MEMORANDUM

TO: Airport Board
FROM: Toni Broom, CM, Airport Deputy Director Finance & Administration
DATE: July 14, 2020
RE: Private Hangars Demolition Request

The lease with Private Hangars, Inc. expires on August 5, 2020. The lease requires that the hangars be torn down upon expiration of the lease. Private Hangars has informed us that they plan to vacate the hangars by September 5, 2020, and will demolish the row of hangars at 4140 Airport Road thereafter. Section 4 of the lease agreement addresses the expiration as follows:

4.2.1. Upon expiration of the Original Term, Lessee shall remove the Improvements owned by Lessee and return the effected portion(s) of the Leased Premises to its original condition and character, ordinary and reasonable wear and tear excepted.

4.2.1.1. If Lessee does not remove said Improvements within 90 days following expiration of the Original Term, Lessor may do so at the risk, cost, and expense of Lessee.

4.2.1.2. Lessee shall comply with all City, state, and FAA rules, regulations, and codes in the demolition process and process of removing all improvements from the Leased Premises as required under this Section. This requirement includes Lessee’s obligation to perform any environmental activities or remediation as required by the FAA, including requesting and obtaining a CATEX (categorical exclusion from a detailed environmental analysis) as necessary.

Private Hangars will be using Gustafson Builders to do the demolition and will follow all city and regulatory requirements.

STAFF RECOMMENDATION: Staff recommends Board approval of the Private Hangar Demolition Request on the condition of all lease and statutory requirements being met.