CITY OF KELOWNA

MEMORANDUM

DATE: March 6, 2006 File: 2380-20-8039

2380-20-8123

0550-05

TO: City Manager

FROM: Airport General Manager

SUBJECT: ASSIGNMENT OF SUB-LEASES FROM JAZZ AIR LIMITED PARTNERSHIP

TO JAZZ AIR LP

RECOMMENDATION

THAT Council approves assignment of the *Jazz Air Limited Partnership* Air Terminal Building sublease and the glycol facility sub-lease at the Kelowna International Airport to *Jazz Air LP*;

ALSO THAT Council authorize the Mayor and City Clerk to sign the Consent to Assignment of Sub-Lease documents on behalf of the City.

BACKGROUND AND COMMENTS

In November, 1985 Council approved an Air Terminal Building sub-lease with Air BC which ultimately changed its name to Jazz Air Limited Partnership, through a series of assignments. In January, 2003, Council approved a land sub-lease for the joint glycol facility, with Jazz Air Inc. which also changed its name to Jazz Air Limited Partnership, being one of three air carriers who were signatories of the sub-lease.

Jazz Air Limited Partnership is transferring its assets and operation to Jazz Air LP. Council consent is hereby requested to assign the above two sub-leases from Jazz Air Limited Partnership to Jazz Air LP.

Both sub-leases contain provisions for such assignments, subject to the written consent of the City. The assignment of lease documents submitted have been reviewed and approved by the City Solicitor.

R. Sellick

DF/lab