

RESOLUTION NO.: 6—2018-19

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES AND GENTLEMEN:

MAJORITY

1 Resolution 144—2001-02 approved a Lease Agreement between Outagamie County and
2 Gulfstream Aerospace Services Corporation to lease land and facilities located at the
3 Appleton International Airport. At this time, the parties desire to amend the Lease
4 Agreement by this Eighth Addendum in order to decrease the amount of land leased to
5 446,033 square feet. The land being released from this lease will be included in a new land
6 lease for a new MRO facility.

7
8 NOW THEREFORE, the undersigned members of the Property, Airport, Recreation and
9 Economic Development Committee recommend adoption of the following resolution.

10 BE IT RESOLVED, that the Outagamie County Board of Supervisors does approve the Eighth
11 Addendum to the Lease between Outagamie County and Gulfstream Aerospace Services Corporation, as
12 attached, which by reference is made a part hereof, and

13 BE IT FURTHER RESOLVED, with said approval, the Outagamie County Board of Supervisors
14 does authorize the execution of this Eighth Amendment, as noted on the attached fiscal note which by
15 reference is made a part hereof, and

16 BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward a copy
17 of this resolution to the Appleton International Airport Director, Outagamie County Finance Director,
18 and a certified copy to Gulfstream Aerospace Services Corporation.

19 Dated this ____ day of May 2018

20 Respectfully Submitted,

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22 PROPERTY, AIRPORT, RECREATION
23 & ECONOMIC DEVELOPMENT COMMITTEE
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Dean Culbertson

29 _____
Joy Hagen

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Lee Hammen

Ronald Klemp

Jason Wegand

Duly and officially adopted by the County Board on: _____

Signed: _____
Board Chairperson

County Clerk

Approved: _____

Vetoed: _____

Signed: _____
County Executive

GAC 05.10.2018

EIGHTH ADDENDUM TO LEASE AGREEMENT

THIS EIGHTH ADDENDUM TO LEASE AGREEMENT (the "Eighth Addendum") is entered into this ____ day of _____ 2018, by and between Gulfstream Aerospace Services Corporation, a Delaware Corporation (the "Company") and Outagamie County (the "County").

WITNESSETH:

WHEREAS, the parties entered into a Lease Agreement (the "Initial Lease") on February 7, 2002, for an aircraft hangar located at W6355 Atlantis Drive, Outagamie County Airport, Appleton, Wisconsin (the "North Hangar Premises"), comprised of 663,047 square feet of land (the "Original Land") and 113,261 square feet of office/shop/hangar space (the "Hangar Space"); and

WHEREAS, the parties entered into a First Addendum to Lease Agreement dated September 27, 2005 (the "First Addendum"); and

WHEREAS, the parties entered into a Second Addendum to Lease Agreement dated May 12, 2009 (the "Second Addendum"); and

WHEREAS, the parties entered into a Third Addendum to Lease Agreement dated September 1, 2012 (the "Third Addendum"); and

WHEREAS, the parties entered into a Fourth Addendum to Lease Agreement dated August 13, 2013 (the "Fourth Addendum"); and

WHEREAS, the parties entered into a Fifth Addendum to Lease Agreement dated September 9, 2014 (the "Fifth Addendum"); and

WHEREAS, the parties entered into a Sixth Addendum to Lease Agreement dated January 30, 2015 (the "Sixth Addendum"); and

WHEREAS, the parties entered into a Seventh Addendum to Lease Agreement dated December 12, 2016 (the "Seventh Addendum") for the lease of a cargo storage facility located at the Outagamie County Airport (the "Cargo Building") as further described in the Seventh Addendum; and

WHEREAS, the parties desire to incorporate this Eighth Addendum into the Initial Lease, First Addendum, Second Addendum, Third Addendum, Fourth Addendum, Fifth Addendum, Sixth Addendum and Seventh Addendum (collectively, the "Lease"); and

WHEREAS, the parties desire to amend the Lease in order to reduce the square footage of the Original Land leased by Company.

NOW, THEREFORE, in consideration of the mutual benefits, covenants, obligations and other good and valuable consideration of the parties, it is agreed as follows:

AGREEMENTS:

1. The foregoing recitals are acknowledged to be accurate and are hereby incorporated by reference.

GAC 05.10.2018

2. Capitalized terms used in this Eighth Addendum and not defined herein shall have the meanings given to such terms in the Lease. From and after the Effective Date (as hereinafter defined) hereof, all references to the "Lease" in the Lease shall mean the Lease, as amended by this Eighth Addendum.
3. **Effective Date.** The "Effective Date" of this Eighth Addendum shall be the effective date of that certain ground lease executed by and between the County of Outagamie, as lessor and Gulfstream Aerospace Services Corporation, as lessee (the "MRO Ground Lease") for the lease of certain real property located at N687 Discovery Drive, Appleton, Wisconsin (the "Ground Lease Property").
4. **Premises.** From and after the Effective Date, the square footage of the Original Land shall be reduced from 663,047 square feet to 446,033 square feet (the "Land"). From and after the Effective Date, the North Hangar Premises shall be comprised of the Land and the Hangar Space. The North Hangar Premises, collectively with the Cargo Building shall be the "Premises".
5. **Exhibit A.** From and after the Effective Date, Exhibit A of the Lease shall be deleted in its entirety and replaced with the attached Exhibit A – North Hangar Premises.
6. **Rental Rate.**
 - A. From and after the Effective Date, Section II. of the Sixth Addendum shall be deleted in its entirety and replaced with the following:

During the second renewal term, which commenced on February 1, 2015 and expires on January 31, 2020, Company shall pay to the County monthly rentals in the manner and at the times set forth in Section 3 of the Lease. Commencing February 1, 2015 through the date that is one (1) day prior to the Commencement Date (as hereinafter defined), monthly rent for the North Hangar Premises shall be \$59,981.90. Commencing on the date upon which Company secures a final, unrestricted certificate of occupancy permitting Company's lawful occupancy of the Ground Lease Property, (the "Commencement Date") the monthly rent payable for the North Hangar Premises shall be reduced from \$59,981.90 to \$55,638.89. For avoidance of doubt, the rent payable to County under the Lease for the North Hangar Premises shall be as follows:

- (1) From the Effective Date of the Eighth Addendum and ending on the date that is one (1) day prior to the Commencement Date:

North Hangar Premises:	Square Feet ("SF")	Annual Rental Rate	Monthly Installment Rental Rate
Land	446,033	159,231.43	13,269.29
Hangar Space	113,261	560,551.33	46,712.61
		719,782.76	59,981.90

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(2) From the Commencement Date and ending on January 31, 2020:

North Hangar Premises:	Square Feet ("SF")	Annual Rate per SF	Annual Rental Rate	Monthly Installment Rental Rate
Land	446,033	.24015105	107,115.29	8,926.28
Hangar Space	113,261	4.9491999	560,551.33	46,712.61
		Total:	667,666.62	55,638.89

B. For avoidance of doubt, the monthly rent payable for the Cargo Building shall remain unchanged at \$2,200.00 in accordance with the terms and conditions of Section IV of the Seventh Addendum.

7. **Confirmation of the Effective Date and Commencement Date.** Upon the request of either party, Company and County shall execute a separate letter agreement confirming the Effective Date and/or Commencement Date.
8. **Counterparts.** This Eighth Addendum may be executed in any number of counterparts, each of which shall be effective only upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Any signature page of this Eighth Addendum may be detached from any counterpart of this Eighth Addendum without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Eighth Addendum identical in form hereto but having attached to it one or more additional signature pages.
9. **Conflicts.** Except as expressly provided herein, the Lease shall remain unchanged and in full force and effect. In the event of any conflict or inconsistency between the provisions of the Lease and the provisions of this Eighth Addendum, the provisions of this Eighth Addendum shall govern and control.

[Signature page to follow]

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IN WITNESS WHEREOF, the parties hereto have caused this Eighth Addendum to be duly executed as of the date first written above.

COUNTY:

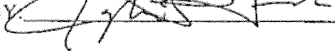
OUTAGAMIE COUNTY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

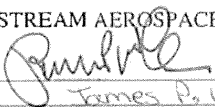
By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

BY: 

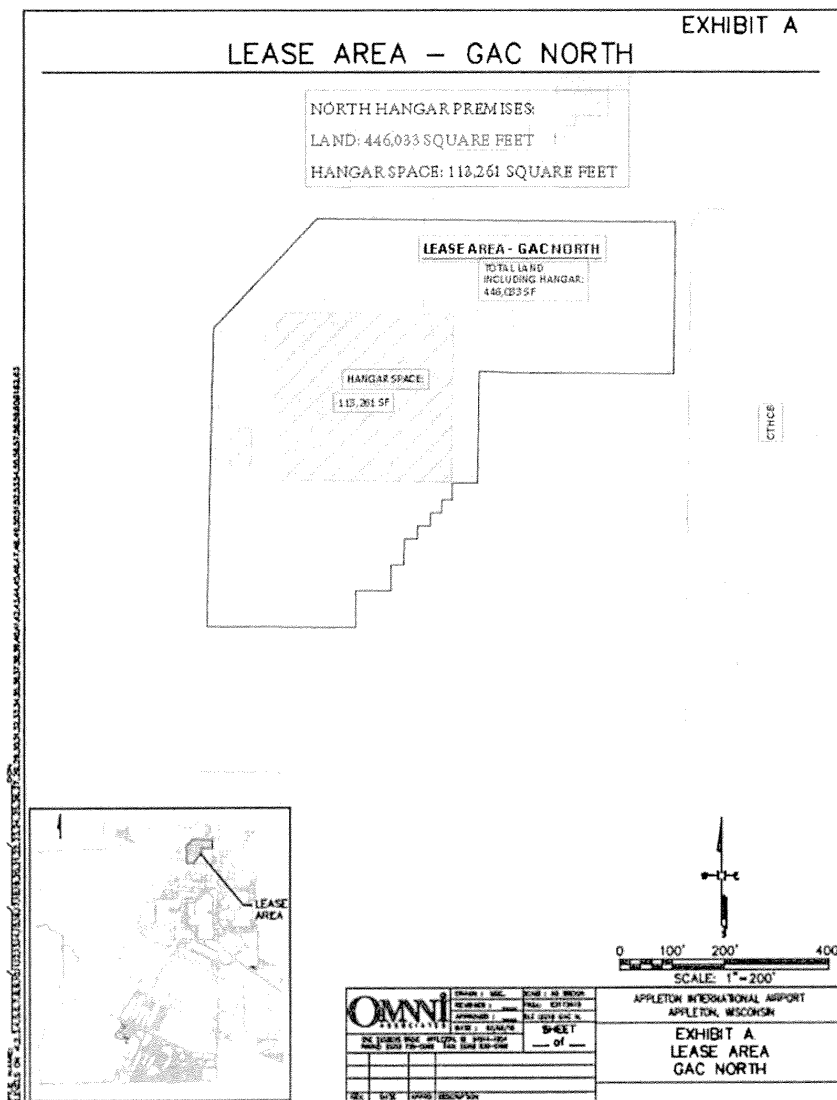
COMPANY:

GULFSTREAM AEROSPACE SERVICES CORPORATION

By: 
Name: James P. Whalen
Title: Authorized Representative

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Exhibit A – North Hangar Premises



OUTAGAMIE COUNTY FISCAL NOTE

[INTRODUCTION]: This form must be attached to any resolution or ordinance which contains a spending or revenue proposal. The form should be completed by an individual within the department initiating the resolution or ordinance with assistance from the Financial Services Department. Contact the Finance Director (1674), Controller (1675) or Staff Accountant (1681) for assistance. Once completed, forward a copy of the form to the Financial Services Department for their review. Financial Services will forward a reviewed copy of the fiscal note to Legislative Services.

1. Subject: Gulfstream Addendum to Lease Agreement

2. Description: This section must be completed for all fiscal notes. Briefly and concisely describe the request. State assumptions used and discuss any current year and long-term fiscal impacts. (A separate attachment can be used)

The Appleton International Airport and Gulfstream Aerospace Services Corporation desire to amend the North hangar facility lease. The addendum will provide for a decrease in the amount of land leased. The land being released from this lease will be included in a new land lease for a new MRO facility. A separate Fiscal Note will be submitted for the new MRO facility.

The total square feet of land being leased for the Gulfstream North Facility will decrease from 663,047 square feet to 446,033 square feet once the new facility is occupied (estimated 2019). The decreased square footage will be leased at the same rate currently being charged for land per the lease agreement. There is no budget impact for this lease addendum as Gulfstream will continue to pay for the 663,047 square feet through 2018 and until the new facility is occupied.

Current Year Budget Impact (Check one or more of the following boxes)

Revenues Expenses (Cost) None

3. Is the specific cost or revenue included in the current year's budget? yes (X) no () partially () n/a ()

4. If the proposal requests additional spending, can the additional cost be absorbed within the current year's line item? yes () no () n/a (X)

5. Is the proposal to accept additional revenues only? yes () no (X)

6. Does this request modify/adjust the current year budget? yes () no (X) To be determined
If no, skip to question 8 below.

7. Detail current year budget changes. Please list cost center name, line item, account number and either the increase or decrease amount. (Please note that all budget adjustments must balance. For example, an increase in an expenditure account must be offset by a decrease in another expenditure account or the contingency fund or an increase in a revenue account or other funding sources such as fund balance applied.)

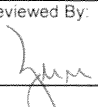
<u>COST CENTER NAME</u>	<u>LINE ITEM</u> (i.e. Salaries, Supplies, Etc.)	<u>ACCOUNT NUMBER INCLUDING COST CENTER</u> (i.e. 1004100.5100, 1004100.5400, etc.)	<u>INCREASE (DECREASE) AMOUNT</u>
No Budget Impact			

Annual and Long-Term Impact

8. Is the above Increase/Decrease a nonrecurring one-time expense or revenue? yes () no (x) n/a ()

9. What is the anticipated annual and/or long-term cost or revenue impact? Annual Cost 0
Annual Revenue 0

Fiscal Note Prepared by: Abe Weber/Katie Horan

For Financial Services purposes only	
Reviewed By: 	If expenditures are recorded in the financial system at a level of detail lower than the level 6 as shown above, indicate the specific account numbers and amounts below: <u>Detail Expenditures Account Number</u> <u>Amount</u>
Date: <u>5/16/18</u>	_____
Comments:	