

CLARK COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

Petitioner: Rosemary A. Vassiliadis, Director of Aviation

Recommendation:

Approve and authorize the Director of Aviation to sign the Airport Lounge Operator Concession Lease Agreement between Clark County and Plaza Premium Lounges Las Vegas LLC (Jonathan Song, Global Business Development Director) for the operation of a common use Airport Lounge Operator Concession at Harry Reid International Airport (Airport); or take other action as appropriate. (For possible action)

FISCAL IMPACT:

Fund #:	5201.701	Fund Name:	LAS Unrestricted Operations
Fund Center:	2200400050	Funded PGM/Grant:	N/A
Amount:	County will receive monthly rent equal to 20% of Gross Revenues up to \$10,000,000.00, 22% of Gross Revenues exceeding \$10,000,000.00 derived from and related to the services Company provides under this Agreement, or a Minimum Annual Guarantee (MAG) of \$2,135,708.00, whichever is greater.		
Description:	Airport Lounge Operator Concession Lease Agreement		
Additional Comments:	N/A		

BACKGROUND:

Plaza Premium Lounges Las Vegas, LLC (Company) and the Clark County Department of Aviation have conducted direct negotiations for an Airport Lounge Operator Concession Lease Agreement (Agreement) for the operation of a common use airport lounge at Airport.

The pertinent provisions are as follows:

- Term shall be for a period of 10 years, plus one (1) additional five-year option
- Company will pay monthly rent to County equal to 20% of Gross Revenues up to \$10,000,000.00, 22% of Gross Revenues exceeding \$10,000,000.00 derived from and related to the services Company provides under this Agreement, or a MAG of \$2,135,708.00, whichever is greater
- Company, through its brand (Capital One) partner will enter into an agreement with the Airport's advertising vendor for in-airport advertising of \$1,000,000.00 per year for the first 2 years after lounge opening
- Company has entered a Consultancy Agreement with Day One Group, a local ACDBE, to operate the lounge

The Agreement has been approved as to form by the District Attorney's Office. Advertising, in accordance with NRS 496.090, has been completed. Company currently holds a Clark County Business License.

Cleared for Agenda

11/15/2022

File ID#

22-1635