



City of San Antonio

Agenda Memorandum

File Number:16-5371

Agenda Item Number: 11.

Agenda Date: 11/3/2016

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Noel T. Jones

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with Texas Air Museum at Stinson Municipal Airport

SUMMARY:

This Ordinance authorizes a lease agreement with Texas Air Museum for 32,964 square feet of office/hangar space and 76,154 square feet of ground space at 1234 99th Street at Stinson Municipal Airport. The new agreement will commence on January 1, 2017 for a one-year term with the option to extend for two additional one-year periods.

BACKGROUND INFORMATION:

Texas Air Museum, Inc. has been a tenant of Stinson Municipal Airport since 1999. The Texas Air Museum is a non-profit organization that focuses on the history of aviation in Texas and San Antonio. The museum pays tribute to aviation pioneers, technical achievements in the realm of aviation, and above all, pays respect and honor to those who gave their lives to defend freedom. 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 term of the lease agreement is for one year with an option to extend for two, one-year periods. The museum is located at 1234 99th Street with 76,154 square feet of ground space and 32,964 square feet of building space. The building space includes offices and a gift shop.

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 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 the authorization of a lease agreement with the Texas Air Museum, Inc. at Stinson Municipal Airport for a period of one year with the option to extend for two, one-year periods.