KRH 8/03/17 Item No. 9

AN ORDINANCE 2017 - 08 - 03 - 0526

AUTHORIZING AN AMENDMENT TO A LEASE AGREEMENT WITH M7 AEROSPACE, LLC TO ADD 31,737 SQUARE FEET OF RAMP SPACE AND 3,078 SQUARE FEET FOR ADDITIONAL VEHICLE PARKING SPACE AT SAN ANTONIO INTERNATIONAL AIRPORT.

* * * * *

WHEREAS, in March 2017, City and M7 Aerospace, LLC ("M7") entered into a San Antonio International Airport Lease ("Lease"); and

WHEREAS, the City and M7 would like to amend the Lease to add 31,737 square feet of ramp space for M7 to park its aircraft and 3,078 square feet for additional vehicle parking space for an additional \$13,926.00 in revenue annually; **NOW THEREFORE**,

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

SECTION 1. The terms and conditions of the amendment to the Lease with M7 Aerospace, LLC, as described above, are hereby approved. The City Manager or her designee is hereby authorized to execute the amendment, a copy of which is attached as **Exhibit 1**.

SECTION 2. Funds generated by this Ordinance will be deposited into Fund 51001000, Internal Order 233000000004 and General Ledger 4409040.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

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

1

PASSED and APPROVED this 3rd day of August, 2017.

M Ron Nirenberg

APPROVED AS TO FORM:

Andrew Segovia, City Attorney

ace City Clerk

Agenda Item:	9 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17)								
Date:	08/03/2017								
Time:	11:19:25 AM								
Vote Type:	Motion to Approve								
Description:	An Ordinance authorizing an amendment to a lease agreement with M7 Aerospace, LLC to add 31,737 square feet of ramp space and 3,078 square feet for additional vehicle space to the premises located at 1440 John Cape Road at the San Antonio International Airport. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]								
Result:	Passed								
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second		
Ron Nirenberg	Mayor		x						
Roberto C. Treviño	District 1		X				Х		
William Cruz Shaw	District 2	х							
Rebecca Viagran	District 3		x			x			
Rey Saldaña	District 4		X						
Shirley Gonzales	District 5		х						
Greg Brockhouse	District 6		X						
Ana E. Sandoval	District 7		X						
Manny Pelaez	District 8		X						
John Courage	District 9		X						
Clayton H. Perry	District 10		x						

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EXHIBIT 1

AMENDMENT NO. 1 TO THE SAN ANTONIO INTERNATIONAL AIRPORT LEASE

THIS LEASE AMENDMENT ("Amendment") is made in multiple originals and entered into by and between the **City of San Antonio**, a Texas Municipal Corporation, (hereinafter "Lessor" or "City") acting by and through its Aviation Director, and **M7 Aerospace**, **LLC**, a Delaware limited liability company (hereinafter "Lessee") acting by and through its designated officers pursuant to its bylaws or a resolution of its Board of Directors.

WHEREAS, pursuant to Ordinance Number 2017-03-09-0156 the parties entered into a San Antonio International Lease (the "Lease") in March 2017 for Hangar 4 at 10440 John Cape Road, San Antonio, Texas; and

WHEREAS, this amendment adds 31,737 square feet of ground lease for ramp space and 3,078 square feet for additional vehicle parking spaces; and

In consideration of the terms, covenants, agreements and demises herein contained, and in consideration of other good and valuable consideration, each to the other given, the sufficiency and receipt of which are hereby acknowledged, the Lease by and between Lessor and Lessee, is amended as follows:

- 1. Leased Premises. The Leased Premises are hereby amended to add 31,737 square feet of ground lease for the ramp in front of Hangar 4 and 3,078 square feet (19 parking spaces) for additional vehicle parking space.
- **2. Rent.** The table in Article 3 Rent is hereby deleted in its entirety and replaced with the following table to reflect the increased Leased Premises.

Leased Premises	Area (Sq. Ft.)	Annual Rate (Sq. Ft.)	Annual Rental	Monthly Rental
Ground Lease	72,551	\$0.40	\$29,020.40	\$2,418.37
Hangar 4	40,814	\$3.07	\$125,298.98	\$10,441.58
Parking Spaces	4,050	\$0.40	\$1,620.00	\$135.00
TOTAL RENTAL			\$155,939.38	\$12,994.95

3. Exhibit 1. Exhibit 1 Leased Premises to the Lease is hereby deleted in its entirety and replaced with Attachment 1 hereto.

Except as amended hereby, all other provisions of the Lease are hereby retained in their entirety and remain unchanged.

-----Signatures to follow-----

EXECUTED AND AGREED TO this da	ay of,	2017.
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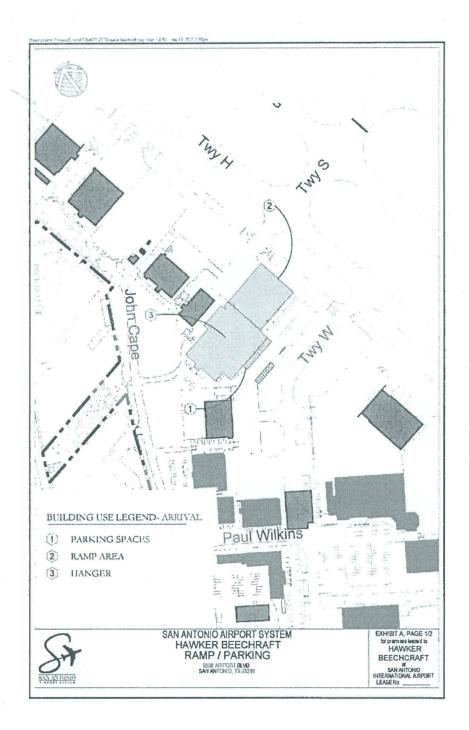
CITY OF SAN ANTONIO

By:_____ Sheryl Sculley City Manager

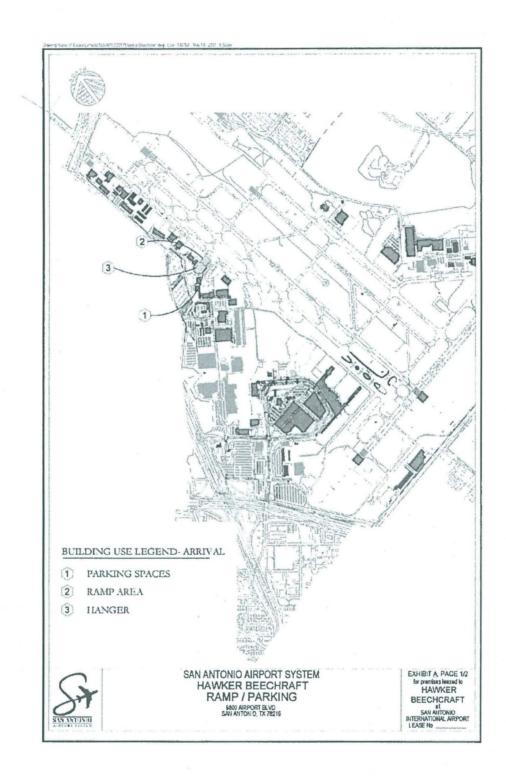
APPROVED AS TO FORM:

City Attorney



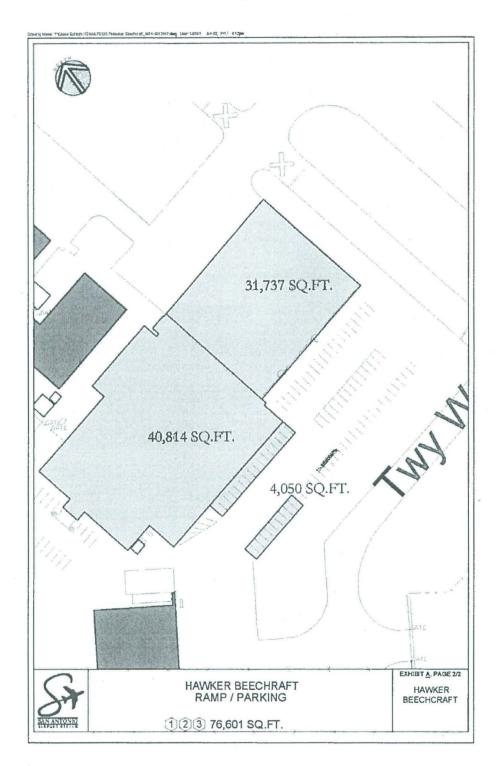


Page 3 of 5



Page 4 of 5

1-B



Page 5 of 5

1-C