



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: {{item.number}}

Agenda Date: November 30, 2023

In Control: City Council A Session

DEPARTMENT: Aviation Department

DEPARTMENT HEAD: Jesus H. Saenz Jr.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with PHI Health, LLC at the Stinson Municipal Airport.

SUMMARY:

This ordinance approves a lease agreement with PHI Health, LLC for Suite 111 located at 8535 Mission Road at the Stinson Municipal Airport for a term of three years with the option to extend for two, one-year periods, which will commence upon final execution of the agreement. The lease agreement will generate an annual rent of \$18,519.89 which will be deposited into the Airport Operating and Maintenance Fund.

BACKGROUND INFORMATION:

PHI Health, LLC has been a tenant at the Stinson Municipal Airport since 2019 and utilizes Suite 111 for general office space and aircraft operations in support of the Children's Hospital of San Antonio. The leasehold includes 1,259 square feet of office space in the terminal building. The agreement will commence upon execution by all parties.

ISSUE:

This ordinance approves a lease agreement with PHI Health, LLC for Suite 111 located at 8535 Mission Road at the Stinson Municipal Airport for a term of three years with the option to extend for two, one-year periods, which will commence upon final execution of the agreement. The lease agreement will generate an annual rent of \$18,519.89 which will be deposited into the Airport Operating and Maintenance Fund.

ALTERNATIVES:

If City Council does not approve this agreement PHI Health, LLC would have to find a new location and the Stinson Municipal Airport would lose a long-time tenant and the revenue it generates.

FISCAL IMPACT:

This ordinance authorizes a lease agreement with PHI Health, LLC for Suite 111 located at 8535 Mission Road at the Stinson Municipal Airport for a term of three years with the option to extend for two, one-year periods, which will commence upon final execution of the agreement. The rental rate is \$14.71 per square foot, which includes a \$1.71 per square foot for the Common Maintenance Fee. This lease agreement will generate an annual rent of \$18,519.89 which will be deposited into the Airport Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends the approval of a lease agreement with PHI Health, LLC at the Stinson Municipal Airport.