



City of San Antonio

Agenda Memorandum

File Number:17-2854

Agenda Item Number: 9.

Agenda Date: 5/11/2017

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Russell J. Handy

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with Imperial Aviation, LLC for Hangar 7 at Stinson Municipal Airport

SUMMARY:

This Ordinance authorizes a lease agreement with Imperial Aviation, LLC for Hangar 7 at the Stinson Municipal Airport (Stinson). The term of the agreement is for one year with the option to extend for two, one-year periods. The lease agreement will generate \$10,690.47 in annual revenue.

BACKGROUND INFORMATION:

In December 2016, the City authorized a short-term (six month) lease agreement with Imperial Aviation for Hangar 7 (otherwise known as Building 6). Imperial Aviation would like to extend the lease agreement.

As the Fixed-Based Operator (FBO) at Stinson, Imperial Aviation provides aircraft fueling, aircraft parking (ramp or tiedown), aircraft maintenance, aircraft parts, and hangars. The company also has a pilot's lounge and passenger terminal and provides for catering, courtesy cars (free for pilots to use in the local area), rental cars, computerized weather and internet access, showers and public telephone. Imperial Aviation has been a tenant of Stinson since April 2015.

The leasehold includes 8,400 square feet of building space and 19,307 square feet of ground space. The premises may only be utilized for the purposes of supporting FBO business.

ISSUE:

City Council is required to approve lease agreements with terms over six months.

ALTERNATIVES:

City Council can choose not to authorize a lease agreement with Imperial Aviation. However, approval of this Ordinance will allow the City to generate additional revenue for Hangar 7 and allow Imperial Aviation to utilize the premises.

FISCAL IMPACT:

The agreement will generate an annual revenue amount of \$10,690.47.

Leased Premises	Sq. Ft.	Rental Rate	Annual Rental
Hangar 7	8,400	\$0.79	\$6,636.00
Ground Space (Hangar 7)	19,307	\$0.21	\$4,054.57

RECOMMENDATION:

Staff recommends the authorization of a lease agreement with Imperial Aviation for Hangar 7 at the Stinson Municipal Airport.