



City of San Antonio

Agenda Memorandum

File Number: 13-1206

Agenda Item Number: 23.

Agenda Date: 12/19/2013

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Frank Miller

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with Alamo Helicopter Tours San Antonio LLC at Stinson Municipal Airport

SUMMARY:

This Ordinance authorizing a lease agreement with Alamo Helicopter Tours San Antonio LLC for two suites in the terminal of Stinson Municipal Airport for a term of three years with the option to extend for two, one-year periods.

BACKGROUND INFORMATION:

Alamo Helicopter Tours San Antonio, LLC is a tenant at the Stinson Municipal Airport Terminal Building. It offers aerial sightseeing tours of San Antonio and the surrounding areas as well as a professional helicopter training program.

The term of the lease agreement is for three years with an option to extend for two, one-year periods. Alamo Helicopter is leasing two suites, 103 and 104, for a total square footage of 570.

ISSUE:

Approval of this action is consistent with the City's policy to lease City-owned property to generate revenue.

ALTERNATIVES:

City Council could direct staff to issue Request For Proposals for the leasehold. However, this action would require Alamo Helicopter to relocate to a new location. The lease agreement generates \$7,506.70 per year.

FISCAL IMPACT:

The annual rental rate will be \$10.00 per square foot for Suite 103 and \$12.00 per square foot for Suite 104. The projected annual revenue to the City is \$7,506.70. This revenue will be generated in the Airport Operating & Maintenance Fund.

Description	Square Footage	Annual Rate/sq. ft.	Annual Rent
Suite 103	154	\$10.00	\$1,540.00
*Common Area Maintenance for Suite 103	154	\$ 1.71	\$263.34
Suite 104	416	\$12.00	\$4,992.00
* Common Area Maintenance for Suite 104	416	\$ 1.71	\$ 711.36
TOTAL	570		\$7,506.70

* Per City Ordinance a monthly charge for common area maintenance not to exceed 25% of monthly rent will be assessed. The rate is subject to adjustment each October 1.

RECOMMENDATION:

Staff recommends the authorization of a lease agreement with the Alamo Helicopter at Stinson Municipal Airport for a period of three years with the option to extend for two, one-year periods.