



City of San Antonio

Agenda Memorandum

File Number:18-2350

Agenda Item Number: 10.

Agenda Date: 4/12/2018

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Russell J. Handy

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with Clayton Aircraft Services, Inc.

SUMMARY:

This ordinance authorizes a lease agreement with Clayton Aircraft Services, Inc. at Stinson Municipal Airport (Stinson). The agreement is for a term of one year with the option to extend for two additional one-year terms. The agreement will generate \$5,970.08 in annual revenue.

BACKGROUND INFORMATION:

Clayton Aircraft Aviation, LLC specializes in aircraft maintenance and repair for general aviation and corporate aircraft. The firm has operated at Stinson since 2014. The leasehold is located at 8547 Mission Road and is comprised of 2,488 square feet for Building 612/Hangar 8 and 5,800 square feet for ground space/preferential use ramp space. The rental rate for the leasehold was based on an appraisal.

ISSUE:

City Council authorization is required for lease agreement.

ALTERNATIVES:

City Council could elect to not approve this lease agreement. However, by not approving the lease agreement,

Clayton Aircraft would have to identify a new location for their operations and the Airport would lose \$5,970.08 in annual revenue.

FISCAL IMPACT:

The lease agreement will generate \$5,970.08 in revenue that will be deposited into the Airport Operating and Maintenance Fund. The table below describes the methodology in which the annual rental rate was calculated.

Leased Premises	Square Footage	Annual Rate per Square Footage	Annual Rental
Building 612/ Hangar 8	2,488	\$1.91	\$4,752.08
Ground Space	5,800	\$0.21	\$1,218.00
			\$5,970.08

RECOMMENDATION:

Staff recommends the authorization of a lease agreement with Clayton Aircraft, Inc at Stinson Municipal Airport.