



## Staff Report

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**File #:** 17-297

**Version:** 1

**Date:** 6/12/2017

**Item #:** 3.3i.

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Kristin Retherford, Urban Development Director

**SUBJECT:**

BSL Transport LLC ground lease, Salem Municipal Airport

Ward(s): 2

Councilor(s): Andersen

Neighborhood(s): SEMCA

**ISSUE:**

Shall the City Council authorize the City Manager to execute the attached ground lease with BSL Transport LLC?

**RECOMMENDATION:**

Authorize the City Manager to execute the attached ground lease with BSL Transport LLC.

**SUMMARY AND BACKGROUND:**

BSL Transport LLC (Lessee), whose manager is Mountain West Retirement Corporation (a related entity of Bonaventure Senior Living), whose President is Kelley Hamilton, desires to construct a 9,600 square foot hangar for its corporate aircraft on the south end of the Salem Municipal Airport (Airport).

**FACTS AND FINDINGS:**

Staff and Lessee have come to terms on a proposed ground lease (Attachment 1) at the Airport. Key terms of the lease are;

- Term: 30 years,
- Rate: \$7,735 annually/ \$0.34 per square foot, adjusted annually,

- Size: 22,750 square feet,
- Rent Credit: If necessary, Lessee shall be entitled to a rent credit in an amount equal to the actual cost to relocate existing fire hydrants at the site.

Clint Dameron  
Real Property Services Manager

**Attachments:**

1. Proposed Lease

May 25, 2017