



City of San Antonio

Agenda Memorandum

File Number:21-2516

Agenda Item Number: 11.

Agenda Date: 4/29/2021

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Jesus H. Saenz, Jr., IAP

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Texas Air Museum Lease Agreement with Stinson Municipal Airport

SUMMARY:

This ordinance approves a lease agreement with Texas Air Museum, Inc. for a building and 76,154 square feet of ground space located at 1234 99th Street at Stinson Municipal Airport. The initial term is one year with the option to extend for four, one-year terms and will generate at least \$1,800.00 in annual revenue for the Airport Operating and Maintenance Fund.

BACKGROUND INFORMATION:

Texas Air Museum, Inc. has been a tenant of Stinson Municipal Airport since 1999 and is located at 1234 99th Street. The Texas Air Museum is a non-profit organization that focuses on the history of aviation in Texas and San Antonio. The museum features vintage aircraft from World War II and focuses on the early period and golden-age of aviation including an emphasis on the Stinson family, and a dedication to telling the story of San Antonio's vital role in the development of military air power. The museum has office space and a gift shop.

The initial term of the lease agreement is for one year with an option to extend for four, one-year periods. The leasehold includes 76,154 square feet of ground space and 32,964 square feet of building space.

ISSUE:

Approval of this action is consistent with the City's policy to lease City-owned property to generate revenue. This ordinance approves a lease agreement with Texas Air Museum, Inc. for a building and 76,154 square feet of ground space located at 1234 99th Street at Stinson Municipal Airport. Revenue generated for the lease agreement will be deposited into the Airport Operating and Maintenance Fund.

ALTERNATIVES:

City Council could direct staff to issue Request For Proposals to identify other potential lessees for the building and ground space. However, this action would require the Texas Air Museum to relocate to a new location. The non-profit organization generates a minimum annual guarantee of \$1,800.00 per year and a service promoting aviation history in Texas, especially Stinson Municipal Airport, the second continuously operating airport in the United States.

FISCAL IMPACT:

The revenue generated is the greater of the Minimum Annual Guarantee totaling of \$1,800.00 per year or 20% of gross revenues and will be deposited in the Airport Operations & Maintenance Fund.

RECOMMENDATION:

Staff recommends approval of a lease agreement with Texas Air Museum at Stinson Municipal Airport.