

**REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF
ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND
RECORD OF ACTION**

October 14, 2021

FROM: Gwen C. Balk, Director – Administration

SUBJECT: SunBorne XVI, Ltd. (“Landlord”) –Consent to Ground Subleases, Assignment and Assumptions and Estoppel Certificates

RECOMMENDATION: Motion to approve the following eight documents and authorize the Chair and Clerk to sign:

1. Consent to Ground Sublease between Landlord and Modern Aviation Properties, LLC (“Modern”) as for FBO Parcels 1, 2 and 4N (“Sublease 1”)
2. Consent to the Amended and Restated Ground Sublease between Landlord and SunBorne Hangar Venture I, LLC for Parcel Lot 5W (“Sublease 2”)
3. Consent to Amended and Restated Ground Sublease between Landlord and SunBorne Office Terminal Venture, LLC for FBO Lot 3 and Parcel 5 (“Sublease 3”)
4. Consent to Assignment and Assumption of Sublease 2 from SunBorne Hangar Venture I, LLC to Modern Aviation Properties, LLC (“Assignment 1”)
5. Consent to Assignment and Assumption of Sublease 3 from SunBorne Office Terminal Venture, LLC to Modern Aviation Properties, LLC (“Assignment 2”)
6. Lessor’s Estoppel Certificate related to Sublease 1
7. Lessor’s Estoppel Certificate related to Sublease 2
8. Lessor’s Estoppel Certificate related Sublease 3

BACKGROUND: SunBorne XVI, Ltd. (the “Landlord”) intends to enter into Sublease 1 with Modern Aviation Properties, LLC (“Modern”) which requires Authority’s consent.

Landlord is also requesting that Sublease 2 and Sublease 3 be amended and restated with its current sublessees. This also requires the Authority’s consent.

Lastly, the sublessees under Sublease 2 and Sublease 3 wish to assign both of the respective subleases to Modern; and Assignment 1 and Assignment 2 also require the Authority’s consent.

Lastly, Modern and Land Title Guarantee Company have requested Lessor’s Estoppel Certificates related to Landlord’s associated FBO Ground Leases related to Parcels FBO 1, 2 and 4; FBO Parcel 3; and Parcel FBO 5W; as well as the associated Ground Lease related to Parcel 5.

Please note that Signature will continue to operate on the aforementioned parcels subject to an existing Operator's Agreement between Landlord and Signature which agreement expires on 5/31/2029 unless terminated sooner and this existing Operator's Agreement is described in each of the subleases.

The five Consents and all four Lessor's Estoppel Certificates are currently being prepared in our usual format and after review by staff and counsel will be placed on the Dais on the day of the meeting.

Staff recommends approval.

FINANCIAL DATA: Not applicable.

REVIEW BY OTHERS: Luke Skaflen, Robert Olislagers, Kimberly Bruetsch

PRESENTERS: Gwen Balk

Action of the Board of Commissioners

	1 st	2 nd	YES	NO	ABSTAIN
Bagnato	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Baker	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Doubek	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Holen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sharpe	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Preliminary Web Documents