

FINANCE COMMITTEE AGENDA
October 23, 2023
Council Rotunda

Finance Committee (6:00 p.m.)

1. Assignment of Requests for Council Action
2. 23-206-10/23 – Budget Amendments
3. 23-207-10/23 – Grant Application – Bullet Proof Vest Partnership – Police
4. 23-208-10/23 – Expenditure - CHIP Rehab – 137 Oakleigh Dr.
5. 23-209-10/23 – Expenditure - CHIP Rehab – 1244 Hadcock Rd.
6. 23-210-10/23 – Amend. Ord. 132-23 – CHIP Rehab – 1495 McKinley Ave.
7. 23-211-10/23 – Amend 161.13 – Income Tax Allocation
8. 23-212-10/23 – Amend Code Ch. 162 – Income Tax Ordinance – HB 33
9. 23-213-10/23 – Increase Exp. – CHIP Rehab – 30 Circle Dr.
10. 23-214-10/23 – Amend Ord. 50-22 – Pavilion Rental Fees – Parks Dept.
11. 23-215-10/23 – Management Agreement for City of Medina Airport
12. Executive Session – (imminent litigation)

REQUESTS FOR COUNCIL ACTION/DISCUSSION

Finance Committee

- 23-206-10/23 – Budget Amendments
- 23-207-10/23 – Grant Application – Bullet Proof Vest Partnership – Police
- 23-208-10/23 – Expenditure - PY2022 CHIP Rehab – 1137 Oakleigh Dr., Brunswick
- 23-209-10/23 – Expenditure - PY2022 CHIP Rehab – 1244 Hadcock Rd., Brunswick
- 23-210-10/23 – Amend Ord. 134-23 – CHIP Rehab – 1495 McKinley
- 23-211-10/23 – Amend Code 161.13 – Income Tax Allocation
- 23-212-10/23 – Amend Code Ch. 162 – Income Tax – HB 33
- 23-213-10/23 – Increase Exp. – PO #2023-1499 CHIP Rehab, 30 Circle Dr.
- 23-214-10/23 – Amend Ord. 50-22 – Pavilion Rental Fees – Parks Dept.
- 23-215-10/23 – Management Agreement for City Medina Airport

10/23/23

(Finance use only)

RCA Number PCA 23-206-10/23
(Council use only) Finance
NO. 2023-045

REQUEST FOR APPROPRIATION ADJUSTMENT

TYPE OF ADJUSTMENT
(CHECK ONE)

ADMINISTRATIVE
FINANCE COMMITTEE
COUNCIL

X

FROM ACCOUNT NUMBER	ACCOUNT DESCRIPTION	TO ACCOUNT NUMBER	ACCOUNT DESCRIPTION	AMOUNT	TRANSFER OF EXISTING APPROPRIATION	UNAPPROPRIATED FUNDS
		001-0420-54411	Forestry - Land Improvement	\$159.00		✓

Accept check from Theresa R. Stoodley / Medina County Federal Credit Union #1006 tree planting 729 Weymouth

DEPARTMENT HEAD: [Signature]
MAYOR'S APPROVAL: [Signature: D. Harwell]
(WHEN NECESSARY)

DATE: 10/5/23
10/10/23

COUNCIL/COMMITTEE ACTION:

APPROVED: _____
DENIED: _____
RETURNED FOR EXPLANATION: _____
RETURNED TO USE EXISTING ACCOUNT FUNDS: _____

ORD. NO. 176-23

CLERK OF COUNCIL/DATE

ROUTING: ORIGINAL TO FINANCE
COPY TO DEPT. HEAD
COPY TO COUNCIL



THERESA R. STOODLEY
 312-401-6032
 320 S. COURT ST. APT. 303
 MEDINA, OH 44256

Sep 29 2023

1006

56-8273/2412

Pay to the
Order of

City of Medina
 One-Hundred Fifty-Nine

\$ 159.00

00/100

DOLLARS

MEDINA COUNTY
FEDERAL CREDIT UNION
 Wadsworth, Ohio 44281 Ph: 330-334-1023

FOR Tree Planting

Theresa R. Stoodley

Printed By: James A. Court
 SAFETY - 1012

⑆ 24 6 28 2739 ⑆ 00937000009 ⑆ 1006

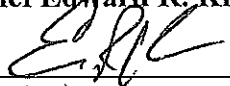
REQUEST FOR COUNCIL ACTION

No. RCA 23-207-10/23

Committee Finance

**From: POLICE DEPARTMENT
Chief Edward R. Kinney**

Mayor's Initials:



(Signature)

Guidelines: See information on back of form

Date: 10/4/23

Subject: Bullet Proof Vest Partnership Grant (Patrick Leahy) Application, Submission & Receipt

Summary and Background: The Patrick Leahy Bulletproof Vest Partnership grant is funded through the U.S. Department of Justice and provides up to a 50% reimbursement for body armor. The Medina Police Department respectfully requests approval of the application for the FY 2023 grant toward purchase of body armor for applicable officers. There is a 5-year rotation period for body armor. The application request amount is \$21,638.00. The total award amount will be \$10,819.00.

Estimated Cost: n/a

Suggested Funding: n/a

Sufficient Funds in Account: n/a

Transfer Needed From: To:

New Appropriation Needed: N/A

Account No:

Emergency Clause Requested:

No If yes, reason: Application date expiration

Council Use Only:

Committee Recommendation:

Council Action Taken:

Ord./Res.No:

Date:

REQUEST FOR COUNCIL ACTION

No. RCA 23-208-10/23

FROM: Andrew Dutton

Committee: Finance

DATE: October 5, 2023

SUBJECT: PY 2022 CHIP, Private Rehab Project at 137 Oakleigh Drive, Brunswick, Ohio

SUMMARY AND BACKGROUND:

A purchase order request to Green Home Solutions for a PY22 CHIP Private Rehabilitation project at 137 Oakleigh Drive in Brunswick. This is a large project with a contract for \$46,085.00.

The project includes gutter guard, front porch steps and front porch handrail, install new vinyl replacement windows, new insulated doors and storm door, new natural gas hot water heater with power vent, drain lines in basement, sump pump, dryer vent and combustion, install new electric service panel, new electric meter and service wire, smoke detectors/carbon monoxide detectors and update miscellaneous plumbing and electrical throughout the home.

Project Number: AC-22-07 (CHIP Funds)

Estimated Cost: \$46,085.00

Suggested Funding:

- sufficient funds in Account No. 139-0462-52215
- transfer needed from Account No.
- NEW APPROPRIATION needed in Account No.

Emergency Clause Requested: Yes

Reason: The contractor is ready to begin the project and make repairs on the home.

COUNCIL USE ONLY:

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.

Date:

REQUEST FOR COUNCIL ACTION

No. RCA 23-209-10/23

FROM: Andrew Dutton

Committee: Finance

DATE: October 10, 2023

SUBJECT: PY 2022 CHIP, Private Rehab Project at 1244 Hadcock Road, Brunswick, Ohio

SUMMARY AND BACKGROUND:

A purchase order request to Green Home Solutions for a PY22 CHIP Private Rehabilitation project at 1244 Hadcock Road in Brunswick. This is a large project with a contract for \$71,925.00

The project includes installing new roof, gutters and downspouts, soffit repairs, new vinyl replacement windows, new insulated doors, storm door new sliding patio door, project is a Lead Abatement Project, windows troughs/sills/floors cleaning – interim control, install new natural gas hot water heater, basement sump pump, basement water supply and drain lines, install new bathroom shower on the 1st floor, install new natural gas boiler and update electrical throughout the home.

Project Number: AC-22-07 (CHIP Funds)

Estimated Cost: \$71,925.00

Suggested Funding:

- sufficient funds in Account No. 139-0462-52215
- transfer needed from Account No.
- NEW APPROPRIATION needed in Account No.

Emergency Clause Requested: Yes

Reason: The contractor is ready to begin the project and make repairs on the home.

COUNCIL USE ONLY:

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.

Date:

Kathy Patton

From: Andrew Dutton
Sent: Wednesday, October 11, 2023 3:20 PM
To: Lori Bowers; Keith Dirham; Kathy Patton; Teresa Knox
Cc: Sarah Tome
Subject: CHIP-LAP Funds
Attachments: 1244 Hadcock Rd Rehab RCA.pdf; 1244 Hadcock Revised.pdf; Medina 2023 CHIP-LAP OCEAN Award.pdf

We were just notified that we have been awarded \$60,000 of CHIP-LAP funds. These funds add to our current PY22 CHIP program, but can only be used for lead abatement.

The first project that will be eligible for the funds is at 1244 Hadcock Road in Brunswick.

- Yesterday (10/11), the BOC approved \$14,385 for project soft costs to Kleinfelder, our consultant.
- An RCA to Council was also submitted for \$71,925 to Green Home Solutions to conduct the rehab out of AC-22-07.
- \$15,000 of CHIP-LAP funds can be used for the rehab project, leaving \$56,925 from the regular CHIP Funds.

I have attached the RCA, the revised fund distribution, and our award of the CHIP-LAP funds. Please let me know if the RCA will need to be adjusted to account for the inclusion of CHIP-LAP funds.

-Andrew

Andrew Dutton

Community Development Director

City of Medina

adutton@medinaoh.org

330-722-9023





October 11, 2023

Mr. Andrew Dutton
Community Development Director
City of Medina
132 North Elmwood Avenue
Medina, Ohio 44256
adutton@medinaoh.org

Ms. Pam Plavecski
Division of Planning
City of Brunswick
4095 Center Road
Brunswick, Ohio 44212
pplavecski@brunswick.oh.us

Re: City of Medina PY2022 CHIP
Kleinfelder Project No.: 20233423.002A-6004

Dear Mr. Dutton and Ms. Plavecski:

The following project has been put out to bid and we are hereby ready to begin construction with your concurrence.

<u>Applicant</u>	<u>Bid Amount</u>	<u>Contractor</u>
Judith L. Rundle 1244 Hadcock Road Brunswick, Ohio 44212 (Private Owner Rehab)	\$56,925.00 (CHIP HOME Funds)	Green Home Solutions 4900 Brook Park Road Cleveland, Ohio 44134 Federal Tax ID#: 27-1075386

The project is using CHIP HOME funds for Private Owner Rehab in the amount of \$56,925 (hard cost) and \$14,385 (soft cost).

<u>Applicant</u>	<u>Bid Amount</u>	<u>Contractor</u>
Judith L. Rundle 1244 Hadcock Road Brunswick, Ohio 44212 (Private Owner Rehab)	\$15,000.00 (CHIP-LAP Funds)	Green Home Solutions 4900 Brook Park Road Cleveland, Ohio 44134 Federal Tax ID#: 27-1075386

The project is using CHIP-LAP funds for Private Owner Rehab in the amount of \$15,000 (hard cost). The total project cost is estimated at \$86,310.

On October 10, 2023, Marcia Walters, approved our request for exceed for this project. Should you have any questions or concerns, please do not hesitate to contact me directly at (567) 331-2679.

Sincerely,

KLEINFELDER

Brandi Cowell

Brandi Cowell
Housing Specialist
Representative for the City of Medina CHIP

Andrew Dutton

From: Brandi Cowell <BCowell@kleinfelder.com>
Sent: Wednesday, October 11, 2023 11:15 AM
To: Andrew Dutton
Subject: Fwd: Medina 2023 CHIP-LAP Application
Attachments: Medina 2023 CHIP-LAP OCEAN.pdf

Andrew

I apologize! This is Media City with Brunswick.

Get [Outlook for iOS](#)

From: Amber.Dock@development.ohio.gov <Amber.Dock@development.ohio.gov>
Sent: Wednesday, October 11, 2023 9:52:39 AM
To: dhanwell@medinaoh.org <dhanwell@medinaoh.org>
Cc: Barbara.Richards@development.ohio.gov <Barbara.Richards@development.ohio.gov>; Matthew.Spiess@development.ohio.gov <Matthew.Spiess@development.ohio.gov>; Colleen.Siadik@development.ohio.gov <Colleen.Siadik@development.ohio.gov>; Brandi Cowell <BCowell@kleinfelder.com>
Subject: Medina 2023 CHIP-LAP Application

External Email

Dear Mayor Dennis Hanwell:

The Ohio Department of Development's **Office of Community Enhancements (OCE) recommends funding Medina's application for the PY 2023 Community Housing Impact and Preservation Lead Abatement Program (CHIP-LAP)**. The Lead Safe Ohio program is providing CHIP Program administrators the opportunity to properly identify and abate lead-based paint hazards. CHIP-LAP is funded with State of Ohio American Rescue Plan Act - State and Local Fiscal Recovery Funds (ARPA-SLFRF). Medina's application award amount is **\$60,000**.

Demand was less than anticipated for CHIP-LAP funds, however some applicants have already expressed the need for more funding. If your community would be interested in additional funding, please respond to your representative with an amount.

Award Conditions

In order to receive the grant funds, your community must meet the following conditions by October 20, 2023.

- Provide OCE the anticipated date of commitment for the first CHIP-LAP-funded project.

Action Items

Attached, you'll find the Applicant Profile. Your applicant profile describes the activities approved for funding and includes the program description, awarded budget, activity outcomes, and funding sources. Review this document carefully for accuracy and submit any errors with your response to OCE.

After reviewing your profile, your community's current **CEO must respond via email to Matthew Spiess at Matthew.Spiess@development.ohio.gov and Colleen Siadik at Colleen.Siadik@development.ohio.gov by October 20, 2023 with the corrections taken to resolve the conditions listed above and agree to implement housing and lead abatement activities in accordance with state and federal regulations during the grant period.** After reviewing and approving these items, OCD will prepare and email the grant agreement for signature.

Policies

All housing activities must be implemented in accordance with the following policies:

- [Residential Rehabilitation Standards \(RRS\)](#)
- [Housing Handbook](#)
- The community's approved Policies and Procedures Manual
- Applicable [OCD Program Policy Notices](#)
- Must comply with HUD guidelines, US EPA standards and Ohio Department of Health regulations as detailed at <https://odh.ohio.gov/know-our-programs/lead-licensure-and-accreditation-program/laws-and-rules> when completing lead risk assessments and paint inspections, as well as clearance examinations.

Note: These funds will not require an Environmental Review process like other federal CHIP Program funding. If you have any questions, contact Residential Revitalization Program Representatives Matthew Spiess at Matthew.Spiess@development.ohio.gov or Colleen Siadik at Colleen.Siadik@development.ohio.gov. If you have immediate questions or concerns, please contact me at (614) 466-0324 or reply to this email.

Best,
Amber



**Department of
Development**

Amber Saulnier
Grants Program Administrator
Office of Community Enhancements
77 South High Street
Columbus, Ohio 43215
614.466.0324
Amber.Dock@development.ohio.gov

Empowering Communities to Succeed.

Email to and from the Ohio Department of Development is open to public inspection under Ohio's public record law. Unless a legal exemption applies, this message and any response to it will be released if requested.

The State of Ohio is an Equal Opportunity Employer and Provider of ADA Services.

REQUEST FOR COUNCIL ACTION

No. RCA 23-210-10/23

FROM: Andrew Dutton

Committee: Finance

DATE: October 12, 2023

SUBJECT: PY 2022 CHIP, Private Rehab Project at 1495 McKinley Ave.

SUMMARY AND BACKGROUND:

A purchase order request to Green Home Solutions for a PY22 CHIP Private Rehabilitation project at 1495 McKinley Ave. in Brunswick was approved by Ordinance 134-23 for \$65,545.00.

Exterior work for the project includes a new roof, new gutters and downspouts, window and door replacement, and front porch reconstruction. Interior work for the project includes flooring, bathroom plumbing, electric work throughout the home, and smoke detector installation.

The project is underway and has incurred further costs of \$1,125.00 to install new interior doors and a basement drainpipe. This request is to increase the PO to \$66,670.00.

In addition to using CHIP grant funds, we are required to take a portion from Brunswick's HOME Program Income funds (CHIP Revolving Loan Fund) to fund one rehab project in this grant. The required amount to be used is \$43,131.00.

Sufficient Funding:

\$23,539.00 from 139-0462-52215

Transfer Funding:

\$43,131.00 from 137-0407-52215

Project Number: AC-22-07 (CHIP Funds)

Project Number: PI-22-02 (Brunswick Program Income)

Estimated Cost: \$66,670.00

Suggested Funding:

- sufficient funds in Account No. 139-0462-52215
- transfer needed from Account No. to Account No.
- NEW APPROPRIATION needed in Account No.

Emergency Clause Requested: Yes

Reason: The project has begun and we are required to pay CHIP contractors within 30 days

COUNCIL USE ONLY:

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.

Date:

REQUEST FOR COUNCIL ACTION

No. RCA 23-211-10/23

FROM: Keith H. Dirham
DATE: Monday, October 16, 2023
SUBJECT: Income Tax allocation

Committee: Finance

Amend 161.13

SUMMARY AND BACKGROUND:

At the budget meeting on October 4 the following changes to the income tax allocation were recommended:

- 106 Police Fund down 3.5% to 40%
- 001 General Fund up 0.5% to 31.5%
- 301 General Purpose Capital Fund up 1% to 3.5%
- 388 Electronic Technology Capital Fund up 1% to 2.75%
- 389 Unanticipated Capital Contingencies Fund up 1% to 1.50%

These changes should be effective for income tax receipts after January 1, 2024.

No Emergency Clause is required.

previous Ord 203-21

Estimated Cost:

Suggested Funding:

- sufficient funds in Account No.
- transfer needed from Account No. to Account No.
- NEW APPROPRIATION needed in Account No.

Emergency Clause Requested:

Reason:

COUNCIL USE ONLY:

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.

Date:

161.13 ALLOCATION OF FUNDS.

The funds collected under the provisions of this chapter shall be distributed as follows beginning January 1, 2022:

- a) Such part thereof which is necessary to defray all costs of collecting the taxes and the cost of administering and enforcing the provisions thereof shall be paid into the General Fund.
- b) Twenty percent (20%) of the balance shall be paid into the newly created Special Revenue Fund (2004) to be used for street, storm water, and utility construction, maintenance, repair and improvements.
- c) After the costs of collecting the taxes and administering and enforcing the provisions thereof and the required street, storm water, and utility construction, maintenance, repair and improvements are provided for as set forth in subsections (a) and (b) above, the remaining funds shall be distributed as follows:
 - A. Forty-three and one-half percent (43.5%) of the net available income tax receipts received annually shall be used to defray operating and capital expenses of the Police Department of the City.
 - B. Seven percent (7%) of the net available income tax receipts received annually shall be used to defray operating and annual capital expenses of the Fire Department of the City.
 - C. One and one-half percent (1-1/2%) of the net available income tax receipts received annually shall be set aside in a growth fund to be used to defray major capital expenses of the Fire Department of the City.
 - D. Nine and one-half percent (9.5%) of the net available income tax receipts received annually shall be used to defray operating expenses for the Parks and Recreation Department of the City.
 - E. Twenty-five and one-half percent (25.5%) of the net available income tax receipts received annually shall be used to defray operating and capital expenses of the General Fund of the City.
 - F. Three percent (3%) of the net available income tax receipts received annually shall be used to defray general purpose capital expenses.
 - G. One- and three-quarter percent (1.75%) of the net available income tax receipts received annually shall be used to defray Electronic Technology capital replacement expenses.
 - H. Seven and one quarter percent (7.25%) of the net available income tax receipts received annually shall be used to defray operating and annual capital expenses of the Recreation Center of the City.
 - I. One half percent (0.5%) of the net available income tax receipts received annually shall be used to defray operating and capital expenses of the Street M&R Fund of the City.
 - J. One half percent (0.5%) of the net available income tax receipts received annually shall be used to defray unanticipated capital expenses.
- d) Exception for Receipts from the Medina-Montville Joint Economic Development District.
 - A. After the costs of collecting the taxes and administering and enforcing the provisions thereof and the required street, storm water, and utility construction, maintenance, repair and improvements are provided for as set forth in subsections (a) and (b) above, the

remaining funds shall be distributed as follows:

- 1) Seventy-five percent (75%) of the net available income tax receipts received annually shall be used to defray Economic Development expenses.
 - 2) Twenty-five percent (25%) of the net available income tax receipts received annually shall be distributed in accordance with the distribution laid out in subsection (c) above.
- e) That effective January 1, 2023, (H) shall be amended to read as follows:
- H. Two- and one-quarter percent (2.25%) of the net available income tax receipts received annually shall be used to defray operating and annual capital expenses of the Recreation Center of the City.
- f) That effective January 1, 2023, (E) shall be amended to read as follows:
- E. Thirty-one (31%) of the net available income tax receipts received annually shall be used to defray operating and capital expenses of the General Fund of the City.
- g) That effective January 1, 2023, (F) shall be amended to read as follows:
- F. Two- and one-half percent (2.5%) of the net available income tax receipts received annually shall be used to defray general purpose capital expenses.

REQUEST FOR COUNCIL ACTION

No. RCA 23-21210/23

FROM: Keith H. Dirham
DATE: Monday, October 16, 2023
SUBJECT: Amendments required due to HB 33

Committee: Finance

SUMMARY AND BACKGROUND: Amend Ch. 16d - Income Tax
RITA sent us the attached model language. I checked with RITA and our ordinance is their model ordinance and we already excluded under 18 so we just need to adopt their model language and we can ignore the under 18 issue.

This needs to be effective prior to January 1, 2024. It will not need an Emergency Clause so long as it passes in November. Consequently, I have not requested the EC but if this is delayed and not passed until December then the Emergency Clause will be needed.

Estimated Cost:

Suggested Funding:

- sufficient funds in Account No.
- transfer needed from Account No. to Account No.
- NEW APPROPRIATION needed in Account No.

Emergency Clause Requested:

Reason:

COUNCIL USE ONLY:

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.

Date:

Ohio House Bill 33 Municipal Income Tax Ordinance Updates Summarized

Age Exemption – updates required to Definitions section and Annual Return section

Location in RITA Model Ordinance: Section 2©(12)(o), Section 5(A)

OML Model Ordinance: Section __.03(11)(O), __.091(A)(3)

Net Profit Allocation – updates required to Imposition of Tax section

Location in RITA Model Ordinance: Sections 3(F) and (G)

OML Model Ordinance: Section __.062

Net Profit Filing Extension Due Date – updates required to Annual Return section

Location in RITA Model Ordinance: Sections 5(G)(2)

OML Model Ordinance: Section __.094

Correspondence – updates required to Annual Return section

Location in RITA Model Ordinance: Sections 5(G)(5)

OML Model Ordinance: Section __.094

Late Filing Penalty – updates required to Interest and Penalties section

Location in RITA Model Ordinance: Section 18(C)(3)

OML Model Ordinance: Section __.10(C)(4)

Opt-in Updates – adopt Election to Be Subject to R.C. 718.80 to R.C. 718.95 if needed

Location in RITA Model Ordinance: Section 27

OML Model Ordinance: Section __.96

* * *

Age Exemption – updates required to Definitions section and Annual Return section

Location in RITA Model Ordinance: Section 2©(12)(o), Section 5(A)

OML Model Ordinance: Section __.03(11)(O), __.091(A)(3)

SECTION 2 DEFINITIONS.

(C) As used in this [Chapter/Ordinance]:

(12) "Exempt income" means all of the following:

[For those municipalities that have previously exempted all income of individuals under 18 years of age, no change required to (o).]

(o) To the extent authorized under a resolution or ordinance adopted by [Municipality/City/Village] before January 1, 2016, all or a portion of the income of individuals or a class of individuals under 18 years of age.

[For those municipalities that have not previously exempted all or a portion of the income of individuals based on an age limit, the following language should be used in (o):]

(o) ~~Intentionally left blank.~~ For tax years 2024 and after, the income of individuals under 18 years of age.

[For those municipalities that have previously exempted all or a portion of the income of an individual for an age limit other than 18, the following language should be used in (o):]

(o)(i) ~~For tax years through 2023, to the extent authorized under a resolution or ordinance adopted by [Municipality/City/Village] before January 1, 2016, all or a portion of the income of individuals or a class of individuals under [age limit] years of age.~~

(ii) For tax years 2024 and after, the income of individuals under 18 years of age.

SECTION 5 ANNUAL RETURN; FILING.

[For every municipality, regardless of whether individuals under 18 were previously exempted or if the exemption was for an age other than 18, (A) should read as follows:]

(A) An annual [Municipality/City/Village] income tax return shall be completed and filed by every taxpayer for each taxable year for which the taxpayer is subject to the tax, whether or not a tax is due thereon.

* * *

162.09

Net Profit Allocation – updates required to Imposition of Tax section

Location in RITA Model Ordinance: Sections 3(F) and (G)

OML Model Ordinance: Section _____.062

SECTION 3 IMPOSITION OF TAX.

Businesses.

(F) This division applies to any taxpayer engaged in a business or profession in [Municipality/City/Village], unless the taxpayer is an individual who resides in [Municipality/City/Village] or the taxpayer is an electric company, combined company, or telephone company that is subject to and required to file reports under Chapter 5745 of the ORC.

(1) Except as otherwise provided in divisions (F)(2) and (G) of this section, net profit from a business or profession conducted both within and without the boundaries of [Municipality/City/Village] shall be considered as having a taxable situs in [Municipality/City/Village] for purposes of municipal income taxation in the same proportion as the average ratio of the following:

(a) The average original cost of the real property and tangible personal property owned or used by the taxpayer in the business or profession in [Municipality/City/Village] during the taxable period to the average original cost of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated.

As used in the preceding paragraph, tangible personal or real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight;

(b) Wages, salaries, and other compensation paid during the taxable period to individuals employed in the business or profession for services performed in [Municipality/City/Village] to wages, salaries, and other compensation paid during the same period to individuals employed in the business or profession, wherever the individual's services are performed, excluding compensation from which taxes are not required to be withheld under Section 4(C);

(c) Total gross receipts of the business or profession from sales and rentals made and services performed during the taxable period in [Municipality/City/Village] to total gross receipts of the business or profession during the same period from sales, rentals, and services, wherever made or performed.

(2)(a) If the apportionment factors described in division (F)(1) of this section do not fairly represent the extent of a taxpayer's business activity in [Municipality/City/Village], the taxpayer may request, or the Tax Administrator of [Municipality/City/Village] may require, that the taxpayer use, with respect to all or any portion of the income of the taxpayer, an alternative apportionment method involving one or more of the following:

(i) Separate accounting;

(ii) The exclusion of one or more of the factors;

(iii) The inclusion of one or more additional factors that would provide for a more fair apportionment of the income of the taxpayer to the municipal corporation;

(iv) A modification of one or more of the factors.

(b) A taxpayer request to use an alternative apportionment method shall be in writing and shall accompany a tax return, timely filed appeal of an assessment, or timely filed amended tax return. The taxpayer may use the requested alternative method unless the Tax Administrator denies the request in an assessment issued within the period prescribed by Section 12(A).

(c) The Tax Administrator may require a taxpayer to use an alternative apportionment method as described in division (F)(2)(a) of this section, but only by issuing an assessment to the taxpayer within the period prescribed by Section 12 (A).

(d) Nothing in division (F)(2) of this section nullifies or otherwise affects any alternative apportionment arrangement approved by a the Tax Administrator or otherwise agreed upon by both the Tax Administrator and taxpayer before January 1, 2016.

(3) As used in division (F)(1)(b) of this section, "wages, salaries, and other compensation" includes only wages, salaries, or other compensation paid to an employee for services performed at any of the following locations:

(a) A location that is owned, controlled, or used by, rented to, or under the possession of one of the following:

(i) The employer;

(ii) A vendor, customer, client, or patient of the employer, or a related member of such a vendor, customer, client, or patient;

(iii) A vendor, customer, client, or patient of a person described in (F)(3)(a)(ii) of this section, or a related member of such a vendor, customer, client, or patient.

(b) Any location at which a trial, appeal, hearing, investigation, inquiry, review, court-martial, or similar administrative, judicial, or legislative matter or proceeding is being conducted, provided that the compensation is paid for services performed for, or on behalf of, the employer or that the employee's presence at the location directly or indirectly benefits the employer;

(c) Any other location, if the Tax Administrator determines that the employer directed the employee to perform the services at the other location in lieu of a location described in division (F) (3)(a) or (b) of this section solely in order to avoid or reduce the employer's municipal income tax liability. If the Tax Administrator makes such a determination, the employer may dispute the determination by establishing, by a preponderance of the evidence, that the Tax Administrator's determination was unreasonable.

(4) For the purposes of division (F)(1)(c) of this section, and except as provided in division (G) of this section, receipts from sales and rentals made and services performed shall be sitused to a municipal corporation as follows:

(a) Gross receipts from the sale of tangible personal property shall be situated to the municipal corporation in which the sale originated. For the purposes of this division, a sale of property originates in [Municipality/City/Village] if, regardless of where title passes, the property meets any of the following criteria:

(i) The property is shipped to or delivered within [Municipality/City/Village] from a stock of goods located within [Municipality/City/Village].

(ii) The property is delivered within [Municipality/City/Village] from a location outside [Municipality/City/Village], provided the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within [Municipality/City/Village] and the sales result from such solicitation or promotion.

(iii) The property is shipped from a place within [Municipality/City/Village] to purchasers outside [Municipality/City/Village], provided that the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.

(b) Gross receipts from the sale of services shall be situated to [Municipality/City/Village] to the extent that such services are performed in [Municipality/City/Village].

(c) To the extent included in income, gross receipts from the sale of real property located in [Municipality/City/Village] shall be situated to [Municipality/City/Village].

(d) To the extent included in income, gross receipts from rents and royalties from real property located in [Municipality/City/Village] shall be situated to [Municipality/City/Village].

(e) Gross receipts from rents and royalties from tangible personal property shall be situated to [Municipality/City/Village] based upon the extent to which the tangible personal property is used in [Municipality/City/Village].

(5) The net profit received by an individual taxpayer from the rental of real estate owned directly by the individual, or by a disregarded entity owned by the individual, shall be subject to [Municipality/City/Village]'s tax only if the property generating the net profit is located in [Municipality/City/Village] or if the individual taxpayer that receives the net profit is a resident of [Municipality/City/Village]. [Municipality/City/Village] shall allow such taxpayers to elect to use separate accounting for the purpose of calculating net profit situated under this division to the municipal corporation in which the property is located.

(6)(a) Commissions received by a real estate agent or broker relating to the sale, purchase, or lease of real estate shall be situated to the municipal corporation in which the real estate is located. Net profit reported by the real estate agent or broker shall be allocated to [Municipality/City/Village], if applicable, based upon the ratio of the commissions the agent or broker received from the sale, purchase, or lease of real estate located in [Municipality/City/Village] to the commissions received from the sale, purchase, or lease of real estate everywhere in the taxable year.

(b) An individual who is a resident of [Municipality/City/Village] shall report the individual's net profit from all real estate activity on the individual's annual tax return for [Municipality/City/Village]. The individual may claim a credit for taxes the individual paid on such net profit to another municipal corporation to the extent that such a credit is allowed under [Municipality/City/Village]'s income tax

ordinance. (7) When calculating the ratios described in division (F)(1) of this section for the purposes of that division or division (F)(2) of this section, the owner of a disregarded entity shall include in the owner's ratios the property, payroll, and gross receipts of such disregarded entity.

(7) Left intentionally blank.

(8) Intentionally left blank.

(G)(1) As used in this division:

(a) "Qualifying remote employee or owner" means an individual who is an employee of a taxpayer or who is a partner or member holding an ownership interest in a taxpayer that is treated as a partnership for federal income tax purposes, provided that the individual meets both of the following criteria:

(i) The taxpayer has assigned the individual to a qualifying reporting location.

(ii) The individual is permitted or required to perform services for the taxpayer at a qualifying remote work location.

(b) "Qualifying remote work location" means a permanent or temporary location at which an employee or owner chooses or is required to perform services for the taxpayer, other than a reporting location of the taxpayer or any other location owned or controlled by a customer or client of the taxpayer. "Qualifying remote work location" may include the residence of an employee or owner and may be located outside of a municipal corporation that imposes an income tax in accordance with this chapter. An employee or owner may have more than one qualifying remote work location during a taxable year.

(c) "Reporting location" means either of the following:

(i) A permanent or temporary place of doing business, such as an office, warehouse, storefront, construction site, or similar location, that is owned or controlled directly or indirectly by the taxpayer;

(ii) Any location in this state owned or controlled by a customer or client of the taxpayer, provided that the taxpayer is required to withhold taxes under Section 4 of this [Chapter/Ordinance], on qualifying wages paid to an employee for the performance of personal services at that location.

(d) "Qualifying reporting location" means one of the following:

(i) The reporting location in this state at which an employee or owner performs services for the taxpayer on a regular or periodic basis during the taxable year;

(ii) If no reporting location exists in this state for an employee or owner under division (G)(1)(d)(i) of this section, the reporting location in this state at which the employee's or owner's supervisor regularly or periodically reports during the taxable year;

(iii) If no reporting location exists in this state for an employee or owner under division (G)(1)(d)(i) or (ii) of this section, the location that the taxpayer otherwise assigns as the employee's or owner's qualifying reporting location, provided the assignment is made in good faith and is recorded and maintained in the

taxpayer's business records. A taxpayer may change the qualifying reporting location designated for an employee or owner under this division at any time.

(2) For tax years ending on or after December 31, 2023, a taxpayer may elect to apply the provisions of this division to the apportionment of its net profit from a business or profession. For taxpayers that make this election, the provisions of division (F) of this section apply to such apportionment except as otherwise provided in this division.

A taxpayer shall make the election allowed under this division in writing on or with the taxpayer's net profit return or, if applicable, a timely filed amended net profit return or a timely filed appeal of an assessment. The election applies to the taxable year for which that return or appeal is filed and for all subsequent taxable years, until the taxpayer revokes the election.

The taxpayer shall make the initial election with the tax administrator of each municipal corporation with which, after applying the apportionment provisions authorized in this division, the taxpayer is required to file a net profit tax return for that taxable year. A taxpayer shall not be required to notify the tax administrator of a municipal corporation in which a qualifying remote employee's or owner's qualifying remote work location is located, unless the taxpayer is otherwise required to file a net profit return with that municipal corporation due to business operations that are unrelated to the employee's or owner's activity at the qualifying remote work location.

After the taxpayer makes the initial election, the election applies to every municipal corporation in which the taxpayer conducts business. The taxpayer shall not be required to file a net profit return with a municipal corporation solely because a qualifying remote employee's or owner's qualifying remote work location is located in such municipal corporation.

Nothing in this division prohibits a taxpayer from making a new election under this division after properly revoking a prior election.

(3) For the purpose of calculating the ratios described in division (F)(1) of this section, all of the following apply to a taxpayer that has made the election described in division (G)(2):

(a) For the purpose of division (F)(1)(a) of this section, the average original cost of any tangible personal property used by a qualifying remote employee or owner at that individual's qualifying remote work location shall be situated to that individual's qualifying reporting location.

(b) For the purpose of division (F)(1)(b) of this section, any wages, salaries, and other compensation paid during the taxable period to a qualifying remote employee or owner for services performed at that individual's qualifying remote work location shall be situated to that individual's qualifying reporting location.

(c) For the purpose of division (F)(1)(c) of this section, and notwithstanding division (F)(4) of this section, any gross receipts of the business or profession from services performed during the taxable period by a qualifying remote employee or owner for services performed at that individual's qualifying remote work location shall be situated to that individual's qualifying reporting location.

(4) Nothing in this division prevents a taxpayer from requesting, or a tax administrator from requiring, that the taxpayer use, with respect to all or a portion of the income of the taxpayer, an alternative apportionment method as described in division (F)(2) of this section. However, a tax administrator shall not require an

alternative apportionment method in such a manner that it would require a taxpayer to file a net profit return with a municipal corporation solely because a qualifying remote employee's or owner's qualifying remote work location is located in that municipal corporation.

(5) Except as otherwise provided in this division, nothing in this division is intended to affect the withholding of taxes on qualifying wages pursuant to Section 4 of this [Chapter/Ordinance].

* * *

Net Profit Filing Extension Due Date – updates required to Annual Return section

Location in RITA Model Ordinance: Sections 5(G)(2)

OML Model Ordinance: Section ____.094

Correspondence – updates required to Annual Return section

Location in RITA Model Ordinance: Sections 5(G)(5)

OML Model Ordinance: Section ____.094

SECTION 5 ANNUAL RETURN; FILING.

[For every municipality, regardless of whether individuals under 18 were previously exempted or if the exemption was for an age other than 18, (A) should read as follows:]

(A) An annual [Municipality/City/Village] income tax return shall be completed and filed by every taxpayer for each taxable year for which the taxpayer is subject to the tax, whether or not a tax is due thereon.

(G)(1) Except as otherwise provided in this [Chapter/Ordinance], each return required to be filed under this section shall be completed and filed as required by the Tax Administrator on or before the date prescribed for the filing of state individual income tax returns under division (G) of Section 5747.08 of the ORC. The taxpayer shall complete and file the return or notice on forms prescribed by the Tax Administrator or on generic forms, together with remittance made payable to [Municipality/City/Village] . No remittance is required if the net amount due is ten dollars or less.

(2) Any taxpayer that has duly requested an automatic six-month extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of [Municipality/City/Village]'s income tax return. The extended due date of [Municipality/City/Village]'s income tax return shall be the 15th day of the tenth month after the last day of the taxable year to which the return relates. For tax years ending on or after January 1, 2023, the extended due date of [Municipality/City/Village]'s income tax return for a taxpayer that is not an individual shall be the 15th day of the eleventh month after the last day of the taxable year to which the return relates. An extension of time to file under this division is not an extension of the time to pay any tax due unless the Tax Administrator grants an extension of that date.

(a) A copy of the federal extension request shall be included with the filing of [Municipality/City/Village]'s income tax return.

(b) A taxpayer that has not requested or received a six-month extension for filing the taxpayer's federal income tax return may request that the Tax Administrator grant the taxpayer a six-month extension of the date for filing the taxpayer's [Municipality/City/Village] income tax return. If the request is received by the Tax Administrator on or before the date the [Municipality/City/Village] income tax return is due, the Tax Administrator shall grant the taxpayer's requested extension.

(3) If the tax commissioner extends for all taxpayers the date for filing state income tax returns under division (G) of Section 5747.08 of the ORC, a taxpayer shall automatically receive an extension for the filing of [Municipality/City/Village]'s income tax return. The extended due date of [Municipality/City/Village]'s income tax return shall be the same as the extended due date of the state income tax return.

(4) If the Tax Administrator considers it necessary in order to ensure the payment of the tax imposed by [Municipality/City/Village], the Tax Administrator may require taxpayers to file returns and make payments otherwise than as provided in this division, including taxpayers not otherwise required to file annual returns.

(5) If a taxpayer receives an extension for the filing of a municipal income tax return under division (G)(2), (3), or (4) of this section, the tax administrator shall not make any inquiry or send any notice to the taxpayer with regard to the return on or before the date the taxpayer files the return or on or before the extended due date to file the return, whichever occurs first.

If a tax administrator violates division (G)(5) of this section, the municipal corporation shall reimburse the taxpayer for any reasonable costs incurred to respond to such inquiry or notice, up to \$150.

Division (G)(5) of this section does not apply to an extension received under division (G)(2) of this section if the tax administrator has actual knowledge that the taxpayer failed to file for a federal extension as required to receive the extension under division (G)(2) of this section or failed to file for an extension under division (G)(2)(b) of this section.

(6) To the extent that any provision in this division (G) of this section conflicts with any provision in divisions (N), (O), (P), or (Q) of this section, the provisions in divisions (N), (O), (P), or (Q) prevail.

* * *

Late Filing Penalty – updates required to Interest and Penalties section

Location in RITA Model Ordinance: Section 18(C)(3)

OML Model Ordinance: Section __.10(C)(4)

SECTION 18 INTEREST AND PENALTIES.

(C) Should any taxpayer, employer, agent of the employer, or other payer for any reason fails, in whole or in part, to make timely and full payment or remittance of income tax, estimated income tax, or withholding

tax or to file timely with the [Municipality/City/Village] any return required to be filed, the following penalties and interest shall apply:

(1) Interest shall be imposed at the rate described in division (A) of this section, per annum, on all unpaid income tax, unpaid estimated income tax, and unpaid withholding tax.

(2)(a) With respect to unpaid income tax and unpaid estimated income tax, [Municipality/City/Village] may impose a penalty equal to fifteen percent (15%) of the amount not timely paid.

(b) With respect to any unpaid withholding tax, [Municipality/City/Village] may impose a penalty equal to fifty percent (50%) of the amount not timely paid.

(3)(a) For tax years ending on or before December 31, 2022, wWith respect to returns other than estimated income tax returns, [Municipality/City/Village] may impose a penalty of \$25 for each failure to timely file each return, regardless of the liability shown thereon for each month, or any fraction thereof, during which the return remains unfiled regardless of the liability shown thereon. The penalty shall not exceed \$150 for each failure.

(b) For tax years ending on or after January 1, 2023, with respect to returns other than estimated income tax returns, [Municipality/City/Village] may impose a penalty not exceeding \$25 for each failure to timely file each return, regardless of the liability shown thereon, except that [Municipality/City/Village] shall abate or refund the penalty assessed on a taxpayer’s first failure to timely file a return after the taxpayer files that return.

* * *

Opt-in Updates – adopt Election to Be Subject to R.C. 718.80 to R.C. 718.95 if needed

Location in RITA Model Ordinance: Section 27

OML Model Ordinance: Section ____,96

[If your municipality previously adopted Section 27, no further changes need to be made to your ordinance relative to the H.B. 33 net profit opt-in updates. If your municipality has not adopted Section 27, please include the following in your ordinance updates:]

SECTION 27 ELECTION TO BE SUBJECT TO R.C. 718.80 TO 718.95

(A) [Municipality/City/Village] hereby adopts and incorporates herein by reference Sections 718.80 to 718.95 of the ORC for tax years beginning on or after January 1, 2018.

(B) A taxpayer, as defined in division (C) of this section, may elect to be subject to Sections 718.80 to 718.95 of the ORC in lieu of the provisions of this [Chapter/Ordinance].

(C) “Taxpayer” has the same meaning as in section 718.01 of the ORC, except that “taxpayer” does not include natural persons or entities subject to the tax imposed under Chapter 5745 of the ORC. “Taxpayer” may include receivers, assignees, or trustees in bankruptcy when such persons are required to assume the role of a taxpayer.

* * *

REQUEST FOR COUNCIL ACTION

No. RCA 23-213-10/23

FROM: Grants
DATE: October 15, 2023
SUBJECT: Purchase Order Increase

Committee: Finance / Council

SUMMARY AND BACKGROUND:

Finance Committee is requested to approve another increase to PO # 2023001499 to Paul Davis Restoration in the amount of \$19,540.00 for remediation of additional mold found in the basement of 30 Circle Drive. This will bring the PO to ~~\$44,879.00~~ for mold removal for a project in the PY-20 CHIP Grant.

\$ 44,789.08

Orig. p.o. \$25,249.08

Estimated Cost:

Suggested Funding:

- sufficient funds in Account No. 139-0460-52215 and Account Number 137-0406-52215 if necessary
- transfer needed from Account No. to Account No.
- NEW APPROPRIATION needed in Account No.

Emergency Clause Requested: Yes

Reason: This is continuation of work that has already been done on the rest of the house. It must be completed before the HVAC work can begin.

COUNCIL USE ONLY:

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.

Date:

Change Order # 2

Owners: Dave & Brianna Oberacker

Address: 30 Circle Drive Madison OH 44256

Contractor: Paul Davis Restoration

Add Items:

Description _____ Price \$ _____

1, See Attached Description for additional Basement
Mold.

\$ 19,540.⁰⁰

Total Additions:

\$ 19,540.⁰⁰

Delete Items:

Description _____ Price \$ _____

Total Deletions

\$ 0.⁰⁰

Net Difference

\$ 19,540.⁰⁰

Original Contract Amount \$ 252,419.⁰⁰
Additions to Contract \$ 19,540.⁰⁰
Deletions to Contract \$ 0.⁰⁰
New Contract Amount \$ 448,879.⁰⁰

Owner Approval

9/5/23
Date 9/5/23

Owner Approval

Date

Contractor Approval

Date

Agency Approval

Date





City of Medina
 132 North Elmwood Ave
 P.O. Box 703
 Medina, OH 44258

PURCHASE ORDER

Page: 1
 P.O. Number: 2023001499
 P.O. Date: 08/08/2023
 Req. Number: 2023-GRA-0020
 Requested By: Lilly Selva
 Blanket Type:
 Ship Via:
 Terms:

Deliver To PLANNING DIRECTOR
 CITY OF MEDINA
 132 N ELMWOOD AVE
 MEDINA, OHIO 44256

Vendor P00452
 R FORCE ENTERPRISES
 DBA: PAUL DAVIS RESTORATION OF
 CLEVELAND METRO WEST
 17910 PEARL ROAD
 STRONGSVILLE, OH 44136

TERMS:
 1. City of Medina is exempt from excise or sales tax.
 2. Purchase order number must appear on all invoices, packages, packing slips, shipping papers and all other correspondence.
 3. Delivery must be prepaid to destination shown above or billed to same.
 4. No change may be made in this order without consent of the Director of Finance.
 DO NOT DUPLICATE THIS ORDER

FID# 34-6001856

Line	Description	Account	Qty	Unit	Price/Unit	Amount
BOC APPROVED 8/8/23						
Accounting						
001	PY20 CHIP-30 CIRCLE DR-MOLD REMEDIAION PRJ	139-0460-52215				\$25,249.08

Purchase Order Total: \$25,249.08

\$5,250.08 INCREASE; FINANCE COMMITTEE APPROVED 10/10/23

This amount has been lawfully appropriated for such purpose and is in the treasury or in the process of collection.

8/10/2023

Director of Finance

Date

REQUEST FOR COUNCIL ACTION

No. ECA 23-214-10/23
Committee: Finance

FROM: Jansen Wehrley *Jsw*
DATE: October 17, 2023
SUBJECT: Amend Ordinance 50-22
SUMMARY AND BACKGROUND:

The Parks Department respectfully requests Council to amend Ordinance 50-22 Section 1, Additional Fees for the Uptown Park.

1. Create a new fee in an effort to reduce the number of Spider Boxes requested for events at the Uptown Park. If electricity is needed for an event within the Park, we would like to include up to three Spider Boxes at no charge. Any additional Spider Box would be charged \$25.00 per location. (Electricity is also available for no charge at the corner arches, band stand, and the gazebo.)

The Uptown Park Advisory Committee reviewed this request on October 10, 2023 and voted 6-0 to proceed with the fee as recommended.

2. Include the Uptown Park sound system usage fee in this amendment.
Basic sound system: No charge for non-profit organizations, \$50 per event permit for others
Distributed sound system: \$100.00 per day including non-profit organizations.
*Park users are prohibited to use the sound system between the hours of 11:00pm-8:00am.

**Please note all previous Ordinances pertaining to the Pavilion Rental Fees for the Parks and Recreation Department will be repealed in order to combine all Pavilion Rental Fees into this amendment.

See attachments.

Estimated Cost: None
Suggested Funding:
• sufficient funds in Account No.
• transfer needed from Account No. to Account No.
• NEW APPROPRIATION needed in Account No.

Emergency Clause Requested: NO
Reason:

COUNCIL USE ONLY:
Committee Action/Recommendation:

Council Action Taken: **Ord./Res.**
Date:



UPTOWN PARK PERMIT

City of Medina
 132 N. Elmwood Street
 Medina, OH 44256
 330-725-8861

1. EVENT INFORMATION

Applicant Name: _____ Date: _____
 Address: _____ City: _____ State: _____ Zip: _____
 Telephone Number: _____ City Resident?: _____ Yes _____ No
 Email Address: _____
 Name of Sponsoring Organization: _____
 Officer of Sponsoring Organization: _____ Phone Number: _____
 Title of Event: _____ Date & Hours of Event: _____
 Actual Hours for Public: _____ Number of People Expected to Participate: _____
 Does the sponsoring organization carry event insurance?: _____ Yes _____ No
 Do you intend on having food trucks? _____ No _____ Yes *If so, provide a vendor list with this request.*
 Do you intend on using decorations? _____ No _____ Yes *If so, please review rules and regulations.*

Below is the fee structure for rental of the Uptown Park. Please circle the type of event and all charges that apply. Please note the deposit amount will be refunded to the renter under the condition that the property was not damaged.

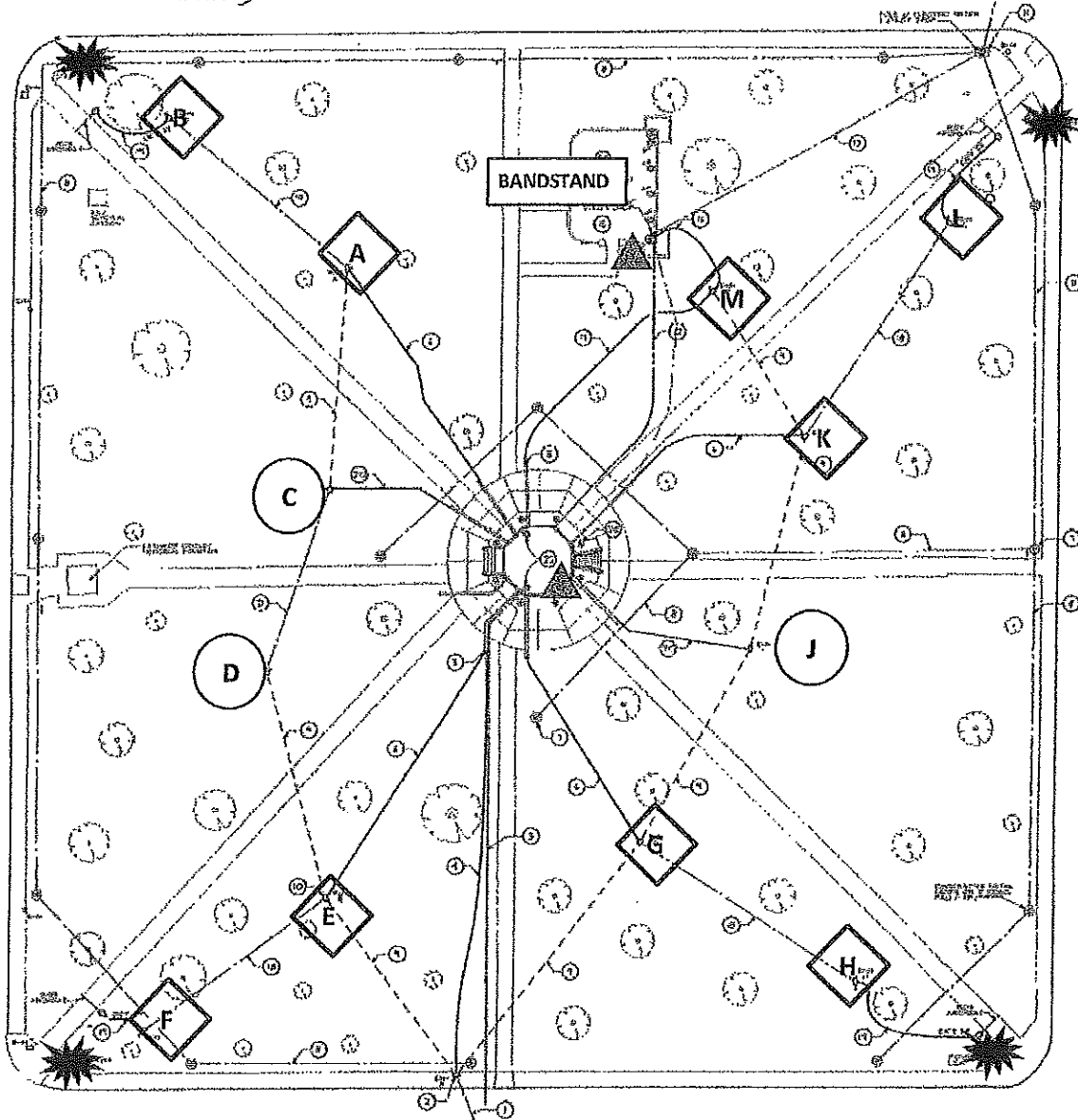
Type of Event	Size of Event	Deposit Amount *	Resident/Non-Profit	Non-Resident/Corp.
Wedding / Gathering	1—200	\$100.00	\$100.00	\$200.00
Small Event	201—500	\$750.00	\$200.00	\$400.00
Large Event	501 +	\$1,500.00	\$500.00	\$1,000.00
Multi-Use Event	6+ similar events per year	Same as above event and size	50% discount—on base fee, \$50 additional per day beyond 6	\$200.00 per day

3. PRO-RATED COSTS (** Upon Request)





Service		Cost	Requested Service
			Check box that applies
Garbage Removal		\$75.00 per collection	
Snow Removal		\$75.00 per day	
Barricades/Road Closures		\$35.00	
Sound System—Basic		\$50.00	
Sound System—Distributed		\$100.00	
Spider Boxes		No Charge	Locations:
Total Charges		\$	

**If services are required, but not requested by Permit Holder, costs will be withheld from the deposit

EAST LIBERTY STREET



EAST WASHINGTON STREET

-  Spider Box Location and Sound System Location – 100 AMP service panel; 6 – 20 AMP 125 volt circuits Class A GFCI Protected
-  Additional Spider Boxes – 100 AMP service panel; 6 – 20 AMP 125 volt circuits Class A GFCI Protected
-  20 AMP
-  Water

Bandstand – 100 AMP Panel; 6 – 20 AMP circuits, water

Gazebo - 2 receptacles – 20 AMP; water

ORDINANCE NO. 50-22

AN ORDINANCE AMENDING ORDINANCE NO. 127-17, PASSED SEPTEMBER 11, 2017, PERTAINING TO THE PAVILION RENTAL FEES FOR THE PARKS AND RECREATION DEPARTMENT.

WHEREAS: Ordinance No. 127-17, passed September 11, 2017, amended the Pavilion rental fees for the Parks and Recreation Department; and

WHEREAS: The City of Medina Parks and Recreation Department respectfully requests Council to amend this Ordinance pertaining to the Pavilion Use rental time limit;

WHEREAS: That the rental fees for Pavilion Use currently read as follows:

PAVILION USE

Resident	\$25.00 weekdays	\$35.00 weekends/holidays
Non-resident	\$35.00 weekdays	\$45.00 weekends/holidays
Non-profit	\$25.00 weekdays	\$25.00 weekends/holidays

These fees are for a **4-hour** time limit per day. The only exclusion from the non-profit fee is the Medina City School District, Buckeye Local School District, community fundraisers, community outreach programs, and City sponsored events. Any changes made after the pavilion booking has occurred will incur a \$5.00 administrative processing fee.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That Ord. 127-17, passed September 11, 2017 pertaining to the rental fees for Pavilion Use, shall be amended to read as follows:

PAVILION USE

Resident	\$25.00 weekdays	\$35.00 weekends/holidays
Non-resident	\$35.00 weekdays	\$45.00 weekends/holidays
Non-profit	\$25.00 weekdays	\$25.00 weekends/holidays

These fees are for a ~~4-hour~~ **3-hour** time limit per day. The only exclusion from the non-profit fee is the Medina City School District, Buckeye Local School District, community fundraisers, community outreach programs, and City sponsored events. Any changes made after the pavilion booking has occurred will incur a \$5.00 administrative processing fee.

SEC. 2: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 3: That this Ordinance shall be in full force and effect at the earliest period allowed by law.

PASSED: March 14, 2022

SIGNED: John M. Coyne, III
President of Council

ATTEST: Kathy Patton
Clerk of Council

APPROVED: March 15, 2022

SIGNED: Dennis Hanwell
Mayor

Effective Date: April 13, 2022

ORDINANCE NO. 127-17

AN ORDINANCE AMENDING THE PAVILION RENTAL FEES FOR THE PARKS AND RECREATION DEPARTMENT.

WHEREAS: Ordinance No. 80-15, passed June 22, 2015 amended the Uptown Park and Gazebo rental fees; and

WHEREAS: The City of Medina Parks and Recreation Department respectfully requests Council to amend this Ordinance pertaining to the Section Additional Fees; and

WHEREAS: The Uptown Park Advisory Committee reviewed these changes on August 14, 2017 and voted unanimously to proceed with this request.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That the rental fees for recreation facilities as amended in Ordinance No. 80-15, passed June 22, 2015, shall be amended to read as follows:

PAVILION USE

Resident	\$25.00 weekdays	\$35.00 weekends/holidays
Non-resident	\$35.00 weekdays	\$45.00 weekends/holidays
Non-profit	\$25.00 weekdays	\$25.00 weekends/holidays

These fees are for a 4-hour time limit per day. The only exclusion from the non-profit fee is the Medina City School District, Buckeye Local School District, community fundraisers, community outreach programs, and City sponsored events. Any changes made after the pavilion booking has occurred will incur a \$5.00 administrative processing fee.

UPTOWN PARK/GAZEBO

Type of Event	Size of Event	Deposit Amount*	Resident/Non-Profit	Non-Resident
Wedding/Gathering	1-200	\$100.00	\$100.00	\$200.00
Small Event	201-500	\$750.00	\$200.00	\$400.00
Large Event	501+	\$1,500.00	\$500.00	\$1,000.00
Multi-Use Event	6+ similar events a year	same as above event and size	50% discount on base fee. \$50.00 additional per day beyond 6.	\$200.00 per day

* Deposit refund subject to inspection by designee of the Mayor.

ADDITIONAL FEES (Upon request)**

Garbage/Snow Removal	\$75.00 per-day Per Collection
Snow Removal	\$75.00 Per Day

Barricades/Road Closures \$35.00

****If additional services are required but not requested by Permit Holder, costs will be withheld from the deposit.**

SEC. 2: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 3: That this Ordinance shall be in full force and effect at the earliest period allowed by law.

PASSED: September 11, 2017

SIGNED: John M. Coyne, III
President of Council

ATTEST: Kathy Patton
Clerk of Council

APPROVED: September 12, 2017

SIGNED: Dennis Hanwell
Mayor

Effective Date: October 30, 2017

ORDINANCE NO. 80-15**AN ORDINANCE AMENDING THE PAVILION RENTAL FEES FOR THE PARKS AND RECREATION DEPARTMENT.**

WHEREAS: Ordinance No. 61-11, passed May 9, 2011 amended the Uptown Park and Gazebo rental fees to read as follows:

PAVILION USE

Resident	\$25.00 weekdays	\$35.00 weekends/holidays
Non-resident	\$35.00 weekdays	\$45.00 weekends/holidays
Non-profit	\$25.00 weekdays	\$25.00 weekends/holidays

These fees are for a 4-hour time limit per day. The only exclusion from the non-profit fee is the Medina City School District and Buckeye Local School District. Any changes made after the pavilion booking has occurred will incur a \$5.00 administrative processing fee.

UPTOWN PARK/GAZEBO

Type of Event	Size of Event	Deposit Amount*	Resident/Non-Profit	Non-Resident/Corporate
Wedding/Gathering	1-200	\$100.00	\$50.00	\$100.00
Small Event	201-750	\$750.00	\$100.00	\$250.00
Large Event	751+	\$1,500.00	\$200.00	\$500.00
Multi-Use Event	5+ similar events a year	same as above event and size	50% discount	Not Applicable

* Deposit refund subject to inspection by designee of the Mayor.

ADDITIONAL FEES (Upon request)**

Garbage/Snow Removal	\$30.00 an hour
Restroom Facilities	\$100.00
Barricades/Road Closures	\$25.00

**If services are required but not requested by Permit Holder, costs will be withheld from the deposit.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That the rental fees for recreation facilities as amended in Ordinance No. 61-11, passed May 9, 2011, shall be amended to read as follows:

PAVILION USE

Resident	\$25.00 weekdays	\$35.00 weekends/holidays
Non-resident	\$35.00 weekdays	\$45.00 weekends/holidays
Non-profit	\$25.00 weekdays	\$25.00 weekends/holidays

These fees are for a 4-hour time limit per day. The only exclusion from the non-profit fee is the

Medina City School District, and Buckeye Local School District, community fundraisers, community outreach programs, and City sponsored events. Any changes made after the pavilion booking has occurred will incur a \$5.00 administrative processing fee.

UPTOWN PARK/GAZEBO

Type of Event	Size of Event	Deposit Amount*	Resident/Non-Profit	Non-Resident/Corporate
Wedding/Gathering	1-200	\$100.00	\$50.00 \$100.00	\$100.00 \$200.00
Small Event	201-750- 500	\$750.00	\$100.00 \$200.00	\$250.00 \$400.00
Large Event	751+ 501+	\$1,500.00	\$200.00 \$500.00	\$500.00 \$1,000.00
Multi-Use Event	5+ 6+ similar events a year	same as above event and size	50% discount on base fee. \$50.00 additional per day beyond 6.	Not Applicable \$200.00 per day

* Deposit refund subject to inspection by designee of the Mayor.

ADDITIONAL FEES (Upon request)**

Garbage/Snow Removal ~~\$30.00 an hour~~ **\$75.00 per day**
~~Restroom Facilities~~ ~~\$100.00~~
 Barricades/Road Closures ~~\$25.00~~ **\$35.00**

**If services are required but not requested by Permit Holder, costs will be withheld from the deposit.

SEC. 2: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 3: That this Ordinance shall be in full force and effect at the earliest period allowed by law.

PASSED: June 22, 2015

SIGNED: John M. Coyne, III
 President of Council

ATTEST: Kathy Patton
 Clerk of Council

APPROVED: June 23, 2015

SIGNED: Dennis Hanwell
 Mayor

Effective Date: July 22, 2015

REQUEST FOR COUNCIL ACTION

No. RCA 14-193-9/22
Committee: Public Properties

FROM: Jansen Wehrley
DATE: September 11, 2014
SUBJECT: Uptown Park sound system usage fees

*8/11/14
Jansen
9-12-14*

SUMMARY AND BACKGROUND:

The Parks and Recreation Department respectfully requests council's approval to implement a fee for the use of the recently improved sound system in the Uptown Park. The Uptown Park Advisory Committee reviewed the costs associated with the upgrades on 9/8/14. In order to help offset the expense of the new system the committee recommends the following charges and additions to the uptown park event permit:

10-28-14 Jansen. Revisited w/uptown Park Committee + Main St. Medicine

Recommendation:

- Basic sound system usage fee:
 - No charge for non-profit organizations
 - \$50.00 per event permit for others (weddings/parties) per event (Farmers Mkt. - whole year)
- Distributed sound system:
 - \$100.00 per day including non-profit organizations. *Required set up of tripods + speakers. (eliminates need for d.jay)*

* Park users are prohibited to use the sound system between the hours of 11:00pm-8:00am
509.031 A 3

All revenue generated is to be considered Uptown Park Revenue, credited to Parks.

Estimated Cost: None

Suggested Funding:

- sufficient funds in Account No.
- transfer needed from Account No. to Account No.
- **NEW APPROPRIATION** needed in Account No.

10-28-14 Per shields no legislation needed. -Sik

Emergency Clause Requested: Yes

Reason: Event permits for 2015 are already being processed.

COUNCIL USE ONLY:

10-28-14 DS/BA 3-0 approved

Committee Action/Recommendation:

Council Action Taken:

Ord./Res.
Date:

**MANAGEMENT AGREEMENT
FOR THE CITY OF MEDINA AIRPORT**

THIS AGREEMENT (“Agreement”) is made as of the ___ day of _____, in the year 2023, by and between **CITY OF MEDINA, OHIO** (“City”), and **[R. Waldron Entity]** (“Manager”).

RECITALS:

A. City is the owner of certain land located in the Sharon Township, Medina County, Ohio, more particularly depicted on **Exhibit A** attached hereto (the “Airport Land”) upon which the Medina Municipal Airport is situated (the “Airport”);

B. Manager is affiliated with the fixed base operator (“FBO”) operating as such at the Airport pursuant to a Lease (the “FBO Lease”) of fixed base operations premises (the “FBO Premises”) dated of even date herewith; and

C. Manager has represented that it is qualified or has or will have within its staff qualified personnel and expertise to function as the manager of the Airport and to perform the services and responsibilities required under this Agreement or by affiliation with the FBO (hereinafter sometimes referred to as the “Airport Management Services”); and

D. Both parties desire to enter into an agreement for the Manager to provide Airport Management Services to the Airport.

NOW THEREFORE, the City and Manager, for and in consideration of the compensation hereinafter set forth, and in consideration of the covenants and agreements herein contained, mutually agree as follows:

A. DUTIES AND RESPONSIBILITIES OF MANAGER

1. The Manager shall, at its cost, provide a qualified individual to serve in the capacity of Airport Director. The Airport Director need not be a full-time employee of the Manager but shall be responsible for devoting such time and attention to the position as will enable the Manager to comply with this Agreement. The Manager shall have the power and authority to hire, contract for, terminate, redesignate and otherwise supervise and direct the Airport Director and any other staff Manager shall determine to be necessary to perform the services under this Agreement. The Airport Director appointed by Manager and other persons performing services for management operations at the Airport may be employed by Manager or may be employees of the Manager’s FBO operations. No employees of the Manager will constitute City employees. A roster of all staff employed by Manager shall be provided to City annually accompanied by a description of the position held by such staff and the responsibilities of each member of such staff. All staff shall be adequately trained to perform the tasks to which they are assigned in accordance with best practices and all applicable laws, rules and regulations, including, but not limited to, rules and regulations of the Federal

Aviation Administration (“FAA”). The Airport Director appointed by Manager and other persons performing services for management operations at the Airport may be employed by Manager or may be employees of the Manager’s FBO operations.

2. Among the other duties specified in this Agreement, the Manager shall fulfill the following duties and responsibilities at the specified hours where so designated below:

- a. The Airport Director or other qualified staff of the Manager shall be on duty at the Airport during normal operating hours. Normal operating hours shall be determined by the City subject to input and recommendation of the Manager. The current normal operating hours are listed on **Exhibit B** attached hereto.
- b. The Manager shall maintain office space at the FBO Premises by agreement with the FBO and such shall serve as the Airport’s main office (“Airport Office”) which shall be open during normal Airport operating hours.
- c. The Airport Director’s phone number shall be posted at the Airport in a conspicuous location and at the FBO facilities and the Airport Director shall also maintain current phone numbers for after-hours contact with the local FAA, the Ohio Division of Aviation, the Medina Police Department and the Medina County Sheriff’s Department.
- d. The Manager shall assure that aircraft operations at the Airport are conducted within the rules and regulations of the FAA, the Federal Communications Commission, any applicable state law and any rules, regulations and/or minimum standards adopted by the City for the Airport. The Manager shall notify the City immediately of any aircraft operations or operators not complying with these requirements and shall keep records documenting all violations and warnings.
- e. The Manager shall issue Notice to Airmen (NOTAMS) to the local FAA Flight Service Station whenever any of the facilities are out-of-service or any conditions exist that would affect normal operations at the Airport.
- f. The Manager shall supervise the operation of Radio Airport Advisory Service (UNICOM) during the normal operating hours.
- g. The Manager shall coordinate with the City to provide services for necessary snow removal from the airfield runways, taxiways and necessary pavement areas. City may elect to have the Manager engage a snow removal provider, which may be the FBO, with the expense therefor approved by the City and paid for or reimbursed out of Airport revenues received by the Manager on City’s behalf. Notwithstanding, during the initial term of this Agreement, however, City will perform the necessary snow removal contemplated herein on such schedule as City may dictate in due consideration of City capacity.

- h. The Manager shall coordinate with the City in the City's cutting of grass on the airfield. City may elect to have the Manager engage a mowing service provider, which may be the FBO, with the expense therefor approved by the City and paid for or reimbursed out of Airport revenues received by the Manager on City's behalf. Notwithstanding, during the initial term of this Agreement, however, City will perform the necessary grass cutting for the Airport contemplated herein on such schedule as City may dictate in due consideration of City capacity.
- i. The Manager shall conduct periodic inspections of the airfield pavement including, but not limited to, runways and taxiways and markings to assure that they are in a satisfactory condition for safe aircraft operation and shall promptly notify the City of any problem areas and arrange for necessary repairs and maintenance. Such repairs and maintenance shall be paid for or reimbursed out of Airport revenues received by the Manager on City's behalf or Airport revenues received by City.
- j. The Manager shall conduct periodic inspections of the airfield lighting systems to assure that they are functioning properly and perform replacement of any lighting system lamps which do not work. The cost of repairs and replacement shall be paid for or reimbursed from Airport revenues received on City's behalf or Airport revenues received by City.
- k. The Manager shall manage the spare parts for the lighting systems and notify the Authority when additional replacement parts are ordered. The Manager shall place orders from time to time as replacement parts are necessary with the cost of same to be paid or reimbursed from Airport revenues received by Manager on City's behalf or Airport revenues received by City.
- l. The Manager shall maintain accurate records acceptable to the City of all inspections, problems, written correspondence, visits by the FAA or Ohio Division of Aviation, NOTAMS, complaints, emergencies and all other airport activity in written or electronic files. Further, the Manager shall maintain accurate financial records concerning all finances (including, but not limited to, budgets, revenue, and expenses) of the Airport in written or electronic files. Files are to be kept at the Airport Office in the area and by means designated by the parties for such information and shall be available for access, examination and copying by the City upon 24-hour advance notice. All files are to be reliably secured and backed up according to best practices and as approved by City. Within one hundred twenty (120) days after the end of each calendar years commencing with calendar year end 2023, Manager (in consultation with the FBO) shall submit to City a written report (the "Annual Report of Airport Operations") summarizing Airport flight and other operations and financial operations conducted by Manager and the FBO. Such report shall contain such data and information and be in such form as is reasonably satisfactory to City. Among other things that may be covered by the Annual Report

of Airport Operations, the following shall be addressed: (i) total numbers of aircraft landings and departures by month with year over year comparisons; (ii) total census of aircraft hangered by any person, firm or entity; (iii) Airport maintenance and repair activities by month and type; (iv) financial performance of the Airport and budgets; (v) leasing and rental information; and (vi) reports of other services or activities of the Manager and of each FBO operation.

- m. The Manager shall notify the City of any written correspondence received at the Airport requiring or requesting action by the City.
- n. The Manager shall immediately notify the City and the police and/or fire departments of any emergencies and/or safety and security incidents requiring a response by police or fire personnel.
- o. The Manager shall assist and cooperate with City as requested by City in any FAA grant application process and in any periodic updates of an Airport master plan.

3. The Manager shall have the right to propose rules and regulations (including, but not limited to, Minimum Standards for Aeronautical Activity) pertaining to the operation of the Airport property. All such rules and regulations shall be consistent with applicable laws, rules and regulations promulgated by governmental authorities having jurisdiction over the Airport, including, but not limited to the rules and regulations of the FAA and all grant assurances by reason of the FAA grants received for the Airport. All such rules and regulations as proposed shall be presented to the City for its comment, review and approval. City shall consult with the Manager prior to enacting or rescinding rules pertinent to the Airport. The Manager shall be responsible for monitoring and enforcing compliance with the rules and regulations adopted from time to time.

4. The Manager shall have the right to deny use of the Airport to anyone willfully or persistently violating regulations and rules of the FAA, the Ohio Division of Aviation, the Federal Communication Commission or the City.

5. The Manager shall assist the City in the negotiation of leases and other material agreements pertaining to the operation of the Airport or Airport property. The Manager shall administer agreements and leases entered into by the Airport to the extent consistent with City requests and the Manager's responsibilities and duties under this Agreement.

6. The City with Manager's input shall establish and publish a schedule of Airport user fees. Currently the City is charging a monthly access fee of \$100.00 per month per aircraft hangar space; counting each individual hangar space in a multi-aircraft storage facility (e.g. a T-Hangar facility) as a separate hangar subject to the fee.

7. The Manager may, at City's election, be designated as City agent for collection of rents and/or user/access fees and/or other Airport revenue and in such case all such funds shall be duly collected by Manager in trust for City and same shall be deposited in a City designated account at a

reputable financial institution selected by the City for Airport revenues. As provided in Section 2 above, Manager shall keep accurate financial records of all such user fees, Airport revenue and expenses.

8. The Manager shall not enter into any agreement or commitment on behalf of the City without City's prior written approval that (i) requires the City's approval under applicable law or requires the same be let by competitive bidding, or (ii) which is in violation of applicable law, or (iii) which would bind City beyond the period of Manager's engagement. The City and Manager shall develop reasonable guidelines setting forth Manager's authority with respect to routine customary expenditures relative to maintenance, repair and operating the Airport.

9. The Manager shall at all times promote the interests of the City and the Airport through communication with various professional, corporate and civic organizations and shall act in a professional manner at all times during contact with the public. Manager in cooperation with the City shall establish and pursue initiatives to increase aeronautical and related economic activity at the Airport consistent with a vibrant municipal airport for the betterment of the Medina community.

10. The Manager shall cause the Airport Director or another authorized representative of the Manager to attend regularly scheduled meetings of the City concerning Airport operation and development.

11. The Manager shall have such additional authority as is necessarily inferred from the other duties, responsibilities and authority hereinabove set forth subject in all events to City's right to clarify such authority from time-to-time.

12. Manager shall maintain liability insurance in addition to that required to be provided by the City under Section 4(b) with limits of not less than \$ _____ per occurrence and \$ _____ in the aggregate. The Manager shall maintain the City as an additional insured on such policy.

13. City has the right in its discretion from time to time to elect to self-manage any function or activity previously assigned to the Manager. In such event, City may remove the particular function(s) from Manager's responsibilities.

B. RESPONSIBILITIES OF THE CITY

1. The City shall reasonably cooperate with and support the Manager in the fulfillment of Manager's duties and in connection with administration of the Airport.

2. The City shall promptly inform the Manager of any events, correspondence, pending action or other occurrence known to City which may impact the Airport or administration thereof or which bear on the performance of Manager's duties.

3. The City will use reasonable efforts to support the Manager's promotion of the Airport and

use thereof.

4. The City shall keep and maintain or require any applicable lessee to maintain the following policies of insurance:

- a. Appropriate casualty insurance upon the City's buildings and improvements at the Airport in the amount and with coverages determined by City.
- b. Commercial policy of general liability insurance with limits adequately based upon the prudent exercise of the City's discretion. The Manager may be named as an additional insured under such policy.

5. The City shall provide Manager with such professional, legal or engineering assistance as may be required in the proper administration of the Airport; provided that all engagements and costs thereof shall be subject to the prior approval of the City and shall constitute Airport expenses for purposes of Section E(1) of this Agreement. All engagement policies shall be in accordance with applicable law.

6. The City shall use Airport revenues from access fees, lease rentals and other Airport revenue received by City in consultation with the Manager for maintenance and improvement of the Airport so far as reasonably consistent with the goals of the City for the Airport based upon a City approved annual budget to be prepared annually at the commencement of each calendar by the City and the Manager in consultation with one another. An initial part year budget for the balance of calendar year 2023 shall be prepared and submitted for City approval as soon as practicable after the execution of this Agreement. City may apply for such FAA grant assistance for the Airport as is determined by the City to be appropriate and consistent with available FAA grant programs. Manager, at City's request, will assist in the process of preparing such grant application and in utilizing the grants received according to the purposes of such grants, all subject to any applicable laws, rules and FAA grant assurances imposed as a condition of such grants. Notwithstanding anything to the contrary in this Agreement, FAA grant revenue shall be used consistent with the purposes thereof and all required grant assurances. Expected grant revenue and expenditures of same shall be reflected in the Airport budgets to be prepared by Manager with the cooperation of City.

C. TERM OF AGREEMENT

1. The initial term (“Initial Term”) of the Agreement shall be for one (1) year commencing on the 1st day of _____, in the year 2023, and ending on the ____ day of _____, 2024. However, this Agreement may be renewed by mutual written agreement of the parties at the end of the Initial Term for an additional _____ year term ending _____, 20____. Each time this Agreement is extended by renewal, it shall be upon the same terms as herein contained, except that the Management Fee shall be subject to mutual agreement of the Manager and the City. The Manager and the City shall, as soon as practicable after a request for extension by either party, commence good faith negotiations to establish a reasonable fee for managerial services.

D. RIGHTS TO TERMINATE

1. Should the Manager fail to discharge any of the heretofore mentioned duties and responsibilities, the Authority shall give written notice of such default. If such default continues for thirty (30) days after receipt of such notice, the City shall have the right to terminate this Agreement by giving written notice of such termination.

2. Should the City default in its responsibilities to the Manager, the Manager shall give written notice of such default. If such default continues for sixty (60) days after receipt of such notice, the Manager shall have the right to terminate this Agreement by giving written notice of said termination. The Authority shall promptly pay all compensation due the Manager, prorated to the date of termination.

3. The City shall have the right to terminate this Agreement in the event the FBO Lease is terminated or expires pursuant to the terms of the FBO Lease.

E. COMPENSATION

1. During the initial term of this Agreement, the Manager shall be paid an annual fee (“Management Fee”) in arrears equal to 50% of the Net Revenue (defined hereinafter) of the Airport revenues for each calendar year during the term. “Net Revenue of the Airport” shall mean all revenue received by the City from the Airport operations (not, however, including FAA grant revenue that is allocated to specific projects or to the extent including any portion of FAA grant proceeds for purposes of determining management fees would be unlawful or prohibited by the terms of the Grant or applicable law) including access fees, rent and other fees minus all direct expenses incurred by City in maintenance, repair and other operations of the Airport (not however including expenses specifically payable with FAA grant proceeds where the grant requires application to the specific expenses or to the extent including any portion of FAA grant paid expenses for purposes of determining management fees would be unlawful or prohibited by the terms of the Grant or applicable law). The Management Fee for the partial calendar year 2023 commencing on the date of this Agreement and terminating at midnight December 31, 2023 and for any subsequent partial calendar year during the term shall be based on the projected revenue and expense for the full

calendar year and a proration of the projected Net Revenue for the partial year for which a determination is required.

2. By mutual agreement memorialized in written amendment to this Agreement, the parties may agree to Manager's performance of other responsibilities associated with the Airport and the compensation basis therefor.

F. MISCELLANEOUS

1. If any portion of this Agreement is subsequently held to be illegal or invalid, the remainder of this Agreement shall continue to be of full force and effect.

2. Neither party may assign this Agreement without the prior written consent of the other.

3. It is mutually agreed that the terms hereof shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

4. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, the City and Manager have hereunto caused their names to be affixed to this Agreement.

City:
City of Medina, Ohio

By: _____

Name: _____

Title: _____

Dated: _____

Manager:
[J. Waldron Entity]

By: _____

Name: _____

Title: _____

Dated: _____

[With R. Waldron Requested Maintenance Responsibility Changes]
Subject to City Review and Approval.

FIXED BASE OPERATION LEASE

Dated: _____, 2023

between

CITY OF MEDINA, OHIO,
as Landlord

and

[R. Waldron Entity]
as Tenant

LEASE

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LEASE

THIS LEASE made and entered into as of the _____ day of _____, 2023, by and between CITY OF MEDINA, OHIO (“Landlord”), and [R. Waldron Entity] (“Tenant”).

RECITALS:

A. Landlord is the owner of certain land located in the City of Medina, Medina County, Ohio, more particularly described on Exhibit A (the “Land”) upon which the Medina Municipal Airport is situated (the “Airport”);

B. Landlord is the owner of the Airport administrative building (“Administrative Building”) located at 2050 Medina Road, Medina, Ohio 44256 with dimensions of approximately 24' x 50'; an above ground Jet A Fuel Tank and associated fueling fixtures (collectively “Jet A Fuel Facility”); an above ground 100LL Av Gas Fuel Tank, associated fueling fixtures and card reader (collectively “Av Gas Facility”; and together with the Jet A Fuel Facility collective referred to as the “Fuel Farm”); and a steel aircraft maintenance hangar and attached shop with collective dimensions of 70' x 100' (“Maintenance Hangar”);

C. The Landlord desires to lease the Administrative Building, Jet A Fuel Facility and Maintenance Hangar to Tenant together with a portion of the Land consisting of _____ acres depicted on Exhibit B (such portion referred to as the “FBO Land”) and together with the Administrative Building, Jet A Fuel Facility and Maintenance Hangar being referred to as the “Premises) on the condition that Tenant continuously operate the Premises as a Fixed Based Operator in accordance with this Lease providing the high quality services and amenities expected at a well operated, customer service oriented municipal airport.

ARTICLE I

Definitions

For the purpose of this Lease, unless the context otherwise clearly requires:

- (a) The term “Administrative Building”, as used herein, means as defined in Recital A.
- (b) The term “Airport”, as used herein, means as defined in Recital B.
- (c) The Term “Av Gas Facility”, as used herein, means as defined in Recital B.
- (d) The term “Fuel Farm”, as used herein, means as defined in Recital B.
- (e) The term “Base Rent”, as used herein, means that portion of the Rent specified in Section 2.1 hereof.

(f) The term "Event of Default", as used herein, means any event set forth in Section 16.1 hereof as an Event of Default.

(g) The term "Fixed Base Operator" or "FBO" means a full service fixed base operator as defined from time to time in the Minimum Standards. In the absence of adopted Minimum Standards, "Fixed Base Operator" or "FBO" means a full service fixed based operation providing, at minimum, the following services to users of the Airport directly or through duly authorized onsite sublessees or authorized and qualified onsite contractors.

(i) Sale of aviation fuel and lubricants together with aircraft fueling services;

(ii) Tie down, hangar storage, and parking;

(iii) Aircraft maintenance (including stocking a reasonable inventory of aircraft parts and accessories to maintain and repair general aviation aircraft);

(iv) F.A.A. approved flight instruction; and

(v) Aircraft rental.

(h) The term "Fuel Farm", as used herein means the Jet A Fuel Facility, Av Gas Facility and related fueling, metering and containment equipment and systems.

(i) The term "Imposition", as used herein, means any tax, assessment, ad valorem real property tax, excise, levy, license or permit fee or other governmental charge, general and specific, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature whatsoever which at any time during the Term may be assessed, levied, confirmed, imposed upon, or grow or become due and payable or other payments received by Tenant or anyone claiming by, through or under Tenant, or (c) any use or occupation of the Premises or any part thereof.

(j) The term "Institution", as used herein, means a savings bank, bank, trust or insurance company, pension fund (whether or not managed by a state agency), or lending institution authorized to make mortgage loans and supervised or regulated by the United States of America or any state thereof.

(k) The term "Jet A Fuel Facility", as used herein, means as defined in Recital B.

(l) The term "Landlord", as used herein, means City of Medina, Ohio, its successors or assigns.

(m) The term "Lease Year", as used herein, means a period of twelve (12) full consecutive months commencing upon the Rent Commencement Date.

(n) The term "Minimum Standards", means the Minimum Standards for Aeronautical Activity, if any, adopted from time to time by the Landlord as the same may be amended, modified or supplemented from time to time.

- (o) The term "Maintenance Hangar", as used herein, means as defined in Recital B.
- (p) The term "Premises", as used herein, means as defined in Recital C.
- (p) The term "Rent", as used herein, means the sum of the Base Rent and such other sums as are payable to Landlord in accordance with the terms hereof.
- (q) The term "Commencement Date", as used herein, shall mean _____, 2023.
- (r) The term "Tenant", as used herein, means [R. Waldron Entity].
- (s) The term "Term", as used herein, means the period of time described in Section 3.1 hereof and includes the "Initial Term" as defined in Section 3.1 and any "Extended Term" as defined in Section 3.1.
- (t) The term "USTs or AST" shall mean any underground storage tanks or above ground storage tanks, as applicable for fuel at the Premises including, but not limited to, those which are a part of the Fuel Farm.

ARTICLE II

Rent

Section 2.1 Base Rent. As part of Rent, Tenant shall pay to Landlord, as Base Rent for the Premises, during the Term, the following amounts (with respect to the indicated Lease Years):

- (a) During the Initial Term, the Base Rent shall be ZERO Dollars (\$00.00) in recognition of Tenant's investments in start-up, establishment and operation of the Fixed Base Operator services at the Airport contemplated in the definition of FBO in the above definitions section of this Agreement; and
- (b) The fees due under Section 2.2 below.
- (c) During any Extended Term the Base Rent shall be as set forth in a written amendment to this Lease to be negotiated and executed pursuant to Section 3.1 of this Lease prior to the commencement of such Extended Term.
- (d) The Base Rent for each of the aforesaid periods shall be payable in successive monthly installments during the respective period in advance on the first day of each and every month during the respective period, the first such payment to include also any prorated Base Rent for the period from the date of the commencement of the Initial Term to the first day of the first full calendar month in the Initial Term.

Section 2.2 Fuel Privilege Fees. In addition to Base Rent, Tenant shall pay the following fees based upon all aviation gasoline, jet fuel and any other type of aviation fuel, corrected to standard temperature, delivered to Tenant at or for the Airport:

Jet Fuel.

- (a) Seventy-five percent of the gross margin on all monthly Jet Fuel sales; plus
- (b) Until Landlord recovers through the gross margin payments under this Lease, Landlord's remaining unrecovered full investment in the Jet A Fuel Facility; all remaining gross margin once the 25% share remaining for Tenant exceeds \$1,000.00 for the month, shall be paid to Landlord. As of _____, 2023 the remaining unrecovered portion of Landlord's investment to be paid is \$ _____.
- (c) Once Landlord's investment is fully recovered then Seven cents (\$.07) per gallon based upon all Jet A fuel, corrected to standard temperature, delivered to Tenant on the Premises

Av Gas.

- (a) Seven cents (\$.07) per gallon based upon all av gas, corrected to standard temperature, delivered to Tenant on the Premises.

The parties agree that no aviation gasoline, jet fuel or any other type of aviation fuel shall be sold at the Airport other than by Tenant as an FBO, another FBO having a lease with Landlord meeting any minimum standards then in effect for FBOs, unless expressly consented to by Landlord in writing. Nothing herein shall prohibit Landlord from granting self-fueling rights (including for tanks and equipment for self-fueling) of aircraft to other non-FBO tenants at the Airport provided no sales of such fuel to third parties are permitted by such non-FBO tenants).

Fees calculated as above shall be due and payable to Landlord within fifteen (15) days after the end of the month in which such delivery or deliveries were made. With each remission of fees hereunder Tenant shall provide together with a certification of the gallons delivered to date during the current month and the year to date. Such reports shall include year to date totals, the amount of total Jet Fuel and aviation gasoline gallons sold, total gallons of each available, sales price per gallon sold of each, average sales price per gallon of each suppliers wholesale delivered cost per gallon of each, and calculation of the fuel privilege fees payable to Landlord with such other information as Landlord may reasonably request. Landlord shall have the right to audit the deliveries and calculations made at any time, and Tenant shall make all records available for Landlord's inspection and audit upon request. In the event an audit reveals an underpayment by Tenant, Tenant shall immediately remit the underpayment with interest at 18% per annum and shall pay an audit fee equal to the actual changes incurred by the Landlord, plus \$75.00 per hour for time incurred by Landlord's internal staff in connection with the audit. The hourly fee for internal staff may be increased in Landlord's from year to year based to equal rates charged by private accounting firms for experienced audit personnel.

Section 2.3 Rent Escalations. Base Rent during any Extended Term under Section 3.1 may be escalated by Landlord as of each anniversary of the commencement of the Extended Term pursuant to any negotiated Amendment to this Lease providing for the Extended Term.

Section 2.4 Place of Payments. Tenant shall make payment of each installment of Rent, without notice or demand, to Landlord in lawful money of the United States of America at Landlord's offices which, until Tenant shall be otherwise notified in writing by Landlord, shall be c/o Office of Finance Director, City of Medina, 132 North Elmwood Avenue, Medina, Ohio 44256. All such payments of Rent, except as otherwise provided herein, shall be made without deduction, counterclaim, abatement, suspension, deferment, defense, diminution or setoff for any reason whatsoever.

Section 2.5 Delinquent Payment; Handling Charges. In the event Tenant is more than five (5) days late in paying any amount of Rent or any other payment due under this Lease, then without the need for any further notice to Tenant, Tenant shall pay Landlord, within ten (10) days of Landlord's written demand therefor, a late charge equal to five percent (5%) of the delinquent amount. In addition, any amount due from Tenant to Landlord hereunder which is not paid within thirty (30) days of the date due shall bear interest at a monthly rate of one and one-half percent (1.5%). The payment of such late charge or interest by Tenant shall not constitute a waiver of any default by Tenant hereunder.

ARTICLE III

Term

Section 3.1 Term. The covenants, conditions and obligations of the parties under this Lease and possessory rights hereunder shall become effective upon the Commencement Date, it being intended that Tenant may take possession on the date of this Lease, and shall continue for one (1) year (the "Initial Term") unless sooner terminated as provided herein. The Initial Term of this Lease may be extended for an extended term ("Extended Term") to be negotiated by the parties not later than sixty (60) days prior to expiration of the Initial Term and to be memorialized in such period by a mutually agreeable written amendment ("Amendment") to this Lease duly executed by the parties. If the parties fail to extend the term in an Amendment by the expiration of the Initial Term, this Lease shall become a month-to-month term lease terminable by either party with thirty (30) days prior written notice. Base Rent during any month-to-month term shall be \$ _____ per month plus fuel flowage fees under Section 2.2.

Section 3.2 Concurrent Termination; Management Agreement. The parties acknowledge that concurrent with the execution of this Lease, Landlord has entered into an Airport Management Agreement (the "Management Agreement") with [Tenant or XYZ LLC, an affiliate of Tenant (herein after "Manager" if the Manager is a different entity that Tenant)] providing for the general management of the Airport. In the event the Management Agreement is terminated by either party or expires and is not renewed or replaced by another mutually agreeable management agreement between Landlord and the [Manager/Tenant], Landlord shall have the right to elect to terminate this Lease on sixty (60) days' notice to Tenant which election may be made and notice

thereof may be sent within six (6) months after the effective date of the termination of the Management Agreement.

ARTICLE IV

Ownership of Improvements; Additional Improvements

Section 4.1 **Ownership of Improvements.** The FBO Land, and all other existing improvements at or on the Premises as of the date hereof are owned by Landlord and leased to Tenant hereunder for the Term and subject to the terms and conditions of this Lease. During the Term, Tenant shall own all other buildings and improvements placed upon the Premises by Tenant with the written permission of Landlord.

Section 4.2 **Additional Improvements.** Tenant shall not make any additional improvements upon the Premises, nor shall Tenant materially alter the exterior of any existing improvements upon the Premises without the prior written consent of the Landlord, which shall not be unreasonably withheld. All additional improvements and/or alterations under this section shall be made in accordance with reasonable standards set by the Landlord and in accordance with applicable laws, codes and ordinances. All improvements and alterations under this section, other than trade fixtures, shall become part of the Premises and upon termination or expiration of this Lease shall be governed by Article 18 of this Lease.

ARTICLE V

Uses and Conduct of Business

Section 5.1 **Purposes.** Tenant shall use and occupy the Premises solely for the following purposes and none others: (a) operation of aircraft; (b) service and maintenance of aircraft; (c) inside hangar and, in designated areas, tie down storage of aircraft for hire; (d) sale of aviation and jet fuel together with services in connection with fueling of aircraft; (e) so long as Tenant is also acting as Manager of the Airport under a separate management agreement with Landlord, collection of landing and parking fees on behalf of Landlord; (g) other FBO operations and aeronautical activities authorized by the Minimum Standards, if any, or by Landlord; (h) providing the other services required in this Lease; and (i) office purposes in direct support of only the foregoing purposes. In addition, Tenant agrees to make office and reception area space in the Administrative Building available to the City and/or any Airport manager appointed or engaged by City for use in management operations as a main public office for the Airport. Reception area space may be on a shared basis. No rent or sublease rent, nor any general utility or other common expenses, shall be charged to the City (or the Airport Manager) for use of the Administrative Building as the Airport's main public office. The City and Tenant shall coordinate appropriate signage for the Administrative Building which must otherwise comply with applicable laws and codes and any Airport signage regulations.

Section 5.2 **Required Minimum Services and Facilities.** As a Fixed Base Operator, Tenant is required to provide the following services (including any contained in any Minimum

Standards adopted from time to time applicable to Fixed Base Operations): (a) make available to the public certain aeronautical activities required for the operation of the Airport; (b) have in place facility improvements and equipment in connection with the sale of aviation and jet fuel and lubricants; (c) employ and have available trained service personnel to provide the services, which employees shall wear appropriate dress or insignia when on duty; (d) adopt "Standard Operating Procedures" for fueling operations which must include or provide for, among other things, training plans, fuel quality assurance testing, equipment maintenance record keeping, and emergency response procedures for fuel fires and spills; (e) maintain qualified personnel for general aviation aircraft users, 7 days a week and provide for the Airport to be open with services and fueling available 8:00 a.m. to sunset during the period of Daylight Savings Time and between 8:00 a.m. to 5:00 p.m. during all other times (subject to weather or emergency closures); (f) have and keep on file with Landlord an approved written spill prevention and contingency control plan ("SPCC") which meets both Landlord's and EPA's regulations; (g) have in place certain facility improvements and equipment providing hangar space, crew and passenger lounge space, facility support office space and pilot flight planning office space (including readily accessible telephone service with both the Cleveland AFSS and Akron-Canton Weather Service); (h) have continuously available at least one aircraft tug and standard universal tow bar (sufficient for general aviation aircraft normally frequenting the Airport), fire apparatus, compressed air equipment readily available to the public, such other equipment as is necessary or appropriate for the safe and effective provision of Fixed Based Operator services; (i) provide (directly or through a qualified and certified provider on the Premises) services for aircraft maintenance and repair of the type suitable for a municipal airport comparable to the Airport. Nothing herein is intended to limit or qualify the Tenant's obligation to comply at all times with any Minimum Standards applicable to FBOs, all as may amended, modified and supplemented from time to time by the Landlord.

Section 5.3 Optional Services. In addition to or as part of the required services in Section 5.2, Lessee may provide the following services:

- (a) The wholesale and retail sale of new and used aircraft, new and used radio and electronic equipment and airman's supplies and accessories;
- (b) Operation of air taxi and sight-seeing services;
- (c) Represent a major general aviation aircraft manufacturer as a distributor or dealer offering sales and services of both new and used aircraft;
- (d) Flight training through qualified flight instructors or a recognized quality flight school (while this services is optional, Tenant agrees to use good faith diligent efforts to provide this service to be provided at the Airport).

Section 5.4 Prohibited Purposes. Tenant shall not use or occupy the Premises or any part thereof, nor permit any portion of the Premises to be used, for any activity or purpose not specifically authorized by this Lease, nor for any purpose which is in violation of the rules, regulations and Minimum Standards of the Landlord applied to Fixed Base Operators, nor for any activity or purpose inconsistent with the best interests of Medina Municipal Airport as determined by Landlord.

Section 5.5 No Discrimination. In Tenant's use of, and operations in connection with, the Leasehold Premises during the term of this Lease and any and all renewals thereof, Tenant agrees that it will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. Tenant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

Tenant agrees that in the sale of goods, or rendering of services to the public, it will sell or furnish such goods or services on a fair, equal, and not unjustly discriminatory basis to all users thereof, and that it will charge fair, reasonable and not unjustly discriminatory prices for each unit of service, provided, however, that Tenant may be allowed to make reasonable and non-discriminatory discounts, rates or price reductions to volume users or purchasers. Nothing herein is intended to infer or be construed as expanding the purposes for which Tenant may use the Premises.

Section 5.6 Tenant's Responsibility. Except as otherwise provided herein, Tenant's use and occupancy of the Premises shall be at its sole cost and expense and Landlord shall have no responsibility whatsoever therefor.

Section 5.7 Conduct of Business, Etc. Tenant shall (a) conduct its business and operate the Premises at all times in a reasonable, safe and reputable manner, (b) keep or cause to be kept the Premises and improvements thereon, including entry ways, signage, graphics, and exterior and interior portions of doors, windows and other glass and plate glass fixtures thereon, in a neat, clean, sanitary and attractive condition, and (c) not unreasonably interfere with, hinder or obstruct Landlord's operations or other Tenants of Landlord on adjacent or nearby property.

Section 5.8 Hazardous Materials; Indemnity.

(a) Tenant shall conduct its business, operate and maintain the Fuel Farm, and shall cause all persons occupying all or any portion of the Premises and all of their respective agents, employees, contractors and invitees to act, in such a manner as to (i) not release or permit the release of any Hazardous Material; (ii) not unlawfully store, use or dispose of any Hazardous Material; and (iii) not create any nuisance or unreasonable interference with or disturbance of other tenants or users of the Airport or Landlord. "Hazardous Material" means any hazardous, explosive, radioactive or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the state in which the Premises is located or the United States, including, without limitation, any material or substance which is (A) defined or listed as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "hazardous material," "pollutant" or "contaminant" under any Law, (B) petroleum or a petroleum derivative, (C) a flammable explosive, (D) a radioactive material, (E) a polychlorinated biphenyl, (F) asbestos or an asbestos derivative, or (G) a carcinogen.

(b) In addition to the foregoing, Tenant shall comply with all applicable laws, rules and regulations governing the use, maintenance, testing, and repair of the Fuel Farm and the

USTs/ASTs thereat; shall maintain adequate insurance with respect to the Fuel Farm; and shall participate in the Ohio Petroleum Underground Storage Tank Program, where applicable. At the present time there are no known Underground Storage Tanks at the Premises.

(c) Upon written request from Landlord, Tenant shall provide a copy of all records, receipts and other documents demonstrating compliance with the provisions of subsections 5.8 (a) and (b). In any event, upon receipt of any correspondence or communication from a governmental authority concerning the Fuel Farm or any Hazardous Material related matter at or involving the Premises, Tenant shall within five (5) days provide a copy of same to the Landlord.

(d) In addition to any other indemnity contained in this Lease, Tenant hereby shall indemnify, defend and hold Landlord harmless from and against any and all claims, losses and costs arising from or asserted in connection with: (i) Tenant's breach of any of the covenants set forth in this Section 5.8, and/or (ii) to the extent caused or allowed by Tenant, or any agent, employee, contractor, invitee or licensee of Tenant, the presence on, under, or the escape, seepage, leakage, spillage, discharge, emission, release from, onto or into the Premises, the building, the land surrounding, the atmosphere, or any watercourse, body of water or ground water, of any Hazardous Material. The undertaking and indemnification set forth in this Section 5.8 shall survive the termination of this Lease and shall continue to be the personal liability and obligation of Tenant.

Section 5.9 Rules and Regulations; FAA Grant Assurances.

(a) Tenant shall comply with all rules and regulations issued by Landlord as the same may be amended, modified and/or supplemented from time to time, including, but not limited to the Minimum Standards applicable to Fixed Base Operators, regulations concerning signage, minimum standards of operation, architectural and aesthetic, security and general operations.

(b) To the extent applicable to Tenant's operations and/or the lease of the Premises, Tenant shall comply with all FAA grant assurances required to be imposed upon lessees by the Airport as a condition of FAA grants received from time to time by or for the Airport from the FAA, such grant assurances being incorporated herein by reference.

Section 5.10 Fee Schedules . The services to be provided by Tenant as a Fixed Base Operation shall be at market competitive rates. Jet fuel and aviation fuel pricing shall be reasonably competitive based on fuel acquisition costs and the pricing available to private aviation at airports within the Medina, Summit, Portage, Stark County, Wayne, and Cuyahoga counties. Landlord shall have the right to review Tenant's pricing schedules from time to time and require substantiation for any services or product pricing appearing to be excessive based on market competitive conditions.

ARTICLE VI

Impositions

Section 6.1 Payment by Tenant. Tenant shall pay, before any fine, penalty, interest or cost may be added thereto, or become due or be imposed by operation of law for the non-payment

thereof, all Impositions related to the Premises during the Term; provided, however, that if, by law, any Imposition may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition) Tenant may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Imposition) in installments and, in such event, shall pay such installments as may become due during the Term as the same respectively become due and before any fine, penalty, further interest or cost may be added thereto; provided, further, however, that the amount of all installments of any such Imposition which are to become due and payable after the expiration of the Term shall be paid on or before the date of such expiration. It is further provided that any Imposition, other than Impositions which have been converted into installment payments by Tenant as aforesaid relating to a fiscal period of the taxing authority, a part of which period is included in a period of time after the expiration of the Term, shall (whether or not such Imposition shall be assessed, levied, confirmed, imposed upon or in respect to or become a lien upon the Premises or shall become payable during the Term) be apportioned between Landlord and Tenant as of the expiration of the Term.

Section 6.2 Landlord's Obligations. Nothing herein contained shall require Tenant to pay municipal, state, county or federal income taxes assessed against Landlord, or any municipal, state, county or federal capital, levy, succession or transfer taxes of Landlord.

Section 6.3 Right to Contest. Tenant shall have the right to contest the amount or validity, in whole or in part, of any Imposition by appropriate proceedings diligently conducted in good faith but only after payment of such Imposition unless such payment would operate as a bar to such contest or interfere materially with the prosecution thereof, in which event, notwithstanding the provisions of Section 6.1 hereof, Tenant may postpone or defer payment of such Imposition if neither the Premises nor any part thereof would by reason of such postponement or deferment be in danger of being forfeited or lost. Upon the termination of any such proceedings, Tenant shall pay the amount of such Imposition or part thereof as finally determined in such proceedings the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties or other liabilities in connection therewith.

Section 6.4 Separate Assessments. Landlord shall use reasonable efforts to obtain real estate tax assessments for the Premises which are segregated from the remainder of Landlord's properties. In the event that such segregated assessments are obtained, Landlord shall cooperate with Tenant in requesting the appropriate public authorities to send all notices relating to Impositions directly to Tenant during the Term; Tenant shall promptly deliver to Landlord copies of all such notices received by Tenant.

Section 6.5 No Joinder in Proceedings. Landlord shall not be required to join in any proceedings referred to in Section 6.3 hereof unless the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by and/or in the name of Landlord, in which case Landlord shall join in such proceedings or permit the same to be brought in its name. Landlord shall not be subjected to any liability for the payment of any costs or expenses in connection with any such proceedings, and Tenant will indemnify, protect and save harmless Landlord from any such costs and expenses. Tenant shall be entitled to any refund of any Imposition and penalties or interest thereon received by Landlord which have been paid by Tenant, or which have been paid by Landlord but previously reimbursed in full by Tenant.

ARTICLE VII

Insurance

Section 7.1 Liability Insurance. Tenant shall, in addition to any other insurance required to be maintained by Tenant under the provisions of this Lease or Article VII, beginning with the commencement of the Term, maintain standard contractual liability insurance covering Tenant's indemnification of Landlord as provided in Article 13 hereof with limits of not less than those provided for in Section 7.3 hereof.

Section 7.2 All Risk Insurance; Hangar Keeper's Insurance Coverage. Tenant shall keep the Premises, together with any alterations, additions or improvements thereon (including but not limited to all improvements thereon) and all fixtures, contents, personal property and equipment contained therein and belonging to Tenant or Tenant's sublessees insured during the Term against loss or damage by perils insured under an "all risk" policy and any such other risks and casualties for which insurance is customarily provided for improvements of similar character in an amount not less than the greater of (a) the full replacement value of such property (such value to be determined at least once every five (5) years by the underwriter of such insurance or by a qualified appraiser approved by Landlord), or (b) the outstanding principal balance existing from time to time of any indebtedness secured by a lien upon the Tenant's leasehold interest in the Premises. In addition, Tenant shall maintain Hangar Keeper's Liability Insurance with respect to aircraft storage uses in such amounts as will adequately protect against loss or casualty to aircraft stored in or at the Premises and as approved from time to time by Landlord.

Section 7.3 Public Liability Insurance. Tenant shall maintain during the Term comprehensive general public liability insurance against claims for personal injury, bodily injury, death or property damage occurring on or in the Premises, with a combined single limit of not less than Five Million Dollars (\$5,000,000.00), or the equivalent thereof. Notwithstanding the foregoing and without regard to whether Tenant is financing any portion of the Premises, at no time shall the aforesaid limits be less than the minimum limits from time to time customarily required by institutional lenders in connection with the financing of improvements of similar character. In the event of any dispute as to the limits which may be customarily required by institutional lenders, the dispute shall be resolved by averaging limits provided by two (2) lenders in the Summit/Medina market with Landlord and Tenant each to select a lender to provide a limit.

Section 7.4 Violation. Tenant shall not knowingly violate or knowingly permit to be violated any of the conditions or provisions of any policy provided for in this Article VII.

Section 7.5 Type of Policies. All insurance provided for in this Article VII shall be effected under valid and enforceable policies issued by insurers rated at least "A" by Best's Rating Guide which are licensed to do business in the State of Ohio. If at any time the said Rating Guide shall cease to be published, there shall be substituted therefor the most similar rating guide then published. Insurer certified duplicates or originals of such policies bearing notations evidencing the payment of premiums or accompanied by other evidence reasonably satisfactory to Landlord of such payment, shall be delivered by Tenant to Landlord at Landlord's written request.

Section 7.6 **Tenant as Insured.** All policies of insurance provided for in Sections 7.1 and 7.3 hereof shall name Tenant as an insured. Such policies shall also name Landlord as a named insured and, with respect to any buildings or improvements owned by Landlord, as loss payee. Each such policy shall contain an agreement by the insurer that such policy shall not be canceled without at least thirty (30) days' prior written notice to Landlord. The loss, if any, under any policies provided for in Section 7.2 hereof shall be adjusted with the insurance companies by Tenant; the proceeds of any such insurance, as so adjusted, shall be payable to Tenant for the purposes set forth in Article XIV hereof.

Section 7.7 **Blanket Policies.** Any insurance provided for in this Article VII may be effected by a policy or policies of blanket insurance; provided, however, that the amount of the total insurance allocated to the Premises shall be such as to furnish the equivalent of separate policies in the amounts herein required; and provided further that in all other respects, any such policy or policies shall comply with all other provisions of this Article VII.

ARTICLE VIII

Services to, and Repairs and Maintenance of, the Premises and Airport

Section 8.1 **Landlord Obligations.** Landlord shall be responsible for capital repairs and replacements to the roof, foundation, HVAC systems and to the concrete and asphalt at the Premises (for avoidance of doubt not to include the Fuel Farm), but otherwise shall not be required to furnish any services or facilities or to make any repairs or alterations, additions or improvements in or to the Premises or Airport except as expressly provided herein. During the Initial Term of this Lease, Landlord has agreed to provide mowing and snow plowing services for the common areas of the Airport.

Section 8.2 **Tenant Obligations as to Premises.** Except for the items for which Landlord is responsible under Section 8.1, Tenant shall furnish at its sole cost and expense all services and facilities and make any repairs or alterations, additions or improvements on or to the Premises which are necessary to maintain the Premises in good condition and repair and in sightly condition, all in accordance with reasonable standards set by the Landlord and in accordance with applicable laws, rules and ordinances. Without limiting the foregoing (and except as provided under Section 8.1), Tenant shall take good care of and make necessary repairs and maintenance, to the Premises, and the buildings, fixtures, equipment and furnishings thereon, roadways and parking areas, utility lines and the appurtenances thereto and shall keep the Premises grounds mowed and trimmed.

Section 8.3 **Tenant's Neglect.** In the event that after thirty (30) days prior written notice Tenant refuses or neglects to make the repairs and perform the maintenance specified in Section 8.2 hereof, Landlord shall have the right, but shall not be obligated, to make such repairs and perform such maintenance on behalf of and for the account of Tenant. In the event that Landlord shall make such repairs and perform such maintenance, such work shall be paid for by Tenant at cost plus ten percent (10%) for Landlord's overhead and supervision.

Section 8.4 Triple Net Lease. The parties intend that this Lease be a “triple net lease,” meaning that Tenant, except as expressly provided in this Lease, shall pay all real estate taxes, all special assessments (if any), all insurance premiums, and without limitation each and every other cost and expense pertaining to Tenant’s use and possession of the Premises and (subject to Section 8.1) maintenance and repair thereof and all buildings or improvements thereon.

ARTICLE IX

Compliance with Laws

Section 9.1 Tenant’s Covenant. Tenant shall promptly comply with or shall cause each occupant of the Premises to comply with, all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, courts, departments, commissions, boards and offices, any national or local Board of Fire Underwriters, or any other body exercising functions similar to those of any of the foregoing, foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Premises or to the use or manner of use of the Premises or any part thereof.

Section 9.2 Right to Contest. Tenant shall have the right to contest by appropriate proceedings diligently conducted in good faith, in the name of Tenant or Landlord or both, without cost or expense to Landlord, the validity or application of any law, ordinance, order, rule, regulation or requirement of the nature referred to in Section 9.1 hereof. If by the terms of any such law, ordinance, order, rule, regulation or requirement, compliance therewith pending the prosecution of any such proceeding may legally be delayed without the incurrence of any lien of any kind against the Premises or Tenant’s leasehold interest therein and without subjecting Landlord to any criminal liability for failure so to comply therewith, Tenant may delay compliance therewith until the final determination of such proceeding, provided that Tenant prosecutes the contest with due diligence. Landlord shall join in any proceedings referred to in this Section 9.2 if the provisions of any applicable law, rule or regulation at the time in effect shall require that such proceedings be brought by and/or in the name of Landlord, provided that Tenant shall advance all costs and expenses to be incurred as a result.

ARTICLE X

Liens

Section 10.1 No Liens. Tenant shall defend, indemnify and save harmless Landlord from and against any and all mechanics' and other liens and encumbrances filed by any person claiming through or under Tenant, including security interests in any materials, fixtures, equipment or any other improvements or appurtenances installed in and constituting part of the Premises and against all costs, expenses and liabilities (including reasonable attorneys' fees) incurred in connection with any such lien or encumbrance or any action or proceeding brought thereon. Pursuant to the provisions of Chapter 1311 of the Ohio Revised Code, under no circumstances shall the interest of Landlord in and to the Premises be subject to liens for improvements made by Tenant or subject to any mechanic's, laborer's or materialman's lien or any other lien or charge on account of or arising from any contract or obligation of Tenant.

Section 10.2 Discharge of Liens. If any mechanic's, laborer's or materialman's lien shall at any time be filed against the Premises or any part thereof, Tenant shall with all due diligence cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise.

Section 10.3 No Landlord Privity. Nothing in this Lease shall be deemed or construed in any way as constituting the request of Landlord, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to or repair of the Premises or any part thereof.

ARTICLE XI

Right to Perform Covenants

Section 11.1 Landlord's Rights as to Insurance. If Tenant shall at any time fail to pay for or maintain any of the insurance policies provided for in Article VII hereof or cause the same to be done, then Landlord, after thirty (30) days' prior written notice to Tenant and without waiving or releasing Tenant from any obligation of Tenant hereunder, may (but shall not be required to) pay for and maintain any of the insurance policies provided for in Article VII hereof. Tenant may, at its election, replace any such insurance so obtained by Landlord with substitute policies which satisfy the requirements of Article VII.

Section 11.2 Landlord's Rights as to Impositions. If Tenant shall at any time fail to make payment of any Imposition as and when required in Article VII hereof, then Landlord, after thirty (30) days' prior written notice to Tenant, and without waiving or releasing Tenant from any obligation of Tenant hereunder, may (but shall not be required to) make any such payment as provided for in Article VI hereof.

Section 11.3 Tenant's Lack of Diligence. If Tenant shall at any time fail to make any payment or perform with due diligence any other act on its part to be made or performed under the

terms the Lease, Landlord, without waiving or releasing Tenant from any obligation of Tenant hereunder, may (but shall not be required to) make any payment or perform any other act on Tenant's part to be made or performed.

Section 11.4 Additional Rent. All sums paid by Landlord pursuant to this Article XI and all costs and expenses incurred by Landlord in connection with the performance of any such act shall constitute additional Rent payable by Tenant under this Lease within ten (10) days after demand.

ARTICLE XII

Entry on Property by Landlord

Section 12.1 Rights of Entry Reserved. The Landlord and its authorized officers, employees, agents, contractors, subcontractors and other representatives shall have the right to enter upon Tenant's exclusive premises for the following purposes:

- (a) During the course of their official duties.
- (b) To inspect such premises at reasonable intervals during regular business hours (or at any time in case of emergency) to determine whether the Lessee has complied and is complying with the terms and conditions of this Agreement with respect to such premises.
- (c) During the last month of any Lease Term, to alter, renovate and redecorate the premises, provided the Lessee shall have removed all or substantially all of its property from the premises, and provided further that such alterations, renovation and redecorations can be accomplished without interfering unreasonably with the operations of the Tenant.

No such entry by or on behalf of the Landlord upon the Tenant's Premises shall cause or constitute a termination of the letting by way of concession thereof, or be deemed to constitute an interference with the possession thereof nor constitute a revocation of, or interference with, any right in Tenant in respect thereto of exclusive use.

ARTICLE XIII

Indemnification

Tenant shall indemnify, protect and save harmless Landlord and Landlord's trustees, officers, and employees, and their respective heirs, personal representatives, successors and assigns from and against all liabilities, damages, penalties, claims, costs and expenses, including reasonable architect's and attorney's fees, which may be imposed upon or incurred by, or asserted against them, or any of them, arising out of or in connection with any intentional, willful or negligent act of Tenant or its sublessees during the period of Tenant's use and/or occupancy of the Premises, or otherwise arising out of any failure by Tenant to perform or comply with the terms hereof, or to cause its sublessees' or subtenants' agents, employees or assigns to perform and comply with the

covenants, agreements, terms or conditions contained herein which are to be performed or complied with by Tenant.

ARTICLE XIV

Damage or Destruction

Section 14.1 Substantial. In the event of casualty to the Maintenance Hangar or Administrative Building resulting in damage or destruction exceeding in the aggregate fifty percent (50%) of the then replacement cost thereof, Landlord shall have the option of (a) requiring that Tenant restore, repair, replace, rebuild or alter the building destroyed or (b) terminate this Lease by written notice to Tenant given within sixty (60) days after such damage of destruction.

Section 14.2 No Rent Abatement. Provided a casualty was not caused by Tenant, Tenant shall be entitled to a prorata abatement of rent equal to the portion of the buildings that are untenantable. This abatement shall not apply any fees under Section 2.2.

Section 14.3 Restoration. In the event Landlord does not elect to terminate this Lease under Section 14.1 or does not have the right to terminate under Section 14.1, then Landlord will make repairs and replacements to the damaged and destroyed buildings so far as practicable utilizing only the proceeds of insurance with all casualty insurance proceeds to be paid over to Landlord for such purpose. Landlord shall not under any circumstances be required to expend sums in excess of available insurance proceeds.

Section 14.4 Insufficient Funds. In the event Landlord has not elected to terminate the Lease under Section 14.1 or does not have the right to terminate thereunder and insurance proceeds are insufficient for repairs and replacement, Tenant shall be responsible for the shortfall in the event the casualty was caused by Tenant's (or an agent of Tenant's) willful act or gross negligence or breach of this Lease.

Section 14.5 Termination/End of Term. If the casualty shall occur during the final eighteen (18) months of the Term, then either party may terminate this Lease in which case the insurance proceeds shall be paid to Landlord for its sole use.

ARTICLE XV

Condemnation

Section 15.1 Eminent Domain. In the event that the Premises or any part thereof shall be taken in condemnation proceedings or by exercise of any right of eminent domain or by agreement between Landlord and Tenant and those authorized to exercise such right, or shall incur a compensable injury under the eminent domain, the Landlord and Tenant and any person or entity having an interest in the Landlord's or Tenant's share of the award shall have the right to participate in any condemnation proceedings or agreement as aforesaid for the purpose of protecting their respective interests hereunder.

Section 15.2 Substantial. If at any time during the Term title to the whole or substantially all of the Premises shall be taken by the exercise of the right of condemnation or eminent domain or by agreement between the Landlord and Tenant, and those authorized to exercise such right, this Lease may be terminated by Tenant on the date of such taking and the Rent provided to be paid by Tenant shall be apportioned and paid to the date of such taking. In such event, Impositions shall be apportioned only to the extent actually collected by Landlord, and, if uncollected, Landlord shall assign to Tenant any claim to recover such Impositions. For the purposes of this Section 15.2 “substantially all of the Premises” shall be deemed to have been taken if the buildings on the portion of the Premises not so taken and taking into consideration the amount of the net award available for such purpose, cannot be so repaired or reconstructed as to constitute a complete, usable structure. If this Lease is not terminated by Tenant hereunder, then Tenant shall be entitled to a proportionate abatement of rent equal to the percentage of the Premises which has been taken.

Section 15.3 Payment of Proceeds. In the event of the taking of the whole or substantially all of the Premises, subject to the rights of the mortgagee, if any, the rights of Landlord and Tenant to share in the proceeds of any award received for the Premises upon any such taking or injury shall be as follows and in the following order of priority:

(a) Landlord shall be entitled to a sum equal to the then current fair market value of the FBO Land and all improvements owned by Landlord;

(b) Tenant shall be entitled to a sum equal to the then current fair market value of Tenant’s leasehold estate created hereunder, plus improvements, if any, owned by Tenant which are not included in the market value of the FBO Land and Landlord owned improvements as in (a) above, provided such shall not reduce Landlord’s award.

Section 15.4 Restoration. If any time during the Term title to less than the whole or substantially all of the Premises shall be taken as aforesaid, Tenant or its sublessees or successors, to the extent that condemnation proceeds, if any, shall be sufficient for the purpose, shall restore, repair, replace, rebuild or alter the Premises as nearly as possible to their value, condition and character immediately prior to such event and subject to the rights of the mortgagee, if any, all of the award or awards collected therefor shall first be applied and paid over toward the cost of such demolition, repair and restoration. Any balance remaining after payment of such costs of demolition, repairs and restoration shall be applied and paid over substantially in the same manner and subject to the same conditions as those provided in Section 15.3 hereof as such provisions related to the portion of the Premises so taken.

Section 15.5 Reduction. Except as herein otherwise specifically provided, if title to less than the whole or substantially all of the Premises shall be taken or injured as aforesaid, this Lease shall continue, and Tenant shall continue to pay the Rent and other charges herein reserved with appropriate abatement based upon the portion of the Premises taken or rendered unusable by the taking.

Section 15.6 Notice. If the temporary use of the whole or any part of the Premises shall be taken by any lawful power or authority, by the exercise of the right of condemnation or eminent domain, or by agreement between Tenant and those authorized to exercise such right, Tenant shall

give prompt notice thereof to Landlord, the Term shall not be reduced or affected in any way, Tenant shall continue to pay in full the Rent and other charges herein reserved, without reduction or abatement, and Tenant shall be entitled to receive for itself any award or payment made for such use during the Term, subject to the rights of any mortgagee.

ARTICLE XVI

Conditional Limitations - Default Provisions

Section 16.1 Tenant Events of Default. If any one or more of the following events shall happen:

(a) if default shall be made in the due and punctual payment of Rent when and as the same shall become due and payable, and such default shall continue for a period of ten (10) days after written notice thereof from Landlord to Tenant; or

(b) if default shall be made by Tenant in the performance of or compliance with any of the covenants, agreements, terms or conditions contained in this Lease other than those referred to in the foregoing paragraph (a), and such default shall not be cured within a period of thirty (30) days after written notice thereof from Landlord to Tenant (except that in connection with a default under subparagraph (b) not susceptible of being cured with due diligence within forty-five (45) days, the time of Tenant within which to cure the same shall be extended for such time as may be necessary to cure the same with all due diligence, provided Tenant commences and proceeds diligently to cure the same within the aforesaid forty-five (45) day period and further provided that such period of time shall not be so extended as to subject Landlord to any criminal liability); and

(c) whether or not the same shall have been cured, if Tenant shall have defaulted upon any covenants, agreements, terms or conditions contained in this Lease (including, but not limited to violations of Landlord's rules and regulations) on more than three (3) occasions in any five (5) year period;

(d) if default shall be made by Tenant or any affiliate of Tenant (including, but not limited to, any manager or management company in which Tenant or any owner of Tenant or affiliate of Tenant is directly or indirectly an owner or part owner) in the performance of or compliance with any of the covenants, agreements, terms or conditions contained in any other agreement between Tenant or any affiliate of Tenant and Landlord and such default shall not be cured within any applicable notice and cure period provided for in the subject agreement;

then, and in case of such event under (a), (b), (c) or (d) ("Events of Default"), Landlord at any time thereafter during the continuance of such event or Events of Default may give written notice to Tenant, specifying such event or Events of Default and stating that this Lease and the Term hereby demised shall expire and terminate on the date specified in such notice or that Landlord may at its election cure such default at Tenant's expense, which date shall be at least forty-five (45) days after the giving of such notice in case of any Event of Default; and upon the date specified in such notice, this Lease and the Term and all rights of Tenant under this Lease shall expire and terminate.

Section 16.2 Surrender of Premises. Upon any expiration or termination of this Lease, pursuant to the provisions of Section 16.1 hereof, Tenant shall quietly and peacefully surrender the Premises to Landlord, and Landlord, upon or any time after such expiration or termination, may, without further notice, enter upon and re-enter the Premises and by summary proceeding, judgment or otherwise, and may have, hold and enjoy the Premises, and all buildings, fixtures and improvements thereon, and the right to receive all rental and other income from the Premises.

Section 16.3 Reletting. At any time or from time to time after expiration or termination pursuant to the provisions of Section 16.1 hereof, Landlord may rent the Premises or any part thereof not then being occupied by any of the above-referenced parties in the name of Landlord or otherwise for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and on such conditions as Landlord may determine and may collect and receive all rental income of and from the Premises.

Section 16.4 Landlord's Recovery. In the event of any such expiration or termination by reason of Tenant's default, whether or not the Premises or any part thereof shall have been relet, Tenant shall pay to Landlord and Landlord shall recover from Tenant, the Rent for the entire Term then in effect reduced, however, to present value using a three percent (3%) discount rate, and all other charges required to be paid by Tenant, together with all repossession costs, brokerage commissions, legal expenses (including reasonable attorneys' fees), and expenses of preparation for reletting.

Section 16.5 Landlord Events of Default. If substantial and material default shall be made by Landlord in the performance of or compliance with any of the material covenants, agreements, terms or conditions contained in this Lease, and such default shall continue for a period of thirty (30) days after written notice thereof from Tenant to Landlord;

Then and in any such event ("Events of Default") Tenant at any time thereafter during the continuance of such event or Events of Default may give written notice to Landlord, specifying such event or Events of Default and stating that this Lease shall terminate on the date specified in such notice or that Tenant may at its election cure such default at Landlord's expense, which date shall be at least forty-five (45) days after the giving of such notice in case of any Event of Default; and upon the date specified in such notice, this Lease shall terminate unless the Landlord shall have cured same within said forty-five (45)-day period; (except that in connection with a default not susceptible of being cured with due diligence within forty-five (45) days, the time of Landlord within which to cure the same shall be extended for such time as may be necessary to cure the same with all due diligence, provided Landlord commences promptly and proceeds diligently to cure the same and further provided that such period of time shall not be so extended as to subject Tenant to any criminal liability).

Section 16.6 Remedies Cumulative. The rights of the Landlord upon default as aforesaid are cumulative and are in addition to all others allowed at law or in equity, including but not limited to rights of specific performance.

ARTICLE XVII

Condition of Property; Quiet Enjoyment

Section 17.1 No Landlord Warranty. Landlord hereby expressly disclaims any warranties of any nature, expressed or implied, as to the integrity or suitability of the Premises and any other warranties of any nature, expressed, implied or otherwise. **TENANT HEREBY ACCEPTS THE PREMISES IN "AS IS" CONDITION.** Tenant represents that it has made complete inspection of the Premises, the USTs and the Fuel Farm, and that it has conclusively determined therefrom that the Premises is suitable for Tenant's intended use thereof and is otherwise acceptable.

Section 17.2 Landlord Representations. Landlord represents and warrants that it has the power and authority to enter into this Lease and to grant the tenancy hereby created. If and so long as Tenant pays the Rent and observes and performs all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall and may, peaceably and quietly have, hold and enjoy the Premises without interference by Landlord or anyone claiming by, through or under Landlord, subject to all of the provisions of this Lease. Notwithstanding the foregoing, Tenant understands and acknowledges that there are tenants and uses of property adjacent to or near the Premises. Landlord shall have no liability for failing to regulate, enforce regulations against, or prevent interference from such uses and tenants.

ARTICLE XVIII

Surrender of Premises

Section 18.1 Delivery of Possession. Upon the expiration or termination of this Lease, Tenant shall immediately deliver to Landlord actual possession of the Premises, free and clear of any and all liens or encumbrances, free from the need for any environmental remediation and, at Landlord's request, Tenant shall provide Landlord with a Phase I environmental report (and Phase II results if recommended in the Phase I) from a mutually agreeable environmental consultant demonstrating that there are no environmental conditions at the Premises where remediation is required in Landlord's reasonable opinion.

Section 18.2 Removal of Personal Property and Trade Fixtures. Provided Tenant is not in default at the time of expiration or termination of this Lease, Tenant may, at its option and expense, remove Tenant's personal property and trade fixtures. Such removal shall be concluded not later than the date of termination or expiration.

Section 18.3 Non-Removal. If Tenant has not removed the Tenant's personal property and trade fixtures in accordance with this Section, then Landlord may at its option, either exercise a right to assume ownership of the same or any part thereof, or may have the same or any part thereof removed and the Premises restored at Tenant's expense. Tenant shall remit the expenses of removal and restoration within thirty (30) days after Landlord's invoicing therefore, or at Landlord's option, Tenant shall cause the removal and restoration according to specifications approved by Landlord.

ARTICLE XIX

Assignment of Tenant's Interest; Mortgages

Section 19.1 Transfers; Consent. Tenant shall not, without the prior written consent of Landlord, (i) assign, transfer, mortgage, hypothecate, or encumber this Lease or any estate or interest herein or in the Premises or buildings or improvements thereon, whether directly, indirectly or by operation of law, (ii) permit any other entity to become a Tenant hereunder by merger, consolidation, or other reorganization, (iii) if Tenant is a corporation, partnership, limited liability company, limited liability partnership, trust, association or other business entity other than a corporation whose stock is publicly traded, permit, directly or indirectly, the transfer of any ownership interest in Tenant so as to result in (A) a change in the current control of Tenant or (B) a transfer of ten percent (10%) or more in the aggregate in any twelve (12) month period in the beneficial ownership of such entity, (iv) sublet any portion of the Premises (not, however, including to prohibit Tenant from storage or tie down of aircraft for fees on a periodic basis subordinate to this Lease), (v) grant any license, concession, or other right of occupancy of any portion of the Premises, or (vi) permit the use of the Premises by any parties other than Tenant (each of the events listed in this Section 19.1 being a "Transfer"). If Tenant requests Landlord's consent to any Transfer, then concurrently with such request, Tenant shall provide Landlord with a written description of all terms and conditions of the proposed Transfer and all consideration therefor, copies of the proposed documentation, and the following information about the proposed transferee: name and address; information reasonably satisfactory to Landlord about the proposed transferee's business and business history; its proposed use of the Premises which must not deviate from the Lease; banking, financial, and other credit information; and general references sufficient to enable Landlord to determine the proposed transferee's creditworthiness and character. Landlord shall not unreasonably withhold consent to any assignment or subletting of the Premises, provided that without intending to limit the reasons for withholding consent the parties agree that it shall be reasonable for Landlord to withhold any such consent if Landlord determines in good faith that (i) the proposed transferee is not of a reasonable financial standing or is not creditworthy, (ii) the proposed transferee is of a character or reputation which reasonably may be of concern to existing or prospective tenants at the Airport, (iii) in Landlord's judgment, the proposed transferee is of a character or engaged in a business which is not in keeping with the standards of Landlord for the Airport or which may create an unsuitable tenant mix at the Airport, or (iv) in Landlord's reasonable judgment, the proposed transferee would (a) create increased burdens upon the Airport facilities, (b) cause potential security problems or additional security concerns at the Airport, or (c) result in a material increase in Landlord's potential liabilities. Landlord may reasonably withhold its consent to all other Transfers in its reasonable discretion. Any Transfer made without Landlord's consent shall be void and at Landlord's election, shall constitute an Event of Default by Tenant. Tenant shall reimburse Landlord immediately upon request for all of its reasonable attorneys' and consultants' fees and costs incurred in connection with considering any request for consent to a Transfer. If Landlord consents to a proposed Transfer, then the proposed transferee shall deliver to Landlord a written agreement whereby it expressly assumes the Tenant's obligations hereunder; however, any transferee of less than all of the space in the Premises shall be liable only for obligations under this Lease that are properly allocable to the space subject to the Transfer for the period of the Transfer. Landlord's consent to a Transfer shall not release Tenant

from its obligations under this Lease, but rather Tenant and its transferee shall be jointly and severally liable therefor. Landlord's consent to any Transfer shall not waive Landlord's rights as to any subsequent Transfers. If an Event of Default occurs while the Premises or any part thereof are subject to a Transfer, then Landlord, in addition to its other remedies, may collect directly from such transferee all rents becoming due to Tenant and apply such rents against Rent. Tenant authorizes its transferees to make payments of rent directly to Landlord upon receipt of notice from Landlord to do so. Notwithstanding, Tenant may sublet the Premises to Tenant's Company provided, however, that Tenant's Company's interest shall be and remain subordinate and subject to this Lease.

Section 19.2 Environmental Condition on Assignment. As a condition to consideration of or consent to any Transfer, Landlord may require that Tenant demonstrate compliance with the provisions of Section 5.8. Such may include Tenant providing at its expense a Phase I Environmental Report (and Phase II Environmental Report, if recommended by the Phase I) demonstrating compliance to Landlord's satisfaction.

Section 19.3 Mortgages. Tenant shall have the right during the Term to subject Tenant's leasehold interest in the Premises to a leasehold mortgage (including any extension, modification, renewal or replacement thereof or any refinancing thereof) to secure any loan the debt service for which, or for any replacement thereof, is contemplated to be paid solely from the revenues from the Premises; provided, however, that:

(a) Landlord shall not be liable for the payment of the sum secured by such leasehold mortgage, nor for any expenses incurred in connection with the same, and neither such leasehold mortgage nor any instrument collateral thereto shall contain any covenant or other obligation on the part of Landlord to pay such debt, or any part thereof, or to take any affirmative action of any kind whatsoever; furthermore, such mortgagee will seek no money judgment against Landlord;

(b) Neither the term of the debt secured by said leasehold mortgage nor the period over which said debt is amortized shall terminate subsequent to the expiration of the Term of this Lease;

(c) The leasehold mortgage or attornment agreement referred to below shall expressly provide that Landlord shall have the right at any time to do any act or thing required of Tenant under the leasehold mortgage and that all such acts or things done and performed by Landlord shall be as effective to prevent a forfeiture of Tenant's rights thereunder as if done by Tenant;

(d) The leasehold mortgage or attornment agreement referred to below shall expressly provide that the mortgagee shall give Landlord written notice of the occurrence of any event which would constitute a default thereunder, the failure to cure which might result in the acceleration of the maturity of the debt secured by said leasehold mortgage, and that as a condition precedent to such acceleration or to such event constituting a default thereunder Landlord shall have the same right to cure said default as is given to the Tenant. Landlord shall enter into a reasonable subordination and attornment agreement with Tenant's mortgagee in compliance with the foregoing; provided that such may not alter the terms of the Lease.

ARTICLE XX

Statements, Records, Accounts, and Audit

SECTION 20.1 Estoppel Certificates. At any time and from time to time either party to this Lease, on at least ten (10) days' prior written request by the other party to this Lease, shall execute and deliver to the party making such request a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the same is in full force and effect as modified and stating the modifications) and the dates to which the Rent and other charges have been paid and stating whether or not, to the best knowledge of the party executing such certificate, the party requesting such statement is in default in performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which the executing party may have knowledge.

SECTION 20.2 Airport Operations Report. Within one hundred twenty (120) days after the end of each calendar years commencing with calendar year end 2023, Tenant shall submit to Landlord a written report (the "Annual Report of Airport Operations") summarizing the FBO operations conducted by Tenant. Such report shall contain data and information and be in form reasonably satisfactory to Landlord. Among other things that may be covered by the Annual Report of Airport Operations, the following shall be addressed: (i) total numbers of aircraft landings and departures by month with year over year comparisons; (ii) total census of aircraft hangered and or serviced or repaired by the Tenant or by any person, firm or entity subleasing from Tenant or otherwise operating at the Premises; (iii) aircraft fueling statistics by month and type; (iv) reports of other services or activities of the Tenant and any subtenant of Tenant provided at the Airport.

SECTION 20.3 Financial Reports. Within thirty (30) days after written request, but not more frequently that once per calendar year, Tenant shall provide such reasonable financial information with respect to the operations of Tenant on the Premises at the Airport, as may be requested by Landlord, including, but not limited to, most recently available financial statements and information on the Tenant's operations.

ARTICLE XXI

Notices

All notices, demands and requests required under this Lease shall be in writing. All such notices, demands and requests shall be deemed to have been properly given if served personally, or by facsimile transmission, private overnight delivery service or if sent by United States certified mail, postage prepaid, addressed as hereinafter provided. All such notices, demands and requests mailed to Landlord shall be addressed to Landlord at c/o Office of the Mayor, City of Medina, P.O. Box 703, Medina, Ohio 44258-0703, or at such other address (and addressed to the attention of such officer or other person) as Landlord may from time to time designate by written notice to Tenant and any mortgagee. All such notices, demands and requests mailed to Tenant or any of them shall be addressed to Tenant at the Premises. All such notices, demands and requests mailed to any mortgagee shall be addressed to such mortgagee at the address furnished to Landlord pursuant to the provisions of Section 19.3 hereof, or to such other address as such mortgagee may from time to time designate by written notice to Landlord.

ARTICLE XXII

Miscellaneous

Section 22.1 Whole Agreement. Anything in this Lease or otherwise to the contrary notwithstanding, this Lease shall constitute a lease agreement only between Landlord and Tenant and shall not constitute an agency, partnership, or joint venture, either express or implied.

Section 22.2 Strict Performance. No failure by either party to this Lease 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 or payment of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of this Lease to be performed or complied with by either party to this Lease, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party to this Lease. 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.

Section 22.3 Memorandum of Lease. Upon the commencement of the Term, Landlord and Tenant shall execute, acknowledge and deliver a Memorandum of Lease in a form and content reasonably satisfactory to Landlord and Tenant. Such Memorandum shall be recorded, at the cost of Tenant, in the public records of Medina County, Ohio.

Section 22.4 Entire Agreement. This Lease contains the entire agreement and understanding among the parties hereto and shall be deemed to supersede and cancel all other agreements and understandings, written or oral, entered into prior to the date hereof, relating to the transactions herein contemplated.

Section 22.5 Captions. The captions of this Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease.

Section 22.6 Invalidity. If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 22.7 Governing Law. This Lease and all the terms and provisions hereof shall be construed and enforced in accordance with the laws of the State of Ohio, exclusive of choice of law rules.

Section 22.8 Binding Effect. The covenants and agreements herein contained shall bind and inure to the benefit of Landlord and Tenant, and their respective successors and assigns, except as otherwise provided herein.

Section 22.9 **Time.** Time is of the essence of this Lease, and of each Section hereof.

Section 22.10 **Cross-Default.** Tenant acknowledges that it is the “Manager” under that certain Management Agreement dated of even date herewith between Tenant (as “Manager”) and Landlord (the “Management Agreement”), under which Management Agreement the Tenant, as Manager, manages the operations of the Airport. This Lease and the Management Agreement shall be cross-defaulted with each other. Upon the occurrence of any default or event of default by Tenant with respect to this Lease, or the Management Agreement, a default by Tenant shall be deemed to have occurred under each of them.

DRAFT

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease the day and year first above written.

“LANDLORD”:
CITY OF MEDINA, OHIO

By: _____
Name: Dennis Hanwell
Title: Mayor

“TENANT”:
[R. WALDRON ENTITY]

By: _____
Name: _____
Title: _____

Approved as to Form:

Gregory Huber, City of Medina, Law Director

STATE OF OHIO)
) ss:
COUNTY OF _____)

BEFORE ME, a Notary Public in and for said county and state, personally appeared Dennis Hanwell, as Mayor of **CITY OF MEDINA, OHIO**, who acknowledged that he did execute the foregoing instrument on behalf of same and that the same was his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal as of this ____ day of _____, 2023.

Notary Public

STATE OF OHIO)
) ss:
COUNTY OF _____)

BEFORE ME, a Notary Public in and for said county and state, personally appeared _____, as _____ of **[R. WALDRON ENTITY]**, a(n) _____ [state] _____ [limited liability company/corporation], who acknowledged that he/she did execute the foregoing instrument on behalf of said limited liability company and that the same was his/her free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal as of this ____ day of _____, 2019.

Notary Public

EXHIBIT A

Land

DRAFT

EXHIBIT B

FBO Land

DRAFT