



Special Meeting Minutes for January 18, 2024

- CALL TO ORDER** Chair Arndt called the meeting to order at 1:03 p.m.
- ROLL CALL** Chair Arndt and Commissioners Stooksbury, DiMartino, Williams, Krenning, Marsh, and Burgener were present. Commissioners DiMartino and Krenning were absent.
- REGULAR AGENDA**
- 1. Discovery Air Lease Negotiation Update with Possible Executive Session as Authorized by Colorado Revised Statute §§ 24-6-402 (4)(a), (b), (c) and (e)(I).**
- Dave Ruppel, Interim Airport Director, presented this item in accordance with the staff report. Discover Air, LLC entered into a lease with the Cities of Loveland and Fort Collins in 2019 for a master-planned development on Airport property consisting of over 1.1 million square feet of greenfield land.
- Discovery Air requested certain amendments to the Lease with respect to phasing of the development and escalation of rent, and a First Amendment to the Lease was executed in early 2021. Following the First Amendment, Discovery Air raised numerous perceived issues that escalated to City management and the Airport Commission in 2022 and 2023. Discovery Air's legal counsel delivered a letter on April 20, 2023 threatening FAA action and litigation related to alleged violations of FAA grant assurances by the Airport. Following that letter, the parties entered into negotiations regarding issues raised by Discovery Air. Those negotiations are ongoing and the purpose of this item is to inform the Airport Commission of their status.
- Commissioner Marsh asked whether there would be an opportunity to hear from a representative from Discovery Air.
- Ms. Wilson stated that nothing is currently scheduled but this could be coordinated after the session.
- Commissioner DiMartino entered the meeting.
- Commissioner Stooksbury inquired about the remainder of half-million square foot difference between the area subject to rent versus not. Also, what is the market value of the land being rented.
- Mr. Ruppel stated that they aren't being charged rent on areas which aren't planned or developed yet, and the remaining space is the ramp area.
- Mr. Ehle stated that the current market rate is \$0.35 per square foot. When the contract was executed, the market value was \$0.28 per square rate for unimproved land.
- Vice-Chair Stooksbury moved to recess the Northern Colorado Regional Airport Commission into Executive Session for the purpose of discussing the Discovery Air lease negotiations pursuant to Section 4(e) of the Northern Colorado Regional Airport Commission Bylaws,**



- To determine a position relative to issues subject to negotiation, to receive reports on negotiation progress and status, to develop negotiation strategy, and to instruct negotiators as authorized by Colorado Revised Statute § 24-6402 (4)(e)(I) and any applicable provisions of the Loveland and Fort Collins City Charters.
- To receive information or discuss regarding the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, as authorized by CRS § 24-6-402 (4)(a).
- As needed, to discuss matters of attorney-client privilege and to receive legal advice from an attorney representing the City on specific legal questions, as authorized by Colorado Revised Statute § 24-6-402 (4)(b) and any applicable provisions of the Loveland and Fort Collins City Charters.

The motion, seconded by Commissioner Marsh, carried with all Commissioners present voting in favor thereof.

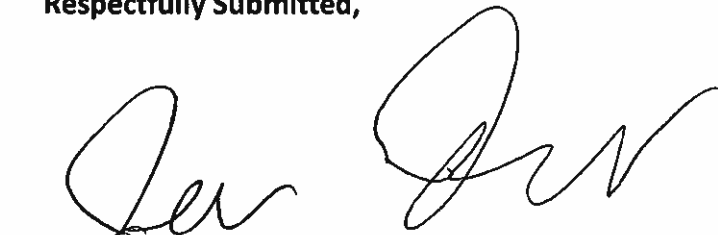
Exited Public 1:17 p.m.
Session

Entered Executive 1:19 p.m.
Session

Exited Executive 3:12 p.m.
Session

ADJOURNMENT Chair Arndt adjourned the meeting at 3:12 p.m.

Respectfully Submitted,



Commission Chair, Jeni Arndt