



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 24

Agenda Date: October 19, 2023

In Control: City Council A Session

DEPARTMENT: Aviation Department

DEPARTMENT HEAD: Jesus H. Saenz Jr.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with ATP USA, Inc dba Airline Transport Professionals Company at Stinson Municipal Airport

SUMMARY:

This ordinance authorizes a lease agreement with ATP USA, Inc. dba Airline Transport Professionals Company (ATP) for two suites in the Terminal Building at Stinson Municipal Airport for flight instruction for an initial term of three years with the option to extend for two, one-year periods. Revenues in the amount of \$20,594 will be generated annually and deposited in the Airport Operating and Maintenance Fund.

BACKGROUND INFORMATION:

ATP operates one of the largest flight instruction schools in the United States for more than 35 years. The firm, which has operations at the San Antonio International Airport, would like to explore operating at Stinson Municipal Airport and will use this lease agreement to see how operations at Stinson Municipal Airport could work and potential relocate all operations to Stinson in the future. The initial lease agreement will be for three years with the option to be extended for two additional one-year periods.

The leasehold in the proposed lease agreement includes 1,400 square feet within the Terminal Building of Stinson Municipal Airport comprised from:

- 1,172 square feet of Suite 210
- 228 square feet of Suite 208

ISSUE:

This ordinance authorizes a lease agreement with ATP USA, Inc. dba Airline Transport Professionals Company (ATP) for two suites in the Terminal Building at Stinson Municipal Airport for flight instruction for an initial term of three years with the option to extend for two, one-year periods. Revenues in the amount of \$20,594 will be generated annually and deposited in Airport Operating and Maintenance Fund.

ALTERNATIVES:

City Council could elect to not approve the lease agreement with ATP which would require the tenant to remain at San Antonio International Airport instead of exploring the option of moving its operations to Stinson Municipal Airport.

This ordinance supports the City's policy of generating non-airline revenue at both airports within the San Antonio Airport System to support its operations.

FISCAL IMPACT:

This ordinance authorizes a lease agreement with ATP USA, Inc. dba Airline Transport Professionals Company (ATP) for two suites in the Terminal Building at Stinson Municipal Airport for flight instruction for an initial term of three years with the option to extend for two, one-year periods. The annual rental rate for these two suites is \$13.00 per square foot. Additionally, the tenant pays a Common Area Maintenance Fee in the amount of \$1.71 per square foot. The total revenue in the amount of \$20,594.00 will be generated annually and deposited in the Airport Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends the authorization of a lease agreement with ATP USA, Inc. dba Airline Transport Professionals Company (ATP) for two suites in the Terminal Building at Stinson Municipal Airport