



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 16

Agenda Date: December 7, 2023

In Control: City Council A Session

DEPARTMENT: Aviation Department

DEPARTMENT HEAD: Jesus H. Saenz Jr.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with Signature Flight Support, LLC at the San Antonio International Airport

SUMMARY:

This ordinance approves a lease agreement with Signature Flight Support, LLC for three Hangars located at 1115 Paul Wilkins at the San Antonio International Airport for a term of five years, which will commence upon final execution of the agreement. The lease agreement will generate an annual rent of \$900,936.65 which will be deposited into the Airport Operating and Maintenance Fund.

BACKGROUND INFORMATION:

Signature Flight Support, LLC has been a tenant at the San Antonio International Airport since 2008 and utilizes three Hangars for activities associated with a Fixed Base Operations. These activities may include the following: Flight Training, Avionics sales and services, Aircraft maintenance, Housing of corporate and/or private aircraft, Flight operations, Fuel sales, and other activities to the aforementioned uses. The leasehold includes 100,481 square feet of Hangar space

and 606,867 square feet of Ground. The agreement will commence upon execution by all parties.

ISSUE:

This ordinance approves a lease agreement with Signature Flight Support, LLC for three Hangars located at San Antonio International Airport for a term of five years, which will commence upon final execution of the agreement. The lease agreement will generate an annual rent of \$900,936.65 which will be deposited into the Airport Operating and Maintenance Fund.

ALTERNATIVES:

If City Council does not approve this agreement Signature Flight Support, LLC would have to find a new location and the San Antonio International Airport would lose a long-time tenant and the revenue it generates.

FISCAL IMPACT:

This ordinance authorizes a lease agreement with Signature Flight Support, LLC for three Hangars located at 1115 Paul Wilkins at the San Antonio International Airport for a term of five years, which will commence upon final execution of the agreement. The Building rental rate is \$6.55 per square foot, and \$0.40 per square foot for the Ground rental. This lease agreement will generate an annual rent of \$900,936.65 which will be deposited into the Airport Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends the approval of a lease agreement with Signature Flight Support, LLC at the San Antonio International Airport.