

CITY OF KELOWNA
MEMORANDUM

DATE: November 19, 2001 File: 0550-05
2380-20-8039
TO: City Manager
FROM: Airport General Manager
**SUBJECT: SUPPLEMENTAL AGREEMENT TO AIR TERMINAL BUILDING SPACE
SUB-LEASE FOR AIR CANADA REGIONAL INC.**

RECOMMENDATION

THAT Council authorize the Mayor and City Clerk to sign the supplemental agreement to air terminal building space sub-lease for Air Canada Regional Inc. at the Kelowna International Airport.

BACKGROUND AND COMMENTS

On December 19, 1990, City Council approved the air terminal building space sub-lease for AirBC Limited.

In January 2000, Air Canada consolidated its regional airline subsidiaries, including AirBC Limited, and in July 2000, Canadian Airlines International Ltd. became a subsidiary of Air Canada. These events resulted in the integration of the regional carriers AirBC Limited and Canadian Regional Airlines (1993) Ltd. and their agreements with the City of Kelowna.

The supplemental agreement to air terminal building space sub-lease for Air Canada Regional Inc. represents the former AirBC Limited air terminal building space sub-lease and includes the change of the company name from AirBC Limited to Air Canada Regional Inc. and the additional of air terminal building space. Annual rent payable by Air Canada Regional Inc. for the air terminal building space under this supplemental agreement is \$59,981.04. This agreement remains overholding on a month-to-month tenancy.

R. Sellick

RS/jmj