

## MEMORANDUM

**To:** Board of Directors  
**From:** Paul E. Brean, Executive Director *PaB*  
**Date:** September 10, 2020  
**Subject:** PCA – 14 Aviation Ave., North Fuel Farm

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Port City Air (PCA) leases the North Fuel Farm (NFF) at 14 Aviation Avenue from the PDA pursuant to a lease dated July 1, 2019. PCA is proposing to make improvements to the NFF as described in a memorandum from Engineering Manager Maria Stowell dated September 9, 2020.

The proposed improvements would require an additional 37,804 square feet of property and necessitate a lease amendment. Specifically, the existing lease would need to be amended to include the additional 37,804 sf as part of the leased premises. This additional leased premises would be leased at an annual rate of .35 cents per sf, with annual CPI adjustments and an additional 10% adjustment in years 6,12,18,24 and 30, consistent with the current lease terms. In addition, the lease would be amended to detail the required NFF improvements, which would become the property of the PDA, as well as a timetable for completion.

Anticipating Board approval of PCA's concept plan for the proposed NFF improvements, I request that at its meeting on September 17, 2020, the Board also authorize the PDA to proceed with and complete negotiations with PCA on the necessary lease agreement amendments.