

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by 9 **a.m. Friday**. Contact the Mayor's Legislative team with questions

Date of Request: 2/13/2025

Please mark one: Bill Request or Resolution Request

Please mark one: The request directly impacts developments, projects, contracts, resolutions, or bills that involve property and impact within .5 miles of the South Platte River from Denver's northern to southern boundary? (Check map [HERE](#))

Yes No

1. Type of Request:

Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment

Dedication/Vacation Appropriation/Supplemental DRMC Change

Other:

2. **Title:** Approves a lease agreement with United Airlines, Inc. for Rates and Charges and for 30 years for an Aircraft Parking Ground Lease Agreement at Denver International Airport, in Council District 11 (PLANE-202366876).

3. **Requesting Agency:** Department of Aviation

4. Contact Person:

| | |
|---|---|
| Contact person with knowledge of proposed ordinance/resolution (e.g., subject matter expert) | Contact person for council members or mayor-council |
| Name: George Karayiannakis, SVP Airline and Commercial Affairs | Name: Kevin Forgett, State and Local Legislative Advisor |
| Email: George.Karayiannakis@flydenver.com | Email: Kevin.Forgett@flydenver.com |

5. **General description or background of proposed request. Attach executive summary if more space needed:**
(who, what, why)

This lease is for 909,439.5 sq. ft. of ground space at Denver International Airport. United seeks to construct, operate and maintain, at its sole cost, an aircraft parking area for parking up to 5 wide-body aircraft or 20 narrow-body aircraft, to be located south of taxiway Zulu. The term of this lease shall commence on the Effective Date and expire 30 years later. Rental payments will be charged at the current Ground Rent. 2025 ground rent is \$1.03 per sq. ft. for an annual rate of \$936,722.69. If either the city or the airline exercises the option for an early termination, the lease allows for a buy-out of the unamortized cost of the project based on a per-sq. ft. basis.

Regarding DEN's Vision 100, this project aligns with the strategic objective of "Growing our Infrastructure." United's project will provide a valuable asset to DEN's airfield facilities and support United Airlines' commitment to continue to increase flight operations and passengers at Denver International Airport. United is DEN's largest airline.

6. **City Attorney assigned to this request (if applicable):** David Steinberger

7. **City Council District:** District 11

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Lease of Real Property

Vendor/Contractor Name (including any dba's): United Airlines, Inc.

Contract control number (legacy and new): PLANE-202366876

Location: Denver International Airport

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates): 30 years, Date of Execution + 30 years.

Contract Amount (indicate existing amount, amended amount and new contract total):

| <i>Current Contract Amount</i> (A) | <i>Additional Funds</i> (B) | <i>Total Contract Amount</i> (A+B) |
|---------------------------------------|--------------------------------|---------------------------------------|
| Rates & Charges | N/A | Rates & Charges |

| <i>Current Contract Term</i> | <i>Added Time</i> | <i>New Ending Date</i> |
|------------------------------|-------------------|------------------------|
| 30 Years | N/A | 30 Years |

Scope of work: This lease is for 909,439.5 sq. ft. of ground space at Denver International Airport. United seeks to construct, operate and maintain, at its sole cost, an aircraft parking area for parking up to 5 wide-body aircraft or 20 narrow-body aircraft, to be located south of taxiway Zulu. The term of this lease shall commence on the Effective Date and expire 30 years later. Rental payments will be charged at the current Ground Rent. 2025 ground rent is \$1.03 per sq. ft. for an annual rate of \$936,722.69. If either the city or the airline exercises the option for an early termination, the lease allows for a buy-out of the unamortized cost of the project based on a per-sq. ft. basis.

Was this contractor selected by competitive process? No

If not, why not? Airlines are not subject to the competitive process

Has this contractor provided these services to the City before? Yes No

Source of funds: Revenue; United Airlines will fund the construction

Is this contract subject to: W/MBE DBE SBE XO101 ACDDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): 25%

Who are the subcontractors to this contract? N/A

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