

ORDINANCE 2004-185

**An Ordinance providing for the adoption of the Option Fee for Development Policy
for the DuPage Airport Authority**

WHEREAS, by virtue of the provisions of Ill. Rev. Stat. 1991, Chap. 15 1/2, para. 68.8-03, the DuPage Airport Authority, a municipal corporation (the "Authority"), has the authority to operate, maintain and manage the DuPage Airport and any public facilities thereon; and

WHEREAS, the Authority receives periodic requests to enter into Letters-of-Intent from parties interested in development of Authority property; and

WHEREAS, if these requests require that the Authority remove the subject property from any discussions with other interested parties an "option fee" should be negotiated to compensate the Authority for this action; and

WHEREAS, it is in the best interests of the public and all persons who use the DuPage Airport that the Airport generate sufficient revenue to provide for necessary airport services and safety.

NOW THEREFORE, BE IT ORDAINED by the Board of Commissioners of the DuPage Airport Authority as follows:

Section 1: That the Option Fee for Development Policy attached hereto as Exhibit A and made a part hereof be and is hereby adopted.

Section 2: That this Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

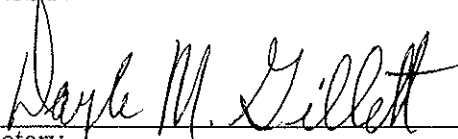
Passed and approved by the Board of Commissioners of the DuPage Airport Authority this 11th day of May, 2004.

Record of Roll Call Vote:

Stephen L. Davis	<u>YES</u>	Peter H. Huizenga	<u>YES</u>
Duane D. Gengler	<u>YES</u>	Gina R. LaMantia	<u>YES</u>
Dayle M. Gillett	<u>YES</u>	Thomas F. Meagher	<u>YES</u>
Daniel L. Goodwin	<u>YES</u>	Kaaren E. Oldfield	<u>YES</u>
Gerald M. Gorski	<u>YES</u>		


CHAIRMAN

ATTEST:


Secretary

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EXHIBIT A

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OPTION FEE FOR DEVELOPMENT POLICY

1. An Option Period requires a deposit equal to 75% of the value of the estimated fair-market Ground Lease for the property, as determined at the sole and absolute discretion of the DuPage Airport Authority.
2. Initial Option Period is for a period up to one hundred and eighty (180) days.
3. Option Period may be extended, upon approval of the Authority, for a maximum of ninety (90) days for an additional deposit equal to 100% of the estimated fair-market Ground Lease for the property.
4. Maximum Option Period, with extensions, is for a total of two hundred and seventy (270) days.
5. Deposit is fully credited toward an executed Ground Lease.
6. Deposit is forfeited to the Authority if no Ground Lease is executed.

Equation

INITIAL OPTION DEPOSIT

$$\begin{array}{r} \text{Estimated Ground Lease SF} \\ \times \text{ Estimated Annual Lease Rate per SF} \\ \hline \text{Estimated Annual Ground Rent} \\ \times \text{ 75\%} \\ \hline \text{Option Period Annual Lease Rate} \\ \div \text{ 12} \\ \hline \text{Monthly Option Rate} \\ \times \text{ Number of Months for Initial Option Period (30 days = 1 month)} \\ \hline \text{Initial Option Deposit} \end{array}$$

OPTION PERIOD EXTENSION DEPOSIT

$$\begin{array}{r} \text{Estimated Annual Ground Rent} \\ \div \text{ 12} \\ \hline \text{Monthly Option Extension Rate} \\ \times \text{ Number of Months for Extension Period (maximum 3 months)} \\ \hline \text{Option Period Extension Deposit} \end{array}$$