

TO: Members of the Board of Trustees
FR: Rob Wynkoop, Vice President for Auxiliary Services
DATE: July 24, 2023
RE: Approval to Execute Lease with Purdue Aviation

Attachments:

- Resolution

Lease Description:

- As part of the fixed-based operator agreement with Purdue Aviation, a limited liability company, Purdue University will lease Hangars 7 and 8 and the land they occupy at the Purdue University Airport to Purdue Aviation for a total term of 40 years beginning July 1, 2025. An additional ten-year period is available.
- The land and building lease support the terms of the fixed-base operator agreement, which requires Purdue Aviation to manage fuel service, aircraft maintenance, aircraft rentals and flight training.

Lease Benefits:

- Purdue Aviation will pay monthly rent of \$18,000 for Hangars 7 and 8 to total over \$8,600,000 over the course of the 40-year lease term.
- The lease rates will be adjusted every five years.
- Purdue Aviation is responsible for the maintenance and upkeep of the rented facilities through the term of the lease and will invest a minimum of \$3,500,000 in airport facility improvements within five years of the lease start.
- Purdue Aviation is the current fixed-base operator at the Purdue Airport, and the execution of this lease will provide continuity of services.

c: Chairman Mike Berghoff
President Mung Chiang
Treasurer Chris Ruhl
Provost Patrick Wolfe
Corporate Secretary Cindy Ream
General Counsel Steve Schultz

**RESOLUTION OF THE BOARD OF TRUSTEES
OF THE TRUSTEES OF PURDUE UNIVERSITY
(THE “BOARD”)**

- 1. APPROVING TERMS OF A LEASE FOR A PORTION OF THE PURDUE UNIVERSITY AIRPORT (“AIRPORT”); AND**
 - 2. AUTHORIZING THE TREASURER AND OTHER OFFICERS TO NEGOTIATE AND FINALIZE SUCH LEASE**
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WHEREAS, the Trustees of Purdue University (the “Corporation”) desires to lease Purdue University Airport Hangars 7 and 8 to Purdue Aviation for 40 years to support airport operations, effective July 1, 2025 (the “Lease”);

WHEREAS, the Board has received and reviewed a proposal setting forth the terms of the Lease;

WHEREAS, having reviewed the general terms and benefits of the proposed Lease, the Board has determined that it is in the best interests of the Corporation and of Purdue University (the “University”) to approve the transaction and authorize the necessary actions to move forward with it;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby approves the Lease by the Corporation (in its own name or in the name of the University) on the terms reviewed and discussed at this meeting.
2. The Treasurer and Assistant Treasurer of the Corporation, and the Chief Financial Officer and Treasurer and the Vice President and Assistant Treasurer of the University, and each of them, are hereby authorized, in the name and on behalf of the Corporation, or of the University, to negotiate, prepare and execute a definitive lease agreement and any such other documents as are deemed by them to be necessary or expedient to effectuate the transactions contemplated above, in each case setting forth the proposed terms of the lease(s) and such other provisions and conditions as, in their judgment, are reasonably necessary or desirable to make the leased premises available on terms favorable to the University, and the Secretary and Assistant Secretary of the Corporation, and each of them, are hereby authorized and directed to attest the execution of such lease and other documents.
3. The above-designated officers, together with the Chairman, Vice Chairman, General Counsel, Deputy General Counsel, Secretary and Assistant Secretary of the Corporation, and each of them, are hereby authorized and empowered for, on behalf and in the name of the Corporation, or of the University, to execute and deliver any and all such other documents and instruments, make such filings, seek such governmental approvals, and take such other actions as are deemed by them to be necessary and proper to carry out the purpose

and intent of this Resolution, whether herein specifically authorized or not, except such actions as are specifically required by law to be taken by the Board as the governing board of the Corporation.

4. The Treasurer of the Corporation be, and hereby is, further authorized and empowered to delegate to one or more officers and representatives of the Corporation or the University such tasks and responsibilities with respect to the actions described in this Resolution as he, in his sole discretion, shall deem to be in the best interests of the Corporation and the University and consistent with the exercise of the authority granted above.

5. All acts of said officers in conformity with the intent and purposes of this Resolution, whether taken before or after this date, are ratified, confirmed, approved and adopted as the acts of the Corporation.