



## MEMORANDUM

To: Airport Committee

From: Tony Caruso, Airport Director

CC: Cathy Conlow, City Manager

Re: Montage Enterprises lease amendment

Date: September 3, 2014

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Attached, the Airport Committee will find a copy of a letter confirming a change in the lease rate for Montage Enterprises. Montage Enterprises, d/b/a The Grasshopper Shop, operates a retail concession in the domestic terminal at Bangor International Airport. Montage has operated this concession since 1995 and has been an excellent partner with the City of Bangor. They offer Maine specific items to travelers. Montage has always paid their lease on time and has been very responsive to our customers.

Through an internal audit, it was discovered that their lease rate was unfortunately not officially approved by City Council. Any change to a lease must be approved by City Council before being executed. The attached letter indicates that the lease rate will be 10% of net sales. Previous to this, the rate was tiered at the following: \$0-\$100,000 = 10%, \$100,000-\$150,000 = 12.5% and over \$150,000 = 15%. Montage requested this change back in SEP of 2007 given the rate for Stellar Partners, which operates Bangor News & Gifts, was at 10% of net sales. The airport agreed that both concessions should pay the same lease rate. All other provisions of the original lease will remain unchanged.

The airport respectfully requests Airport Committee approval to amend the lease with Montage Enterprises to reflect the lease rate of 10% of net sales. The lease amendment will be approved by City Legal.



September 26, 2007

Rick Schweikert  
Lauri Schweikert  
Grasshopper Shop  
1 West Market Square  
Bangor, ME 04401

Dear Mr. & Mrs. Schweikert:

Thank you for meeting with me on Wednesday, September 26<sup>th</sup>.

As discussed, we will be lowering your percentage due of sales for rent to a flat 10%.

I am also pleased to know that you are happy with the new Terminal Design study and look forward to working with you through this process.

If you have any further questions, please feel free to give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Rebecca L. Hupp".

Rebecca L. Hupp, A.A.E  
Airport Director

RLH:slg