

Administration Report

Original signed by: City Manager Johnson

Report Date: March 26, 2021

Meeting Date: April 6, 2021

To: City Manager

From: Director of Community Services

Subject: Lease – Bailey Helicopters

PURPOSE

The purpose of this report is to obtain Council approval to enter into a five-year lease with Bailey Helicopter for the use of office space in the Operations Building at the Quesnel Regional Airport.

SUMMARY

- Bailey Helicopter is interested in leasing Room 105 in the Operations Building at the Airport.
- The revenue generated from the lease of office space is modest but there is considerable benefit to the airport that will be realized as a result of having Bailey Helicopter base their operations at the airport as it will generate additional air traffic movements and fuel sales.
- The space to be leased is approximately 12.5 square meters.
- Staff have negotiated an agreement with Bailey Helicopter that is based on similar agreements with other tenants at the airport.
- The fee for the leased space works out to approximately \$13.64/ square foot which is comparable with other leases the City has and is considered 'fair market value' for the space.

RECOMMENDATION

THAT COUNCIL enter into the attached five-year Lease with Bailey Helicopters for use of approximately 12.5 square metres of office space at the Quesnel Regional Airport;

AND THAT the Corporate Administrator be authorized to execute such documentation as required to complete the Agreement.

FINANCIAL IMPLICATIONS

- The lease is expected to generate \$1,800 in direct revenue for the City.

ATTACHMENTS:

- Lease Agreement – Bailey Helicopters