



Snohomish County Council

Legislation Text

File #: 2022-0947, Version: 1

Executive/Council Action Form (ECAF)

ITEM TITLE:

Motion 22-397, authorizing the Executive or Airport Director to execute Lease Amendment No. 2 for Future of Flight Aviation Center with the Boeing Company at the Snohomish County Airport

DEPARTMENT: Airport

ORIGINATOR: Nickolis Landgraff

EXECUTIVE RECOMMENDATION: Ken Klein (Reviewed/approved 9/16/22)

PURPOSE: To approve Amendment No. 2 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. This term extension was equal to the remainder of payments due on the bonds issued.
- ➔ There has been one (1) subsequent Lease Amendment 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.
- ➔ County staff and Boeing have come to an agreement for a 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. This equals a total of fifteen (15) years.
- ➔ FoF is a Public Facility District (PFD) and is one of the largest tourist attractions in Snohomish County.
- ➔ County staff recommends County Council approve the recommended lease term restructuring 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: There is no change to the financial agreement.

CONTRACT INFORMATION:

ORIGINAL	<u>X</u>	CONTRACT#	<u>Lease 18-008</u>	AMOUNT	<u>\$10,350,835</u>
AMEND #1	<u>X</u>	CONTRACT#	<u>Lease 18-008</u>	AMOUNT	<u>\$0.00</u>
AMEND #2	<u>X</u>	CONTRACT#	<u>Lease 18-008</u>	AMOUNT	<u>\$0.00</u>

Contract Period

ORIGINAL	START	<u>10/17/2018</u>	END	<u>10/16/2023</u>
AMEND #1	START	<u>10/17/2018</u>	END	<u>10/16/2023</u>
AMEND #2	START	<u>10/17/2018</u>	END	<u>10/16/2028</u>

OTHER DEPARTMENTAL REVIEW/COMMENTS: Reviewed/approved by Risk Management (Sheila Barker 9/16/22), Prosecuting Attorney as to form only (Michelle Corsi 9/12/22), and Finance (Nathan Kennedy 9/16/22)