

**MINUTES OF THE AIRPORT PROPERTY DEVELOPMENT & LEASES COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS**

**May 13, 2021 - 10:00 AM**

**SPECIAL AND URGENT NOTICE ELIMINATING IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS**

Due to the directives contained in the Governor's Declarations of Emergency for the State of California (Executive Orders N-25-20 and N-29-20) and the Governor's Stay at Home Order (Executive Order N-33-20), the Board of Directors of the Monterey Peninsula Airport District is required to limit in-person attendance at the upcoming Board Committee meeting. Members of the public may utilize alternative measures established by the Monterey Peninsula Airport District to listen to Board meeting and/or to communicate your opinions to the Board Members. To participate in the Board meeting via Zoom video conference, please visit [www.zoom.us/join](http://www.zoom.us/join) and enter the following Meeting ID: **872 8908 3105**. The password for this meeting is: **20210513**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

Members of the public who wish to provide comment on an item on the agenda may do so during the meeting prior to the item being considered by the Board.

**A. CALL TO ORDER**

*The meeting was called to order at 10:03 AM. Director Cursio, Director Miller and Executive Director La Pier were in attendance.*

**B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

*None.*

**C. PUBLIC COMMENTS**

*None.*

**D. REGULAR AGENDA – ACTION ITEMS**

Discussion 1. Leasing Activity Review

*Executive Director La Pier introduced the staff recommendation for the Tenant Rent Abatement Program. The current program is set to expire on May 31, 2021. La Pier indicated that the original abatement program carried a provision that the program would continue until a set date or when passenger traffic recovered to 50% of pre-pandemic levels. He indicated that the March traffic level reached 48% and May traffic topped 64% when compared to 2019. Based upon that, the recommendation is to eliminate the abatement program effective May 31, 2021 for all tenants except Woody's at the Airport and Gifts and More. La Pier explained that it appears Gifts and More continues to struggle and is only now starting to reach their minimums. Woody's is showing significant improvement in business but being a start-up business operating under restrictions that still exist Statewide regarding capacity, staff is recommending continuation of the abatement program for those two tenants through the end of July 2021.*

*Director Cursio commented that the hospitality industry continues to struggle for a number of reasons, and he felt it would be appropriate to continue to assist these two tenants for a while longer until the recovery gets stronger and restrictions are eased.*

*Director Miller asked questions regarding the current level of abatement offered to tenant groups. He also asked about the abatement elimination for the car rental operators. La Pier responded by sharing*

the current status of the abatement program with the Committee and providing an update on the car rental operators.

After discussion, the Committee agreed to recommend the elimination of the abatement program for all tenants with the exception of Woody's and Gifts and More, whose rent will continue to be abated until July 31, 2021.

Discussion 2. Parking Concessions

Executive Director La Pier shared with the committee a staff report prepared for the full Board related to the modification and extension of the Concession Agreement with REEF Parking. He indicated the staff report recommends extending the agreement for a three (3) year period with modifications proposed by REEF Parking. The modifications include adjustments to the revenue tiers in the agreement to generate net new revenue for the airport of between \$14,000 and \$21,000 per year based on parking volumes. In return for the extension, REEF will also be investing approximately \$50,000 over the term of the extension to upgrade hardware and software system components to improve upon reliability, customer service and modernization.

The Committee reviewed the proposed improvements as outlined in the proposal. Director Miller asked how long the new server would last before needing to be replaced again. La Pier indicated that REEF estimates the server will have a 5 to 7 year live and that much of its capability will be consumed by new and emerging technological changes both now and in the future.

Director Cursio asked if the airport would own all equipment at the end of the term of the extension. La Pier indicated that the current amortization schedule for the existing equipment is set to expire in three years, at which time the airport will own the entire system. The new improvements proposed will be paid for by REEF at their expense without recovery and they too will belong to the airport at the end of the extension.

After discussion, the Committee agreed to recommend the extension as presented to the full Board for action.

Discussion 3. Schedule Next Meeting

No meeting date was scheduled.

**E. ADJOURNMENT**

The meeting adjourned at 10:53 AM.

Minutes Approved at the  
Meeting of May 19, 2021



Gary Cursio, Chair

ATTEST



Michael La Pier, AAE  
District Secretary