

# Flagstaff Pulliam Airport Rent Abatement Extension Discussion





# Airport Tenant Rent Abatement



## HISTORY:

On June 2, 2020 Council approved a six-month rent abatement for all airport tenants

April 1, 2020 – September 30, 2020



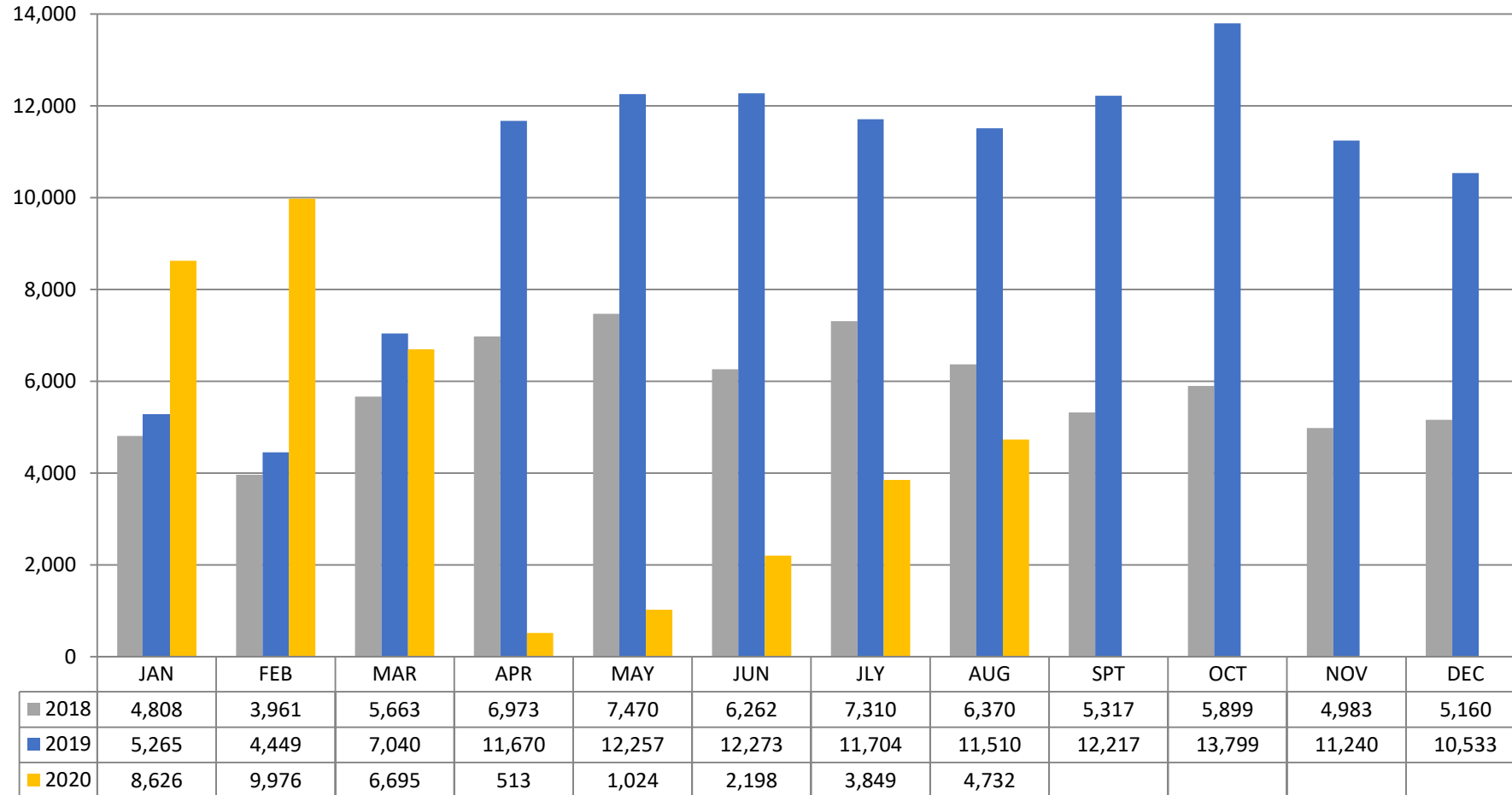
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## ENPLANEMENTS SINCE COVID-19

### TOTALS

2018: 3.44% decrease from 2017  
 2019: 76.64% increase from 2018  
 2020: 69.66% decrease from 2019





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The airline industry is truly struggling... lack of flying patrons, international restraints, lack of pilots, layoffs, and more

A screenshot of a web browser displaying a news article. The browser's address bar shows the URL "https://thepointsguy.com/news/american-airlines-drop-up-to-30-cities-coronavirus/". The main image is a photograph of an American Airlines aircraft on a tarmac. Below the image, the article title reads "American Airlines could drop up to 30 cities this fall because of coronavirus" by Edward Russell, dated Aug 13, 2020. To the right of the article, there are three promotional cards for credit cards: "Best for U.S. supermarkets Blue Cash Preferred® Card from American Express" offering "\$250 cash back", "Chase Sapphire Preferred® Card" offering "80,000 points", and "American Express® Gold Card". The Windows taskbar at the bottom shows the time as 8:49 AM on 9/18/2020.



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What it costs us to extend the rent abatement:

The rent abatement for six (6) months (maximum) approximately \$400,000 and hangar/general aviation revenues of approximately \$220,000.

For (3) months – we would be basically cutting it in half.



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## Council Decision:

Taking into consideration business request and the continued slow return of passenger enplanements, staff is requesting City Council look at the following options.

Option 1: Approve the COVID-19 Rent Abatement for an additional three (3) months only to all airport tenants.

Option 2: Approve the COVID-19 Rent Abatement for an additional six (6) months only to all airport tenants.

Option 3: Not approve the COVID-19 Rent Abatement for all airport tenants.

# Questions?

THANK YOU  
FOR  
**'ALWAYS FLYING  
FLAGSTAFF  
FIRST!'**

