water, storm water and sanitary sewer.

F. Lease: A contract between the airport owner/operator and the Authority that transfers rights or interests in property, or otherwise authorizes the conduct of certain activities. The lease must be in writing, executed by both parties, and enforceable by law.

(1) Commercial Aviation Land Lease: A lease, the purpose of which is to accommodate any aeronautical activity intended to secure earnings, income, compensation, or profit, whether or not such objectives are accomplished.

(2) Private General Aviation Hangar Lease: A lease, the purpose of which is private aircraft storage and uses reasonably related thereto and no other.

(3) Commercial Non-Aviation Land Lease: A lease, the purpose of which is to accommodate any non-aeronautical activity intended to secure earnings, income, compensation, or profit, whether or not such objectives are accomplished.

III. Policy

A. New Leases

(1) Unless there is some overriding economic benefit (such as in the case of a PTD) as approved by the Authority Board of Commissioners (with the concurrence of the City Council and Nez Perce County Board of Commissioners) to the contrary, new leases will be set for a term of 20 years with a 5 year option for renewal. Lease rates will be increased every five years on the anniversary date of the lease by an accumulative 2.5% per year for a total of 12.5%.

(2) New leases will be based upon policies in effect at the time as established by the Authority Board of Commissioners, taking into consideration location

(consistent with the Airport Master Plan), structure(s) located thereon (compliance with applicable codes) and operations (in accordance with the Minimum Standards for Commercial Operations if applicable).

(3) The leaseholder will provide airport administration a mutually agreeable, surveyed description of the leasehold.

(4) A lease to replace an expired or a lease expiring within 12 months is considered a new lease and—if granted—will be granted in accordance with policies existing at the time of the request for replacement.

(5) A request for a new lease to replace an expired or expiring lease may be granted.

(6) Leases for leaseholds located on the abandoned landfill impacted area will not be renewed upon expiration unless:

- a. The airport master plan addresses the need to retain the facility during the planning period, and
- b. The structures located on the leasehold:
 - i. Are not permanent, or
 - ii. A cost/benefit analysis reveals a positive return for the airport, or
 - iii. Are served by infrastructure not located on the landfill and the leaseholder provides certification by a licensed engineer that the structure is not reasonably likely to fail as a result of its location on the landfill.

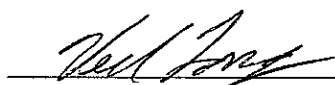
IV. This policy shall be effective April 1, 2011.

DATED this 22 day of April, 2011.

BOARD OF COMMISSIONERS


William Vern McCann, Jr., Chairman

ATTEST:


Verl Long, Secretary