



Legislation Details (With Text)

File #: 23-0304 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 3/13/2023 **In control:** Business, Arts, Workforce, Climate & Aviation Services Committee

On agenda: 4/3/2023 **Final action:** 4/3/2023

Title: A resolution approving a proposed lease between the City and County of Denver and Southwest Airlines, Co. for a 30-year lease for a new cargo facility at Denver International Airport, charging Southwest Airlines, Co. rates and charges under the lease.
Approves a ground lease with Southwest Airlines Co. for rates and charges and 30 years for a new general use building at Denver International Airport in Council District 11 (PLANE-202262801). The last regularly scheduled Council meeting within the 30-day review period is on 4-24-2023. The Committee approved filing this item at its meeting on 3-22-2023.

Sponsors:

Indexes: Anne Wallace

Code sections:

Attachments: 1. RR23_0304_DEN Southwest General Use Building Ground Lease - City Council Summary - 202262801, 2. RR23_0304_DEN Ordinance Resolution Request - Southwest General Use Building Ground Lease - 202262801, 3. 23-0304 Filed Resolution_Southwest Airlines, 4. 23-0304 Contract_Southwest Airlines, 5. 23-0304 Filed Resolution_Southwest Airlines, 6. 23-0304 - signed

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|---------------------|--------|
| 4/3/2023 | 1 | Council President | signed | |
| 4/3/2023 | 1 | City Council | adopted | Pass |
| 3/22/2023 | 1 | Business, Arts, Workforce, Climate & Aviation Services Committee | approved by consent | |

[Contract Request Template \(Contracts; IGAs; Leases\)](#)

Date Submitted: 3/13/23

Requesting Agency: DEN
Division:

Subject Matter Expert Name: Carolina Flores
Email Address: Carolina.flores@flydenver.com
Phone Number:

Item Title & Description:

(Do not delete the following instructions)
*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed lease between the City and County

of Denver and Southwest Airlines, Co. for a 30-year lease for a new cargo facility at Denver International Airport, charging Southwest Airlines, Co. rates and charges under the lease.

Approves a ground lease with Southwest Airlines Co. for rates and charges and 30 years for a new general use building at Denver International Airport in Council District 11 (PLANE-202262801). The last regularly scheduled Council meeting within the 30-day review period is on 4-24-2023. The Committee approved filing this item at its meeting on 3-22-2023.

Affected Council District(s) or citywide? District 11

Contract Control Number: PLANE-202262801

Vendor/Contractor Name (including any "DBA"): Southwest Airlines Co.

Type and Scope of services to be performed:

This request is for a General Use Building (GUB) ground lease agreement between Southwest Airlines Co. (Southwest) and Denver International Airport (DEN). Southwest will be constructing and occupying a new GUB at DEN. This facility will be constructed on the north airfield area adjacent to the Southwest hangar and will be used for aircraft provisioning (catering), ground service equipment maintenance and storage, and other associated uses. Southwest's robust growth in passenger services at DEN also correlates to an increase in provisioning activity. Southwest has already stretched its existing DEN Provisioning Center to its limits, so a new facility has been planned to support today's volumes and future growth.

Location (if applicable): DEN

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts): N/A

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment? New

Was this contractor selected by competitive process or sole source? Sole source - lease to existing airline provider

For New contracts

Term of initial contract: 30 years

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term: Rates & Charges

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)