CITY COUNCIL MEMORANDUM

AGENDA ITEM

Skylark Field Lease Agreement - Jacob Paxton d/b/a Paxton Aviation

ORIGINATING DEPARTMENT Department of Aviation

BACKGROUND INFORMATION

Mr. Jacob Paxton has requested space on Skylark Field to initiate a Fixed Base Operation (FBO), with the primary business activities being aircraft rental and flight training.

DISCUSSION/CONCLUSION

Staff has negotiated a lease agreement with Jacob Paxton d/b/a Paxton Aviation for the lease of an approximately 402 sq. ft. office located in the south end of the T-hangar building located at 2600 Stonetree Drive, allowing the tenant to operate an aviation business on the airport. The tenant is required to separately lease aircraft storage space in the airport in the form of tiedown spaces and/or T-hangar units for each aircraft to be based at Skylark Field. The term of the lease agreement is for one year beginning January 1, 2016, and ending December 31, 2016. Upon approval of the Executive Director of Aviation, the tenant will have the option of extending the agreement thereafter on a month-to-month basis.

FISCAL IMPACT

The tenant will rent the facility for \$250.00 per month plus pay a monthly utility charge of \$90.00 per month, for a total of \$340.00 per month. This agreement will provide annual revenues of \$4,080 to the Skylark Field Airport Enterprise Fund account number 527-0000-324.10-00 fixed base operations. The activities of this tenant are also expected to generate additional fuel sales revenue for the airport; however, that amount cannot be determined at this time.

RECOMMENDATION

City Council approve the attached lease agreement with Jacob Paxton d/b/a Paxton Aviation and authorize the City Manager to execute same.