

**AGREEMENT FOR LEASE OF PROPERTY  
AND OPERATING RIGHTS  
HANGAR / PARKING LOT / CLASSROOM SPACE  
(AERONAUTICAL)**

**AT THE  
COLEMAN A. YOUNG INTERNATIONAL AIRPORT**

**BETWEEN  
THE CITY OF DETROIT  
AND  
CENTER FOR INNOVATIONS IN EDUCATION, dba BASE 11**

**CONTRACT NO.**

**SEPTEMBER 2015**

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**AT THE COLEMAN A. YOUNG INTERNATIONAL AIRPORT**

**BETWEEN  
THE CITY OF DETROIT  
AND  
BASE 11**

**THIS LEASE AGREEMENT ("Lease") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the City of Detroit, a municipal corporation of the State of Michigan, acting by and through its Airport Department (hereinafter "City"), and the Center for Innovations in Education, dba Base 11, a State of California 501(c)(3) non-profit corporation with an office at 600 Anton Blvd., Suite 1100, Costa Mesa, CA 92626 (hereinafter "Lessee").**

**RECITALS:**

**WHEREAS, the City owns, operates and maintains the premises commonly known as Coleman A. Young International Airport ("City Airport"); and**

**WHEREAS, Lessee desires to lease certain space at City Airport in the Executive Hangar Building, in the 10200 Erwin Building and at Parking Lot B;**

**WHEREAS, the City is willing and is authorized to lease the space subject to the covenants set forth below;**

**NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Lessee agree as follows:**

**ARTICLE 1  
DEFINITIONS**

For purposes of this Lease, the following words and phrases shall have the meanings set forth below:

**1.01 Director. "Director" means the Director of the City's Airport Department, and his duly authorized representatives.**

**1.02 Leased Premises. "Leased Premises" means those certain premises at City Airport, more particularly described by Section 2.03 and Exhibit A herein.**

- 1.03 **Rent.** "Rent" means Lessee's minimum rental obligation under this Lease.
- 1.04 **FAA.** "FAA" means the Federal Aviation Administration of the United States government, and any federal agency succeeding to its jurisdiction.
- 1.05 **DOT.** "DOT" means the United States Department of Transportation, and any federal agency succeeding to its jurisdiction.
- 1.06 **CERCLA.** "CERCLA" means the Comprehensive Environmental Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601, et seq., and all rules and regulations promulgated thereunder.
- 1.07 **NREPA.** "NREPA" means the Michigan Natural Resources and Environmental Protection Act, as amended, MCL 324.20101, et seq., and all rules and regulations promulgated thereunder.
- 1.08 **RCRA.** "RCRA" means the Resource Conservation Recovery Act, as amended, 42 U.S.C. 6901, et seq., and all rules and regulations promulgated thereunder.
- 1.09 **Partial Destruction.** The term "Partial Destruction" means a thirty percent (30%) destruction of the Leased Premises (excluding personal property).
- 1.10 **Substantial Destruction.** The term "Substantial Destruction" means a seventy percent (70%) destruction of the Leased Premises (excluding personal property).

## **ARTICLE 2**

### **SPECIAL CONDITIONS**

**2.01 Term.**

The term of this Lease shall be for ten (10) years commencing on September 1, 2015 and expiring at midnight on August 31, 2025 ("Lease Term") unless otherwise terminated pursuant to the provisions of this Lease.

At the end of the Lease Term, Lessee shall return the Leased Premises to the City in broom sweep condition.

The Lease Term may be extended upon mutual agreement of both parties for one (1) additional ten (10) year term. To exercise this option, Lessee shall send a letter to the City indicating Lessee's desire to invoke the option to extend the Lease. The letter shall be received by the City at least one hundred twenty (120) days prior to the expiration of the then current Lease Term due to expire. The additional term shall require a written amendment to this Lease, as well as separate approval by Detroit City Council to be effective. Rent for any extended term shall be negotiated prior to the commencement of

the extended term. The term "Lease Term" shall include the initial and any extended terms of this Lease.

**2.02 Rent.**

The Lessee shall provide the following Base Rent and Renovations to the Lessor as rent ("Rent") for use of the Leased Premises during the Lease Term:

- (a) **Base Rent.** Lessee shall pay an amount of seven thousand and 00/100 Dollars (\$7,000.00) per month ("Base Rent") for lease of the Leased Premises. The total amount of Base Rent due under this Lease shall be eight hundred forty thousand and 00/100 Dollars (\$840,000.00), unless otherwise amended to include an additional extended term. Lessee shall pay monthly in advance on the first day of each respective calendar month of the Leased Term.

Base Rent payments received by the City will be applied to pay the earliest unpaid Base Rent. Lessee acknowledges that the Base Rent is a liquidated claim and that its obligation to pay Base Rent is an independent covenant under this Lease and is not subject to setoff, recoupment or suspension.

The Lessee shall receive a credit against the amount of Base Rent owed for every dollar spent on the Renovations up to seven hundred fifty thousand and 00/100 Dollars (\$750,000.00).

- (b) **Renovations.** Lessee shall make, or cause to be made, seven hundred fifty thousand and 00/100 Dollars (\$750,000.00) worth of renovations to the Executive Hangar portion of the Leased Premise ("Renovations"). The scope of the Renovations shall be mutually agreed upon by the Lessee and the Director. The Lessee shall complete the Renovations by the end of the second year of the Lease Term. Title to all Renovations shall at once be and become the property of City.

The parties agree that Rent is fair market value for the space provided.

Lessee is not entitled to surrender the Leased Premises to avoid liability for Rent unless (a) an acceptance of the surrender is evidenced in a document signed by the City and (b) the document expressly states that it is the acceptance of a surrender. No action or inaction, other than as expressly provided in this section, may be construed as an acceptance of surrender by the City.

**2.03 Description of Leased Premises.**

The City hereby leases to Lessee Bay 7 and Bay 9 within the Executive Hangar Bay, four identified rooms within the 10200 Erwin Building and Parking Lot B, all of which are more particularly described and depicted on Exhibit A attached hereto and made a part hereof.

**2.04 Improvements.**

The Lessee shall make no changes, additions, alterations or leasehold improvements of any nature whatsoever in or to the Leased Premises or any part thereof (herein collectively called "Improvements") without City's prior consent. Improvements shall include, but not be limited to installation or repair of plumbing work, electrical work, vending machine installation or other building repairs. Lessee may make Improvements during the Lease Term, subject in all cases to the following:

- (a) prior to the making of Improvements, Lessee shall have furnished City with a written description thereof for City's timely review, in such reasonable detail as City shall require, and all applicable plans and specifications therefor, and City shall have given its written consent therefor, which shall not be unreasonably withheld;
- (b) the making of Improvements shall be accomplished in a good and workmanlike manner, without damage to the Leased Premises or any part thereof and in compliance with all applicable laws and regulations of governmental authorities having jurisdiction including, without limitation, the obtaining of all required building permits, licenses and bonds;
- (c) the cost of such Improvements shall be paid or caused to be paid by Lessee so that the Leased Premises shall at all times be free from any lien, mortgage, conditional sales agreement, security interest or title retention agreement or any charge for labor, services, or material supplied or claimed to have been supplied to the Leased Premises as a result of the making of Improvements;
- (d) title to all Improvements shall at once be and become the property of City, without payment or offset, and shall be deemed part of the Leased Premises and subject to all the terms and provisions of this Lease as though included in the Leased Premises as of the commencement of the Lease Term. Title to all trade fixtures, unattached furnishings and tools shall remain the sole property of Lessee;
- (e) any consent given to Lessee for the making of Improvements will not relieve Lessee of its obligation to obtain the prior consent of City to the making of any other Improvements;
- (f) the making of Improvements shall be performed so as not to interfere with the construction or alteration of any construction or repairs undertaken by City;
- (g) Lessee shall provide payment and performance bonds before undertaking any Improvements as provided by State statute;
- (h) The City may, at its sole option, require Lessee to remove any such Improvements or alterations within thirty (30) days following expiration or termination of the Lease and to restore the Leased Premises at Lessee's sole cost and expense, to their original condition. If Lessee fails or refuses to remove such Improvements, and restore the

Leased Premises as required by the City, within the thirty (30) day period, the City may perform the tasks at Lessee's cost and expense plus a fifteen percent (15%) administrative fee. Lessee shall reimburse the City within seven (7) days of receipt of an invoice documenting the costs, expenses and administrative fees.

**2.05 Maintenance of Leased Premises.**

**(a) Responsibility of the City**

The City shall, at its sole cost and expense, maintain the ramp pavement and the structural integrity of the hanger building. Nothing contained herein is intended to make the City responsible for routine cleaning and daily care of any windows, walls or doors.

Notwithstanding the foregoing, Lessee shall be solely responsible for the cost of any repair or maintenance to the Leased Premises resulting from the acts or omissions of Lessee, its officers, agents, employees, contractors, customers, invitees, or other persons doing business with Lessee, or who are on the Leased Premises with the consent of Lessee. In the event of such damage, Lessee shall perform such repair or maintenance at Lessee's sole cost and expense, and if Lessee fails to do so within a reasonable time specified by the Director, the City may perform such repair or maintenance upon giving five (5) days written notice to Lessee, and Lessee shall be obligated to reimburse City for such costs and expense for such repair or maintenance, plus an administrative fee of fifteen percent (15%), to be paid within thirty (30) days of City's tender of an invoice for the costs, expenses and administrative fees.

**(b) Responsibility of Lessee**

Except as otherwise expressly provided by subparagraph (a) of this Section 2.05, Lessee shall, at its sole cost and expense, maintain and keep in good repair all elements of the Leased Premises. Necessary maintenance and repair shall include, but not be limited to: painting; floor and wall covering; and installed partitions; all to be kept in good repair, and in sanitary, safe, serviceable, and presentable condition. Lessee shall be solely responsible for arranging and paying for any janitorial and/or cleaning service at the Leased Premises.

Additionally, Lessee agrees to maintain at least a 40 degrees Fahrenheit temperature within the Leased Premises to prevent pipe and/or water line breakage during periods of cold weather. The Lessee shall be responsible for all repairs of any damage to the Leased Premises or elsewhere that occurs from pipe and/or water line breakage resulting from Lessee's failure to maintain the required temperature within the Leased Premises.

**(c) Inspection and Access to the Leased Premises**

The Director may enter the Leased Premises at all reasonable times for inspections, maintain the building as provided in this Section 2.05, make repairs, alterations, or additions to the building, and to perform any act or to do anything which the City may be obligated or have a right to do under this Lease or by virtue of its ownership of the Leased Premises or otherwise; provided, however, that the Director shall attempt to provide Lessee with as much reasonable prior notice as possible before any entry onto

the Leased Premises during hours other than ordinary business hours to the extent Lessee duly designates the contact persons to be available at all times. Nothing contained herein either shall or will be construed as diminishing or restricting the Director's right of access in any way. The Director's entry onto and use of the Leased Premises for the aforesaid purposes shall not be cause for abatement or non-payment of Rent or for incidental or consequential damages, including but not limited to loss of occupation, business interruption, and/or lost profits.

**2.06 Release of Liability.**

- (a) City is not liable for, and is hereby released from any and all liability to Lessee, to Lessee's insurance carrier or to anyone claiming by, under or through Lessee, for any loss or damage whatsoever to the property or effects of Lessee resulting from fire, theft, rain, windstorm, hail or any other cause whatsoever, whether said cause be direct or indirect or a contributing factor in producing the loss, nor shall the City be liable for the discharge of water or other substance from pipes, sprinklers, conduits, containers, appurtenances thereof, or fixtures thereto, and from any damage resulting from the discharge or failure of electric current, regardless of cause or origin, except the gross negligence or willful misconduct of City, its employees or agents.
- (b) Lessee will indemnify and defend the City against all claims for bodily injury or property damage relating to the Leased Premises. The claims covered by this indemnification include all claims for bodily injury or property damage relating to (1) the condition of the Leased Premises; (2) the use or misuse of the Leased Premises by Lessee or its agents, contractors, or invitees; (3) the acts or omissions of Lessee or its agents, contractors, or invitees; or (4) any other event on the Leased Premises, whatever the cause. Lessee's indemnification does not extend to liability for damages resulting from the sole or gross negligence of the City or for the City's intentional misconduct.
- (c) The City is not responsible to Lessee for any bodily injury or property damage that may be occasioned by or through (a) the acts or omissions of persons occupying space adjoining the Leased Premises or any other part of City Airport, or otherwise, or (b) the breaking, bursting, stoppage, or leaking of electrical cable and wires, or water, gas, sewer, or steam pipes. Lessee agrees to use and occupy the Leased Premises and to use such other portions of City Airport at its own risk.

**2.07 Use of the Leased Premises.**

Lessee shall have exclusive use of the Leased Premises, unless otherwise noted, for any or all of the following purposes, but no other purposes, provided Lessee complies with all federal, state, local and City Airport laws, rules and regulations:

- (a) Executive Hangar Building – Hangar Bays 7 and 9
  - (i) Storage of aircraft.
  - (ii) Operation of a commercial business.
  - (iii) Operation of a training and educational facility.

(b) 10200 Erwin Building – Select Rooms

- (i) Training and educational instruction
- (ii) Vehicle and equipment storage

(c) Parking Lot B – Non-exclusive use

- (i) Operation and flying of unmanned air systems
- (ii) Vehicle and equipment storage

(d) Limitations

- (i) Lessee shall not sell fuel at City Airport.
- (ii) Lessee shall not operate or fly drones, radio controlled flying machines or any other type of unmanned aerial vehicles (all collectively “UAVs”) until the Director of City Airport has given express written permission to the Lessee to operate and fly such UAVs and a Certificate of Authorization has been received by the Director from the FAA. Additionally, the Lessee must contact the City Airport control tower via radio and phone to request the control tower’s permission to launch and fly a UAV in each instance. UAVs are to be operated and flown by the Lessee only in a controlled and contained location as approved by the Director, such as:
  - a the “cube” netting: consisting of a construction of masts and netting in which the drones will fly. A semi-permanent cube netting structure will be assembled in Parking Lot B of the Leased Premises;
  - b Within the hangar with the hangar doors closed and/or within a portable Cube netting structure within the hangar.The Lessee shall maintain visual contact at all times with UAVs while the Lessee operates or flies UAVs at City Airport.
- (iii) Lessee’s use of space at 10200 Erwin Building shall not interfere with other City of Detroit operations being conducted within the building.
- (iv) The Director may utilize Parking B for other purposes during times that are mutually agreed upon by the parties.
- (v) Lessee shall abide by the Assurances included in Exhibit B attached hereto and incorporated by reference herein.
- (vi) Lessee shall abide by the Detroit City Airport – Rules & Regulations included in Exhibit C attached hereto and incorporated by reference herein.
- (vii) Except to the extent approved by the Director in writing, and except for any vending machines already existing on the Leased Premises on the commencement date of this Lease which have been previously approved by the Director in writing, Lessee shall not sell any food or beverage of any kind or character at City Airport.
- (viii) Lessee shall not engage in any aeronautical or non-aeronautical activity in the Leased Premises not specifically authorized herein, including self-fueling of aircraft, without first obtaining both the required permits from the City and the written consent of and upon the terms and conditions set by the Director.

**2.08 Operating Rights.**

Lessee shall have the following nonexclusive privileges, uses and rights, all of which shall be subject to the applicable laws of the United States and of the State of Michigan; ordinances or resolutions of County of Wayne and of the City; rules, regulations and requirements of the City and of the Director; regulations and policies of the FAA or Michigan Aeronautics Commission and the Bureau of Aeronautics; and the requirements of any other duly authorized government agency:

- (a) The right to install, operate, maintain, repair and store all equipment necessary or convenient for the conduct of Lessee's approved operations at City Airport, provided, however, that Lessee shall not keep, or permit to be kept, on or about the Leased Premises any equipment which may be prohibited by the standard form of fire insurance policy or which may be deemed unusually hazardous by insurance companies.
- (b) The right to the nonexclusive use, in common with others, of the City Airport parking area, appurtenances and improvements thereon; the right of ingress to and egress from the Leased Premises, which right shall extend to Lessee's employees, guests, invitees and patrons; and the right, in common with others so authorized, to use common areas of the City Airport, including: runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the takeoff, flying, and landing of the aircraft of Lessee, provided, however, Lessee shall not park, operate or maintain any aircraft in such a manner as to block or prevent the taxiing of other aircraft to various authorized portions of the City Airport, nor to impair ingress or egress to other leased or public areas of the City Airport.
- (c) The right to receive, store, load, unload and deliver personal property upon the Leased Premises.
- (d) The right to train, at City Airport, personnel in the employ of, or to be employed by, Lessee.
- (e) The right to operate management, administrative, accounting, and supervisory offices and facilities upon the Leased Premises, but only in connection with Lessee's operations at City Airport authorized herein.

**2.09 Special Standards for Maintenance and Storage of Aircraft.**

Lessee shall conduct all operations on and from the Leased Premises, in accordance with the following:

- (a) All operations of the Lessee shall be conducted within the Leased Premises, which is sufficient in size and design for the adequate, safe and efficient undertaking of such operations, including, but not limited to: maintenance work areas, storage areas for supplies and sales inventory, rest areas and sanitary facilities, reception area, office space for administrative functions, and any needed areas for specialized services;

- (b) Aircraft stored or operated on the Leased Premises, or at City Airport, shall at all times be in good operating order and free from mechanical defects unless aircraft are being repaired under either (1) Lessee's FAA Part 145 certificated repair standards or (2) for use as a teaching tool for engine and/or airframe repair and maintenance courses.

**2.10 Noise Control.**

Lessee shall not conduct any operation or activity on the Leased Premises, or elsewhere at City Airport, in which the sound emitting solely therefrom is of such volume, frequency or intensity at such time as to constitute a nuisance or cause the noise level at City Airport to attain such volume, frequency, or intensity at such time as to constitute a nuisance. The Director shall have the sole and exclusive authority to determine what constitutes a nuisance and the causes thereof under the provisions of this Section, except that noise levels not in violation of Federal, State or local government standards shall not be deemed a nuisance.

**2.11 Insurance.**

**(a) Required Endorsements**

Throughout the term of this Lease, Lessee shall maintain in full force and effect the coverages of insurance specified herein. Lessee shall maintain all insurance required hereunder with insurance underwriters and insurers authorized to do business in the State of Michigan. The City of Detroit and its officers, agents and employees shall be named as an additional insureds on each certificate of insurance for liability insurance. All liability policies shall provide coverage which includes, or has the same substantive effect as the following wording:

- (i) "The City of Detroit and each of its officers, agents, and employees, in their respective capacities, are additional insureds hereunder with respect to the products, premises and operations of the named insured."
- (ii) "This insurance policy shall apply as primary and that any insurance and/or self-insurance as may be maintained by the City of Detroit, or its officers, agents and employees, shall apply in excess of and shall not contribute with insurance provided by this policy."
- (iii) "This insurance shall not be canceled, limited, or non-renewed until after thirty (30) days advance written notice has been given to the City of Detroit."

Each such policy shall include severability of interest wording specifying that coverage afforded by the policy applies separately to each insured thereunder.

Lessee shall furnish the Director, upon request, but not less than annually, with an original certificate of insurance in a form satisfactory to the Director, evidencing compliance with the terms of this Section 2.11.

Lessee further acknowledges that from time to time during the term hereof City's current policy respecting such liability limits may change, and that City may require Lessee, during the term hereof, to provide higher minimum liability limits under the

respective types of insurance coverages. Such City insurance requirements shall conform to the standard of reasonably prudent, similarly situated airport operators.

(b) General Liability Coverage

Throughout the term of this Lease, Lessee shall maintain in full force and effect commercial general liability insurance, covering bodily injury, personal injury, property damage, cross liability, contractual liability specifying this Lease, with a liability limit of not less than One Million Dollars (\$1,000,000.00), combined single limit per each occurrence and Two Million Dollars (\$2,000,000.00) aggregate for bodily injury, personal injury and property damage liability.

(c) Automobile Liability Coverage

Lessee shall likewise maintain automobile liability insurance for all owned, non-owned, and hired vehicles operated by or on behalf of Lessee at the City Airport or other nonpublic use areas at City Airport, including any additional or replacement vehicles, with a liability limit of not less than One Million Dollars (\$1,000,000.00), per each occurrence for bodily injury, personal injury and property damage.

(d) Workers' Compensation Coverage

Lessee shall likewise maintain workers' compensation insurance and employer's liability insurance in accordance with this Lease and the laws of the State of Michigan, covering all its employees used in performance of this Lease at City Airport. Lessee shall maintain Employers Liability Insurance with minimum limits of Five Hundred Thousand Dollars and No Cents (\$500,000.00) for each disease, accident and occurrence. Lessee shall require each of its agents, licensees, subcontractors, suppliers, and any sublessee of the Leased Premises to maintain such workers' compensation insurance covering their respective employees coming on City Airport premises in connection with lessee's operations hereunder. Upon request by the Director, Lessee shall furnish City with evidence of such workers' compensation insurance in the form of a certificate of insurance acceptable to the Director.

(e) Hangar Keepers Liability Coverage

Lessee shall likewise maintain Hangarkeepers insurance for all non-owned property in the care, custody and control of Lessee, with a liability limit in an amount adequate to cover the replacement cost of any such property.

(f) Aircraft Liability Coverage

Lessee shall likewise maintain aircraft liability insurance for all aircraft operated by Lessee or stored at the Leased Premises, whether owned, non-owned, or hired, with a liability limit of not less than Ten Million Dollars (\$10,000,000.00) combined single limit per each occurrence for bodily injury, personal injury and property damage.

**2.12 Utilities.**

Lessee shall be responsible for payment of all utilities at the Executive Hangar Building portion of the Leased Premises, including, but not limited to, the cost of connection thereof

either as billed by the City or as billed directly to Lessee by the utility or service companies furnishing such service. This includes all utility use charges, as well as any required utility infrastructure improvements or maintenance charges necessitated by the construction, operation or maintenance of the Leased Premises pursuant to this Lease. If billed by City, Lessee shall pay City such costs and charges based upon such standard City Airport rates and charges as may be established from time to time, and meter readings, if any, for amounts used by Lessee, within fifteen (15) days following the date of such billing.

**2.13 Additional Fees, Charges and Rentals.**

Lessee shall pay to City additional fees, charges and rentals in the event of any of the following:

- (a) If City has paid any sum or sums, or has incurred any obligation or expense, for which Lessee has agreed to pay or reimburse City, or for which Lessee is otherwise responsible;
- (b) If City is required or elects to pay any sum or sums, or incur any obligation or expense, because of the failure, neglect or refusal of Lessee to perform or fulfill any of the promises, terms, conditions or covenants required of it hereunder;
- (c) Pursuant to any ordinance, rule, regulation or resolution of the City, Lessee's obligations pursuant to this Section 2.13 shall include all interest, cost, damages, and penalties in conjunction with such sums so paid or expenses so incurred by the City, which may be added by the City to any installment of fees, charges, and rents payable hereunder. Each and every part of such payment by the City shall be recoverable by the City in the same manner and with like remedies as if expressly set forth herein.

In any suit, actions or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum or sums by the City for or in connection with any work done or material furnished shall be prima facie evidence against Lessee that the amount of such payment was necessary and reasonable.

Lessee shall pay City pursuant to this Section 2.13 within thirty (30) days following demand therefor, or within the time specified by applicable ordinance, rule, regulation or resolution of the City.

**2.14 Retention of Records.**

Lessee shall retain all its books, records of account, and supporting documents pertaining to its operations at the City Airport under this Lease for not less than four (4) calendar years following expiration or sooner termination of this Lease.

Lessee shall retain all such books, records of account, and supporting documents at a location within the City, and shall keep and maintain the same in accordance with generally accepted accounting principles.

**2.15 Audit and Access to Lessee's Records.**

Lessee shall make its books, records of account, and supporting documents pertaining to its operation at City Airport available to City, its agents, or auditors, for inspection, audit, and copying, at all reasonable times as may be requested by the Director from time to time hereunder.

Lessee shall provide access to its records for the City's purposes in verifying Lessee's compliance with the covenants contained in this Lease.

Further, at any time within four (4) calendar years following expiration or sooner termination of this Lease, upon notice to Lessee, City may, at its sole cost and expense, inspect, audit, and copy Lessee's books, records of account, and supporting documentation relating to Lessee's operations at City Airport.

**2.16 Financial Reports.**

Lessee shall provide City with any reasonable financial or statistical reports which the Director may from time to time request by written notice to Lessee.

**2.17 Nonwaiver of Claims for Unpaid Rents or Fees.**

Execution of this Lease by the City does not constitute a waiver of any lawful claim against Lessee for rents or fees that are unpaid at the time this Lease is executed.

**ARTICLE 3  
GENERAL CONDITIONS**

**3.01 Authority of the Director.**

The Director shall administer this Lease on behalf of the City. Unless otherwise provided herein or required by applicable law, the Director shall be vested with all rights, powers, and duties of the City hereunder.

With respect to matters hereunder subject to the approval, satisfaction, or discretion of the City or the Director, the decision of the Director in such matters shall be final.

**3.02 Entire Agreement.**

This Lease, together with all attached exhibits, constitutes the entire agreement between the parties, and all other representations or statements heretofore made, verbal or written, are merged herein. This Lease may be amended only by written instrument duly executed by the parties hereto.

**3.03 Nonwaiver of Rights.**

No failure by the City to insist upon the strict performance of any covenant, agreement, term or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rents or fees during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term

or condition. No failure by Lessee to insist upon the strict performance of any covenant, agreement, term or condition of this Lease, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of the Lease to be performed or complied with by a party, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver of any breach shall affect or alter this Lease, but each and every covenant, agreement, term and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

No receipt of monies by the City from Lessee after the termination of this Lease, or after the giving of any notice of the termination of this Lease (unless such receipt cures the event of default which was the basis for the notice), shall reinstate, continue or extend the term or affect any prior notice to Lessee, or operate as a waiver of the right of the City to enforce the payment of rents or fees payable by Lessee hereunder or thereafter falling due, or operate as a waiver of the right of the City to recover possession of the Leased Premises by proper remedy. It is expressly agreed that after the service of notice to terminate this Lease or the commencement of any suit or summary proceedings, or after a final order or judgment for the possession of the Leased Premises, City may demand, receive and collect any monies due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit or judgment, all such monies collected being deemed payments on account of the use and occupation of the Leased Premises or, at the election of City, on account of Lessee's liability hereunder.

#### **3.04 Condemnation.**

In the event all of the Leased Premises are taken for public or quasi-public purposes by the government of the United States, or the State of Michigan, or by any corporation under the right of eminent domain, or should all of the Leased Premises be condemned by any court, county, state, or governmental authority or office, department or bureau of any county, state, or of the United States, then in any such event this Lease shall terminate as of the date title to the Leased Premises vests in the condemning authority. For the purposes of this section, the date of vesting in the condemnor terminating this Lease shall operate as though it were the date originally intended by the parties for expiration of the tenancy created under this Lease. In the event of termination by condemnation, Lessee shall pay rent to City only up to and including the date title vests in the condemnor. Any prepaid or advance rental paid by Lessee to City for that part of the term extending beyond the date on which the title vests in the condemnor shall be refunded within ninety (90) days after City has received an award of just compensation from the condemning authority for the taking of the Leased Premises, provided Lessee shall have duly performed all the monetary covenants and conditions of this Lease by it to be performed. Prepaid rents include any unused portion of the Lease Credits as defined in Section 2.02(a) and 2.02(b) above.

In the event that only a portion of the Leased Premises is taken as specified above, either Lessee or City may terminate this Lease as of the date title thereto vests in the condemnor by giving to the other party written notice within thirty (30) days of the date on which the City receives written notice that title has vested in the condemnor. If neither party

terminates this Lease as set forth in this Section 3.04, when a portion of the Leased Premises is so taken, this Lease shall terminate as to the part taken, and the rent reserved herein shall be adjusted for the remainder of the Leased Premises so that Lessee shall pay for the balance of the term that portion of the rent reserved herein which the value of the portion of the Leased Premises remaining after condemnation bears to the value of the Leased Premises immediately prior to the date of condemnation. Such rent shall be apportioned by agreement between the parties or by arbitration or legal proceedings, but pending such determination or adjudication, Lessee shall pay the entire rent set forth in Section 2.02 and all other charges under this Lease without deduction. Upon final determination or legal adjudication, the City shall credit Lessee for any excess rent paid.

Lessee shall not receive any portion of, or make any claim against, any award made to the City by the condemning authority in respect to the condemnation of the demised premises, and Lessee hereby waives and relinquishes any and all claims against such award and all other claim or claims for compensation or damages against City that may be occasioned by the taking of the Leased Premises or any part thereof under the power of eminent domain.

Notwithstanding the above, in lieu of a total cash payout and considering its long term commitment to operating a teaching facility within the City of Detroit, Lessee would also consider a relocation of its business to an agreed upon "like property" (of like kind and amenity), at the expense of the Lessor, a reasonable approach to settlement of any claim under this provision.

**3.05 Headings.**

The headings of the articles and sections of this Lease are inserted only as a matter of convenience and for reference, and do not define or limit the scope or intent of any provisions of this Lease, and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

**3.06 Nonexclusive Rights.**

Nothing herein shall be construed to grant or authorize the granting of any exclusive right or privilege within the meaning of Section 308 of the Federal Aviation Act for the conduct of any activity on the City Airport. Provided, however, subject to the terms and provisions of this Lease, Lessee shall have the right to exclusive possession of the Leased Premises.

**3.07 Triple Net Lease.**

Except as otherwise expressly provided, this Lease shall be without cost to the City for the maintenance and improvement of the Leased Premises, taxes, or special assessments and utilities.

**3.08 Acceptance of Leased Premises.**

Lessee hereby accepts the Leased Premises "as is", in the condition existing at the commencement of the term hereof. Lessee's taking possession of the Leased Premises shall be conclusive evidence that the condition thereof is satisfactory to Lessee. The City makes no representation or warranty that the Leased Premises are suitable for the uses to which Lessee shall be restricted to pursuant to this Lease.

**3.09 Surrender of Leased Premises.**

The City is not required to give Lessee any notice to quit possession of the Leased Premises upon expiration or early termination of this Lease. Lessee shall peaceably surrender possession of the Leased Premises upon expiration or termination of this Lease in good order and condition, excepting reasonable wear, or destruction not caused by the acts or omissions of Lessee, its officers, agents, employees, contractors, customers, invitees, or other persons doing business with Lessee, or are on the Leased Premises with the consent of Lessee. If the Lessee fails to remove its property on or before the termination or expiration of this Lease, the City may remove such property to a public warehouse for deposit or retain the same in its possession, and sell the same at public auction, the proceeds of which shall be applied first to expenses of removal, storage and sale, second to any sums owed by the Lessee to the City plus a fifteen (15%) percent administrative fee for removal, storage and sale of the Property. If the expense of such removal, storage, and sale shall exceed the proceeds of sale, the Lessee shall pay such excess plus a fifteen (15%) percent administrative fee for removal, storage and sale of the property to the City upon demand.

**3.10 Prohibition of Liens.**

Lessee shall pay promptly, as due, all persons supplying labor and materials for any alteration of, or improvement to, the Leased Premises, and shall permit no lien, construction lien or claim to be filed or prosecuted against the City on account of such labor and materials furnished.

**3.11 Holding Over.**

If Lessee remains in possession of the Leased Premises following the expiration or sooner termination of this Lease, such holding over shall not be deemed to constitute an extension or renewal of this Lease, but shall merely create a tenancy from month to month which either party hereto may terminate upon thirty (30) days' advance notice to the other. In the event of such holding over, Lessee shall perform all terms, promises, conditions and covenants required of it hereunder, but shall pay rent to the City in a monthly amount equal to the last month of the term of the Lease plus any increase. The City reserves all rights hereunder to remove the Lessee from the Leased Premises and to recover all costs, damages, expenses, and attorneys' fees resulting from such holding over. If the Lessee becomes a month-to-month tenant pursuant to this Section, and fails to comply with any term set forth under this Lease, the City shall have the right to terminate said month-to-month tenancy and to re-enter and re-possess the Leased Premises and hold same as if this Lease had never been made or issued.

**3.12 Right of Entry.**

The Director shall have the right, without limitation, throughout the term of this Lease to enter upon the Leased Premises for any lawful purpose, including the purpose of determining whether Lessee is complying with its obligations hereunder.

Such entry by the City shall not be deemed to excuse Lessee's performance of any promise, term, condition, or covenant required of it by this Lease, and shall not be deemed to constitute waiver thereof by City.

**3.13 Licenses and Permits.**

Lessee shall obtain, at its sole cost and expense, all necessary licenses and permits required for construction of Improvements or installation of equipment on the Leased Premises, and any other licenses or permits necessary for the conduct of Lessee's operations at City Airport.

**3.14 FAA Certification.**

Lessee shall not engage in any operations at City Airport prior to obtaining any certification that may be required by the FAA. Lessee shall furnish the Director a copy of any such certification, upon request.

**3.15 Taxes.**

Lessee shall, at its sole cost and expense, pay any and all taxes for which it is responsible, or which may be assessed against it upon the conduct of its operations.

**(a) Possessory Interest and Property Taxation**

Under this Lease a possessory interest subject to property taxation may be created. Pursuant to Act 189, Public Acts of Michigan for 1953, as amended, notice is hereby given that such property interest may be subject to property taxation and special taxation pursuant to MCL 211.181, et seq., and that the party in whom the possessory interest is vested may be subject to the payment of property taxes and special taxes levied on such interest. Lessee shall pay any and all taxes, assessments, and other charges of whatsoever character that may be levied or charged upon Lessee's interest as herein may be created, improvements, operations, or right to use of the Leased Premises.

**(b) Right to Contest Taxes**

Lessee shall have the right to contest in its own name, or, to the extent reasonably necessary, in the City's name, in good faith and by all appropriate proceedings, the amount, applicability, or validity of any tax assessment pertaining to the surface of City Airport property and Lessee's operations thereon.

In the event Lessee initiates such contest, the City shall reasonably cooperate with Lessee, provided that such contest will not subject any part of the surface of City Airport property to forfeiture or loss; and provided, further, that if Lessee contests any assessment made by the Assessor of the City, such contest shall not be initiated in the name of the City, and the City shall not be obligated to cooperate therewith.

If at any time payment of any tax or assessment becomes necessary to prevent any forfeiture or loss, Lessee shall timely pay such tax or assessment to prevent such forfeiture or loss.

**3.16 Nuisance and Waste.**

Lessee shall not erect nor permit to be erected any nuisance on the Leased Premises, or permit any waste thereof. Lessee shall not permit any trash or garbage to accumulate on or about such premises. Lessee shall not place, store, transport or otherwise deposit, or dispose of any hazardous substance as defined by CERCLA, RCRA and NREPA or any other applicable state, federal or local law, ordinance, rule or regulation except in accordance with the terms of such laws upon or under the Leased Premises, nor permit any transport to or placement, storage, or deposit of such hazardous substance upon or under the Leased Premises in violation of such laws. The Lessee shall indemnify and hold City Airport harmless from and against liability or damages resulting from breach or violation of this provision.

Lessee shall use sufficient care and best efforts to maintain the condition of the Leased Premises and shall use due care and take all reasonable measures necessary to prevent any exacerbation of existing conditions at the leased premises to its actions or omissions. Lessee shall not contribute to any existing release or threat of release of any hazardous substances at the property as defined by CERCLA, RCRA and NREPA or any other applicable State, Federal or local law, ordinance, rule or regulation at the leased premises and shall not pose any health risks related to the release or threat of release of any hazardous substances to persons who may be present at or in the vicinity of the leased premises through its actions or omissions. During the term of this Lease, Lessee shall comply with all applicable environmental laws, including but not limited to, CERCLA; RCRA and NREPA, and shall indemnify, defend and hold the City and each of its subcontractors and agents harmless from and against any and all liabilities, costs, claims, fines or penalties resulting from violation of any applicable environmental law by Lessee or its agents, employees, subcontractors and representatives during the term of this Lease.

Lessee shall not be held responsible for any violation of laws related to this Section that may have occurred prior to the Lessee taking possession of the Leased Premises.

**3.17 Signs.**

Except for signs already existing on the Leased Premises on the date of commencement of this Lease as previously approved by the Director, Lessee shall not erect, maintain, or display any sign on the Leased Premises, or elsewhere at City Airport, without the prior written consent of the Director. Lessee shall submit drawings, sketches, designs, and dimensions of such signs to the Director when requesting such approval. All such signs shall be consistent with the City's general sign policy and all state or federal statutes, local ordinances, or rules, regulations or resolutions pertaining to obstructions on or around airports. Any condition, restriction, or limitation as to use or appearance of such signs as may be stated by the Director in writing shall become a part of this Lease, as if specifically set forth herein.

As used herein, "sign" means any advertising sign, billboard, identification sign or symbol, poster, or other similar device, regardless of content.

**3.18 Assignment and Subletting**

**(a) Assignment**

Lessee shall have no right to assign, mortgage, pledge or otherwise transfer this Lease, either voluntarily or by operation of law, in whole or in part, without the prior written consent of the City in each instance.

**(b) Subletting**

Lessee shall have no right to sublease the Leased Premises without the prior written consent of the Director in each instance.

**3.19 Notice of Claims and Suit.**

City and Lessee shall each give the other written notice of any personal injury or other accident claim or lawsuit of which they have knowledge where all or any portion of the claim or lawsuit arises out of or is in any way connected with the Leased Premises, the operations of Lessee hereunder, or the construction or operation of City Airport by the City, or which in any way, directly, indirectly, contingently or otherwise, might reasonably affect the parties or their relationship under this Lease.

Such notice shall be deemed prompt and timely if given within five (5) calendar days following the date of receipt of written notice of such claim by an officer, agent, or employee of either party, and if given within five (5) calendar days following the earlier of actual notice of the lawsuit or the date of service of process upon either party with respect to any such lawsuit.

**3.20 Consent.**

Whenever the consent or approval of either party hereto is required or authorized hereunder, such consent or approval shall not be unreasonably withheld, unreasonably conditioned, or unreasonably delayed.

**3.21 Force Majeure.**

Neither the City nor Lessee shall be deemed to be in breach of this Lease if either is prevented from performing any of its obligations hereunder by reason of strike, boycott, labor dispute, embargo, shortage of energy or materials, act of God, act of a public enemy, act of a superior governmental authority, weather conditions, rebellion, riot, sabotage, or any other circumstance for which it is not responsible, or which is not within its control.

**3.22 No Warranty Regarding City Airport.**

The City does not warrant that City Airport will continue to be used as an airport during the term of this Lease. In the event that such airport use is terminated, whether temporarily or permanently, Lessee shall neither claim, nor have entitlement to, any damages whatsoever from the City, but this Lease shall immediately terminate and Lessee shall have no further obligation to pay rent or other amounts payable hereunder, and the City shall promptly refund any prepaid rent or deposit, including but not limited to any unused portion of the Lease Credits as defined in Section 2.02(a) and 2.02(b) above.

**3.23 Lessee's Representation and Warranty.**

To the best of its knowledge, Lessee represents and warrants that it is not in violation of Environmental Laws at the Leased Premises and that it has not operated the Leased Premises in a manner that would cause a violation of any Environmental Laws and that there is no release or threat of release of hazardous materials from or at the Leased Premises under CERCLA, RCRA or NREPA.

**3.24 Successors and Assigns.**

The provisions of this Lease shall be binding upon and inure to the benefit of the respective successors, assigns, heirs, and personal representatives of the parties hereto.

**3.25 Notices.**

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other, shall be in writing, and shall be either personally delivered or sent by registered or certified mail in a postpaid envelope, addressed as follows:

TO THE CITY:  
Airport Department  
Detroit City Airport  
Attn: Jason Watt, Director  
11201 Conner Avenue  
Detroit, MI 48213

TO LESSEE:  
Base 11  
Attn: Landon Taylor  
600 Anton Blvd., Suite 1100  
Costa Mesa, CA 92626

Either party hereto shall have the right by giving fifteen (15) days written notice to the other, to change the address at which it will receive such communications. Such communications shall be deemed received upon delivery, if personally delivered, or on the seventh (7th) day following deposit in the mail, if sent by mail.

**3.26 Early Termination by Lessee.**

Lessee may terminate this Lease prior to expiration of the Lease Term, and without penalty, upon the happening of one or more of the following events:

- (a) Permanent abandonment of City Airport by the City;
- (b) Assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of City Airport, or any substantial part thereof, in such manner as to substantially restrict Lessee in its operations hereunder for a period of ninety (90) consecutive calendar days;
- (c) Issuance of a permanent injunction by a court of competent jurisdiction which in any way prevents or restrains use of City Airport in a manner substantially restricting Lessee's operations at City Airport hereunder; and

- (d) Default by City in the performance of any promise, term, condition or covenant it is required to perform hereunder, provided City fails to cure such default within one hundred eighty (180) calendar days following receipt of written notice of such default from Lessee; and

Early termination by Lessee pursuant to this Section 3.26 shall be effective upon not less than thirty (30) days advance written notice to the Director unless otherwise noted above, which notice shall state the basis of such termination and the effective date thereof.

In the event of early termination by Lessee pursuant to this Section 3.26, Lessee shall pay rent to the City, up to and including the date of such termination, in accordance with Section 2.02 hereinabove.

**3.27 Early Termination by City.**

The City may terminate this Lease and evict Lessee by issuing a Notice of Termination to the Lessee at least thirty (30) days before the effective date thereof should the Lessee be in default, which includes the nonpayment of Rent or any violation or breach of any term or obligation of this Lease that is not cured by Lessee within sixty (60) days, plus any extension given by the Director, after Lessee's receipt of a written notice from the City identifying such violation or breach.

**3.28 City's Remedies.**

- (a) In the event that Lessee breaches this Lease, or if Lessee's right to possession is terminated by City pursuant to Section 3.27, this Lease shall terminate. Upon such termination, the City may recover from Lessee any amount necessary to compensate City for all the damages or harm proximately caused by Lessee's failure to perform its obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom.
- (b) Efforts by City to mitigate the damages caused by Lessee's breach of this Lease do not waive City's right to recover damages at law and in equity and under this Section.

The City will use commercially reasonable efforts to mitigate any damages resulting from a default by Lessee under this Lease. The City's obligation to mitigate damages after a default by Lessee will be satisfied in full if the City undertakes to lease the Lease Premises subject to the following: (a) City will have no obligation to solicit or entertain negotiations with any other prospective tenants for the Leased Premises until City obtains full and complete possession of the Leased Premises, including, without limitation, the absolute right to relet the Leased Premises free of any claim of Lessee; (b) City will not be obligated to offer the Leased Premises to a prospective tenant when other premises at City Airport suitable for that prospective tenant's use are, or soon will be, available; (c) City will not be obligated to lease the Leased Premises to a substitute tenant for a rental less than the current fair market rental then prevailing for similar uses in comparable airport buildings in the same market area as City Airport; (d) City will not be obligated to enter into a new lease under terms and conditions that are unacceptable to the City under the City's then-current leasing policies for

comparable space at City Airport; (e) City will not be obligated to enter into a lease with any proposed tenant whose use would disrupt the tenant mix, violate any restriction, covenant, or requirement contained in the lease of another tenant at City Airport, or adversely affect the reputation of City Airport; (f) City will not be obligated to enter into a lease with any proposed substitute tenant that does not have, in the City's reasonable opinion, sufficient financial resources or operating experience to operate the Leased Premises in a first-class manner; and (g) City will not be required to expend any amount of money to alter, remodel, or otherwise make the Leased Premises suitable for use by a proposed substitute tenant. Upon compliance with the above criteria regarding the releasing of the Leased Premises after a default or breach by Lessee, the City will be deemed to have fully satisfied City's obligation to mitigate damages under this Lease and under any law or judicial ruling in effect on the date of this Lease or at the time of Lessee's default or breach, and Lessee waives and releases, to the fullest extent legally permissible, any right to assert in any action by City to enforce the terms of this Lease, any defense, counterclaim, or rights of setoff or recoupment respecting the mitigation of damages by City, unless and to the extent City fails to act in accordance with the requirements of this section.

- (c) If Lessee defaults in the payment of Rent or any other monies due and payable under this Lease, after notice as required by statute, City or City's agent may, by any lawful means, proceed to recover the possession of the Leased Premises through the courts of the State of Michigan and remove all persons and property from them. Such repossession of the Leased Premises does not constitute forfeiture or termination of Lessee's obligations to pay Rent, and this remedy is in addition to any other remedies available to the City under Michigan law.
- (d) If the City commences an action to enforce this Lease or to evict Lessee, Lessee agrees to pay City's reasonable attorney fees and costs.
- (e) The receipt of money by the City from Lessee after the termination of this Lease will not reinstate or extend the Lease Term or waive any notice given by the City to Lessee before the receipt of such money. No endorsement or statement on any check, or on any letter accompanying any check, will be deemed an accord and satisfaction. The City may accept such a check or payment without prejudice to the City's right to recover the balance of the amount due or to pursue any other remedy. Lessee waives any requirement that the City tender back funds as a condition to bringing an action to collect unpaid Rent.
- (f) Nothing in this Section affects the right of City under this Lease to indemnification for liability arising prior to the termination of this Lease for personal injuries or property damage, as herein provided. Notwithstanding the foregoing, in the event of Lessee's breach of this Lease and abandonment of the Leased Premises, City may, at its sole option, elect to continue this Lease and enforce all its rights and remedies hereunder against Lessee, including the right to recover the rent as it becomes due.

**3.29 Vehicle and Equipment Parking.**

Vehicular and equipment parking by Lessee, its employees, agents, licensees, suppliers, or subcontractors shall be restricted to such areas at City Airport as are designated by the Director. Such parking may be subject to the payment of parking fees and charges from time to time in certain designated areas.

**3.30 Time of the Essence.**

Time is of the essence in the performance of this Lease.

**3.31 Applicable Law.**

This Lease shall be interpreted and enforced in accordance with the laws of the State of Michigan, and shall be deemed to have been made, and shall be performed, in the State of Michigan.

**3.32 Amendment Required by FAA.**

This Lease may be amended without further consideration for the purpose of satisfying FAA requirements.

**3.33 Federal Grant Agreement Assurances.**

Those certain numbered provisions set forth within Exhibit B – Assurances, attached hereto and made a part hereof, are those specific provisions required by the FAA to be appropriately included within all agreements (including, without limitation, leases, licenses, permits, and contracts) between City and any and all persons and/or entities who use or perform work or conduct activities on City-owned City Airport premises for aeronautical or non-aeronautical purposes. Lessee, by executing this Lease, acknowledges that it has reviewed the Exhibit B, in its entirety, and fully understands the meaning, purpose, and intent thereof. Lessee shall, throughout the term of this Lease, fully and faithfully comply with, abide by and/or adhere to, as applicable and appropriate, each and every one of the numbered provisions contained within said Exhibit (as said numbered provisions are reflected therein or as same may be amended, from time to time, during the life hereof, by City, as and when the FAA's requirements thereon imposed may so dictate), which, pursuant to the guidelines established within said Exhibit, shall either be applicable to Lessee on the start date of the term hereof or which, as a result of changing facts and/or circumstances, shall subsequently become applicable to Lessee, hereunder, during the life hereof.

**3.34 Interest Penalty.**

If Lessee is in arrears for ten (10) days or more following the due date of any amount payable to City hereunder, City may assess interest on such amount, at the rate of one and one quarter percent (1-1/4) per month, applicable from the date such amount was due to the date of payment thereof.

**3.35 Removal of Lessee's Property.**

If Lessee is not in default as to the payment of any rent, fee, or other charge payable to City hereunder, Lessee may remove its inventory, moveable trade fixtures and furnishings from

the Leased Premises upon expiration or sooner termination of this Lease. If Lessee does not elect, or otherwise fails to remove the same, or any part thereof, within fifteen (15) days following City's regaining possession of the Leased Premises, City may, at its option, either require such removal at Lessee's sole cost and expense, or keep such property, in which latter event, title to the same shall vest in City without any obligation to pay Lessee with respect thereto.

**3.36 Independent Contractor.**

Lessee is not an employee or agent of City by reason of this Lease, or otherwise. Lessee is an independent contractor, and as between City and Lessee, Lessee shall be solely responsible for its acts and omissions arising from or relating to its operations or activities at City Airport, or lease of property hereunder.

**3.37 Lessee's Indemnification of City.**

Lessee shall protect, defend, indemnify and hold City and its officers, agents, assigns and employees harmless from and against all liabilities, losses, costs, suits, claims, actions, causes of action, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, foreseen or unforeseen, including all reasonable costs for investigation and defense thereof (including, but not limited to, attorney fees, court costs, and expert fees), arising out of or incident to the acts or omissions of Lessee, Lessee's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur. Lessee shall not be liable for any injuries, death or damage to the extent that such injury, death or damage is caused by the gross negligence of the City, its officers, contractors, agents or employees. The provisions of this Section shall survive the expiration or early termination of this Lease.

Further, Lessee shall indemnify and hold harmless the City, its predecessors in interest, successors, agents, officers, attorneys, employees, and assigns from and against any and all liability, damages, costs, expenses, causes of action, claims, lost profits, losses, settlements, fines, and penalties (to the extent permitted by law), attorney fees and inconvenience related to the existence, migration or removal of any hazardous substances deposited on or transported to the Leased Premises during Lessee's tenancy as resulting or arising out of Lessee's use or occupancy thereof. This provision shall bind Lessee's heirs, assigns, successors, sublessees, administrators and executors, and shall survive the expiration or early termination of this Lease.

**3.38 City Airport Regulations, Training Requirements and Permits.**

In the use of the Leased Premises, Lessee agrees to observe, obey and abide by all ordinances, field rules and other regulations of City applicable thereto. In addition to the foregoing, Lessee shall comply immediately with any and all reasonable directives issued by the Director, including but not limited to directives regarding security, training, and field operating procedures.

**3.39 Restrictions and Regulations.**

This Lease, and the rights herein granted, shall be subject to any and all applicable Federal, State and City statutes, ordinances, rules, regulations, orders and restrictions which are now

in force or which may hereafter be adopted by any duly authorized governmental agency with respect to Lessee's operation at City Airport.

**3.40 Federal Government Agreements.**

- (a) This Lease shall be subordinate to the provisions of any outstanding agreement between the City and the United States regarding the maintenance, operation or development of the Airport.
- (b) The City reserves the right further to develop or improve the landing area and all publicly owned air navigation facilities of the Airport as it sees fit, regardless of the desires or views of Lessee, and without interference or hindrance.
- (c) The City may take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, and may prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Airport which in the opinion of the City would limit the usefulness of the Airport or constitute a hazard to aircraft.

**3.41 Federal Government's Emergency Power.**

During time of war or national emergency, the City shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly owned air navigation facilities and/or other areas or facilities of the Airport. If any such agreement is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the agreement with the Government, shall be suspended.

**3.42 Covenant Against Discrimination.**

- (a) Lessee will not on the grounds of race, sex, religion, or national origin discriminate or permit discrimination against any person or group of persons in any manner as referenced in Part 21 of the Regulations of the Office of the Secretary of the Department of Transportation (D.O.T.); it is further understood and agreed that the City shall have the right to take such action as the Federal Government may direct to enforce this obligation.
- (b) The Lessee shall not discriminate against any employee or applicant for employment, to be employed in the performance of this agreement with respect to hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment because of his age, race, color, religion, national origin or ancestry, except when based on a bona fide occupational qualification (Act No. 251, P.A. 1955, as amended, MCL §37.2101 et seq.).
- (c) The Lessee shall take affirmative action to ensure that applicants seeking employment and employees during employment are treated without regard to age, sex, race, creed, color or national origin. Affirmative action shall mean: (1) The issuance of a statement of policy regarding equal employment opportunity and its communication to all personnel involved in recruitment, hiring, training, assignment and promotion; (2) Notification of all employment sources of company policy and active efforts to review

the qualifications of all applicants regardless of age, sex, race, creed, color or national origin; (3) Recruiting in the minority group community for employees; and (4) Establishing an internal system of reporting concerning equal employment, recruiting, hiring, upgrading and the like. (City of Detroit Human Rights Ordinance No. 303-H, Chapter 27, 1984 City Code).

- (d) The Lessee further shall not discriminate against any employee or applicant for employment to be employed in the performance of this Lease with respect to hiring, tenure, terms, conditions, or privileges of employment because of any physical limitation. This provision shall not apply if such physical limitation prevents the employee or applicant from performing the work involved, or would place the Lessee in violation of any law or regulation relating to the safety of employees or others, or would require extraordinary action on the part of the Lessee. The term "physical limitation" as used in this requirement shall mean a limitation of physical capabilities unrelated to one's ability to safely perform the work involved in jobs or positions available to him for hire or promotion. Physical limitation includes but is not limited to blindness or partial sightedness, deafness or hearing impairment, muteness, partial or total absence of physical member, speech impairment and motor impairment. (City of Detroit Ordinance 303-H, Chapter 27, 1984 City Code).
- (e) The Lessee further shall require a similar covenant on the contractor employed in the performance of this Lease.
- (f) The Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, covenants (1) in the construction of any improvements on, over, or under the Leased Premises, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (2) the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- (g) In the event of breach of any of the above nondiscrimination covenants, the City may terminate this Lease and reenter and repossess the Leased Premises, and hold the same as if said Lease had never been made or issued.

### **3.43 Destruction of Improvements.**

In the event that any or all of the Leased Premises shall suffer partial or substantial destruction at any time during the term of this Lease, the respective rights and obligations of the parties hereto with respect to reconstruction, repairing, and/or restoring such destruction and/or with respect to the matter of the continuance or termination of this Lease following any such destruction, shall be controlled by the provisions of this Section 3.43.

#### **(a) Repair Obligations and Rights of Termination**

In the event the Leased Premises shall suffer Partial Destruction or Substantial Destruction which is caused by the Lessee, its patrons, employees, suppliers, agents, contractors or any person on the Leased Premises with the consent or acquiescence of the Lessee at any time during the term thereof, then:

- (i.) Lessee shall perform the reconstruction, repair, and/or restoration of such destruction.
- (ii.) If, within a reasonable period of time after the date of any Partial or Substantial Destruction, Lessee has not completed the reconstruction, repair, and/or restoration of the destroyed area, then the City may terminate the Lease by giving an advance written Notice of Termination to Lessee that gives Lessee sixty (60) days to be completely removed from City Airport.

(b) Limitation on City's Obligations

The foregoing provisions of this Section 3.43 notwithstanding, City shall not be liable for or obligated to reconstruct, repair, restore, re-install, or replace any destruction or any damaged furnishings, fixtures, or equipment, or other personal property, installed, placed, located in, on or about the Leased Premises caused by Lessee, Lessee's employees, agents, representatives, tenants, invitees or sublessees.

(c) The Payment of Rent

In the event any or all of the Leased Premises shall suffer either partial or substantial destruction as provided in this Section 3.43(a), at any time during the term hereof, the Rent due to be paid by Lessee shall be paid to the date of such destruction and shall then be abated, to the extent that the Leased Premises are untenable, so that Lessee shall only be obligated to pay Rent on those portions of the Leased Premises that are tenable.

**3.44 Authority of City.**

Notwithstanding anything in this Lease or otherwise to the contrary, the City shall not be authorized or obligated to lease the Leased Premises to Lessee until this Lease has been fully executed by the duly authorized representative of the City, approved by resolution of the Detroit City Council, approved by the Mayor of the City of Detroit, and approved by the City of Detroit Law Department. Any amendments or modifications must likewise be duly approved by resolution of the City Council, approved by the Mayor, and be approved by the Law Department.

**3.45 Lease Void Without Requisite Approvals.**

Notwithstanding anything in this Lease or otherwise to the contrary, the Lessor shall not be authorized or obligated to lease the Premises to Lessee until this Lease has been fully executed by the duly authorized representatives of the City, as well as approved by the Detroit City Council, the Mayor of the City of Detroit, the City of Detroit Law Department and any other City financial review board or commission as required by law. Any amendments or modifications must likewise be duly approved by the City Council, the Mayor, and the Law Department.

IN WITNESS WHEREOF, the Lessor and the Lessee, by and through their authorized officers and representatives, have executed this Lease as follows:

WITNESSES:

1. Kelly A. Shanks

Print: KELLY A. SHANKS

2. John D. Beneventi

Print: John D. Beneventi

LESSEE:

CENTER FOR INNOVATIONS IN EDUCATION, dba BASE 11

BY: [Signature]

Print: London Taylor

ITS: CEO

WITNESSES:

1. [Signature]

Print: Greg Williams

2. Kaitlyn M. Harder

Print: Kaitlyn M. Harder

CITY OF DETROIT AIRPORT DEPARTMENT

BY: [Signature]

Print: DASON WATT

ITS: DIRECTOR

Approved by Detroit City Council on:

\_\_\_\_\_

Chief Procurement Officer

In accordance with §18-5-4 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this contract.

\_\_\_\_\_

Finance Director

Approved by the Emergency Manager, City of Detroit on:

\_\_\_\_\_

Approved as to form in accordance with § 7.5-206 of the 2012 City of Detroit Charter.

\_\_\_\_\_

Supervising Assistant Corporation Counsel

THIS LEASE IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY RESOLUTION OF THE CITY COUNCIL AND THE FRC, AS WELL AS SIGNED BY THE CHIEF PROCUREMENT OFFICER.



**CITY ACKNOWLEDGMENT**

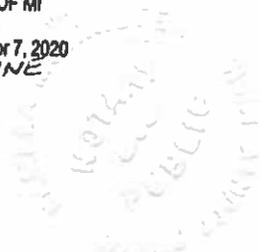
STATE OF MICHIGAN     )  
                                  )SS.  
COUNTY OF WAYNE     )

The foregoing instrument was acknowledged before me on this 29<sup>TH</sup> day of JULY 2015, by Jason Watt, the Airport Department Director of the City of Detroit, Michigan, a municipal corporation.

  
\_\_\_\_\_  
Notary Public, Wayne County, MI

My commission expires: 4/7/20

PAMELA MCGONISTER  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF WAYNE  
MY COMMISSION EXPIRES Apr 7, 2020  
ACTING IN COUNTY OF WAYNE



**RESOLUTION OF CORPORATE AUTHORITY**

I, John D. Benevenuti, Corporation Secretary of the Center for Innovations in Education, dba Base 11, a California 501(c)(3) non-profit corporation ("Lessee") **DO HEREBY CERTIFY** that the following is a true and correct excerpt from the minutes of the meeting of the Board of Directors duly called and held on 7/22, and that the same is now in full force and effect:

"RESOLVED, the President, each Vice President, the Treasurer, and the Secretary and each of them, hereby is authorized to execute and deliver, in the name and on behalf of the Lessee and under its corporate seal or otherwise, any agreement or other instrument or document in connection with any matter or transaction that shall have been duly approved; the execution and delivery of any agreement, document, or other instrument by any of such officers to be conclusive evidence of such approval."

FURTHER, I CERTIFY that Landon Taylor is President, N/A Is (are) Vice President(s),  
John D. Benevenuti Is Treasurer,  
John D. Benevenuti Is Secretary.

FURTHER, I CERTIFY that any of the aforementioned officers of the Lessee are authorized to execute and commit the Lessee to the conditions, obligations, stipulations and undertakings contained in the Lease and that all necessary corporate approvals have been obtained in relationship thereto.

IN WITNESS THEREOF, have set my hand this 29 day of July, 2015.

CORPORATE SEAL  
(if any)

John D. Benevenuti  
Corporation Secretary

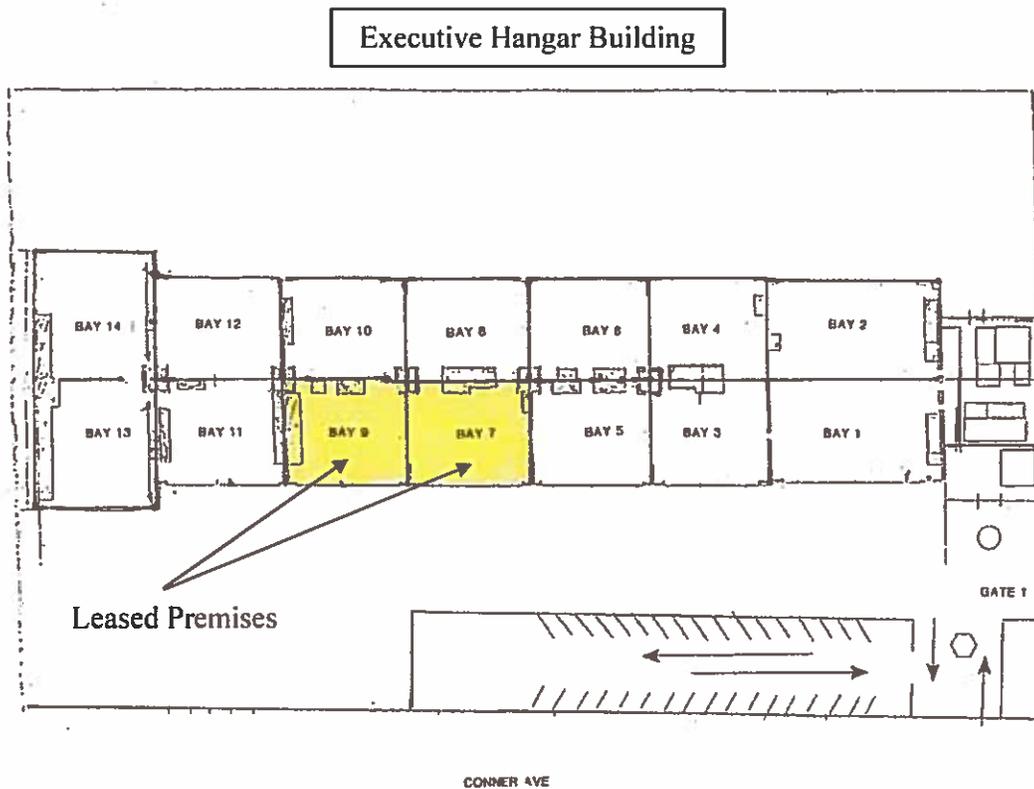
**EXHIBIT A**

**DESCRIPTION OF THE LEASED PREMISES**

**Leased Premises**

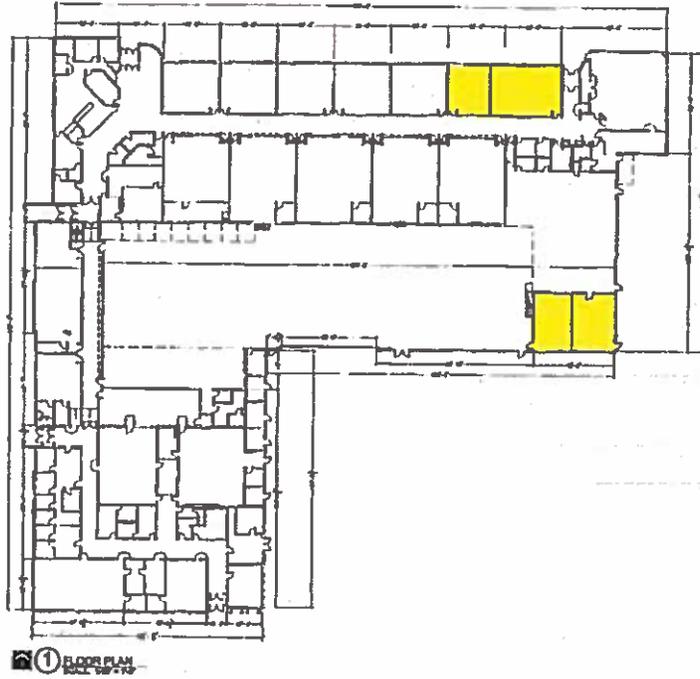
The Leased Premises shall include the following locations at Coleman A. Young International Airport:

1. Executive Hangar – Bays 7 and 9.

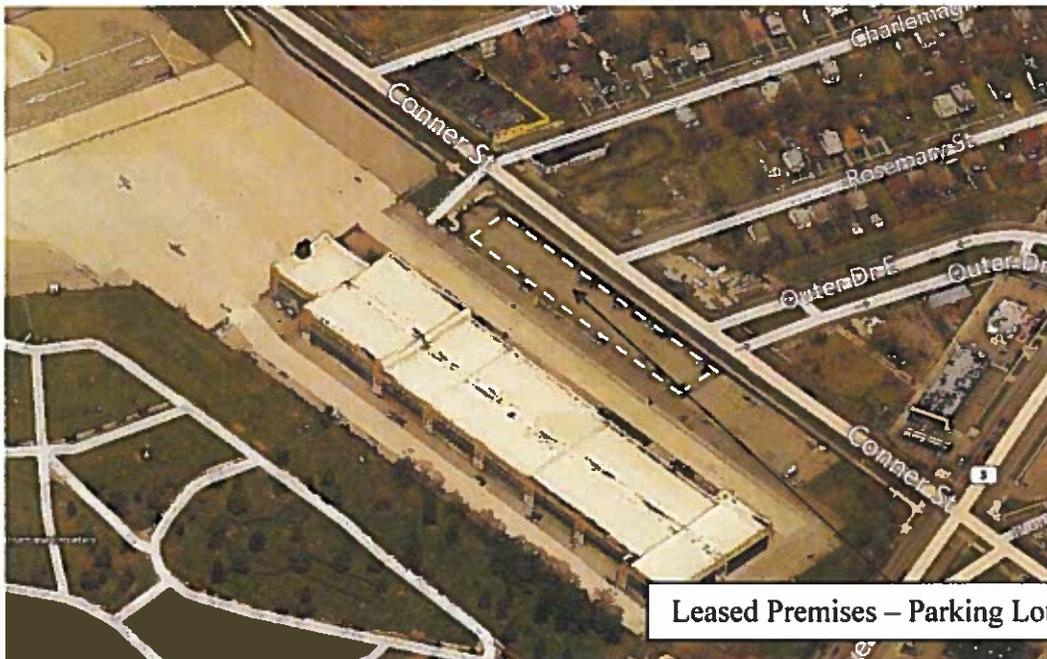


2. 10200 Erwin, Detroit, MI

At 10200 Erwin, the four (4) room highlighted in yellow below.



3. Parking Lot B



**EXHIBIT B**  
**ASSURANCES**



FAA  
Airports

## Grant Assurances Airport Sponsors

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### A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

### B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.** The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.
2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.** The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.** Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 30, 32, 33, and 34 in section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project.

C. **Sponsor Certification.** The sponsor hereby assures and certifies, with respect to this grant that:

1. **General Federal Requirements.** It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

#### **Federal Legislation**

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.<sup>1</sup>
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.<sup>2</sup>
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.<sup>1 2</sup>
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).<sup>1</sup>
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.<sup>1</sup>
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.<sup>1</sup>
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Civil Rights Act of 1964 - Title VI - 42 U.S.C. 2000d through d-4.
- o. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- p. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- q. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.<sup>1</sup>
- r. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.<sup>1</sup>
- s. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.<sup>1</sup>
- t. Copeland Anti kickback Act - 18 U.S.C. 874.1
- u. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.<sup>1</sup>
- v. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- w. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.<sup>2</sup>
- x. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

#### **Executive Orders**

Executive Order 11246 - Equal Employment Opportunity<sup>1</sup>  
Executive Order 11990 - Protection of Wetlands  
Executive Order 11998 – Flood Plain Management  
Executive Order 12372 - Intergovernmental Review of Federal Programs  
Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New  
Building Construction<sup>1</sup>  
Executive Order 12898 - Environmental Justice

### **Federal Regulations**

- a. 14 CFR Part 13 - Investigative and Enforcement Procedures.
- b. 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- c. 14 CFR Part 150 - Airport noise compatibility planning.
- d. 29 CFR Part 1 - Procedures for predetermination of wage rates.<sup>1</sup>
- e. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.<sup>1</sup>
- f. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).<sup>1</sup>
- g. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).<sup>1</sup>
- h. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.<sup>3</sup>
- i. 49 CFR Part 20 - New restrictions on lobbying.
- j. 49 CFR Part 21 - Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- k. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.
- l. 49 CFR Part 24 - Uniform relocation assistance and real property acquisition for Federal and federally assisted programs.<sup>1 2</sup>
- m. 49 CFR Part 26 – Participation By Disadvantaged Business Enterprises in Department of Transportation Programs.
- n. 49 CFR Part 27 - Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance.<sup>1</sup>
- o. 49 CFR Part 29 – Government wide debarment and suspension (nonprocurement) and government wide requirements for drug-free workplace (grants).
- p. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.

- q. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.<sup>1</sup>

**Office of Management and Budget Circulars**

- a. A-87 - Cost Principles Applicable to Grants and Contracts with State and Local Governments.
- b. A-133 - Audits of States, Local Governments, and Non-Profit Organizations

<sup>1</sup> These laws do not apply to airport planning sponsors.

<sup>2</sup> These laws do not apply to private sponsors.

<sup>3</sup> 49 CFR Part 18 and OMB Circular A-87 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

**2. Responsibility and Authority of the Sponsor.**

- a. **Public Agency Sponsor:** It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
- b. **Private Sponsor:** It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

**3. Sponsor Fund Availability.** It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

**4. Good Title.**

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

**5. Preserving Rights and Powers.**

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure

that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.

- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.
- 6. **Consistency with Local Plans.** The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.
- 7. **Consideration of Local Interest.** It has given fair consideration to the interest of communities in or near where the project may be located.
- 8. **Consultation with Users.** In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.
- 9. **Public Hearings.** In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.
- 10. **Air and Water Quality Standards.** In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty days after the project application has been received by the Secretary.
- 11. **Pavement Preventive Maintenance.** With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport,

it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. **Terminal Development Prerequisites.** For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.
13. **Accounting System, Audit, and Record Keeping Requirements.**
  - a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
  - b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.
14. **Minimum Wage Rates.** It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.
15. **Veteran's Preference.** It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam

era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

- 16. Conformity to Plans and Specifications.** It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.
- 17. Construction Inspection and Approval.** It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.
- 18. Planning Projects.** In carrying out planning projects:

  - a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
  - b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
  - c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
  - d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
  - e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
  - f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
  - g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
  - h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of

this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

**19. Operation and Maintenance.**

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-
- 1) Operating the airport's aeronautical facilities whenever required;
  - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
  - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

**20. Hazard Removal and Mitigation.** It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

**21. Compatible Land Use.** It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

**22. Economic Nondiscrimination.**

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-
  - 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
  - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non tenants and signatory carriers and non signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
  - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.
- 23. **Exclusive Rights.** It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:
  - a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
  - b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.
- 24. **Fee and Rental Structure.** It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.
- 25. **Airport Revenues.**
  - a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the

airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

- 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
  - 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
  - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
  - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

**26. Reports and Inspections. It will:**

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports

available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
  - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
  - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

**27. Use by Government Aircraft.** It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

**28. Land for Federal Facilities.** It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such

purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

**29. Airport Layout Plan.**

- a. It will keep up to date at all times an airport layout plan of the airport showing (1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto; (2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities; (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and (4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

- 30. Civil Rights.** It will comply with such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from funds received from this grant. This assurance obligates the sponsor for the period during which Federal financial assistance is extended to the program, except where Federal financial assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon in which case the assurance obligates the sponsor or any transferee for the longer of the following periods: (a) the period during which the property is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or

(b) the period during which the sponsor retains ownership or possession of the property.

**31. Disposal of Land.**

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue

from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. **Engineering and Design Services.** It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.
33. **Foreign Market Restrictions.** It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.
34. **Policies, Standards, and Specifications.** It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated \_\_\_\_\_ (the latest approved version as of this grant offer) and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.
35. **Relocation and Real Property Acquisition.** (1) It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B. (2) It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24. (3) It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.
36. **Access By Intercity Buses.** The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to

have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. **Disadvantaged Business Enterprises.** The recipient shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non discrimination in the award and administration of DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26, and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801).
38. **Hangar Construction.** If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.
39. **Competitive Access.**
  - a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
    - 1) Describes the requests;
    - 2) Provides an explanation as to why the requests could not be accommodated; and
    - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
  - b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

## **EXHIBIT C**

### **DETROIT CITY AIRPORT RULES & REGULATIONS**

The Lessee agrees to abide by the official Detroit City Airport Rules and Regulations as issued by the Director. A copy of the official Rules and Regulations are on file with the Director and are subject to update and change by the Director at any time. In the event that the Rules and Regulations are updated or changed by the Director, the Lessee shall be provided a revised copy by the Director. The Lessee also agrees to abide by the Rules and Regulations as updated or changed by the Director at any time during the Lease Term.





CITY OF DETROIT

ACCOUNTS RECEIVABLE CLEARANCE APPLICATION
2 WOODWARD AVENUE, SUITE 105, COLEMAN A YOUNG MUNICIPAL CENTER
REVENUE COLLECTIONS UNIT (313) 224-4087 / FAX: 224-4238 / RevenueCollections@DetroitMi.gov

SECTION A: BUSINESS LICENSE BUDGET CITY COUNCIL DDOT DPW FINANCE FIRE HEALTH
HUMAN RIGHTS LAW MAYOR OMBUDSMAN PLANNING & DEVELOPMENT POLICE PURCHASING
RECREATION WATER & SEWAGE OTHER

ADDRESS OF DEPARTMENT 2 Woodward, Suite 500 Detroit, MI 48226
DATE SENT 07/29/2015 CONTACT PERSON Scott Brinkmann
PHONE NUMBER (313) 237.3006 FAX NUMBER EMAIL sbrinkma@detroitmi.gov
CONTRACT AMOUNT \$

SECTION B: CORPORATION LICENSE TYPE
CORPORATION NAME Center for Innovations in Education dba Base 11
ADDRESS 600 Anton Blvd., #1100 CITY/STATE/ZIP Costa Mesa, CA 92626 OWN LEASE
CITY PERSONAL PROPERTY NUMBER FID / EIN NUMBER 26-4365936
OTHER CITY-OWNED PROPERTY PARCELS
CONTACT PERSON John Beneventi PHONE NUMBER (858) 759.7028 EMAIL ADDRESS johnbeneventi@base11.com

SECTION C: PARTNERSHIP LICENSE TYPE
BUSINESS NAME
BUSINESS ADDRESS CITY/STATE/ZIP OWN LEASE
CITY PERSONAL PROPERTY NUMBER FID / EIN NUMBER
A: PARTNER'S NAME PHONE NUMBER
HOME ADDRESS CITY/STATE/ZIP OWN LEASE
DRIVER'S LICENSE # OTHER CITY-OWNED PROPERTY PARCELS
B. PARTNER'S NAME PHONE NUMBER
HOME ADDRESS CITY/STATE/ZIP OWN LEASE
DRIVER'S LICENSE # OTHER CITY-OWNED PROPERTY PARCELS
CONTACT PERSON PHONE NUMBER EMAIL ADDRESS

SECTION D: SOLE PROPRIETORSHIP LICENSE TYPE
BUSINESS NAME
BUSINESS ADDRESS CITY/STATE/ZIP OWN LEASE
CITY PERSONAL PROPERTY NUMBER FID / EIN NUMBER
OWNER'S NAME DRIVER'S LICENSE # PHONE NUMBER
HOME ADDRESS CITY/STATE/ZIP OWN LEASE
OTHER CITY-OWNED PROPERTY PARCELS
EMAIL ADDRESS

SECTION E: PERSONAL SERVICES
NAME ADDRESS OWN LEASE
CITY/STATE/ZIP
PHONE NUMBER DRIVER LICENSE #
OTHER PROPERTY ADDRESSES OWNED IN WITHIN DETROIT
SOCIAL SECURITY NUMBER EMAIL ADDRESS

REVENUE COLLECTIONS
APPROVED
CONTRACT CLEARANCES

FOR TREASURY COLLECTION USE ONLY:
APPROVED DENIED
JUL 31 2015 DENIED WITH ATTACHMENTS
SIGNATURE DATE CLEARANCE VALID UNTIL JAN 15 2016



**COVENANT OF EQUAL OPPORTUNITY**  
**(Application for Clearance – Terms Enforced After Contract is Awarded)**

I, being a duly authorized representative of the Center for Innovations in Education dba Base II (hereinafter "Contractor"), do hereby enter into a Covenant of Equal Opportunity (hereinafter "Covenant") with the City of Detroit, ("hereinafter" City); obligating the Contractor and all sub-contractors not to discriminate against any employee or applicant for employment, training, education, or apprenticeship connected directly or indirectly with the performance of the contract, with respect to his or her hire, promotion, job assignment, tenure, terms, conditions or privileges of employment because of race, color, religious beliefs, public benefit status, national origin, age, marital status, disability, sex, sexual orientation, or gender identity or expression.

I understand that it is my responsibility to ensure that all potential sub-contractors are reported to the City of Detroit Human Rights Department and have a current *Contract Specific* Clearance on file prior to working on any City of Detroit contract. I further understand that the City of Detroit reserves the rights to require additional information prior to, during, and at any time after the Clearance is issued.

Furthermore, I understand that this covenant is valid for the life of the contract and that a breach of this covenant shall be deemed a material breach of the contract and subject to damages in accordance with the City of Detroit Code, Ordinance No. 27-3-2, Section (e).

RFQ / PO No. AIRPORT LEASE

Printed Name of Contractor: Center for Innovations in Education dba Base II  
(Type or Print Legibly)

Contractor Address: 600 ANTON BLVD. #1100, CA 92626  
(City) COSTA MESA (State) CA (Zip)

Contractor Phone/E-mail: (714) 371-4200 | john.beneventi@baseii.com  
(Phone) (E-mail)

Printed Name & Title of Authorized Representative: John B. Beneventi - CFO

Signature of Authorized Representative: John B. Beneventi

Date: 7/29/2015

\*\*\* This document **MUST** be notarized \*\*\*

Signature of Notary: [Signature]

Printed Name of Seal of Notary: Pamela Mcbinister

My Commission Expires: 4 / 7 / 20

**Please return with Bid Packaged**

<b>For Office Use Only:</b>	
Gov. Rec'd: <u>7/29/15</u> in	Department Name: <u>Law</u>
<input checked="" type="checkbox"/> Accepted by: <u>[Signature]</u>	<input type="checkbox"/> Rejected by: _____
Please email or fax Covenant and Award Letter to Director of Human Rights Department 1026 CAYMC at HumanRightsCL@detroitmi.gov or fax (313) 224-3434.	





# REQUEST FOR INCOME TAX CLEARANCE

REQUESTING DEPARTMENT/DIVISION: AIRPORT

E-MAIL ADDRESS: pamelamsedetroitmi.gov

CONTACT NAME: PAMELA MCGINISTER PHONE: (313) 628-2142 FAX: (313) 372-2448

Type of Clearance:  New  Renewal (Please submit 30 days prior to submitting bid or expiration date)

A. To: City of Detroit  
Income Tax Division  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Ste. 512  
Detroit, MI 48226

Phone: (313) 224-3328 or 224-3329  
Fax: (313) 224-4588

For: Individual or CENTER for INNOVATIONS in Education  
Company Name DBA BASE 11  
Address 600 ANTON BLVD. # 1100

City COSTA MESA  
State CA Zip Code 92626  
Telephone (714) 371-4200 Fax # \_\_\_\_\_  
E-mail Address john.beneventi@base11.com

B. Name of Chief Financial Officer/Authorized Contact Person  
(Include address if different from above)

JOHN D. Beneventi - CFO

Telephone # (619) 208 8913 (c)  
Fax # (858) 759-7028 (c)

Employer Identification of Social Security Number

26-4365936

Spouse Social Security Number

Nature of Contract Revenue: Property Lease  
and Operating Rights

BID CONTRACT AMOUNT (if known):  
Labor: \$ \_\_\_\_\_ Material: \$ \_\_\_\_\_

Contract # (if known) \_\_\_\_\_

C. ALL QUESTIONS MUST BE ANSWERED TO EXPEDITE APPROVAL PROCESS. ANY QUESTION NOT ANSWERED MAY RESULT IN A DENIAL OF INCOME TAX CLEARANCE.

Check One:  Individual  Corporation  Partnership  Estate & Trust

### INDIVIDUALS ANSWER QUESTIONS 1,2,3,4.

- Have you filed joint returns with spouse during the last seven (7) years? (If yes, include spouse SSN above)  Yes  No
- Are you a student, and/or claimed as a dependent on someone else's tax return?  Yes  No
- Were you employed during the last seven (7) years?  Yes  No
- Were you a resident of Detroit during the last seven (7) years?  Yes  No

### CORPORATIONS AND PARTNERSHIPS ANSWER QUESTIONS 5,6,7.

- Is the company a new business in Detroit? If yes, attach Employer Registration (Form DSS-4).  Yes  No
- Will the company have employees working in Detroit?  Yes  No
- Will the company use sub-contractors or independent contractors in Detroit?  Yes  No

### D. FOR INCOME TAX USE ONLY

Has the contractor complied with the provisions of the City Income Tax Ordinance?

Yes  No Signature LUCRETIA JENNINGS Date JUL 29 2015 Expires JUL 29 2016  
 Yes  No Signature \_\_\_\_\_ Date \_\_\_\_\_ Expires \_\_\_\_\_  
 Yes  No Signature \_\_\_\_\_ Date \_\_\_\_\_ Expires \_\_\_\_\_

VISIT OUR WEBSITE FOR INFORMATION AND TAX FORMS AT: [www.detroitmi.gov](http://www.detroitmi.gov)

NOTE: An approved Income Tax Certificate may be used in multiple city wide departments that require a bid. Please e-mail your completed request form (preferably in pdf format) to: [IncomeTaxClearance@detroitmi.gov](mailto:IncomeTaxClearance@detroitmi.gov)



**AFFIDAVIT OF DISCLOSURE OF INTERESTS BY CONTRACTORS AND VENDORS**

**Instructions.** This disclosure affidavit fulfills requirements of Section 2-106.2 and Section 4-122 of the 2012 Detroit City Charter and Section 2-6-34 of the 1984 Detroit City Code. Please complete all applicable sections by typing or legibly printing. Where a section does not apply, please check the appropriate box and skip to the next section. If necessary, provide additional information on page 4 or attach additional documents to this disclosure affidavit. This disclosure affidavit must be signed and notarized and filed with the City of Detroit Board of Ethics, Coleman A. Young Municipal Center, 2 Woodward Ave, Suite 1240, Detroit, MI 48226 (City Code § 2-6-34(b)).

Note: "Immediate family member" of a person is that person's spouse, domestic partner, an individual living in the person's household, or an individual claimed as a dependent or spouse's dependent under the Internal Revenue Code. (City Charter § 2-105.A.20; City Code § 2-6-3)

**Section 1 - Identity of Contractor/Vendor (City Charter § 2-106.2.2; City Code § 2-6-34)**

Provide the complete name of the individual, company or other entity or organization making this disclosure:

Name Center for Innovations in Education dba BASE II  
Street address 600 ANTON BLVD #1100  
City COSTA MESA State CA. Zip code 92626  
Telephone 714-371-4200 Fax N/A Email john.beneventi@baseii.com

If the filer is a business entity, print the name, title, and contact information of the authorized individual signing for the business entity:

Name JOHN D. BENEVENTI Title CFO  
Telephone (858) 759-7128 Fax N/A Email john.beneventi@baseii.com

**Section 2 - Financial Interests in Matters Pending Before City (City Charter § 2-106.2.2; City Code § 2-6-34(a)(1), (2))**

The above named contractor or vendor or an immediate family member thereof

- has (if checked, complete rest of section below)
- does not have (if checked, skip to next section)

a financial interest, direct or indirect, in the following matters that are pending before  the Detroit City Council or  the following office, department or agency of the City \_\_\_\_\_

Matter Lease of 7 and 9, as well as parking lot B and classroom space at 10200 ERWIN

Interested Party (if an immediate family member, please provide an address and phone number and the nature of the relationship to the filer): Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_

Telephone \_\_\_\_\_ Relationship \_\_\_\_\_

Nature of financial interest \_\_\_\_\_

Estimated value of the financial interest \_\_\_\_\_

**Section 3 - Interests in Property Subject to Decision by City (City Code § 2-6-34(a)(3))**

The above named contractor or vendor or an immediate family member thereof

has (if checked, complete rest of section below)

does not have (if checked, skip to next section)

an interest in real or personal property that is subject to a decision by the City regarding the purchase, sale, lease, zoning, improvement, special designation tax assessment or abatement, or a development agreement.

Interested Party (if an immediate family member, please provide an address and phone number and the nature of the relationship to the filer): Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_

Telephone \_\_\_\_\_ Relationship \_\_\_\_\_

Description of real or personal property \_\_\_\_\_

Nature of interest Lease of Hangar 7 & 9 as well as Parking lot B and

Estimated value of the interest @ Classroom @ 10200 ERWIN

**Section 4 – Political/Campaign Contributions and Expenditures (City Charter § 4-122; City Code § 2-6-34(a)(4))**

The Statement of Political Contributions and Expenditures required by City Charter § 4-122, ¶ 2, is attached as an exhibit to this disclosure affidavit, and is current and accurate as of the date stated therein.

The above named contractor or vendor

is (if checked, attach most recent report to this disclosure)

is not (if checked, skip to next section)

required to file reports of campaign contributions and expenditures in accordance with other applicable law.

**Section 5 - Immediate Family Members Employed by or Seeking Employment with City (City Code § 2-6-34(a)(5))**

Please identify any immediate family member who is employed by or making application for employment with the City of Detroit.

If none, check here  and skip to next section; otherwise, complete rest of section below:

Name \_\_\_\_\_

Street address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_

Phone \_\_\_\_\_

Nature of relationship to filer \_\_\_\_\_

Department/agency employed by or seeking employment with \_\_\_\_\_

Position held or sought \_\_\_\_\_

**Section 6 - Persons with Financial Interest in Contractor's/Vendor's Matters Pending Before City (City Code § 2-6-34(a)(6), (7))**

Please identify all persons or entities having a financial interest, direct or indirect, in any matter the contractor or vendor has pending before the Detroit City Council or before any office, department or agency of the City. Complete on additional page(s), if necessary.

*If none, check here  and skip to next section; otherwise, complete rest of section below*

Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_

Contract or matter in which the person or entity named has an interest \_\_\_\_\_

The above contract or matter is pending before  the Detroit City Council or  the following office, department or agency of the City \_\_\_\_\_

Nature of financial interest \_\_\_\_\_

Estimated value of the financial interest \_\_\_\_\_

**Section 7 - Affirmation of Accuracy of Disclosure (City Charter § 2-106.2.3; City Code § 2-6-34(b))**

I understand that the information provided in this disclosure will be relied upon by the City of Detroit in evaluating the proposed bid, solicitation, contract, or lease. I swear [or affirm] that the information provided is accurate. If I am signing on behalf of an entity, I swear [or affirm] that I have the authority to provide this disclosure on behalf of the entity.

Sign name: John A. Beneventi

Print name: John A. Beneventi - CFO

Sworn and subscribed to before me on JULY 29, 2015

[ by JOHN BENEVENTI, the SECRETARY / TREASURER  
[name] [title]

of the above named contractor/vendor, an authorized representative or agent of the contractor/vendor ].

Sign: [Signature]

Print: PAMELA MCGINISTER

Notary Seal (if desired)

Notary Public, WAYNE County, Michigan,

Acting in WAYNE County

My Commission Expires: 4/7/20







(EXHIBIT \_\_\_\_ TO CONTRACT/LEASE, Contract No. \_\_\_\_\_)

STATEMENT OF POLITICAL CONTRIBUTIONS AND EXPENDITURES (City Charter § 4-122; City Code § 2-6-34(a)(4))

Donor	Relationship to Contractor/Vendor	Recipient	Amount of Contribution or Expenditure	Date
	NA	/	/	

Except as set forth above, I certify that no contributions or expenditures were made to elective city officials within the previous four (4) years by the contractor, its affiliates, subsidiaries, principals, officers, owners, directors, agents, assigns, and, if any of the foregoing are individuals, their spouses.

I understand that the information provided in this disclosure will be relied upon by the City of Detroit in evaluating the proposed bid, solicitation, contract, or lease. I swear [or affirm] that the information provided is accurate. If I am signing on behalf of an entity, I swear [or affirm] that I have the authority to provide this disclosure on behalf of the entity.

Sign name: John D. Beneventi

Print name: John D. Beneventi - CFO

Sworn and subscribed to before me on JULY 29, 20 15 by JOHN BENEVENTI, the TREASURER/SECRETARY of the above named contractor/vendor, an authorized representative or agent of the contractor/vendor.

Sign: [Signature]  
Print: PAMELA MCGINSTER

Notary Public, WAYNE County, Michigan,  
Acting in WAYNE County  
My Commission Expires: 4/7/20

Notary Seal (if desired)





**CITY OF DETROIT — FINANCE DEPARTMENT — INCOME TAX DIVISION  
EMPLOYER'S WITHHOLDING REGISTRATION**

**IMPORTANT**

Incomplete information will delay processing of your registration. Type or print legibly and complete all applicable items. Please read both instructions and registration carefully.

1. KIND OF OWNERSHIP OF THIS BUSINESS (Check applicable box(es).)

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> (1) Individual                          | <input type="checkbox"/> (4) Domestic Corporation | <input type="checkbox"/> (6) Trust or Estate (Fiduciary)        |
| <input type="checkbox"/> (2) Husband - Wife                      | <input type="checkbox"/> (1) Subchapter S         | <input type="checkbox"/> (7) Joint Stock Club or Investment Co. |
| <input type="checkbox"/> (3) Partnership                         | <input type="checkbox"/> (2) Professional         | <input type="checkbox"/> (8) Social Club or Fraternal Org.      |
| <input type="checkbox"/> (3) Registered Partnership, Date: _____ | <input type="checkbox"/> (5) Foreign Corporation  | <input type="checkbox"/> (9) Other (Explain)                    |
| <input type="checkbox"/> (3) Limited Partnership                 | <input type="checkbox"/> (1) Subchapter S         |   |

Corporations Only: Which federal income tax returns will you file?

- 1120  1120S  990C  990T  Other 990 501(c)(3) State of Incorporation CA

Federal I.D. No.

2164365936

2a. GIVE DATE THAT LIABILITY WILL BEGIN FOR DETROIT INCOME TAX WITHHOLDING.

Mo. Day Year  
1 1 2016

2b. GIVE DATE THAT YOU FIRST PAID WAGES SUBJECT TO DETROIT INCOME TAX WITHHOLDING.

NONE AT THIS TIME

3. WAS THIS BUSINESS PREVIOUSLY OPERATED BY ANOTHER EMPLOYER?

YES  NO

4. IF ANSWER TO ITEM 3 IS "YES," GIVE EMPLOYER'S NAME AND IDENTIFICATION NO. IF KNOWN.

5. LIST NAME(S) OF OWNER, ALL PARTNERS OR CORPORATE OFFICERS. (Attach an additional list if necessary.)

A. NAME (Last, First, Middle) (Jr./Sr., III, etc.)

Title

Landon Taylor

CEO

Residence Address (Number and Street)

1144 Glen Eagles Terrace

City, State, ZIP

Costa Mesa, CA. 92627

Home Telephone No.

(949) 233-2953

Social Security Number

547-33-8533

Driver's License No./Mich. Personal Identification No.

A8504021 (CA)

Date of Birth

5-10-65

B. NAME (Last, First, Middle) (Jr./Sr., III, etc.)

Title

John A. Beneventi

CEO

Residence Address (Number and Street)

5615 Avenida Del Parque

City, State, ZIP

Rancho Santa Fe CA. 92091

Home Telephone No.

(858) 759-7028

Social Security Number

361-58-5362

Driver's License No./Mich. Personal Identification No.

C4937653 (CA)

Date of Birth

4-28-60

C. NAME (Last, First, Middle) (Jr./Sr., III, etc.)

Title

Residence Address (Number and Street)

City, State, ZIP

Home Telephone No.

Social Security Number

Driver's License No./Mich. Personal Identification No.

Date of Birth

6. BUSINESS, TRADE, ASSUMED NAME OR DBA (if used)

Center for Innovations in Education DBA Base 11

7. LEGAL ADDRESS OF BUSINESS (Where all legal contact by INCOME TAX DIVISION should be made.)

Number and Street

600 Anton Blvd., Suite 1100

Business Telephone No.

(714) 371-4200

City, State, ZIP

COSTA MESA, CA

County

OKLAHOMA

8. MAILING ADDRESS (Where INCOME TAX DIVISION will send all tax forms, if different from 7.)

Number and Street, P.O. Box, City, State, ZIP

P.O. Box 8018 Rancho Santa Fe, CA. 92067

9. ACTUAL LOCATION OF BUSINESS (if different from 7.)

Number and Street, City, State, ZIP

11499 CONNER Coleman A. Young Airport, H 7 + 9, Detroit MI 48213

John A. Beneventi

Signature of Responsible Person

CEO

Title

7/29/2015

Date

## INSTRUCTIONS

Each employer withholding City of Detroit Income Tax from employees' wages shall register with the Finance Department, Income Tax Division. The Federal Employer Identification Number assigned by the Internal Revenue Service will be used for the City of Detroit Income Tax Division records. If an employer does not have a federal identification number, application should be made to the Internal Revenue Service on Federal Form SS-4.

When the Federal Employer Identification Number is not required, an identification number will be assigned by the City of Detroit, Income Tax Division. If an employer is assigned a federal number at a later date, he must notify the City Income Tax Division, and he must use the federal number on all future correspondence with the City.

Read City of Detroit, Income Tax, Employer Withholding Instructions.

Mailing address:

City of Detroit  
Finance Department  
Income Tax Division  
Coleman A. Young Municipal Center  
2 Woodward Ave., Suite 512  
Detroit, Michigan 48226-3456

# City Council Contract Agenda Items Review Checklist

Reviewer: Bianca Washington

Date Received: 8/20/2015

Date: 08/19//2015 Department Airport Division: Administration

Dept Head/Contact Person: Jason Watt/Pamela McGinister Phone No.: 313-628-2142

Description: Agreement for Lease of Property and Operating Rights – Hangar/Parking Lot/Classroom Space (Aeronautical) at the Coleman A. Young Airport

brief explanation of function or need of the goods/services

Contract No.: 2912914 PO Type: Revenue CPO Est. Value: \$ 840,000.00

Contract Term (if applicable): 9/1/15 to 8/31/25

Funding: City \_\_\_\_\_ State \_\_\_\_\_ % Federal \_\_\_\_\_ % Other: Revenue 100%  
(Documentation must be furnished by the Dept. if anything other than City funding)

Recommended Supplier: Center for Innovations in Education dba Base 11; Note: Tenant may make up to \$750,000 in renovations and receive a dollar-for-dollar credit on payment of rent

Required Date: \_\_\_\_\_

1. The business being awarded is NEW If a renewal, provide justification for renewal: \_\_\_\_\_

2. Was the product or service competitively bid?  Yes  No

**Attach Copy** of Bid Tabulation/Evaluation score sheets as needed

If the answer to #2 is "NO" explain why there was no competition: n/a

3. Was a Co-Operative Agreement Considered?  Yes  No Co-Operative Name: \_\_\_\_\_

If answer to #3 is "No" explain why a Co-Op was not considered: n/a

4. Were savings achieved?

Yes Amount \$ \_\_\_\_\_

No

5. Does this agreement represent an increase?  
 Variance in unit price only \_\_\_\_\_.  
 Change in amount/volume of the good or service to be used. \_\_\_\_\_.
6. Does the supplier currently provide other goods and services to the City?  Yes  No  
 If yes please list: \_\_\_\_\_
7. Is this good/service used by other departments?  Yes  No  
 If "yes" can this Req/PAR be combined other department requirements?  Yes  No
8. Is this a service that can be performed by City employees?  Yes  No  
 Is this a service that City employees can be trained to do?  Yes  No

NOTES: Buyer: Bianca Washington

a. Excluded Parties List / Supplier Award Management Website Reviewed? Yes  No   
*Company was not located*

PLACE ON FINANCIAL REVIEW COMMISSION AGENDA

PLACE ON CITY COUNCIL AGENDA

REJECT AND NOTIFY DEPARTMENT DIRECTOR:

SIGNED: \_\_\_\_\_ DATE: \_\_\_\_\_  
 (Department)

INFORMATION PROVIDED BY: \_\_\_\_\_ Pamela McGinister \_\_\_\_\_

TITLE: \_\_\_\_\_ Manager I \_\_\_\_\_

PHONE: \_\_\_\_\_ 313.628.2142 \_\_\_\_\_

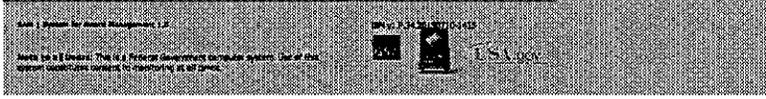
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# Search Results

**Current Search Terms: center\* for\* innovations\* in education\***

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No records found for current search.

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- [By Functional Area - Performance Information](#)



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# Search Results

Current Search Terms: base\* 11

Notice: This printed document represents only the first page of your SAM search results. More results may be available. To print your complete search results, you can download the PDF and print it. No records found for current search.

**Classify**

**Search**

**Results**

**Entry**

**Exclusion**

**Search**

**Filter**

**By Record**

**Status**

**By**

**Functional**

**Area - Entry**

**Management**

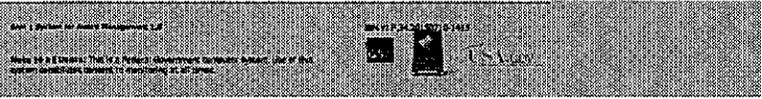
**By**

**Functional**

**Area -**

**Performance**

**Information**



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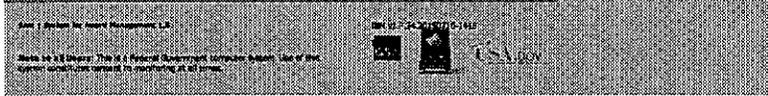
# Search Results

**Current Search Terms: center\* for\* innovations\* in education\* dba\* base\* 11**

Notice: This printed document represents only the first page of your SAM search results. More results may be available. To print your complete search results, you can download the PDF and print it.  
No records found for current search.

### Glossary

- Search Results
- Entity
- Exclusion
- Search Filter
- By Record Status
- By Functional Area - Entity Management
- By Functional Area - Performance Information





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
7/29/2015

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.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must 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).

PRODUCER <b>Curtis Moring Insurance Agency, Inc.</b> P.O. BOX 880037 San Diego, CA 92168-0037 0719355	CONTACT NAME: PHONE (A/C, No., Ext): <b>(619) 718-7575</b>	FAX (A/C, No.): <b>619-255-7675</b>
	E-MAIL ADDRESS: <b>curtis@thinkcni.com</b>	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: <b>PHILADELPHIA INSURANCE COMPANIE</b>		
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED **CENTER FOR INNOVATIONS IN EDUCATION**  
**BASE 11**  
**600 ANTON BLVD, SUITE 1100**  
**COSTA MESA, CA 92626**  
**858-759-7028**

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER: 1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

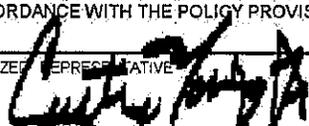
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			PHPK1342934	05/21/15	05/21/16	EACH OCCURRENCE \$ <b>1,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>100,000</b> MED EXP (Any one person) \$ <b>5,000</b> PERSONAL & ADV INJURY \$ <b>1,000,000</b> GENERAL AGGREGATE \$ <b>3,000,000</b> PRODUCTS - COMP/OP AGG \$ <b>3,000,000</b> \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			PHPK1342934	05/21/15	05/21/16	COMBINED SINGLE LIMIT (Ea accident) \$ <b>1,000,000</b> BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED. RETENTION \$			PHUB503957	06/11/15	05/21/16	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE EACH OCCURRENCE \$ <b>2,000,000</b> AGGREGATE \$ <b>2,000,000</b> \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**Certificate holder is named as an additional insured with respects to the operations of Center for Innovations in Education, dba: Base 11.**

**with:**

**The City of Detroit is an additional insured on the general liability policy covering the operations of the named insured.**

<b>CERTIFICATE HOLDER</b>  <b>DETROIT CITY AIRPORT</b> <b>AIRPORT DEPARTMENT</b> <b>ATTN: JASON WATT, DIRECTOR</b> <b>11201 CONNER AVENUE</b> <b>DETROIT, MI 48213</b>	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
--	--



IN WITNESS WHEREOF, the Lessor and the Lessee, by and through their authorized officers and representatives, have executed this Lease as follows:

WITNESSES:

1. Kelly A. Shanks

Print: KELLY A. SHANKS

2. John D. Benvenuti

Print: John D. Benvenuti

LESSEE:

CENTER FOR INNOVATIONS IN EDUCATION, dba BASE 11

BY: [Signature]

Print: London Taylor

ITS: CEO

WITNESSES:

1. [Signature]

Print: GREG WILLIAMS

2. Kaitlyn M. Harder

Print: Kaitlyn M. Harder

CITY OF DETROIT AIRPORT DEPARTMENT

BY: [Signature]

Print: DASON WATT

ITS: DIRECTOR

Approved by Detroit City Council on:

**SEP 29 2015**

[Signature]  
Chief Procurement Officer

Approved by the Emergency Manager, City of Detroit on:

N/A

**FRC APPROVAL**

**OCT 26 2015**

In accordance with §18-5-4 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this contract.

N/A

Finance Director

Approved as to form in accordance with § 7.5-206 of the 2012 City of Detroit Charter.

N/A

Supervising Assistant Corporation Counsel

THIS LEASE IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY RESOLUTION OF THE CITY COUNCIL AND THE FRC, AS WELL AS SIGNED BY THE CHIEF PROCUREMENT OFFICER.