

Legislation Details (With Text)

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Title: Airport Facility and Ground Lease to FedEx

Attachments:

Date	Ver.	Action By	Action	Result
6/28/2021	1	City Council Business Meeting	Approve	Pass

Airport Facility and Ground Lease to FedEx

Action:

- A. Approve a facility lease with FedEx Corporation for a cargo facility at Charlotte Douglas International Airport for a term through July 31, 2028,**
- B. Approve a nine-year ground lease with Fedex Corporation for 1.69 acres for a parking lot development, and**
- C. Authorize the City Manager to approve an additional five-year term for each lease and to amend the leases consistent with the purpose for which the leases were approved.**

Staff Resource(s):

Haley Gentry, Aviation
Ted Kaplan, Aviation

Explanation

- FedEx is expanding its package delivery options and needs additional space for operations. The Airport has a vacant cargo facility at 4302 Yorkmont Road, which is adjacent to their existing location at 4200 Yorkmont Road.
- The annual facility rent, ground rent, and airport services fees for the 4302 Yorkmont Road cargo facility are estimated to be \$242,460.50.
- The expiration date of the facility lease matches the expiration in Fedex's lease for the cargo located at 4200 Yorkmont Road.
- FedEx also desires to lease an adjoining 1.69 acres to develop a parking facility to support its operations.
- The annual rent and airport services fees for the ground lease is estimated to be \$37,686. The nine-year lease value is estimated to be \$376,680.
- This activity is occurring on Airport property located in Council District 3.

Fiscal Note

Funding: Revenue from the lease agreements will be deposited within Aviation's Operating Budget.