

ORDINANCE

APPROVING A FIVE-YEAR LEASE AGREEMENT WITH LEWIS AERONAUTICAL, LLC FOR 108,900 SQUARE FEET OF GROUND SPACE AND 21,902 SQUARE FEET OF BUILDING SPACE AT 567 SANDAU ROAD AT THE SAN ANTONIO INTERNATIONAL AIRPORT; TERMINATING THE CURRENT LEASE FOR THAT SPACE; GENERATING AT LEAST \$96,526.24 ANNUALLY FOR THE AIRPORT OPERATING AND MAINTENANCE FUND.

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WHEREAS, in October 2012, City Council authorized a lease agreement with AHR Avionics. through Ordinance 2012-10-18-0819 for a 10-year lease for 108,900 square feet of ground space and 21,902 square feet of building space at 567 Sandau Road; and

WHEREAS, during past year, AHR Avionics notified Aviation Department staff that it was dissolving AHR and wanted to negotiate a new lease agreement under Lewis Aeronautical, LLC; and

WHEREAS, the new lease agreement will retroactively become effective on January 1, 2020 and will expire on December 31, 2025 and may be extended for an additional five years if the tenant makes capital improvements into the leasehold valued at \$1 million before the conclusion of the fourth anniversary of the execution of the agreement; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee is authorized to execute a Lease Agreement with Lewis Aeronautical, LLC for 108,900 square feet of ground space and 21,902 square feet of building space at 567 Sandau Road at the San Antonio International Airport for a term of five years, with the option to extend for one five-year period if the tenant makes capital improvements into the leasehold valued at \$1 million before the conclusion of the fourth anniversary of the execution of the agreement, which will generate at least \$96,562.24 in annual revenue during the primary term of the lease, a copy of which is set out in **EXHIBIT 1**.

SECTION 2. Funds generated by this ordinance will be deposited in Fund 51001000, Internal Order 23300000014, and General Ledger Account 4405400.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

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THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

***PASSED and APPROVED** this fifth day of March, 2020.*

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

City Clerk

Andrew Segovia, City Attorney

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EXHIBIT 1

LEWIS AERONAUTICAL LEASE

DRAFT