

Legislation Details (With Text)

File #:	18-3254	Version:	2	Name:	Hangar Lease Agreement - Mesquite Aircraft Sales and Services
Type:	Agenda Item	Status:	Passed		
File created:	1/19/2018	In control:	City Council		
On agenda:	2/19/2018	Final action:	2/19/2018		
Title:	Authorize the City Manager to finalize and execute Amendment No. 1 to a Hangar Lease Agreement with LBL 861 LLC, d/b/a Mesquite Aircraft Sales and Services.				
Sponsors:					
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Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
2/19/2018	2	City Council	Approved	Pass

Authorize the City Manager to finalize and execute Amendment No. 1 to a Hangar Lease Agreement with LBL 861 LLC, d/b/a Mesquite Aircraft Sales and Services.

Mesquite Aircraft Sales and Services currently operates an aircraft sales and maintenance facility in an existing 10,000 square-foot building owned and leased by the City of Mesquite. The aircraft maintenance business specializes in turbine and jet engine maintenance. Mesquite Aircraft Sales and Services is constructing two 9,600 square-foot hangars adjacent to its current facility in order to accommodate increased service demands.

The current facility lease was approved by the City Council in 2014. The proposed lease amendment provides for a 20-year term expiring March 31, 2034. The current annual rental rate of \$6,000.00 will continue through March 31, 2019, at which time the annual lease rental will increase to \$36,000.00 per year based on current market rates. At the beginning of the tenth year, rental rates will be adjusted annually based on the Dallas Consumers Price Index (CPI).

Recommended/Desired Action

Staff recommends the City Manager be authorized to finalize and execute Amendment No. 1 to the Hangar Lease Agreement with LBL 861 LLC, d/b/a Mesquite Aircraft Sales and Services.

Drafter

Cynthia S. Godfrey

Head of Department

Cynthia S. Godfrey