

COVER MEMO

Briefing Date/Time: April 27, 2026

Staff Contact/Title: Chris Paolini, Airport Senior Manager, 360.528.8074
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Subject: Olympia Airport Property Management Lease
Amendment #2

Purpose: Information Only Decision Needed

Type of Agenda Item:

Consent Calendar

Tenant Snapshot:**Lease Name:** Olympia Airport Property Management**Leased Address:** 955 Malin Lane, Tumwater, WA 98501**Lease Type:** Land**Lease Effective Date:** 4/26/2017**Term:** 4/26/26 – 4/25/46 this exercises the tenant’s only lease option**Use:** Aircraft storage and office space rental**Employment:** Two owners plus two subtenants with full time staff**Background:**

Olympia Airport Property Management is owned by Tad and Lisa Santino. Tad is a retired pilot with 35 years of experience and Lisa holds a commercial pilot’s certificate allowing them to both actively fly. They have managed commercial and residential property for approximately 24 years. They have been tenants of the Port as renters of an aircraft hangar since 2009. In 2017, they purchased 955 Malin Lane, and formed Olympia Airport Property Management LLC, where they are the sole members. Upon purchasing, they made several repairs and improvements to the facilities. The office space is leased, and they use the aircraft hangar for storage of their aircraft. One of the office suites is leased to the State of Washington Law Enforcement and Firefighters Pension Fund (LEOFF) who have just begun their 6th year of tenancy. The other office suite is leased to

Prospect Construction, a firm doing work for LOTT on the sewage and treatment plant.

Overview:

Action Item – Approval requested via the Consent Agenda.

This action is required as an administrative requirement per Port policy 1101. This lease amendment #2 is to memorialize the term extension and adjust the rent and surety rates for the remainder of the term.

Olympia Airport Property Management has been and remains in good standing throughout the term of their existing lease. The rest and remainder of the original lease shall remain in full force and effect.

Current:

The lease premises is .69 acres and located in the Airport district, 955 Malin Lane, Tumwater WA 98501.



Documents Attached:

Lease Amendment #2

Summary and Financial Impact:

- This lease term extension is anticipated to commence April 26, 2026, and end on April 25, 2046. This is the tenant's sole lease option; therefore, tenant has no additional lease options at the conclusion of this new term. At the conclusion of this lease option term, the Port will make decisions regarding future plans and use of the improvements on the lease premises under the disposition of improvements clause of the lease.
- The total airport revenue generated from this lease option for the first four years, preceding the next rate assessment in year five, will be: \$60,357.72.

Affected Parties:

Tenant: Olympia Airport Property Management, Port of Olympia.

Subtenant: State of Washington Law Enforcement and Firefighters Pension Fund (LEOFF)

Subtenant: Prospect Construction

Environmental Considerations:

This is an existing lease for an existing office space and an aircraft storage hangar. No new construction or alteration requests have been made by the tenant. Should the tenant request new construction or alterations, all requests will be dependent upon the Port having an active Habitat Conservation Plan in place as well as going through all necessary environmental reviews to ensure the requested changes meet all federal, state, and local laws and regulations.

Options with Pros and Cons:

1. Approve Olympia Airport Property Management Lease Amendment #2.

Result: The Port retains an existing service provider, and their subtenants, in our community while generating revenue for the Port's property that falls under the Airport budget.

2. Do not approve Olympia Airport Property Management Lease Amendment #2.

Result: The Port rejects the desire of the tenant to exercise their option. The lease ends on April 25, 2026. This will result in a lost revenue to the Port, the tenant would need to explore other options to move their operations which would also impact their subtenant's operations.

Staff Recommendation:

Approve Olympia Airport Property Management Lease Amendment #2 as presented.