

RESOLUTION 07-2008

**RESOLUTION OF THE
INDIANAPOLIS AIRPORT AUTHORITY
APPROVING EXECUTION OF AMENDMENT TO LEASE**

WHEREAS, the Indianapolis Airport Authority (the "Authority") owns the Indianapolis Maintenance Center (the "IMC") at the Indianapolis International Airport (the "Airport") which was partially financed with the proceeds of Indianapolis Airport Authority Special Facility Revenue Bonds, Series 1995 (United Airlines, Inc.--Indianapolis Maintenance Center Project) (the "Bonds"); and

WHEREAS, since May 9, 2003, when United Airlines vacated the IMC and turned over possession of the IMC to the Authority, the Authority has been operating and maintaining the IMC in order to protect the IMC and maintain it in a leaseable condition; and

WHEREAS, the Authority has worked diligently since 2003 to evaluate the best reuse of the IMC including use of outside marketing professionals, evaluated the potential tenants that might be compatible with such reuse, evaluated the state of the market for the various facilities comprising the IMC, analyzed the rental rates currently borne by those markets and conduct a thorough search for new tenants; and

WHEREAS, Authority has reported to the members of the Board of the Authority on the progress of various efforts to relet the IMC and have updated the Board throughout the negotiations with AAR Aircraft Services, Inc. (AAR); and

WHEREAS, the Authority has come to agreement with AAR on modifications to Hangar Bay 5B to convert into an aircraft paint bay; and

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANAPOLIS AIRPORT AUTHORITY AS FOLLOWS:

1. The Authority has determined that proceeding with the Third Amendment to Lease Agreement will allow AAR to broaden AAR's scope of services, in turn assisting in attracting future aircraft customers.

2. The Authority has determined that proceeding with the Third Amendment to Lease Agreement is a far superior option compared to continuing to fund certain operating expenses and will ensure maintenance responsibilities and services; along with environmental regulatory requirements are met by AAR.

3. It is hereby found that the execution of the Third Amendment to Lease Agreement, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority, the holders of the Bonds and the community of Indianapolis and Marion County.

4. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this Resolution.

5. This Resolution shall take effect immediately upon passage.

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Adopted this 16th day of May, 2008.

INDIANAPOLIS AIRPORT AUTHORITY

Randall L. Tobias, President

Lacy M. Johnson, Vice-President

Alfred R. Bennett, Secretary

N. Stuart Grauel, Treasurer

Kelly J. Flynn, Member

Shirley M. Haflich, Member

Michael B. Stayton, Member

Robert H. Voorhies, Member

Attest:

EBA – 5/7/08