MEMORANDUM

TO: Airport Board
FROM: Patrick Dame, C.M., Executive Director
DATE: May 26, 2020
RE: Addendum #1 to Airport SASO Ground Lease Agreement with Dale Aviation, Inc.

The attached addendum will remove 5,775 unimproved square feet from the leasehold held by Dale Aviation, Inc. Mr. Dale does not intend to develop this property, and through mutual agreement, has decided to release this area back to the Airport. The attached Exhibit A shows the new boundary of the leasehold. This change will save Mr. Dale approximately $790 in annual rent and allows for potential redevelopment in that area.

STAFF RECOMMENDATION: Staff recommends Board Approval of Addendum #1 to the Specialized Aviation Services Operation (SASO) Agreement with Dale Aviation, Inc. reducing the leasehold premises by 5,775 square feet.
ADDENDUM #1
AIRPORT SASO GROUND LEASE AGREEMENT – DALE AVIATION, INC.

The Rapid City Regional Airport Board City of Rapid City (Board) and EZ Rider, LLC, (Lessee) entered into a Specialized Services Operation (SASO) Ground Lease Agreement, (Agreement) on April 28, 2008, for the property located at 3875 Airport Road, Rapid City, SD 57703. Said Agreement was subsequently assigned to Dale Aviation, Inc., and approved by the Board on December 8, 2009. The Parties agree that the Agreement remains in full force and effect, except as specifically modified by this Addendum.

WHEREAS, the property described in the Agreement consists of 48,185 square feet; and

WHEREAS, the Parties desire to release certain unimproved square feet from the Agreement; and

NOW THEREFORE, be it agreed by the Parties as follows:

The Parties agree that the Lessee’s leasehold is hereby reduced by 5,775 square feet of unimproved area, and the Lessee releases this square footage from the Agreement. Therefore, the Parties agree that the leasehold contains 25,616 square feet of improved area and 16,794 of unimproved area, for a total of 42,410 square feet, as indicated on the attached Exhibit A – 3875 Airport Road, attached and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties execute this Addendum this _______ day of __________________, 2020.

RAPID CITY REGIONAL AIRPORT BOARD DALE AVIATION, INC.

Darren Haar, Board President Jerry Dale, President
Rapid City Regional Airport

ATTEST: __________________________
Shawn Gab, Secretary

State of South Dakota )
County of Pennington )

On this _____ day of ________________, 2020, before me, the undersigned officer personally appeared Jerry Dale, known to me as the President of Dale Aviation, Inc. whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

______________________________
Notary Public, South Dakota

(seal) My Commission Expires:
EXHIBIT A

EXHIBIT A - 3875 AIRPORT ROAD LEASE PROPERTY - DALE AVIATION (JERRY DALE)

LOCATED IN THE NW 1/4 OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 9 EAST, B.H.M.
PENNINGTON COUNTY, SOUTH DAKOTA

OWNER: RAPID CITY REGIONAL AIRPORT

SHEET 1 OF 1

1"=50' SCALE

25 0' 10' 15' 20' 25' 30' 35' 40' 45' 50'

PREPARED BY:
KLJ, INC.
330 KNOLLWOOD DRIVE
RAPID CITY, SD 57701-6611
(605) 721-5553

DRAWN BY: GCH
CHECKED BY: RAS

DATE: 05/13/2020

EXHIBIT A