



AEROSERVE, LLC GROUND LEASE AGREEMENT AT SKYLARK FIELD

RS-24-094

June 4, 2024

Background

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- ❑ Staff has negotiated a land lease agreement with AEROSERVE, LLC at Skylark Field
- ❑ AEROSERVE plan is to construct several medium to large size hangars for aviation related activities
- ❑ The initial term of lease is thirty (30) years unless terminated sooner or extended through renewal

Background

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- The lease agreement provides revenue that the tenant will pay for land lease after each hanger completion. Staff has negotiated ground lease rate at \$0.15 per square foot for the first twenty-four (24) months. \$0.20 per square foot for months twenty-five (25) through fifty-nine (59). \$0.30 per square foot beginning on month sixty (60) through the remainder of the Initial Term or the entirety of the Renewal Term.

Background

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Potential Benefits

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Increased Capacity and Revenue

- ❑ Increased Capacity and Revenue
- ❑ Attracting Diverse Users of the Airport
- ❑ Enhance the Airport Infrastructure
- ❑ Job Creation and Economic Growth
- ❑ Increased Property Value
- ❑ Community and Business Services
- ❑ Marketing and Prestige

Recommendation

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- City Council approve the lease agreement with AEROSERVE, LLC, and authorize the City Manager or designee to execute same as well as any and all amendments and lease actions allowed per federal, state, or local law.