

RESOLUTION #R-09-2024

A RESOLUTION RECOMMENDING APPROVAL OF AN AMENDED AND RESTATED LEASE (FORM 2) WITH DISCOVERY AIR, LLC

WHEREAS, the Northern Colorado Regional Airport Commission (“Commission”) was established by the City of Loveland (“Loveland”) and the City of Fort Collins (“Fort Collins”) pursuant to that certain Amended and Restated Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Municipal Airport dated January 22, 2015 (“2015 IGA”), to effectuate changes to the governance structure and pursue development of the Fort Collins-Loveland Airport (now known as the Northern Colorado Regional Airport or the “Airport”) as a regional airport. The 2015 IGA was amended in 2016 and 2019; and

WHEREAS, the 2015 IGA provides for certain authority to the Commission to approve leases provided in part that they are in a generally approved form, while reserving to the Cities the authority to approve leases that deviate from the generally approved form; and

WHEREAS, in January of 2019, the Commission recommended and the City Councils approved the execution of a 50-year lease agreement with Discovery Air, LLC (the “Lease”) for a master-planned development for certain Airport property. In January of 2021, the Cities and Discovery Air, LLC reached an agreement for certain amendments to the Lease that included, among other terms, phasing of rent to provide lower rent prior to commencement of specific development phases. The parties thus entered into a First Amendment to the Lease (the “First Amended Lease”); and

WHEREAS, Discovery Air, LLC requested additional amendments to the First Amended Lease, which the parties have negotiated for over a year. Such amendments include a delay in rent escalation under each development phase and additional phasing. An Amended and Restated Lease (Form 2) is attached hereto as “Exhibit A;” and

WHEREAS, the Commission has reviewed the Amended and Restated Lease (Form 2) and finds that such Amended and Restated Lease (Form 2) terms are in the best interests of the Airport and the Cities, and therefore recommends approval of the Amended and Restated Lease (Form 2) to the City Councils of Loveland and Fort Collins.

NOW, THEREFORE, BE IT RESOLVED BY THE NORTHERN COLORADO REGIONAL AIRPORT COMMISSION:

Section 1. That the Amended and Restated Lease (Form 2) with Discovery Air, LLC is hereby recommended for approval by the two City Councils for Loveland and Fort Collins.

Section 2. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this 19th day of September, 2024.

Signed by:
Jerry Stooksbury
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Jerry Stooksbury, Vice Chair of the
Northern Colorado Regional Airport Commission

ATTEST:

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Kate Morgan
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Secretary

APPROVED AS TO FORM:

Laurie Wilson

Acting Deputy City Attorney