

**Commonwealth Of Massachusetts**  
**MARTHA'S VINEYARD AIRPORT COMMISSION**  
**LAND USE SUBCOMMITTEE MINUTES**

**October 3, 2019, 5:00PM**

**MVAC Chambers**

Notice of Such Meeting Having Been Posted as Required by Law

**Present:**

**Subcommittee:** Chair – Peter Wharton, Don Ogilvie

**Airport Staff:** Kevin Brennan, Airport Properties Manager (recorder); Edward Christofono, Financial Controller; Cindi Martin, Airport Director

**Public Signed in:** Mike Wallace, (Vineyard Enterprises, Inc. (Avis/Budget)), Richard Knabel (MVAC).

**Via Phone/Videoconferencing:** NONE

**I CALL TO ORDER by Chair Peter Wharton – 17:03hrs.**

**II MINUTES:**

**APPROVE THE MINUTES FROM THE September 5, 2019 LAND USE SUBCOMMITTEE MEETING –** Motion by Mr. Ogilvie, 2<sup>nd</sup> by Mr. Wharton to approve minutes. Unanimously approved - 2-0-0.

**III ONGOING BUSINESS**

- a. **Tenant Aging Report –** Mr. Christofono presented report which indicated 5 most overdue accounts, of which just 1 had an invoice over 90 days. Mr. Wharton asked for reassurance that staff was keeping up with AR Policy notifications.
- b. **Terminal Restaurant RFP –** Mr. Wharton presented highlights of the proposed RFP and motioned that LUS support review and approval by MVAC at next meeting. Motioned seconded by Mr. Ogilvie, Unanimously approved – 2-0-0. **Forward to MVAC.**
- c. **Current Fair Market Value Rent Policy Amendment Discussion -** Mr. Wharton provided a short recap of the history to date regarding the MVAC's Fair Market Value Policy (March 2018) and communicated feedback he had received from ABP Tenants. Mr. Wharton stated that the Airport recognizes that as Islanders we are caretakers for this property and propose that we allow business to transition to current market value more gradually than had been agreed upon in the past. Specifically:
  1. CPI (10 year average 1.77%) is replaced with 4% annual increase.
  2. The first lease renewal will adjust to Fair Market Value by the fifth (5th) year. To obtain this objective, the appraised rate will be set as year 5 rate. The difference between rate prior to renewal and the appraised rate will be divided 5 (20%). That amount will be added to the rate prior to renewal and successively to each of the following years through year 5. Year 6 through end of lease term increases will adjust the rental rate annually by a fixed 4%.
  3. The MVAC will conduct an appraisal of the entire MVAC property every fifth year. Appraisals will be conducted in three zones as identified on the attached map, Airport Road labelled as Zone #3. The Appraised rate will escalate 4% per year from the last appraisal.

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Mr. Wharton asked Airport Staff to review this proposal with tenants at the next Tenant's Association meeting using a model where tenants would understand how proposed changes impact them.

**d. Airport Properties Manager Report**

1. **Airfield Hangar** – After 8+ weeks with no communication, prospective tenant scheduled meeting for next week.
  2. **Lot 39/40** – Current tenant, Garden Beautifiers Landscaping, LLC, has vacated the lot and left it in good shape. Some items which remain on land most likely belonged to prior tenant and are now responsibility of the Airport. **CLOSED**
  3. **BP14 – MV Lot 14, LLC** – 2 trailers at loading dock were removed by subtenant recently after eviction proceeding had been commenced. Significant amount of refuse remains on loading dock and must be removed before Assumption of Lease is approved.
  4. **BP28 – T Ford** – MVAC copied on letter from tenant to customers asking them to removed property from unapproved PODS which tenant had committed to remove in 2010 with deadline of November 30, 2019.
  5. **AR 27 - MV Investment Properties** – 30 days have passed since initial communication with tenant regarding removal of 4 abandoned vehicles and 1 abandoned boat. Verbal agreement to remove has not be kept. Formal letter to be sent.
- e. **Car Rental RFP Update** – Mr. Brennan reviewed timetable for return of proposals with LUS and that review of proposals would be presented at November LUS and MVAC for their approvals.
1. Mr. Wharton interrupted the agenda and encouraged Mr. Wallace to speak from the audience. Mr. Wallace asked to make a couple of points.
    - i. His basic investment required to do business with the airport will jump from \$40K/yr. to \$100K per year. This change may require that he stop doing business at the airport.
    - ii. Big competition has an unfair advantage over locally-owned business. This is a hardship he can't handle.
    - iii. The insurance requirement of \$10M in excess liability is unreasonable as he has been unable to find in insurer to provide this to him. *(MVAC confirms that this requirement is already in the 2015 RFP and is part of Mr. Wallace's current agreement).*

**IV. OLD BUSINESS**

- a. **Review of Proposal for Confirmation of Approved Land with MVC – 1993** Mr. Brennan updated LUC on progress being made to validate 1996 approval. Major gaps in agreement include lack of maps noted in agreements and first amendment (1998). 63-64 acres were approved, only 48.88 acres have been developed to date. Agreements list "Max of 49 lots" only 38 are developed to date, plans only include 44, 5 shy of 1993 approved acres. MVC notified MVAC yesterday, October 2, 2pm that the MVC will now require a formal 2<sup>nd</sup> amendment to confirm properties and lots which have been approved in past as well as our request to include future properties in this area.

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**V. NEW BUSINESS**

- a. **Lease Extension – Plane View Restaurant** – Mr. Wharton motioned to propose that MVAC extend the lease of the Plane View Restaurant through January 31, 2020 to accommodate the outgoing Restaurant RFP. 2<sup>nd</sup> by Mr. Ogilvie, Unanimously approved 2-0-0. **Forward to MVAC.**
- b. **Proposed Hangar Water Policy** – Mr. Wharton reviewed the proposal introduced to bring consistency to hangar water and wastewater invoicing. Mr. Wharton motioned to approve the proposal and move to MVAC. Mr. Ogilvie 2<sup>nd</sup> motion and requested an amendment to the motion requiring that MVAC lock turn-offs on and off to protect tenants from unauthorized actions by subtenants. Motion approved 2-0-0. **Forward to MVAC.**

**IV. ITEMS NOT REASONABLY ANTICIPATED BY CHAIR**

- a. **AW-31 - STC Six Company Request for 6-Month Lease Extension** – In order to put both Cell Towers on the same lease renewal schedule, Mr. Wharton motioned to extend this lease thorough March 31, 2020. 2<sup>nd</sup> by Mr. Ogilvie and unanimously approved 2-0-0. **Forward to MVAC.**

**VI. ADJOURNMENT**

**MR. OGILVIE MOVED TO ADJOURN AT 18:08hrs; MR. WHARTON SECONDED;  
MOTION UNANIMOUSLY APPROVED 2-0-0.**

**Next meeting – Scheduled for 5:00PM, Thursday, November 7, 2019**