



# City of San Antonio

## Agenda Memorandum

**File Number:**19-8026

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**Agenda Item Number:** 16.

**Agenda Date:** 12/5/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation

**DEPARTMENT HEAD:** Russell Handy

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Valkyrie Aviation Lease Agreement at Stinson Municipal Airport

### **SUMMARY:**

Ordinance approving a lease agreement with Valkyrie Aviation, LLC (Valkyrie) for Suite 208 in the Terminal Building at Stinson Municipal Airport. The lease agreement will be retroactive to commence on December 3, 2019 for an initial term of two years with the option to extend for two additional one-year periods. The agreement will generate \$3,353.88 in annual revenue which will be deposited into the Airport Operating and Maintenance Fund.

### **BACKGROUND INFORMATION:**

Valkyrie Aviation began operating Valkyrie Aviation Flight Academy at Stinson Municipal Airport in June 2019 under a short-term lease agreement. The short-term lease agreement allowed the flight school to open while the City and Valkyrie negotiated a long-term lease agreement.

The flight school provides hourly flight instructions, private pilot certification, accelerated pilot training and instrument training.

Valkyrie would like to continue its leasehold and flight school at Stinson Municipal Airport. Valkyrie provides classroom activities associated with the instruction of the Federal Aviation Administration Part 61 Procedures. The proposed lease agreement with Valkyrie is for an initial term of two years with the option to extend for two, additional one-year periods.

**ISSUE:**

City Council authorization is required for lease agreements with terms over six months.

**ALTERNATIVES:**

City Council could not approve this agreement, which would result in Valkyrie having to find a new location and Stinson Municipal Airport losing a tenant.

**FISCAL IMPACT:**

This ordinance approves a lease agreement with Valkyrie Aviation, LLC for 228 square feet of office space within the Terminal Building at Stinson Municipal Airport. The agreement will generate \$3,353.88 for the Airport Operating and Maintenance Fund.

The rental rate was determined by the Market Rent Study for Stinson Terminal Building completed by Valbridge Property Advisors in July 2018.

	Area (Sq. Ft.)	Annual Rate per Sq. Ft.	Annual Rental
Suite 208	228	\$13.00	\$2,964.00
Common Area Maintenance	228	\$1.71	\$389.88
<b>Total</b>		<b>\$279.49</b>	<b>\$3,353.88</b>

**RECOMMENDATION:**

Staff recommends the approval of the lease agreement with Valkyrie Aviation, LLC for the Stinson Municipal Airport.