Memorandum

MIAMI-DADE COUNTY

Date: January 25, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 8(A)(1)(C)

From: George M. Burgess
County Manager

Subject: Resolution Establishing Revised Rental Rates Effective January 1, 2007 for Non-Terminal Building Properties, Miami International Airport

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RECOMMENDATION

It is recommended that the Board adopt the attached resolution establishing revised retroactive rental rates for the non-terminal building areas including improvements at Miami International Airport (MIA) effective January 1, 2007. These recommendations are made by Quinlivan/Waronker Joint Venture, the real estate appraisers employed by the Aviation Department to perform appraisals of MIA airport properties. In addition, it is recommended that the Board authorize the County Manager or his designee to administratively adjust rental rates on buildings and facilities undergoing a forty-year certification process or other changes to meet current code requirements. Consistent with past practice, it is further recommended that the Board authorize execution of any modification to adjust lease agreements that may be necessary to affect the revised rates.

BACKGROUND

In connection with the issuance of Aviation Revenue Bonds under the Amended and Restated Trust Agreement of 2002 (formerly the 1954 Trust Agreement, as amended), the County has covenanted that it will at all times fix, charge and collect rates and charges for the use of the County's airport system facilities and services to meet the rate covenant requirements. Furthermore, most of the lease agreements for non-terminal premises (land and improvements) at MIA provide for annual review and appraisal of properties to determine rental rates. This provision ensures compliance with the County's obligations under its grant agreements with the Federal Aviation Administration (FAA) to make its airports self-sufficient and allow for periodic adjustments of lease rates to meet fair market values.

Quinlivan/Waronker has performed the annual fair market appraisals since 1994. The company recommended to the Aviation Department that the fair market rental values for the non-terminal buildings, land, and pavement at MIA be imposed starting January 1, 2007. (Rentals and use charges for Terminal Building properties, as contrasted with non-Terminal Building properties, are made on an equalized rate methodology based on costs and not fair market values, as approved by the Board in Resolution No. R-1054-90).

In providing the recommendations for the non-terminal building rental rate revisions, Quinlivan/Waronker conducted its annual inspection of non-terminal buildings at MIA; reviewed cargo/warehouse and office rentals in the area; and updated data on the non-terminal properties including land and building rental rates at 12 major hub airports in the U.S. The following summarizes the rate adjustments recommended by the appraiser:

- Most air-conditioned office building rates were increased by $0.25 to $1.00 per square foot, representing a 2.5 percent to 8.3 percent increase. There were no increases in the rates for air-conditioned office space supporting maintenance, cargo and other type facilities.

- There were no rate revisions for cargo warehouse space in the 700 series buildings, although discussions with other airports indicate that these rates have been increasing over the last year after having held steady in prior years.

- The rates for aircraft maintenance facilities are not increasing.

- The land rental rates for Zones 1, 2 and 4 are being raised by $0.10 per square foot representing an increase ranging from 5.7 percent to 7.4 percent. Zone 3 is increasing $0.25 per square foot, for an increase of 10 percent. The basis for the changes is the continued increase in land prices for sites in the vicinity of MIA. Industrial zoned land is selling from $16.00 to $20.00 per square foot while commercial sales ranged from $25.00 to $45.00 per square foot. Airports considered comparable to MIA have land rental rates ranging from $0.99 per square foot to $2.12 per square foot. Research has indicated that for the most part land rental rates are based on the land market prices of industrial areas adjacent to airports multiplied by a land rent of 10 percent.

Although market conditions at other airports and around MIA indicate a need to revise other building rentals upwards, such increases are being postponed to allow completion of repairs and replacements on certain deferred maintenance issues.

The recommended rates for the non-terminal MIA building properties effective January 1, 2007, were distributed to all non-terminal tenants and the Miami Airport Affairs Committee. In addition, they were distributed to tenants attending a November 6, 2006 meeting, held to allow them to express concerns on the recommended rates. Of the five tenants that attended, three had no comment, one expressed concern about traffic and another about flooding. The latter issue is currently being addressed.

In addition to the annual review, rates are also subject to any other adjustment as may be required for compliance with the Amended and Restated Trust Agreement of 2002 (formerly the 1954 Trust Agreement), as amended, and of Resolution R-1654-84, the Master Resolution, as amended.

Pursuant to County Code, structures that reach their 40th year are required to undergo a 40-year certification that necessitates electrical and structural renovation. In conjunction with, and apart from, recertification issues, other improvements often occur. When such improvements are made by the Aviation Department, it may be necessary to recover the costs through an increase in rental rates. The increase would be in addition to the rental rates imposed on the tenant occupying the building or facility. The increase may be based on the fair market value determined after the work is completed or on a cost basis by adding the cost of the improvements, as amortized over a reasonable period of time, to the then existing fair market rentals being paid by the tenant. Both methodologies are an acceptable way of recovering the costs, and the resolution permits the use of either one depending on the nature and circumstances of the improvements required.

11/14/06

Susanne M. Torriente
Chief of Staff/Assistant County Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

DATE: January 25, 2007

FROM: Murray A. Greenberg, County Attorney

SUBJECT: Agenda Item No. 8(A)(1)(C)

Please note any items checked.

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Manager's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor

Veto _____

Override _____

Agenda Item No. 8(A)(1)(C)

01-25-07

RESOLUTION NO. _____

RESOLUTION ESTABLISHING REVISED RETROACTIVE RENTAL RATES FOR CERTAIN BUILDINGS AND FACILITIES (OTHER THAN THE TERMINAL BUILDING), LAND, AND PAVEMENT AT MIAMI INTERNATIONAL AIRPORT, EFFECTIVE AS OF JANUARY 1, 2007, AND DIRECTING IMPLEMENTATION THEREOF; AUTHORIZING COUNTY MANAGER OR HIS DESIGNEE TO ADJUST SUCH RATES FOR FACILITIES REQUIRING RECOVERY OF COSTS DUE TO CERTIFICATION OR CODE-REQUIRED WORK; AUTHORIZING COUNTY MANAGER OR DESIGNEE TO EXECUTE FORMAL LEASE AMENDMENTS AS NECESSARY TO EFFECT IMPLEMENTATION OF SUCH RATES

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the recommended schedules of revised retroactive rental rates for certain buildings and facilities (other than the Terminal Building), land, and pavement located at Miami International Airport, as set forth in the accompanying memorandum from the County Manager and the attachments thereto as prepared by the Quinlivan/Waronker Joint Venture, State Certified General Appraisers, and hereby establishes the revised rental rates contained therein as being fair, reasonable and non-discriminatory for the use of the facilities described in said memorandum, effective as of January 1, 2007 and extending to at least December 31, 2007, unless modified by this Board before or after such date; this Board authorizes the County Manager or his designee to further adjust such rental rates to account for increased costs attributable to any building or facility undergoing a forty-year certification process or other changes to meet current code requirements, utilizing either of the methodologies described in the attached memorandum, whether the certification improvements are made in 2007 or at any other time, such adjustment to be made

without the need for further action by this Board; this Board directs the County Manager or designee to place the revised rental rates into effect administratively where appropriate and to execute such amendments to existing lease or other agreements as may be appropriate and necessary to effect implementation of the revised rental rates, without further action of this Board.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice-Chairwoman

Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 25th day of January, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Mercedes Sandoval Holston

QUINLIVAN/WARONKER JOINT VENTURE
5730 S.W. 74TH STREET. SUITE 300
SOUTH MIAMI. FLORIDA 33143

J. Mark Quinlivan, MAI
Joint Venture Partner
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RZ 0000112

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Lee H. Waronker. MAI
Joint Venture Partner
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RZ 0000162

October 16, 2006

Jose Abreu, P.E., Director
Miami-Dade Aviation Department
P.O. Box 592075
Miami, Florida 33159

RE: MIAMI INTERNATIONAL AIRPORT
RENTAL RATES
JANUARY 1, 2007 - DECEMBER 31, 2007

Dear Mr. Abreu:

Pursuant to Resolution No. R-34-03, we are submitting a summary of our conclusions for:

1) Land Rental Rates
2) Paving Rates
3) Building Rental Rates

The Quinlivan/Waronker Joint Venture has been preparing the annual rental rate report on the non-terminal properties at Miami International Airport since 1994. For the preparation of these annual reports, we have taken the following steps:

- Annually inspected all non-terminal buildings at Miami International Airport in order to determine the condition of the buildings.

- We have gathered and analyzed land sales in the areas surrounding Miami International Airport and derived appropriate rates of return on land value from various sources.

- We have personally inspected the non-terminal properties at twelve of the major hub airports in the United States and met with property managers gathering land rental rates and non-terminal building rates at these airports. On an annual basis, by telephone we update this data.

- We have gathered and analyzed building rental rates in the areas surrounding Miami International Airport. We have found that there is a direct relationship between office building rental rates at Miami International Airport and the nearby off-airport office buildings rental rates. There is no particular advantage for office tenants being on the airport.

- We have gathered and analyzed warehouse rental rates in the Airport West market area, just west of Miami International Airport. There appears to be a relationship between off-airport warehouse rental rates and cargo/warehouse rental rates on-airport. The security, minimum truck transportation and/or the ability to bring an aircraft to a cargo building are benefits of being on-airport. Therefore, on-airport cargo/warehouse buildings command a rental premium. This relationship between on-airport cargo rates and off-airport warehouse rates has been examined at other similar airports.

These market rental rates are based on the data, analyses and conclusions within our Self-Contained Appraisal Report which is available for review in our office.

Market Rent is defined as the rental income that a property would most probably command in the open market indicated by the current rents paid for comparable space as of the date of the appraisal.

After analyzing land sales surrounding Miami International Airport and land rental rates at comparable airports, the appraisers have considered the following:

1) Subject land will be limited to airport and aviation purposes.
2) No assignment of leasehold without approval of the County
3) No subordination permitted on said leasehold.
4) The General Use Master Plan.

After due study and investigation and taking all factors into consideration which apply to the area leased within the confines of Miami International Airport, it is our opinion that the market rent of the land, as of this date, is as reported on the sheet captioned "Land Rental Rates".

The land rental rates for Zones 1, 2 and 4 were increased by $0.10 per square foot. Zone 3 was increased $.25 per square foot, a 10% increase. The increases for Zones 1, 2 and 4 range from 5.7% to 7.4%. The basis for the increases was the continued increase in land prices for sites in the vicinity of Miami International Airport. Current industrial zoned land sales range from $16.00 per square foot to approximately $20.00 per square foot. Commercial land sales are in the range of $25.00 to $45.00 per square foot. Also surveyed were other international airports. Those airports considered comparable to MIA have land rental rates from $0.99 per square foot to $2.12 per square foot. We have found that the most prevalent manner in which land rental rates are determined is based on the land market prices in the industrial areas surrounding the airports, generally multiplied by a land rental rate of 10%. We have relied primarily on this methodology.

Last year we added a sub-category to Land Zone 1. Historically, all on-airport land rental rates have been uniform. Sites with aircraft access have always been considered as premium sites with the premium being reflected in the building rate. Since it is possible that an aircraft access site could be leased to a third party, we have established a sub-category for vacant sites with aircraft access.

In estimating the building rental rates, we have personally inspected each building structure, reviewed cargo/warehouse and office rentals in the area, and reviewed building rental rates at comparable airports. All of the above comparable rental information is contained within the Self-Contained Appraisal Report which is retained in the appraisers' office.

Rental rates for most of the air-conditioned office space were increased by $.25 to $1.00 per square foot. This represents a 2.5% to 8.3% increase. The increases are based on the increases that have taken place in the Airport West Office Market over the past twelve months. Rates for the 700 series Cargo Buildings and the maintenance hangars were not changed.

Other rental rate increases would have been recommended because of increased real estate rental rates in the Miami Airport area as well as increases at other comparable airports, but due to deferred maintenance on some buildings at MIA, any rental increases would be postponed until the deferred maintenance issue has been corrected.

In addition to the comparable building rental information, the appraisers have considered the following:

1) Use, occupancy and utility of subject improvements.

2) Condition and building life expectancy of said improvements.

3) Demand for such facilities at the airport.

4) Replacement cost estimate less depreciation.

5) No assignment of leasehold without approval of the County.

6) No subordination permitted on said leasehold.

The rental rates established here in presume that the building spaces are in leaseable condition and are in compliance with life safety standards which are typical requirements of the landlord (MIA). Some buildings and building spaces at Miami International Airport are unoccupied and not in leaseable condition. If the tenant decides to expend the cost to bring the building or building space into a leaseable condition, the tenant should receive a rent credit at lease equal to the amortization of the tenant's expenditure over the term of the lease.

The estimated market rents consider that the tenant is responsible for land rental, all utilities, and interior maintenance, except where noted.

Respectfully submitted,

J. Mark Quinlivan, MAI
State Certified General Appraiser
RZ 0000112

Lee H. Waronker, MAI, SRA
State Certified General Appraiser
RZ 0000162

(Suite8/MIA/Mia-Rate.07)

MIAMI INTERNATIONAL AIRPORT
LAND RENTAL RATES
EFFECTIVE JANUARY 1, 2007

The following rental rates are to be effective January 1, 2007 and applied to all present and future leaseholds, when applicable.

All leases approved by Miami-Dade County for a term extending beyond December 31, 2006 shall contain a provision to the effect that the rentals for these areas shall be at the then established rental rates, which shall be fair, reasonable and not unjustly discriminatory.

Map of land zone areas is attached.

LAND ZONE	ACTUAL 2006 RATE	PROPOSED 2007 RATE
1 (Airport)	$ 1.35 Per Sq. Ft.	$1.45 Per Sq. Ft.
1a (Airport – vacant land with aircraft access)	$ 1.70 Per Sq. Ft.	$1.80 per Sq. Ft.
2 (Commercial sites adjoining Airport)	$ 1.75 Per Sq. Ft.	$1.85 Per Sq. Ft.
3 (NW 21 St. and NW 39th Avenue)	$2.50 Per Sq. Ft.	$2.75 Per Sq. Ft.
4 (Fuel Farm)	$ 1.35 Per Sq. Ft.	$1.45 Per Sq. Ft.

Note: There is an additional charge of $.05 per square foot where special services are provided, such as high intensity lighting, power cost, etc.

PAVING RATES

Paving rates are in addition to land rental.

TYPE OF PAVING

				Actual 2006 Rate	Proposed 2007 Rate
Standard	(Vehicular)	-	Existing	$.25 per Sq. Ft.	$.25 per Sq. Ft.
Heavy Duty	(Aircraft)	-	Existing	$.70 per Sq. Ft.	$.70 per Sq. Ft.

BUILDING RENTAL RATES
MIAMI INTERNATIONAL AIRPORT
AS OF JANUARY 1, 2007

The following are the annual square foot building rates for the period January 1, 2007 to December 31, 2007. **These rates exclude land, water, sewer, electric, and common area janitorial except where footnoted.**

Building No. *(Old Bldg. #)*	Building Description	2006 Actual Rate	2007 Appraised Rate
49	Offices (A/C)	$6.00	$6.00
	Shop (A/C)	$6.00	$6.00
700	Cargo (Non A/C)	$11.50 *(11)*	$11.50 *(11)*
	Offices (A/C) 2nd Floor	$13.50 *(11)*	$13.50 *(11)*
	Offices (A/C) 1st Floor	$15.00 *(11)*	$15.00 *(11)*
701	Cargo (Non A/C)	$11.50 *(11)*	$11.50 *(1)*
	Offices (A/C) 2nd Floor	$13.50 *(11)*	$13.50 *(11)*
	Offices (A/c) 1st Floor	$15.00 *(11)*	$15.00 *(11)*
702	Cargo (Non A/C)	$11.50 *(11)*	$11.50 *(11)*
	Offices (A/C) 2nd Floor	$13.50 *(11)*	$13.50 *(11)*
	Offices (A/C) 1st Floor	$15.00 *(11)*	$15.00 *(11)*
703 *(2120)*	Engine Test Cell Bldg.—Storage	$5.25 *(12)*	$5.25 *(12)*
	Test Cells (in compliance with 40-yr. recertification)		
	• Reciprocating-Dynamometer Cells	$10,600 per month *(8)(13)*	$10,600 per month *(8)(13)*
	• Large Jet Engine Cells	$11,100 per month *(8)(13)*	$11,100 per month *(8)(13)*
	Test Cells (as is condition)		
	• Reciprocating-Dynamometer Cells	$2,000 per month *(8)(12)*	$2,000 per month *(8)(12)*
	• Large Jet Engine Cells	$2,500 per month *(8)(12)*	$2,500 per month *(8)(12)*
703A	Test Cell	N/A	$12,000 per month
704 *(2121)*	Warehouse (Non A/C)/Cargo (Non A/C)	$5.75 *(12)*	$5.75 *(12)*
	Offices (A/C)/Shop(A/C)/Storage(A/C)	$6.25 *(12)*	$6.25 *(12)*
706	Cargo (Non A/C)	$15.00 *(11)*	$15.00 *(11)*
	Offices (A/C)	$15.00 *(11)*	$15.00 *(11)*
707	Cargo (Non A/C)	$15.00 *(11)*	$15.00 *(11)*
	Offices (A/C)	$15.00 *(11)*	$15.00 *(11)*
708	Cargo (Non A/C)	$15.00 *(11)*	$15.00 *(11)*
	Offices (A/C)	$15.00 *(11)*	$15.00 *(11)*
709	LanChile (Airis)	Tenant constructed building	
710	LanChile (Airis)	Tenant constructed building	
711	Fine (Airis)	Tenant constructed building	
712	United Airlines	Tenant constructed building	
714	Cargo (Non A/C)	$12.25	$12.25
	Offices (A/C)	$13.25	$13.25

Building No. *(Old Bldg. #)*	Building Description	2006 Actual Rate	2007 Appraised Rate
715	Former Post Office (A/C)	N/A *(10)*	
(2210)	Office		$13.25
	Warehouse		$12.25
716A	Cargo (Non A/C)	$13.00 *(11)(15)*	$13.00 *(11)(15)*
	Offices (A/C) 2nd Floor	$13.60 *(11)(15)*	$13.60 *(11)(15)*
	Offices (A/C) 1st Floor	$15.00 *(11)*	$15.00 *(11)*
716B-J	Cargo (Non A/C)	$12.00 *(11)(15)*	$12.00 *(11)(15)*
	Offices (A/C) 2nd Floor	$12.60 *(11)(15)*	$12.60 *(11)(15)*
	Offices (A/C) 1st Floor	$15.00 *(11*	$15.00 *(11)*
719	Governmental Service Bldg. - CCC	$19.00 *(3)*	$19.50 *(3)*
(2122)			
805	Cargo (Non A/C)	$14.00	$14.00
	Offices (A/C)	$14.00	$14.00
807	UPS (Cargo)	Tenant constructed building	
820	Warehouse (Non A/C)	$9.00	$9.00
(1011)	Offices (A/C)	$10.00	$10.00
836	Executive Terminal (A/C)	$12.50	$13.50
(1054)			
840	Signature Flight Support (Terminal)	Tenant constructed building	
844	Hangar - Storage (Non A/C)	$9.25 *(1)*	$9.25 *(1)*
(101)	Offices (A/C)	$11.75	$11.75
	Storage (A/C)	$6.75	$6.75
845	Offices (A/C)	$16.00 *(3)*	$16.00 *(3)*
(100)	Warehouse (Non-A/C)	$9.00	$9.00
	Warehouse Office (A/C)	$12.00 *(3)*	$12.00 *(3)*
	Simulator (A/C)	$10.50 *(3)*	$10.50 *(3)*
	Atrium Space—1st Floor (A/C)	$20.00 *(3)*	$21.00 *(3)*
	Atrium Space—Above 1st Floor (A/C)	$19.00 *(3)*	$19.00 *(3)*
850	Avborne (Maintenance Hangar)	Tenant constructed building	
855	Storage (A/C)	$5.75	$5.75
(53)			
856	Storage (A/C)	$5.50	$5.50
(52)			
857	Wash Rack & Drum Storage	$5.25	$5.25
(55)			
860	Aircraft—Hangar Maint. (#8) (Non	$10.00 *(1)*	$10.00 *(1)*
(63)	A/C) Maintenance (A/C)	$5.25	$5.25
	Storage (A/C)	$5.25	$5.25
	Shops (A/C)	$5.25	$5.25
	Offices (A/C)	$6.50	$6.50
861-862	Aircraft—Hangars (#6 and #7)	$9.00 *(1)(12)*	$9.00 *(1)(12)*
(60)	Shops (A/C)	$5.25 *(12)*	$5.25 *(12)*
	Storage (A/C)	$5.25 *(12)*	$5.25 *(12)*
	Offices (A/C)	$6.50 *(12*	6.50 *(12)*
	Aircraft Parking (not including land)	*N/A*	*S.70 (17)*
863	Engine Overhaul and Service	$5.50	$5.50
(60-A)	Offices (A/C)	$9.00	$9.00

Building No. *(Old Bldg. #)*	Building Description	2006 Actual Rate	2007 Appraised Rate
864 *(62)*	Line Service Building	$1,500 *(Lump Sum)*	$1,500 *(Lump Sum)*
865 *(61)*	Line Service Building	$1,500 *(Lump Sum)*	$1,500 *(Lump Sum)*
871 *(48)*	Hangar (Non A/C)	$9.00 *(1)*	$9.00 *(1)*
	Office (A/C)	$5.50	$5.50
	Shop (A/C)	$4.25	$4.25
	Storage (A/C)	$4.25	$4.25
874 *(44)*	Executive Office (A/C)	$14.00 *(2)*	$14.00 *(2)*
875 *(43)*	Flight Academy		
	Office (A/C) Pan Am	$10.00	$10.25
	Office (A/C) Sub tenants	$13.00	$13.50
	Simulator Bays (A/C)	$8.50	$9.00
880-882 *(30A-30B)*	Simulators (A/C)	$9.00	$9.00
	Office Building (A/C)	$8.50	$8.50
881 *(30)*	Office Building (A/C)	$8.50	$8.50
	Simulators	$9.00	$9.00
885 *(39)*	Shops	$6.49 *(13)*	To be demolished
886 *(38)*	Shops	$9.62 *(13)*	To be demolished
	Offices (A/C)		
887 *(37)*	Shops	$9.27 *(13)*	To be demolished
	Office Space (A/C)		
888 *(35-35A)*	Maintenance and Training (A/C)	$5.75 *(12)*	To be demolished
	Office Space (A/C)		
890 *(25)*	Hangar (Non A/C)	$12.50 *(1)*	$12.50 *(1)*
	Office Space (A/C)	$8.25	$8.25
	Storage (A/C)	$5.50	$5.50
	Shops (A/C)	$5.75	$5.75
891 *(24)*	First Floor: Maintenance-Shops (A/C)	$5.50	$5.50
	Second Floor: Shops (A/C)	$5.50	$5.50
	Third Floor: Shops (A/C)	$5.00	$5.00
	Fourth Floor: Storage (Non A/C)	$4.75	$4.75
896 *(22)*	Hangar—Maintenance (Non A/C)	$10.50 *(1)*	$10.50 *(1)*
	Office Space (A/C)	$7.75	$7.75
	Shops—Maintenance (A/C)	$5.75	$5.75
	Third Floor: Storage (A/C)	$5.00	$5.00
900 *(21)*	First Floor: Shops-Maintenance (A/C)	$6.00	$6.00
	Mezzanine—Finished Office Space (A/C)	$6.50	$6.50
900A *(21-A)*	Shops—Maintenance (A/C)	$6.00	$6.00
900B *(21-B)*	Shops (A/C)	$6.00	$6.00
	Storage (A/C)	$5.50	$5.50

Building No. *(Old Bldg. #)*	Building Description	2006 Actual Rate	2007 Appraised Rate
900C	Shops (A/C)	$6.00	$6.00
(21-C)	Storage (A/C)	$5.50	$5.50
905	Guard House	$20.00	$20.00
(10)			
906	First Floor A/C Shop/Storage	$5.50	$5.50
(3)	First Floor A/C Cafeteria	$4.50	$4.50
	First Floor A/C Lab/Metered Room	$3.50	$3.50
	First Floor Non A/C Shop Storage	$3.00	$3.00
	First Floor Ventilated Shop	$2.00	$2.00
	First Floor Non A/C Containment	$ .50	$ .50
	2nd Floor A/C Office	$8.00	$8.00
	2nd Floor Non A/C Shop/Storage	$5.00	$5.00
919	Offices—Entire Building (A/C)	$10.00	$10.50
(5A)	Office—Per Floor or less (A/C)	$12.00	$13.00
2082	Warehouse (El Dorado)		
	Warehouse	$7.62 *(8)(14)*	$5.35*
	Offices (A/C)	$7.62 *(8)(14)*	$5.35*
3010	Cabstand Cafe (A/C)	$30.00 *(5)*	$30.00 *(5)*
3030	Offices	$9.00 *(12)*	$10.00 *(12)*
3030A	Offices (A/C)—Wing of 3030	$7.50	$8.50
3032	Cafeteria (Non A/C)	$4.75	$4.75
	Cafeteria (A/C)	$6.50	$6.50
3033	Police Station (A/C)	$9.00	$10.00
3037	Maintenance-Garage (Non A/C)	$6.00	$6.00
	Offices (A/C)	$6.00	$6.50
3038	Building Services—Maint./Office (A/C)	$6.50	$6.50
3040	Maintenance Shops (Non A/C) and Offices (A/C)	$6.50 *(12)*	$6.50 *(12)*
3046	Offices (A/C)	$9.50	$10.00
	Shop (A/C)	$6.25	$6.25
3047	Offices (A/C)	$9.75	$10.00
3048	Offices (A/C)	$9.75	$10.00
3049	Maintenance Garage (Non A/C)	$7.00	$7.00
3050	Administration Building (Multiple Tenancy)	$13.00 *(8)*	$14.00 *(8)*
3074	In-flight Caterers:		
	Kitchen (Non A/C)	$8.50	$8.50
	Kitchen (A/C)	$10.00	$10.50
3078	Fuel Building (A/C)	$10.00	$10.00
	Offices (A/C)	$10.25	$10.25
3089	Parking Garage	$45.00/mo. *(4)*	$50.00/mo. *(4)*

* The 2006 rate included land, whereas the 2007 rate is for the building only and the land rate and paving rate will be charged separately.

Building No. *(Old Bldg. #)*	Building Description	2006 Actual Rate	2007 Appraised Rate
3091	Maintenance/Offices (A/C)	$7.50	$7.75
3094	Parking Garage	$45.00/mo.*(4)*	$50.00/mo.*(4)*
3095-A	Hangar		
	Hangar Area (Non A/C)#2	$13.11 *(1)(6)*	**(16)*
	Shops, Storage & Office – 1st and 2nd Floors (A/C)	$8.75 *(16)*	**(16)*
	Shops, Storage & Office – 1st and 2nd Floors (Non A/C)	$7.92 *(16)*	*(16)*
3095-B	Offices (as renovated):		
	Offices—Entire Building (A/C)	$10.00	$11.00
	Offices—Per Floor (A/C)	$17.50 *(3)*	$19.00 *(3)*
	Offices—Penthouse (A/C)	$19.50 *(3)*	$22.00 *(3)*
3100	Maintenance Garage (Non A/C)	$7.00	$7.00
3101	Maintenance Garage—Storage (Non A/C)	$6.00	$6.00
3110	Offices—Security	$21.00	$21.00
3150	Offices (A/C)	$11.00	$11.50
3151	Maintenance—Shop (Non A/C)	$6.00	$6.00
	Offices (A/C)	$11.00	$11.00
3152	Service Station (Non A/C)	$5.75	$5.75
3153	Car Wash Building	$5.75	$5.75
4001	Traffic Control Center	$12.00	$13.00
4002	Public Works Office	$11.00	$12.00
4003	Corrections Office (A/C)	$7.00	$7.50
4003A	Offices (A/C)	$6.50	$7.00
	Storage (Non A/C)	$6.00	$6.00
4004	Sign Shop (Non A/C)	$6.00	$6.00

*The 2007 rate will be based on the change in the Consumer Price Index (CPI) from January 1, 2006 to December 31, 2006 per the lease agreement.

Loading Dock

Loading dock area has an additional rate of $1.75 per square foot.

Utility Rates

The rental rates herein exclude utilities (water, sewer and electric) except as footnoted. Utilities shall be applied as a separate charge.

Trailer and Automobile Parking

Trailer parking has a rate of $175.00 per space per month. Automobile parking (grade level) has a charge of $40.00 per space per month.

Modular Units

Where modular units are authorized for temporary use by tenants for office or storage purposes, preceding and/or during construction, a rate of $175.00 (single wide) to $225.00 (double wide) per month is established.

Footnotes

1) Non-airline tenants shall pay the said per square foot rate or 3% of all gross revenues produced from providing aircraft maintenance services to others, whichever is greater.

   Airline tenants shall pay 3% of all gross revenues produced from providing aircraft maintenance services to others in addition to the said per square foot rental rates.

2) Rent includes land, electricity, and common area janitorial.

3) Rent includes land, electricity, water, sewer and common area janitorial.

4) Rent per position per month.

5) Tenant pays minimum guarantee.

6) The rental rate reflects the "As Is" condition of the building. The building has limited fire and electrical systems. (Not used in 2005.)

7) Rent includes water, sewer, electricity, and common area janitorial. (Not used in 2005.)

8) Rent includes land.

9) The rent includes water and sewer. (Not used in 2005.)

10) Rates based on approved actual audited construction costs.

11) Rent includes common area janitorial, excludes land.

12) Additional rent may be applicable to recover costs of 40-year recertification and costs of repairs to comply with life safety codes.

13) Rate includes amortization of 40-year recertification and costs of repairs to comply with life safety codes.

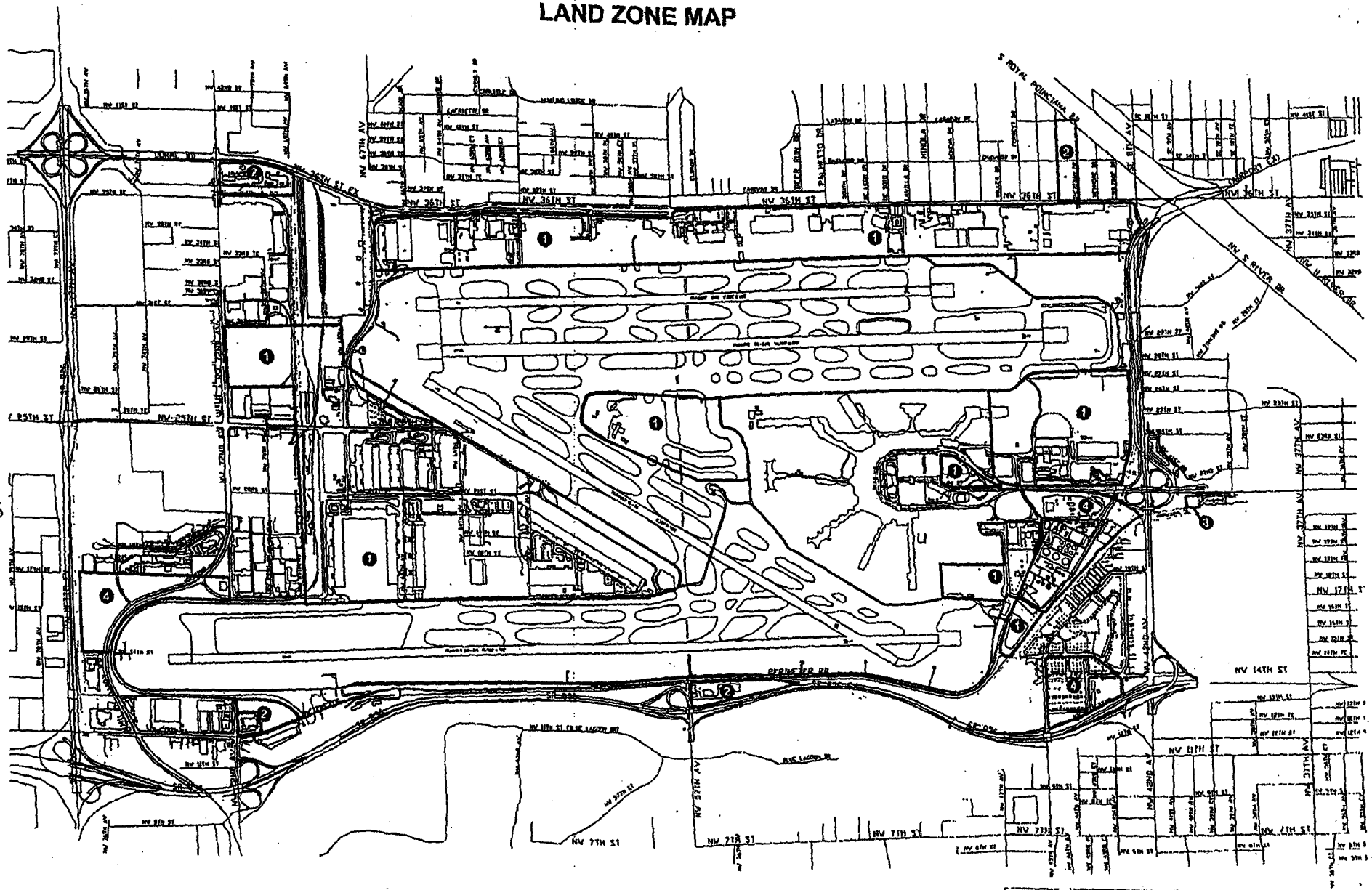
14) Rate based on competitive bidding

15) Appraised rate includes a charge of $.10 per square foot as a trash removal fee.

16) Rental based on 20-year lease. Adjusted annually on January 1st.

17) Hangar is currently unusable and can only be used as aircraft parking until roof repairs are completed.

LAND ZONE MAP



Legend:

- Zone I : 39,022,980 S.F.
- Zone II : 2,096,311 S.F.
- Zone III : 48,696 S.F.
- Zone IV : 5,133,217 S.F.

PROJECT FILE: 040054
DATE: 09-22-04

TECHNICAL SUPPORT DIVISION