



**GROUND LEASE AGREEMENT  
WITH RD AVIATION LLC, AT  
SKYLARK FIELD**

**RS-26-031**

**February 17, 2026**

# Background

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- Staff has negotiated a ground land lease agreement with RD Aviation, LLC at Skylark Field.
- RD Aviation plans to construct one large hanger, 180 sq. ft. x 300 sq. ft., for aviation related activities.
- The initial term of lease is thirty (30) years unless terminated sooner or extended through renewal.

# Discussion

- The lease agreement provides revenue that the tenant will pay for the land lease after hanger completion. Staff has negotiated a ground lease rate at \$0.04 per square foot for the first 36 months. \$0.05 per square foot for months 37 through 59. \$0.05 per square foot beginning on month 60 with a CPI increase every second year through the remainder of the Initial Term or the entirety of the Renewal Term.

# Location of New Hangar

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# Potential Benefits

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

# Recommendation

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- City Council approve the lease agreement with RD Aviation, 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.