

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO LEASE AGREEMENT WITH SOUTHWEST AIRLINES CO. ("SOUTHWEST") COVERING THE LEASE OF APPROXIMATELY .50 ACRES OF CITY OF ATLANTA OWNED LAND LOCATED IN COLLEGE PARK, GEORGIA FOR THE CONSTRUCTION OF A PEDESTRIAN SIDEWALK TO SUPPORT SOUTHWEST'S AIRPORT CORPORATE CENTER LOCATED ON ADJACENT LAND; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") owns and operates Hartsfield-Jackson Atlanta International Airport and owns a 155.6+/- acre tract of undeveloped land located near the intersection of Godby Road and Old National Highway in College Park, Georgia (the "Godby Road Tract"); and

WHEREAS, Resolution 06-R-0162, which was adopted by Council on January 17, 2006 and approved by the Mayor on January 24, 2006, authorized the lease of approximately 3.5 acres of the Godby Road Tract to MDG Development Group, LLC ("MDG"), for the construction and operation of a facility to be used by AirTran Airways for Flight Attendant Training (the "Facility"); and

WHEREAS, Resolution 07-R-1696, which was adopted by Council on September 4, 2007 and approved by the Mayor on September 12, 2007, authorized the lease of an additional and approximately 2.0 acres of the Godby Road Tract to MDG, to further the appropriate development of the Facility; and

WHEREAS, MDG executed a ground lease with the City of Atlanta on March 25, 2008 for the lease of land contemplated by Resolutions 06-R-0162 and 07-R-1696 to construct a facility for AirTran Airways for flight attendant training and other purposes; and

WHEREAS, MDG constructed and leased the Facility to AirTran Airways; and

WHEREAS, Southwest has purchased AirTran Airways and has assumed the ground lease with the City; and

WHEREAS, Southwest has determined that it will expand the use of the Facility to include reservations, administrative and other support functions incidental to its operations; and

WHEREAS, Southwest has determined that additional employee vehicle parking will be required at the facility to accommodate its expanded use; and

WHEREAS, Resolution 12-R-1331 authorized the execution of a ground lease with Southwest for the lease of land for the construction and operation of a vehicle parking lot to support growth at the Facility; and

WHEREAS, Southwest desires to construct a pedestrian sidewalk to facilitate the safe use of public transportation located within walking distance of the Facility and desires to enter into a ground lease with the City for land immediately adjacent to the facility to construct such pedestrian sidewalk; and

WHEREAS, the Aviation General Manager recommends that the City enter into a ground lease with Southwest to meet the objectives set forth herein.

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, an Amendment to a Lease Agreement with Southwest for approximately .50 acres of land for the construction of a pedestrian sidewalk subject to substantially the following terms and conditions:

- 1) Southwest will lease the Additional Premises per all of the terms and conditions of the base Lease save and except for rent. During the Term, Southwest will not be obligated to pay rent for the Additional Premises. Except for rent, Southwest agrees to be bound by all of the terms and conditions of the Lease with respect to the Additional Premises.
- 2) Southwest will construct the sidewalk and any improvements thereon at its expense and in a good and workmanlike manner. Construction will be in compliance with all applicable laws, codes, rules and regulations with first quality materials and components in accordance with plans and specifications subject to the approval of the City.
- 3) Upon completion, the sidewalk and any other related improvements will become the property of the City.
- 4) During the term of the Lease, Southwest will (a) maintain the sidewalk and any other improvements in good working order and condition, free of any debris and in a safe and unobstructed manner and (b) repair and replace the sidewalk and any related improvements. Any repairs and or replacements will be at least as good quality as the original construction thereof.

- 5) The use of the sidewalk by Southwest will be on a nonexclusive basis. Use will be in common with the City and any adjoining tenants of the City.
- 6) During the term of the Lease, Southwest will be responsible for the payment of all taxes levied or assessed on the Additional Premises, the sidewalk and any improvements constructed on the land.

BE IT FURTHER RESOLVED, that the City Attorney be and hereby is directed to prepare the Amendment for execution by the Mayor containing substantially the terms set forth in this Resolution and any other terms or conditions as are customarily included in lease agreements of similar nature.

BE IT FINALLY RESOLVED, that the Amendment will not become binding on the City and the City will incur no obligation or liability under it until it has been approved as to form by the City Attorney, executed by the Mayor, attested to by the Municipal Clerk and delivered to Southwest Airlines Co.

Existing Facility



Additional Parking Improvements



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

<p>A. To be completed by Legislative Counsel:</p> <p>Committee of Purview:</p> <p>Caption:</p> <p>Council Meeting Date:</p> <p>Requesting Dept.:</p> <p>FAC Confirmed by:</p>
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B. To be completed by the department:

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

The purpose of this legislation is to authorize the execution of an Amendment to a Lease Agreement with Southwest Airlines.

2. Please provide background information regarding this legislation.

Southwest is significantly expanding operations at its Airport Corporate Center (ACC) located on Clipper Drive in College Park, Georgia and will be substantially increasing the number of employees that work at the facility. Many of these employees will be using public transportation to report to work of which the closest access point is the intersection of Godby Road and Clipper Drive. Southwest has determined that the construction of a sidewalk from the Godby Road Intersection to the south along Clipper drive to its facility is necessary to provide its employees with safe and ADA compliant access. The City of Atlanta through the Department of Aviation owns the land that the ACC has been constructed on and also owns land necessary to construct the pedestrian sidewalk.

The Airport has determined that adequate land is available to meet Southwest's expansion needs and has worked with Southwest to develop an amendment to the existing lease to allow for the construction of the sidewalk. Upon completion, Southwest has agreed to convey title to the improvements constructed on the City's land to the City and will maintain the improvements at its own expense.

3. If Applicable/Known:

- (a) Contract Type (e.g. Professional Services, Construction Agreement, etc):
- (b) Source Selection:
- (c) Bids/Proposals Due:
- (d) Invitations Issued:
- (e) Number of Bids:
- (f) Proposals Received:
- (g) Bidders/Proponents:
- (h) Term of Contract: Co-terminus with the base lease.

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

Fund: _____ Account: _____ Center: _____

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

6. Fiscal Impact: Because the DOA is an Enterprise fund, there will be no fiscal impact on the City.

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: David Sellers

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: 3/08/13

Anticipated Committee Meeting Date(s): 3/27/13

Anticipated Full Council Date: 4/15/13

Legislative Counsel's Signature: Richard Rubin *Richard Rubin, Senior Assistant City Atty.*

Commissioner's Signature: *Louis Miller*

Chief Financial Officer: N/A

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

Chief Procurement Officer Signature: _____

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO LEASE AGREEMENT WITH SOUTHWEST AIRLINES CO. ("SOUTHWEST") COVERING THE LEASE OF APPROXIMATELY .50 ACRES OF CITY OF ATLANTA OWNED LAND LOCATED IN COLLEGE PARK, GEORGIA FOR THE CONSTRUCTION OF A PEDESTRIAN SIDEWALK TO SUPPORT SOUTHWEST'S AIRPORT CORPORATE CENTER LOCATED ON ADJACENT LAND; 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: 3.6.13 *DD*
(date)

Reviewed by: _____
(date)

Submitted to Council: _____
(date)