

September 19, 2016

Report To: Mayor and Council

From: Travis Rob, Manager of Operations & Facilities

**SUBJECT: Airport Property – Land Lease Private Aircraft Hangars**

Please find attached written notice from Mr. Ed Tetu where he wants to cancel his private land lease for a private hangar as of March 31, 2017. Mr. Tetu's lease was renewed on April 2015 where the annual lease fee was \$1.74 per square meter plus HST. The current rate for hangar leases are 1.76 per square meter plus HST.

Also please find attached a report from Tom Batiuk, Airport supervisor stating that Mr. Tetu has sold his hangar to Mr. Todd Laugheed who is requesting to enter into a land lease agreement for a private hangar (previous hangar lot leased by Mr. Ed Tetu). The new lease would be charged at the current 2016 rate beginning on April 1, 2017.

The Operations & Facilities Executive Committee recommends the following;

- 1) That the Town terminate the land lease agreement with Mr. Ed Tetu for a 300 square meter private hangar lot as of March 31, 2017.
- 2) That the Town enter into a 25 year land lease agreement with Mr. Todd Laugheed for a 300 square meter hangar lot as of April 1, 2017.
- 3) That the Mayor and Clerk be authorized to execute the land lease agreement with Mr. Todd Laugheed on behalf of the Corporation of the Town of Fort Frances.

Respectfully submitted,  
Operations & Facilities Division



Travis Rob, EIT  
Manager of Operations & Facilities

**Council Approval of this report will ensure the following:**

- 1) That the Town terminate the land lease agreement with Mr. Ed Tetu for a 300 square meter private hangar lot as of March 31, 2017.
- 2) That the Town enter into a 25 year land lease agreement with Mr. Todd Laugheed for a 300 square meter hangar lot as of April 1, 2017.
- 3) That the Mayor and Clerk be authorized to execute the land lease agreement with Mr. Todd Laugheed on behalf of the Corporation of the Town of Fort Frances.

2016SeptairportlandleaseagreementsLaugheed

RECOMMENDED

SEP 21 2016

DIV. MNG.

EXECUTIVE COMM.

2016-09-16

To: Travis Rob, O&F Facilities Manager

From: Tom Batiuk, Airport Supervisor

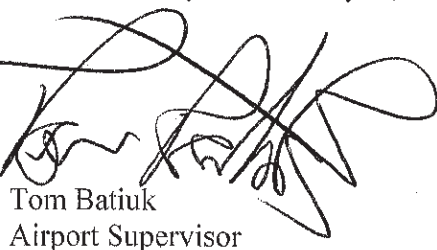
Re: 2017 Lease changes with Todd Lougheed and Ed Tetu

Under section 3.05 in the lease document with Ed Tetu it states:

3.05 TERMINATION

The parties hereto agree that the Lessee may terminate this Lease Agreement upon giving the Lessor **one year's written notice** provided such notice will be effective as of the First (1st) day of January in the next year following.

Since we have a new tenant that is willing to take over the lease with no loss in revenue to the Town. It is my recommendation to Town Council that we waive this portion of the lease with Ed Tetu and that Town Council considers his lease terminated with no further actions required. Please see attached new lease documents for Todd Lougheed in a private lease with a letter from Ed Tetu requesting that his lease be terminated. Ed Tetu's lease is paid to March 31<sup>st</sup>, 2017. Todd Lougheed's lease will commence on April 1<sup>st</sup>, 2017 assessed at the 2016 rate for a period of 5 years. This has to be completed in this format as ownership is changing hands in June of 2016 even though the lease is paid for the rest of the year. Thank you,



Tom Batiuk  
Airport Supervisor

G.E. Tetu  
PO Box 52  
Stratton, ON P0W 1N0  
April 4, 2016

Tom Batiuk  
Airport Supervisor  
Fort Frances Airport  
1300 Frog Creek Road  
Fort Frances, ON.

Dear Tom:

As per our telephone conversation this morning, I have sold the hanger to Todd  
Lougheed of Nestor Falls.

Apparently, his plan is to move one of his aircraft to Fort Frances in order to have access  
to a hard surface runway that is maintained and available all year.

As discussed, please have the lease transferred to his name. I have paid for this year and  
he has reimbursed me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Ed Tetu'.

Ed Tetu