



City of San Antonio

Agenda Memorandum

File Number: 14-1534

Agenda Item Number: 15.

Agenda Date: 8/7/2014

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Frank Miller

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Assignment and Assumption Agreement Between San Antonio Air Charter, Inc. and Stinson Jet Center, LLC

SUMMARY:

This ordinance consents to the assignment and assumption agreement of the lease agreement from San Antonio Air Charter, Inc (formerly known as San Antonio Piper, Inc) to Stinson Jet Center, LLC at Stinson Municipal Airport. The leased premises include 21,222 square feet of hangar space, 689 square feet of building space, 9,337 square feet of parking area and 99,415 square feet of ground area. Stinson Jet Center agrees to assume the rights and obligations under the current lease agreement with San Antonio Air Charter.

BACKGROUND INFORMATION:

San Antonio Piper (now operating as San Antonio Air Charter) assumed the lease agreement from Sky Safety, Inc. in January 2010 through Ordinance 2010-01-21-0053. The firm has requested the City's consent to the Assignment of its rights and obligations under the lease agreement to Stinson Jet Center, LLC. The approval of City Council for the Assignment and Assumption is necessary to allow Stinson Jet Center to then sublease a portion of the premises to San Antonio Air Charter.

The Aviation Department has reviewed the request and is supportive of the action.

ISSUE:

The assignment and assumption of lease agreements require the approval of City Council.

ALTERNATIVES:

City Council can choose not to consent to the assignment of the lease agreement. However, this would be inconsistent with the City policy to consent to the assignment of lease agreements when the current lessee is in good standing and the prospective tenant is qualified.

FISCAL IMPACT:

The assignment and assumption agreement will not change the current rental rates. Stinson Jet Center will pay \$35,434.32 annually which will be deposited into the Aviation Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends the approval of the assignment and assumption of the lease agreement from San Antonio Air Charter Stinson Jet Center.