

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	18721	Agenda Number	7.
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Meeting Date:	10/11/2012	Department:	Aviation
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Subject

Authorize the negotiation and execution of an amendment to the airport concession lease agreement with Knot Anymore, LLC to extend the term, add space to the leasehold premises, require renovations, and modify other lease terms for the operation of a chair and foot massage therapy place in the Austin-Bergstrom International Airport (ABIA) terminal.

Amount and Source of Funding

N/A Revenue Generating Lease.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Stephanie Tucker, 512-530-7507
Boards and Commission Action:	Recommended by the Austin Airport Advisory Commission on September 11, 2012.
MBE / WBE:	
Related Items:	

Additional Backup Information

Knot Anymore, LLC, a locally owned business, has operated a chair and foot massage therapy location on the west side of the secure side at the Austin Bergstrom International Airport since April 2002. The current agreement is on a month to month basis. Knot Anymore proposes to add a second chair and foot massage therapy location in the terminal on the secure side on the east side near gate 7. Concessionaire currently pays as rent, the greater of a minimum annual guarantee (\$23,152.96) or a specified percentage of its gross revenue (5-7%).

Under the proposed amendment, the term of the lease would be extended until May 2017 at which time the entire Airport concession program will be rebid. As further consideration of the agreement, the minimum annual guarantee will increase by \$5,880 in year 1 for the new location. The minimum annual guarantee for the remaining years are based on the formula contained in the agreement which is 90% of previous year's revenues.