

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

13-*R*-0017

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. 21 TO THE CPTC AGREEMENT AND LEASE WITH AIRTRAN AIRWAYS, INC. COVERING THE LEASING OF APPROXIMATELY 75 SQUARE FEET OF SPACE IN THE NORTH TERMINAL AND THE PERMANENT SURRENDER TO THE CITY OF ATLANTA OF APPROXIMATELY 285 SQUARE FEET OF LEASED PREMISES WHICH ARE LOCATED ON CONCOURSE "D" AND APPROXIMATELY 4,033 SQUARE FEET OF RAMP AREA AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") and AirTran Airways, Inc. ("AirTran"), as successor-in-interest by merger to ValuJet Airlines, Inc., are parties to an Agreement and Lease of Premises, dated February 19, 1996, and supplemental agreements and amendments thereto ("CPTC Lease") governing AirTran's occupancy and use of facilities in the Terminal Building and Concourses of the Central Passenger Terminal Complex ("CPTC") at Hartsfield-Jackson Atlanta International Airport ("Airport"); and

WHEREAS, the City requires the permanent surrender of a portion of certain AirTran Exclusive Leased Premises located on Concourse "D" for concession space; and

WHEREAS, the City requires the permanent surrender of a portion of certain AirTran Exclusive Leased Premises located on Concourse "D" ramp for a fuel island; and

WHEREAS, AirTran desires to lease approximately 75 square feet of space in the North Terminal so that they can install additional self-service kiosks; and

WHEREAS, the City and AirTran now desire to amend the CPTC Lease to DELETE approximately 285 square feet of space on the boarding level of Concourse D and approximately 4,033 square feet of Concourse D ramp area from AirTran's Leased Premises and to ADD approximately 75 square feet of space in the North Terminal to AirTran's Leased Premises.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, that the Mayor is authorized to execute on behalf of the City of Atlanta Amendment No. 21 to the CPTC Lease under which AirTran shall permanently surrender to and lease from the City the aforementioned premises, with a corresponding adjustment of rentals associated with the premises.

BE IT FURTHER RESOLVED that the City Attorney is directed to prepare said Amendment for execution by the Mayor.

BE IT FINALLY RESOLVED that said Amendment shall not become binding upon the City of Atlanta, and the City of Atlanta shall incur no obligation or liability thereunder until same has been signed by the Mayor, attested to by the Municipal Clerk and delivered to AirTran Airways, Inc.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

Authorization is sought to accept the return of approximately 285 square feet of Leased Premises on the Boarding Level and approximately 4,033 square feet of Leased Premises on the Ramp Level of Concourse D South from AirTran Airways, Inc, ("AirTran") and to lease approximately 75 square feet of space in the Domestic Landside Terminal Building to AirTran. The premises on Concourse D to be returned are needed by the City as queue space for a soon to be constructed Five Guys "to go only" restaurant. The ramp area to be returned under this amendment is an area at the south end of Concourse D where a common use ground equipment fuel island owned and operated by the City is located. The additional premises in the Domestic Landside Terminal Building are needed for the installation of new and relocated self-service kiosks.

2. Please provide background information regarding this legislation.

Concourse D Boarding Level Space

One of the concepts in the winning proposal for the Concourse D Food & Beverage concession program is a "Five Guys" restaurant. This concession will be constructed in an area that was previously a part of the D11a hold room. AirTran had previously released this portion of the D11a hold room to the City for use as a concession space as the hold room was oversized for the type of aircraft operated on Concourse D.

When the actual plan for construction of the restaurant was submitted for approval, the following problems were identified.

- 1) Queue space for this "to go only" restaurant was planned for the public circulation space/concourse corridor immediately in front the restaurant. Concourse D is the narrowest concourse at the airport and is very highly congested at peak times. Locating the queue in the corridor of this very narrow concourse is very problematic in terms of passenger movement in and around the area and is further exacerbated by

the fact that D11a is located very close to the Concourse midpoint where virtually all passengers must traverse to get to/from their gate.

2) Access to the kitchen and related support space for the restaurant had been designed to be made through the adjacent D11a hold room leased to AirTran. In addition to issues created by accessing the restaurant through an active airline hold room, the fire marshal does not allow this type of access through the leased premises of another tenant.

The solution to both of the aforementioned problems is to accept the surrender of an additional and approximately 285 square feet of the D11a hold room adjacent to the restaurant which will be used as the queue for customers and as access to the kitchen and support areas of the restaurant. The proposed Amendment 21 would delete this space from AirTran's premises.

Concourse D Ramp Area

When the AirTran CPTC Lease extension was executed in 2010, ten (10) previously common use gates on Concourse D South and the associated ramp area were added to AirTran's Leased Premises. Located within the large ramp area leased by AirTran was a fuel island owned and operated by Delta Air Lines. Neither Delta nor AirTran caught this erroneous allocation of space at the time the lease was executed.

During 2012, Delta advised the City that they no longer desired to lease and operate the fuel island. The City agreed to assume operation of the island as a common use facility and to make certain repairs and improvements. During the discussions regarding the transfer of the facility from Delta to the City, the error in the lease was discovered. The proposed Amendment 21 would correct that error and return the fuel island to the City.

North Terminal Space

In 2008, a 731 square foot vestibule in the North Terminal was added to AirTran's leased premises for the storage of wheel chairs. As a result of significant increases in passenger activity and due to the areas immediate adjacency to the existing AirTran self-service kiosks, AirTran installed additional self-service kiosks and related queue space in the area significantly reducing the space available for wheelchair storage. As a result of substantial congestion in the area created by customers using the kiosks and the staged wheelchairs, the City allowed, on a temporary basis, AirTran to move the wheelchair staging area to vacant queuing space in the North terminal lobby pending the development of a permanent solution.

The City and AirTran have determined that the optimal permanent solution is for AirTran to lease other more appropriate space for the self-service kiosks and to use the vestibule as originally intended for wheel chair staging and storage. The proposed Amendment 21 would add approximately 75 square feet in the North Terminal to AirTran's premises which would be used for self-service kiosks.

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Central Passenger terminal Complex Lease
- (b) **Source Selection:**
- (c) **Bids/Proposals Due:**
- (d) **Invitations Issued:**
- (e) **Number of Bids:**

(f) Proposals Received:

(g) Bidders/Proponents:

(h) Term of Contract: 9/20/2017

4. Fund Account Center (*Ex. Name and number*):

Fund: _____ Account: _____ Center: _____

5. Source of Funds: *Example: Local Assistance Grant*

6. Fiscal Impact: N/A

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: N/A

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

This Legislative Request Form Was Prepared By: Bill Murphy



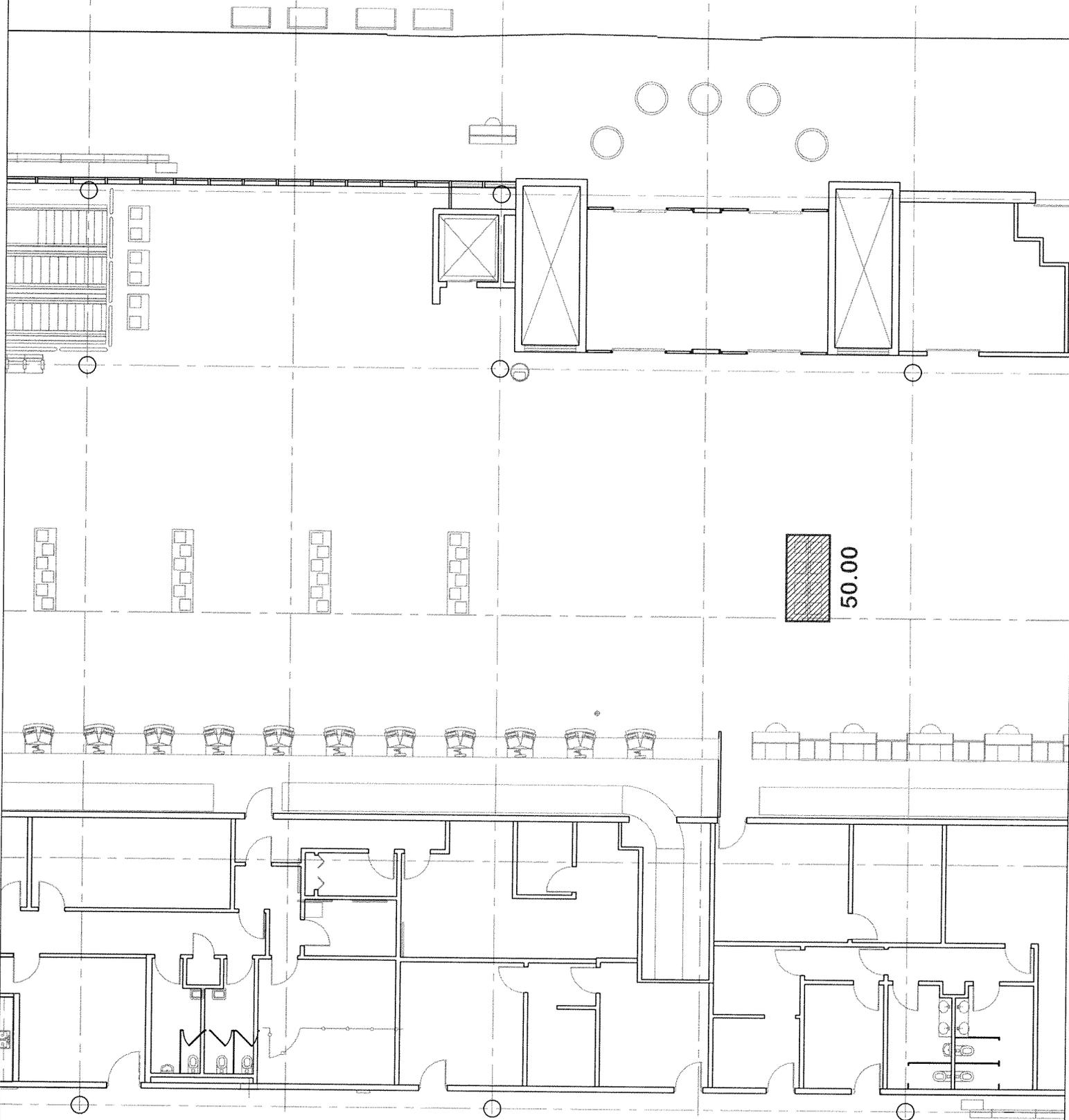
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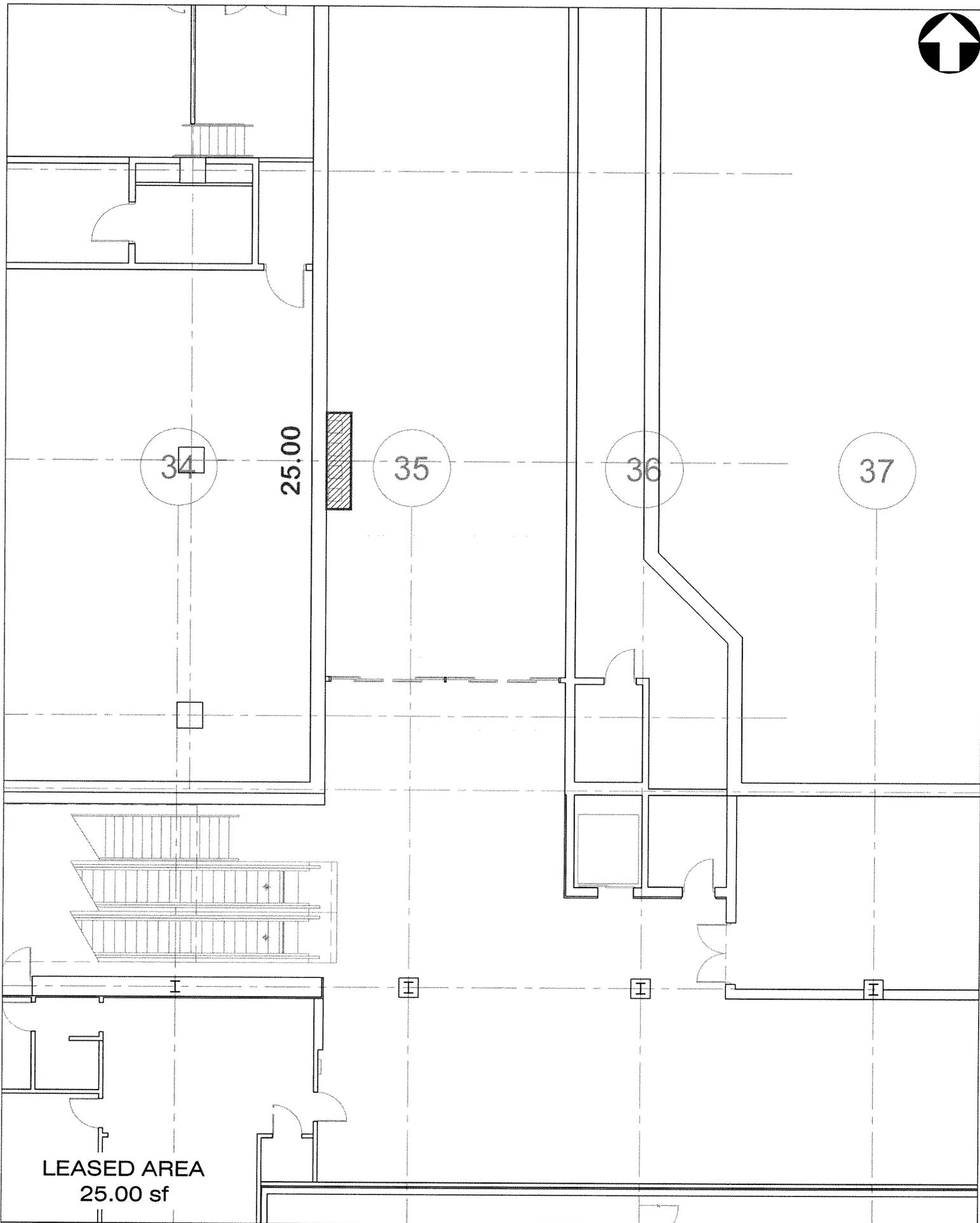
38



50.00

50.00

LEASED AREA
50.00 sf



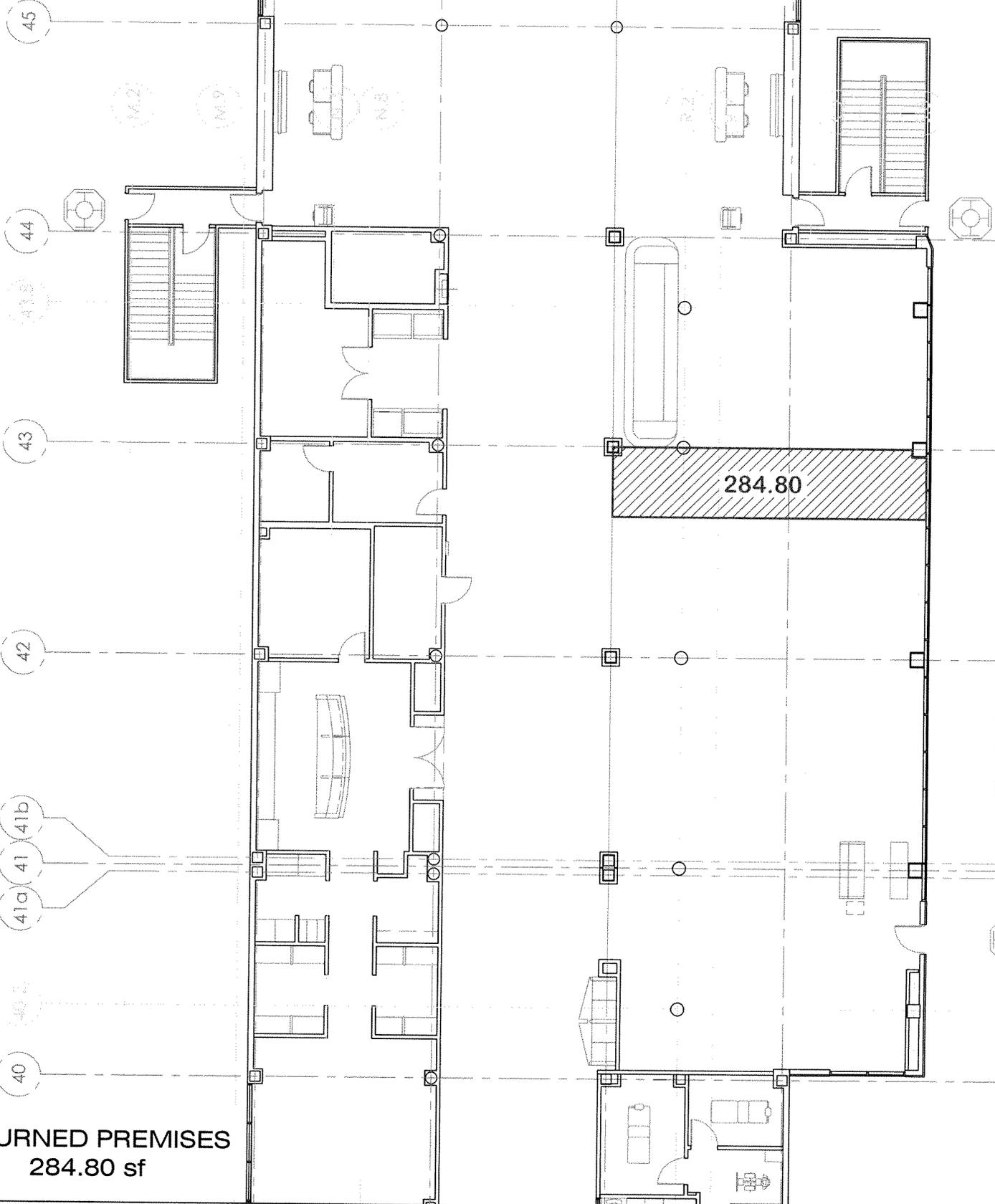
LEASED AREA
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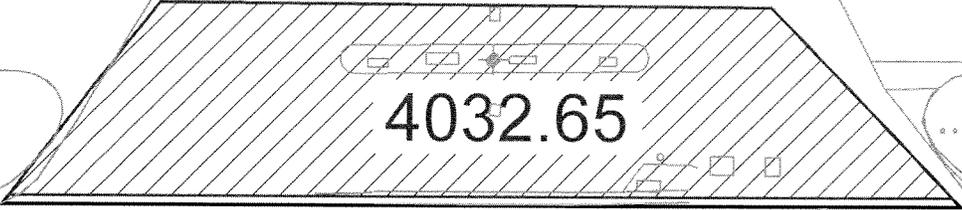
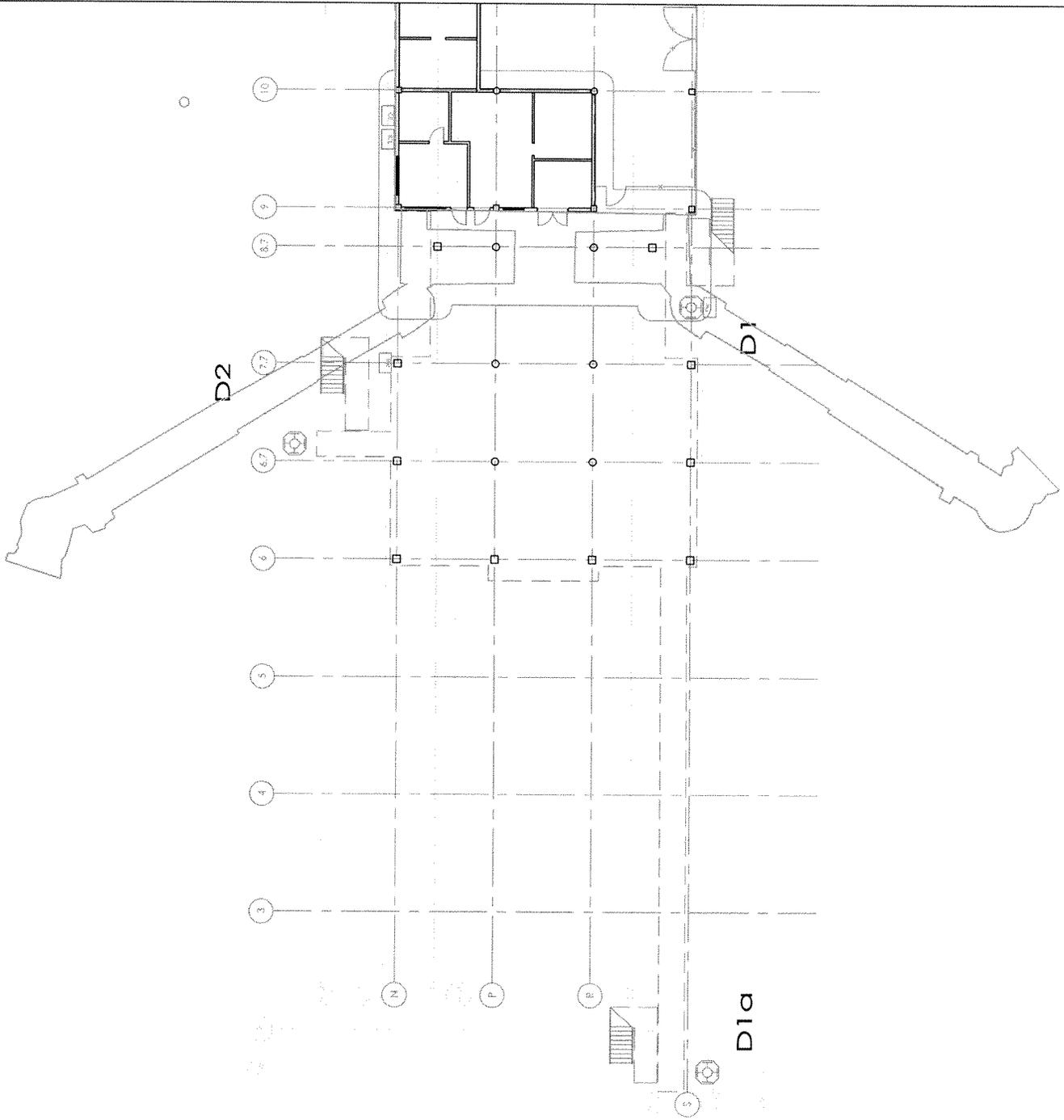
D14

D13

D11a



RETURNED PREMISES
284.80 sf



4032.65

RETURNED
PREMISES
4032.65 sf

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE L. BYRD

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 12/28/12

Anticipated Committee Meeting Date(s): 1/15/13

Anticipated Full Council Date: 1/22/13

Legislative Counsel's Signature: Richard Rubin

Commissioner's Signature: [Signature]

Chief Financial Officer: N/A

Chief Information Officer Signature (for IT Procurements) N/A

Chief Procurement Officer Signature: N/A

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. 21 TO THE CPTC AGREEMENT AND LEASE WITH AIRTRAN AIRWAYS, INC. COVERING THE LEASING OF APPROXIMATELY 75 SQUARE FEET OF SPACE IN THE NORTH TERMINAL AND THE PERMANENT SURRENDER TO THE CITY OF ATLANTA OF APPROXIMATELY 285 SQUARE FEET OF LEASED PREMISES WHICH ARE LOCATED ON CONCOURSE "D" AND APPROXIMATELY 4,033 SQUARE FEET OF RAMP AREA AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT: (if any)
Mayor's Staff Only

Received by CPO: _____
(date)

Received by LC from CPO: _____
(date)

Received by Mayor's Office: 12.18.12 DR
(date)

Reviewed by: [Signature]
(date)

Submitted to Council: _____
(date)