## AHR AVIATION





Item 16
Lewis Aeronautical, LLC Lease Agreement
March 5, 2020

## **Current Lease Agreement**

AHR Avionics, LLC, 567 Sandau Road

At SAT since
1992
Aircraft serv

Aircraft services company

- 108,900 sq ft of ground space
- 21,902 sq ft of building space

Approved by City Council on 10/18/12

10 year term

Rental Rates

Based on appraisals

Increase by 15% every 5 years



## **Proposed Lease Agreement**

Lewis Aeronautical, LLC, 567 Sandau Road

**Terminate** current lease

New lease under Lewis Aeronautical, LLC

Retroactive to January 1, 2020

Initial: 5 years

Rates increase by 15% on 11/1/22 & every 5 years thereafter

5-Year extension 5-Year extension if tenant makes \$1 million capital investment, subject to approval of **Aviation Director** 



# **Fiscal Impact**

#### Lewis Aeronautical, LLC, 567 Sandau Road

	Area (Sq Ft)	Annual Rate per Sq Ft	Annual Rate Until 10/31/22	Annual Rate After 11/1/22
Ground Space	108,900	\$0.46	\$50,094.00	\$57,608.10
Building 1060	21,902	\$2.12	\$46,432.24	\$53,397.08
Total			\$96,526.24	\$111,005.18



### Recommendation

Lewis Aeronautical, LLC, 567 Sandau Road

Staff recommends the approval of a lease agreement with Lewis Aeronautical, LLC at the San Antonio International Airport.



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