



Snohomish County Council

Legislation Text

File #: 2023-1344, Version: 1

Executive/Council Action Form (ECAF)

ITEM TITLE:

Motion 23-495, authorizing the Executive or Airport Director to execute Lease Amendment No. 3 for Future of Flight Aviation Center with The Boeing Company at the Snohomish County Airport

DEPARTMENT: Airport

ORIGINATOR: Nickolis Landgraff

EXECUTIVE RECOMMENDATION: A. Bounjaktha 11/2/23

PURPOSE: To approve Amendment No. 3 to The Boeing Company’s lease of the Future of Flight Aviation Center at Paine Field.

BACKGROUND: .

- The Boeing Company (“Boeing”) leased the Future of Flight Aviation Center (“FoF”) on October 17, 2018 for an initial term of five (5) years with the option to extend an addition thirteen and a half (13.5) years.
- There has been two (2) subsequent Lease Amendment’s; No. 1 signed on December 14, 2020 which extended the Capital Improvement Reimbursements (“CIR”) to the end of the initial five (5) year term with no increase in dollar amount; and No. 2 signed September 29, 2022 which added an additional five (5) year extension to their initial term which makes it a ten (10) year initial term and the option to extend an additional two (2) times for five (5) years each. Their total lease term is fifteen (15) years.
- The requested Lease Amendment No. 3 shall extend the CIR to the end of their initial ten (10) year term. This is required because they are finishing up some final projects that could not be completed prior to the current deadline of October 16, 2023. There is currently approximately \$326,000 remaining on their CIR.
- FoF is a Public Facility District (PFD) and is one of the largest tourist attractions in Snohomish County that has recently reopened in early October since its closure due to the public health emergency.
- County staff recommends County Council approve the recommended CIR extension which shall continue to serve the residents and visitors of Snohomish County.

FISCAL IMPLICATIONS:

EXPEND: FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS

TOTAL			
REVENUE: FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
TOTAL			

DEPARTMENT FISCAL IMPACT NOTES: The approximately \$326,000 shall be continued to be reimbursed as currently expected; therefore, no fiscal impact.

CONTRACT INFORMATION:

ORIGINAL	CONTRACT#	Lease 18-008	AMOUNT	+\$10,350,835
AMEND No. 1	CONTRACT#	Lease 18-008	AMOUNT	\$0.00
AMEND No. 2	CONTRACT#	Lease 18-008	AMOUNT	+\$12,045,083
AMEND No. 3	X CONTRACT#	Lease 18-008	AMOUNT	\$0.00

Contract Period

ORIGINAL	START	10/17/2018	END	10/16/2023
AMEND No. 1	START	No Change	END	No Change
AMEND No. 2	START	10/17/2018	END	10/16/2028
AMEND No. 3	START	10/17/2018	END	10/16/2028

OTHER DEPARTMENTAL REVIEW/COMMENTS: Reviewed/approved by: Risk Management (Sheila Barker 11/2/23), Finance (Nathan Kennedy 11/2/23), and Prosecuting Attorney’s Office as to form (Michelle Corsi 10/26/23)