

**RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing Airport Concession Rent Credit between the City of Yakima, the owner and operator of Yakima Air terminal-McAllister Field (hereinafter referred to as "CITY"), and the Hertz Corporation dba Hertz Car Rental (hereinafter referred to as "CONCESSIONAIRE").

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the 2019-20 coronavirus pandemic (COVID-19) has reached more than 190 countries, causing economic distress on all forms of businesses including the transportation industry; and

**WHEREAS**, on Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus; and

**WHEREAS**, Title IV, Department of Transportation of the ARPA (H.R. 1319, Public Law 117) provides approximately \$8 Billion Dollars to support U.S. airports experiencing severe economic disruption caused by the COVID-19 public health emergency; the funds will be distributed to airports to prevent, prepare for, and respond to the COVID-19 public health emergency; and

**WHEREAS**, the grant funds are available to sponsors as defined in Section 47102 of title 49, United States Code; airport sponsors meeting statutory and policy requirements under this section and identified in the FAA's current National Plan of Integrated Airport Systems are eligible; and

**WHEREAS**, grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117), has allocated at least \$6.5 Billion Dollars in additional funding to Commercial Service Airports that may receive the additional funding for any purpose for which airport revenues may lawfully be used; the additional grant funding will be distributed to all Commercial Service Airports based upon a modified Airport Improvement Program apportionment while any remaining funds will be distributed based on the airport's passenger enplanements; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117) funds may be utilized for cost related to operations and maintenance, construction, debt service payments, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117) also provides an additional \$800 million to primary airports based on enplanements "to provide relief from rents and minimum annual guarantee to on-airport car rental, on-airport parking, and in-terminal airport concessions"; and

**WHEREAS**, in accordance with the ARPA, airport sponsors receiving the additional relief funding would be required to provide relief to airport concessioners from the date of enactment until the sponsor has provided an amount equal to the grant amount specifically allocated for concessions "to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures"; and

**WHEREAS**, an airport concession must certify to the airport sponsor that it has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or Minimum Annual Guarantee is eligible for the relief; and

**WHEREAS**, the CONCESSIONAIRE has provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement; now therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

In consideration of the mutual benefits to be derived by each party hereto, the parties mutually agree to provide the following rent relief:

**\$11,890.00** dollars will be credited to the CONCESSIONAIRE'S account to be applied to previous monthly rent charges as outlined in Exhibit A. Once the rent relief credit is fully expended, the CONCESSIONAIRE will be responsible for ensuring all future lease payments are provided as outlined within the airport lease agreement.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

ATTEST:

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Patricia Byers, Mayor

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Rosalinda Ibarra, City Clerk