



January 30, 2020

CALL AND NOTICE OF A REGULAR MEETING OF THE  
FINANCE AND ADMINISTRATION COMMITTEE  
OF THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Finance and Administration Committee will be held on Monday, February 3, 2020, at 9:30 a.m., or immediately following the Commission meeting, in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

Terri Williams, Board Secretary  
Burbank-Glendale-Pasadena Airport Authority

REGULAR MEETING  
OF THE  
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom  
Monday, February 3, 2020  
9:30 a.m., or Immediately Following  
the Conclusion of the  
Commission Meeting

*As a result of the convening of this meeting of the Finance and Administration Committee, each Committee member in attendance is entitled to receive and shall be provided \$200.*

*The public comment period is the opportunity for members of the public to address the Committee on agenda items and on airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.*

*Members of the public are requested to observe the following decorum when attending or participating in meetings of the Committee:*

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.*

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*The following activities are prohibited:*

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*

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*Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Committee less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.*

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*In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.*

## AGENDA

Monday, February 3, 2020

1. Approval of Agenda

2. Public Comment

3. Approval of Minutes

a. January 21, 2020

**[See page 1]**

4. Items for Discussion

a. Presentation of FY 2019 Audited Financial Statements  
and Analysis of Financial Results

- Staff Report Attached

**[See page 3]**

***The Authority's independent auditor, Macias Gini & O'Connell LLP ("MGO") has completed its audit of the Burbank-Glendale-Pasadena Airport Authority ("Authority") fiscal year 2019 financial statements.***

***Staff will present each audit report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2019. A representative of MGO will present a summary of its audit. Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these audit reports.***

b. Consent to Assignment – Aviation Hangar Lease

**[See page 10]**

- Staff Report Attached

**Pursuant to AT&T Services, Inc.'s ("AT&T") completion of acquisition of GTC Management Services, Inc. ("GTC") on June 14, 2018, GTC desires to assign its Aviation Hangar Lease to AT&T. Staff seeks a Finance and Administration Committee recommendation to the Commission seeking consent of the proposed assignment.**

5. Items for Information

a. Committee Pending Items

**[See page 15]**

6. Other Contracts and Leases

7. Adjournment

**MINUTES OF THE SPECIAL MEETING OF THE  
FINANCE AND ADMINISTRATION COMMITTEE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

**TUESDAY, JANUARY 21, 2020**

A special meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 10:19 a.m., by Commissioner Gharpetian.

AB 23 Disclosure: The Senior Deputy Executive Director announced that, as a result of the convening of this meeting of the Finance and Administration Committee, each Committee member is entitled to receive and shall be provided \$200.

**ROLL CALL**

**Present:** Commissioners Gharpetian, Selvidge and Adams

**Absent:** None

**Also Present:** Staff: John Hatanaka, Senior Deputy Executive Director; David Kwon, Director, Financial Services;

**1. Approval of Agenda** Agenda was approved as presented.

**2. Public Comment** There were no public comments.

**3. Approval of Minutes**

**a. December 16, 2019** Draft minutes for the December 16, 2019, Finance and Administration Committee meeting were presented for approval.

**Motion** Commissioner Adams moved approval of the minutes, seconded by Commissioner Selvidge.

**Motion Approved** There being no objection, the minutes were unanimously approved (3–0).

**4. Treasurer's Reports**

**a. November 2019** Copies of the November 2019 and October 2019 Treasurer's Reports were included in the agenda packet for the Committee's review.

**b. October 2019**

**Motion** Commissioner Adams moved approval of the minutes, seconded by Commissioner Selvidge.

**Motion Approved** There being no objection, the minutes were unanimously approved (3–0).

## **5. Items for Approval**

### **a. Proposed Resolution No. 485 Adopting the 2020 Authority Investment Policy**

Staff presented the proposed Resolution No. 485 adopting the 2020 Authority Investment Policy to the Committee. Staff sought Committee recommendation to the Commission to adopt proposed Resolution No. 485 approving the 2020 Authority Investment Policy.

#### **MOTION**

Commissioner Adams moved approval; seconded by Commissioner Selvidge.

#### **MOTION APPROVED**

The motion was unanimously voted (3–0) for approval.

### **b. Committee Pending Items**

Staff informed the Committee of future pending items that will come to the Committee for review.

## **6. Other Contracts and Leases**

There were no other contracts or leases to be discussed.

## **7. Adjournment**

There being no further business to discuss, the meeting was adjourned at 10:28 a.m.

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
FEBRUARY 3, 2020**

**PRESENTATION OF FY 2019 FINANCIAL STATEMENTS AND  
ANALYSIS OF FINANCIAL RESULTS**

**SUMMARY**

The Authority's independent auditor, Macias Gini & O'Connell LLP ("MGO") has completed its audit of the Burbank-Glendale-Pasadena Airport Authority ("Authority") fiscal year 2019 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2019 ("FY 2019") and 2018 ("FY 2018"). Also enclosed are copies of the audited Single Audit Reports (audit of federal grant programs), Passenger Facility Charge Audit Report, Customer Facility Charge Audit Report, Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture, and the Auditor's Required Communications to the Authority regarding the FY 2019 audits.

The results are summarized below.

- MGO's "unmodified" opinions are:
  - The Basic Financial Statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles.
  - The Authority complied in all material respects with compliance requirements applicable to its major federal program, the Passenger Facility Charge program and the Customer Facility Charge program and identified no reportable deficiencies in internal control over compliance.
  - MGO identified no reportable deficiencies in internal control over financial reporting or compliance that are required to be reported under Government Auditing Standards.
  - The Schedule of Expenditures of Federal Awards, Schedule of Passenger Facility Charge Revenues and Expenditures and Schedule of Customer Facility Charge Revenues and Expenditures are fairly stated in relation to the Basic Financial Statements as a whole.
  - Based on auditing procedures performed, the Authority complied with the terms, covenants, provisions or conditions of Section 6.05 (Rates and Charges) to Article VI of the Bond Indenture, as amended.

Staff will present each report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2019. MGO will present a summary of its audits. Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these audit reports.

**BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements ("BFS") of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Government Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing accounting and financial reporting principles.

The Authority reports its financial operations as a government enterprise activity, and as such, its financial statements are presented using the “economic resources” measurement focus and the accrual method of accounting. Under this method of accounting, revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. The measurement focus is on determination of changes in net position, financial position, and cash flows. Operating revenues include charges for services, tenant rent, ground transportation, fuel flowage fees, and other operating revenues. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. Grants and similar items are recognized as revenue as soon as all eligibility requirements for reimbursement of expenses have been met.

The BFS report is composed of three parts:

- (i) The Independent Auditor’s Report;
- (ii) Management’s Discussion and Analysis (“MD&A”), a narrative overview and analysis of the Authority’s financial activities; and
- (iii) The Basic Financial Statements, consisting of the Statements of Net Position (Balance Sheets), Statements of Revenues, Expenses and Changes in Net Position (Income Statements), Statements of Cash Flows and Notes to Basic Financial Statements.

The Independent Auditor’s Report reflects an unmodified opinion, indicating that the BFS present fairly, in all material respects, the financial position of the Authority at June 30, 2019 and 2018, and the change in financial position and cash flows for the years then ended, are in conformity with GAAP. The audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The MD&A is required supplementary information. The discussion and analysis in the MD&A is intended to serve as an introduction to the Authority’s Basic Financial Statements.

A summary of the Statements of Net Position at June 30, 2019 and 2018 is as follows:

<b>Summary Statements of Net Position</b>				
<b>June 30, 2019 and 2018</b>				
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
			<b>\$</b>	<b>%</b>
<b>Current assets</b>	\$ 34,886,063	\$ 28,915,023	\$ 5,971,040	20.65%
<b>Restricted assets</b>	80,908,734	70,721,436	10,187,298	14.40%
<b>Facility Development Reserve</b>	180,132,453	173,132,453	7,000,000	4.04%
<b>Bond debt service reserve surety, net</b>	23,638	28,366	(4,728)	-16.67%
<b>Capital assets, net</b>	334,237,514	340,426,317	(6,188,803)	-1.82%
<b>Total assets</b>	<b>630,188,402</b>	<b>613,223,595</b>	<b>16,964,807</b>	<b>2.77%</b>
<b>Liabilities:</b>				
<b>Current liabilities and liabilities payable from restricted assets</b>	19,047,302	18,832,694	214,608	1.14%
<b>Noncurrent liabilities</b>	96,538,385	102,090,622	(5,552,237)	-5.44%
<b>Total liabilities</b>	<b>115,585,687</b>	<b>120,923,316</b>	<b>(5,337,629)</b>	<b>-4.41%</b>
<b>Deferred inflows of resources –</b>				
<b>Deferred amount on refunding of 2005 Bonds</b>	<b>510,045</b>	<b>612,054</b>	<b>(102,009)</b>	<b>-16.67%</b>
<b>Net position:</b>				
<b>Net investment in capital assets</b>	238,185,073	238,809,231	(624,158)	-0.26%
<b>Restricted</b>	72,175,039	62,005,471	10,169,568	16.40%
<b>Unrestricted</b>	203,732,558	190,873,523	12,859,035	6.74%
<b>Total net assets</b>	<b>\$ 514,092,670</b>	<b>\$ 491,688,225</b>	<b>\$ 22,404,445</b>	<b>4.56%</b>



A summary of the Statements of Revenue, Expenses and Changes in Net Position for the years ended June 30, 2019 and 2018 is as follows:

## Summary Statements of Revenues, Expenses and Changes in Net Position

Years Ended June 30, 2019 and 2018

	2019	2018	Change	
			\$	%
Operating revenues	\$ 58,469,920	\$ 54,890,750	\$ 3,579,170	6.52%
Operating expenses before depreciation	44,850,463	42,058,420	2,792,043	6.64%
Operating income before depreciation	13,619,457	12,832,330	787,127	6.13%
Depreciation	17,572,175	17,906,547	(334,372)	-1.87%
Operating loss	(3,952,718)	(5,074,217)	1,121,499	22.10%
Nonoperating revenues, net	21,186,447	7,263,655	13,922,792	191.68%
Income before capital contributions	17,233,729	2,189,438	15,044,291	687.13%
Capital contributions	5,170,716	9,625,431	(4,454,715)	-46.28%
Changes in net position	22,404,445	11,814,869	10,589,576	89.63%
Net position, beginning of year	491,688,225	479,873,356	11,814,869	2.46%
Net position, end of year	\$ 514,092,670	\$ 491,688,225	\$ 22,404,445	4.56%

## SINGLE AUDIT REPORTS

The Single Audit Reports present the activity of federal award programs of the Authority for the year ended June 30, 2019. The Single Audit Reports include:

- An unmodified independent auditor's report which indicates that MGO identified no instances of noncompliance, reportable deficiencies or other matters that are required to be reported under *Government Auditing Standards*.
- An independent auditor's report that provides an unmodified opinion on compliance with compliance requirements applicable to the Authority's major program and identified no reportable deficiencies related to compliance for that program. The report also indicated that the Schedule of Expenditures of Federal Awards is fairly stated in relation to the Basic Financial Statements as a whole.
- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs  
No findings or questioned costs were noted.
- Summary Schedule of Prior Audit Findings and Questioned Costs  
None noted.

## PASSENGER FACILITY CHARGE AUDIT REPORT

The Passenger Facility Charge Audit Report presents the cash receipts and disbursements of the Authority's Passenger Facility Charge ("PFC") program. The Aviation Safety and Capacity Expansion Act of 1990 authorized the local imposition of Passenger Facility Charges and use of the PFC revenue on Federal Aviation Administration ("FAA") approved projects.

The PFC audit report includes the following:

- An unmodified independent auditor's report, which indicates that: (i) the Authority complied in all material respects with compliance requirements applicable to the Passenger Facility Charge program; (ii) MGO identified no reportable deficiencies in internal control over compliance; and (iii) the Schedule of Passenger Facility Charge Revenues and Expenditures is fairly stated in relation to the Basic Financial Statements taken as a whole.
- Schedule of Passenger Facility Charge Revenues and Expenditures
- Notes to Schedule of Passenger Facility Charge Revenues and Expenditures

No findings or questioned costs were noted.

## CUSTOMER FACILITY CHARGE AUDIT REPORT

The Customer Facility Charge Audit Report presents the cash receipts and disbursements of the Authority's Customer Facility Charge ("CFC") program. Assembly Bill 491 of the 2001-2002 California Legislature (codified in California Civil Code Section 1936 et seq. ("Code")) authorized the local imposition of CFCs and use of CFC revenue to plan, finance, design and construct on-airport consolidated rental car facilities (CRCF). The Authority established the CFC effective December 1, 2009 with adoption of Resolution 429. Based on an amendment of the enabling legislation for the CFC (S.B. 1192; Chapter 642, Statutes of 2010), on December 10, 2010 the

Authority approved Resolution 439 which repealed Resolution 429 and authorized collection of an alternative CFC, effective July 1, 2011, of \$6 per rental car transaction day up to a maximum of five days. Resolution 439 authorized collection of the alternative CFC through the period that any debt related to the CRCF is outstanding.

The CFC audit report includes the following:

- An unmodified independent auditor's report, which indicates that: (i) the Authority complied in all material respects with compliance requirements applicable to the Customer Facility Charge program; (ii) MGO identified no reportable deficiencies in internal control over compliance; and (iii) the Schedule of Customer Facility Charge Revenues and Expenditures is fairly stated in relation to the Basic Financial Statements taken as a whole.
- Schedule of Customer Facility Charge Revenues and Expenditures
- Notes to Schedule of Customer Facility Charge Revenues and Expenditures

No findings or questioned costs were noted.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SECTION 6.05  
OF THE BOND INDENTURE**

Based on audit procedures performed, MGO identified no instances of noncompliance with the terms, covenants, provisions or conditions with Section 6.05 (Rates and Charges) to Article VI of the Indenture dated May 1, 2005 with Bank of New York Mellon Trust Company, as amended (Bond Indenture), insofar as they relate to accounting matters. The report also contains a calculation of the rates and charges ratio and the debt service ratio for the year ended June 30, 2019, as follows:

<b>Rates and Charges Ratio</b>	
Pledged revenues	\$ 67,878,687
Less operating expenses	44,850,463
Net revenues	\$ 23,028,224
Transfers to Surplus Fund	2,600,103
Net revenues plus transfers to Surplus Fund	\$ 25,628,327
Deposits and charges:	
Accrued debt service - 2012 Airport Revenue Bonds	\$ 5,836,911
Deposit of Customer Facility Charge revenue to Debt Service Fund	(5,660,457)
Accrued debt service - 2015 Airport Revenue Bonds	4,563,500
Deposits to operating reserve account	622,041
Total deposits and charges	\$ 5,361,995
Deposits and charges coverage ratio	4.78
Required deposits and charges coverage ratio	1.00
<b>Debt Service Coverage Ratio</b>	
Net revenues plus transfers to Surplus Fund	\$ 25,628,327
Net accrued debt service	\$ 4,739,954
Debt service coverage ratio	5.41
Required debt service coverage ratio	1.25

**STAFF RECOMMENDATION**

Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file the Basic Financial Statements as of and for the fiscal years ended June 30, 2019 and 2018; the Single Audit Reports for the year ended June 30, 2019; the Passenger Facility Charge Audit Report for the year ended June 30, 2019; the Customer Facility Charge Audit Report for the year ended June 30, 2019; the Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture; and the Auditor's Required Communications to the Authority regarding the FY 2019 audits.

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
FEBRUARY 3, 2020**

**CONSENT TO ASSIGNMENT  
AVIATION HANGAR LEASE**

**SUMMARY**

Pursuant to AT&T Services, Inc.'s ("AT&T") completion of acquisition of GTC Management Services, Inc. ("GTC") on June 14, 2018, GTC desires to assign its Aviation Hangar Lease to AT&T. Staff seeks a Finance and Administration Committee recommendation to the Commission seeking consent of the proposed assignment.

**BACKGROUND**

GTC is a tenant in good standing and initially entered into an Aviation Hangar Lease ("Lease") for Hangars 37, 38 and 39 on or about June 1, 2003, for a total of 72,000 square feet of hangar and office space. The Lease was guaranteed by Warner Communications, Inc. pursuant to a Lease of Guaranty dated June 1, 2003.

Due to change with the flight operations, GTC requested a reduction in their leasehold to only Hangar 37. Amendment No. 1 addressing this change was approved on June 20, 2011. On February 21, 2017, Amendment No. 2 to the Lease was approved extending the lease term to May 31, 2021 with one five-calendar-year extension option.

GTC has since been acquired by AT&T through the acquisition of GTC's parent company, Time Warner, Inc. Accordingly, GTC wishes to assign the Lease to AT&T, pursuant to an Assignment of Lease dated January 15, 2020, copy attached, and seeks consent of such assignment.

**REVENUE IMPACT**

The proposed Consent to Assignment of the Lease is revenue neutral to the Authority.

**STAFF RECOMMENDATION**

Staff seeks the Committee's recommendation to the Commission that it approve the Consent to Assignment and authorize the President of the Authority to execute same.

## ASSIGNMENT OF LEASE

This Assignment of Lease ("Assignment") is made as of January 15, 2020 ("Effective Date") by and between GTC Management Services, Inc., a Delaware corporation, formerly known as GTC Aviation ("Assignor"), and AT&T Services, Inc., a Delaware corporation ("Assignee").

### W I T N E S S E T H

WHEREAS, Assignor, as lessee, entered into that certain Aviation Hangar Lease dated June 1, 2003, as same may have been amended from time to time through the Effective Date (collectively, the "Lease"), for certain premises located at the Burbank-Glendale-Pasadena Airport, Burbank, California, as said premises is more particularly described in the Lease; and

WHEREAS, Assignor and Assignee are affiliates of each other, as such term is defined in Section 9.1.2 of the Lease; and

WHEREAS, Assignor desires to assign all of its right, title and interest in the Lease to Assignee, and Assignee desires to accept said assignment.

NOW, THEREFORE, in consideration of the mutual promises herein contained, Assignor and Assignee agree as follows:

1. Assignor hereby assigns and transfers all of its right, title and interest in the Lease to Assignee to have and to hold the same from and after the Effective Date for all the rest of the term of the Lease and any renewals or extensions thereof, subject to all the terms, covenants, conditions and provisions therein contained.

2. Assignee accepts such assignment and assumes and agrees to perform, from and after the Effective Date, all of the terms, covenants, conditions and provisions of the Lease.

3. Each party agrees that it will not raise or assert as a defense to any obligation under this Assignment or make any claim that this Assignment is invalid or unenforceable due to (i) any failure of this document to comply with ministerial requirements including, but not limited to, requirements for corporate seals, attestations, witnesses, notarizations, or other similar requirements, or (ii) the execution of this document by electronic or stamped signatures, and each party hereby waives the right to assert any such defense or make any claim of invalidity or unenforceability due to any of the foregoing.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the Effective Date.

ASSIGNOR:

GTC Management Services, Inc.,  
a Delaware corporation

By: 

Name: Nikos Vayias  
Title: VP, Controller

ASSIGNEE:

AT&T Services, Inc.,  
a Delaware corporation

By: 

Name: Jim Bielefeldt  
Title: Senior Transactions Manager

## CONSENT TO ASSIGNMENT OF AVIATION HANGAR LEASE

This CONSENT TO ASSIGNMENT OF AVIATION HANGAR LEASE ("Consent") is dated \_\_\_\_\_, 2020 and is executed by the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale, and Pasadena, California pursuant to the California Joint Exercise of Powers Act ("Landlord") in favor of GTC MANAGEMENT SERVICES, INC., a Delaware corporation ("Former Tenant") and AT&T SERVICES, INC., a Delaware corporation ("New Tenant").

### RECITALS

A. Landlord and Former Tenant entered into that certain Aviation Hangar Lease dated June 1, 2003, as amended by that certain Amendment of Aviation Hangar Lease dated June 20, 2011 and that certain Second Amendment of Aviation Hangar Lease dated February 21, 2017 (together, the "Lease").

B. The Lease was guaranteed by Warner Communications, LLC (fka Warner Communications, Inc.) ("Guarantor"), pursuant to that certain Lease Guaranty dated June 1, 2003 (the "Guaranty").

C. Section 9.1 of the Lease provides that assignments of the Lease require Landlord's consent, and that a change in the power to direct the management and policies of Tenant also requires Landlord's consent.

D. Time Warner, Inc. owns Former Tenant. Former Tenant recently informed Landlord that on June 14, 2018, AT&T Inc. acquired Time Warner Inc. by a merger of Time Warner Inc. into West Merger Sub II, LLC, a wholly owned subsidiary of AT&T, Inc., and West Merger Sub II, LLC then changed its name to "Warner Media, LLC" (collectively the "Change of Control"), such that Warner Media, LLC now indirectly owns Former Tenant, and AT&T Inc., as owner of Warner Media, LLC, also indirectly owns Former Tenant.

E. New Tenant is a wholly-owned subsidiary of AT&T Inc.

F. Former Tenant desires to assign the Lease to New Tenant (which is in effect a sister company to Former Tenant, both being directly or indirectly owned by AT&T Inc.) pursuant to that certain Assignment of Lease dated January 15, 2020 (the "Assignment").

G. Former Tenant and New Tenant have requested that Landlord, in light of the creditworthiness of New Tenant, Landlord terminate the Guaranty.

H. Former Tenant and New Tenant also recently informed Landlord that notices under Section 22.11 of the Lease no longer need to be sent to Former Tenant, and that New Tenant's addresses for notices under Section 22.11 of the Lease are as set forth below.

I. Former Tenant and New Tenant have requested that Landlord consent to the Change of Control and the Assignment and acknowledge the change in the address for notices under the Lease.

## REPRESENTATIONS; CONSENT

1. Representations. Former Tenant and New Tenant represent and warrant to Landlord that the above Recitals are true and correct, and that the new addresses for notices for the "Tenant" under the Lease are:

AT&T Services, Inc.  
One AT&T Way  
Lease Administration, Room B201  
Bedminster, NJ 07921

With a concurrent copy to:

AT&T Services, Inc.  
AVP Senior Legal Counsel – Real Estate  
208 S. Akard Street, Room 3137  
Dallas, TX 75202

And with a concurrent copy to:

AT&T Services, Inc.  
Attn: Portfolio Management – Burbank  
600 E. Green Street, Room 300  
Pasadena, California 91101  
Telephone: (626) 817-4312

2. Consent. Landlord hereby consents to the Change of Control and the Assignment and acknowledges the change in the addresses for notices.
3. Termination of Lease Guaranty. The Guaranty is hereby terminated.
4. No Release; Reservation of Rights. Neither the Assignment, nor the Change in Control, nor Landlord's consent thereto shall release Former Tenant from any liabilities or obligations heretofore or hereafter arising under the Lease. Nothing in this Consent is intended to waive any defaults by Former Tenant or New Tenant that may exist under the Lease, and Landlord hereby reserves all of its rights and remedies with respect to any such defaults.





IN WITNESS WHEREOF, this Consent has been executed as of the date first set forth above.

**LANDLORD:**

BURBANK-GLENDALE-PASADENA  
AIRPORT AUTHORITY

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**REPRESENTATIONS CONFIRMED:**

AT&T SERVICES, INC.,  
a Delaware corporation

By:  \_\_\_\_\_  
Print Name: Jim Bielefeldt  
Title: Senior Transactions Manager

GTC MANAGEMENT SERVICES, INC.,  
a Delaware corporation

By:  \_\_\_\_\_  
Print Name: Nikos Vayias  
Title: VP, Assistant Controller

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
FEBRUARY 3, 2020**

**COMMITTEE PENDING ITEMS**

**Future**

1. Approval of Federal Lease – BUR ATCT
2. Award of Contract Extension - External Auditor: MGO
3. Proposed FY 2021 Budget Calendar
4. Approval of OTA – Reimbursement for Electrical Service