



BURLINGTON INTERNATIONAL AIRPORT

MEMO

TO: Finance Board

FROM: Burlington International Airport

DATE: September 8, 2010

SUBJ: Finance Board Approval Request: Lease of Commercial Property

The Burlington International Airport seeks Finance Board approval on the following:

Authorization to lease a Deli/Convenience Store (known as "Airport Grocery"):

The Airport seeks Finance Board approval to enter into and allow for a five (5) year initial term lease agreement with five (5) one (1) year terms for the use and management of a deli/convenience store located adjacent to the Airport, with Rob & Karen Mahoney. Initial agreement to expire in October 2015. The tenant will be required to pay all operating costs, taxes, utilities, improvements, inventories and any and all other related expenses for this business. Tenant will pay the Airport on a graduated scale as outlined below;

\$3,000/month for first year
\$3,250/month for second year
\$3,250/month for third year
\$3,500/month for fourth year
\$3,500/month for fifth year

If agreement renewed for additional one year terms, then monthly remittance will increase by 3% per year.

The annual revenue for this fiscal year is \$36,750

Thank you.

1200 Airport Drive, #1
South Burlington, Vermont 05403

Phone: (802) 863-2874 (TTY)
Fax: (802) 863-7947
www.btv.aero

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**AUTHORIZATION TO LEASE BUSINESS AT
BURLINGTON INTERNATIONAL AIRPORT**

In the year Two Thousand Ten.....

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, the City of Burlington (“City”) owns and operates the Burlington International Airport in South Burlington, Vermont (“Airport”); and

WHEREAS, The Director of Aviation, has determined that the leasing of a certain City owned business in the vicinity of the Airport, specifically parcel known and designated as **Airport Grocery located at 1223 Airport Drive** in South Burlington, to Robert and Karen Mahoney, to remain as an Airport Grocery Store, will be in the best interest of the City, public airport purposes, and the general public; and

WHEREAS, representatives of the Airport and Robert and Karen Mahoney have negotiated a triple net lease agreement (“Lease”), the terms of which call for a five (5) year lease in exchange \$3,000 per month for the first year, \$3,250 per month for the second and third years and \$3,500 per month for the fourth and fifth years, with all final terms of the Lease to be subject to any applicable Federal Aviation Administration restrictions or requirements, the approval of the City Attorney and the Chief Administrative Officer; and

NOW, THEREFORE, BE IT RESOLVED, that Mayor Bob Kiss be and hereby is authorized to execute the Lease and any documents necessary to facilitate the Lease, subject to prior review by the Chief Administrative Officer and the City Attorney as appropriate.

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**AUTHORIZATION TO LEASE BUSINESS AT
BURLINGTON INTERNATIONAL AIRPORT**

NAME/PURPOSE OF CONTRACTS:	Business Lease with Karen and Robert Mahoney
ADMINISTRATING DEPARTMENT:	Airport
CONTRACT AMOUNTS:	Per Lease Agreement
CONTRACT TERM:	5 Year Lease
SOURCE OF FUNDS:	
FISCAL YEAR:	FY11,12,13,14,15
ACCOUNT NAME:	
ACCOUNT NUMBER:	

200020-00078

DRAFT