



Staff Report

File #: 16-010
Version: 1

Date: 5/23/2016
Item #: b.

TO: Mayor and City Council
THROUGH: Steve Powers, City Manager
FROM: Kristin Retherford, Urban Development Department Director

SUBJECT:
Salem Municipal Airport Terminal Lease with HUT Airport Shuttle, Inc.

Ward(s): 2
Councilor(s): Andersen
Neighborhood(s): SEMCA

ISSUE:

Shall the City Council authorize the City Manager to execute the attached lease for terminal space at the Salem Municipal Airport with HUT Airport Shuttle, Inc.?

RECOMMENDATION:

Authorize the City Manager to execute the attached lease for terminal space at the Salem Municipal Airport with HUT Airport Shuttle, Inc.

SUMMARY AND BACKGROUND:

HUT Airport Shuttle, Inc. (HUT) currently operates a shuttle service between Salem and Portland International Airport with service originating at the Red Lion Hotel on Market Street NE. HUT approached City staff regarding relocating its service to the Salem Municipal Airport terminal. The terminal has vacant space available and ideally suited to meet HUT's needs.

FACTS AND FINDINGS:

HUT and City staff have come to terms on the proposed lease (Attachment 1). Key elements of the proposed lease are stated below.

Term: Five years, June 1, 2016 - May 31, 2021

Rate: Years 1-3: \$756.00 per month
 Years 4-5: \$812.70 per month

Square Feet: 504 (Spaces 103 and 104 within terminal)

Additional Charges: Bus Parking: 1 space at \$15 per month
 Employee Parking: 4 spaces at \$15 per month per space

HUT's customers will also be charged a reduced terminal parking rate of \$2.00 per 24-hour period for the use of the paid parking spaces at the airport terminal.

Clint Dameron
Real Property Services Manager

Attachments:
 1. Proposed Lease
05/23/2016