CITY OF KELOWNA

MEMORANDUM

Date:

July 16, 2007

File No.:

0550-05

2380-20-8083

To:

City Manager

From:

Assistant General Manager, Airport Development

Subject:

NORTHERN AIR SUPPORT LTD. SUB-LEASE

RECOMMENDATION

THAT Council approve extending the Northern Air Support Ltd. sub-lease to December 30, 2029.

AND THAT Council authorizes the Mayor and City Clerk to sign the supplemental sub-lease agreement on behalf of the City.

BACKGROUND AND COMMENTS

In October 1994 Council approved entering into a sub-lease with Northern Air Support Ltd. for a new helicopter storage and maintenance hangar. The facility has been used for helicopter storage, maintenance and charter operations.

Council approved in July 2004 expanding Northern Air Support's sub-lease area by approximately 5,372 square feet.

Northern Air Support Ltd. has recently requested to carry out site improvements of their facility which includes expanding their current apron; providing paved aircraft access to taxiway Delta; expanding the paved vehicle parking lot and upgrading the landscaping around their facility.

They propose to invest \$200,000.00 in site improvements and have requested a 10 year term extension to their sub-lease.

The supplemental agreement will require Transport Canada consent and will have a term that extends the existing sub-lease from December 30, 2019 to December 30, 2029.

Considerations that were not applicable to this report:

INTERNAL CIRCULATION TO: N/A

LEGAL/STATUTORY AUTHORITY: N/A

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS: N/A

EXISTING POLICY: N/A

FINANCIAL/BUDGETARY CONSIDERATIONS: N/A

PERSONNEL IMPLICATIONS: N/A

TECHNICAL REQUIREMENTS: N/A

EXTERNAL AGENCY/PUBLIC COMMENTS: N/A

ALTERNATE RECOMMENDATION: N/A

Submitted by:

S. Şamaddar

Assistant General Manager, Airport Development

Approved for Inclusion:

SS/cmm