

City of Mesquite, Texas

Legislation Text

File #: 18-3253, **Version:** 1

Authorize the City Manager to finalize and execute a Ground Lease with LBL - Birdhouse Too, LLC, for a corporate aircraft hangar at Mesquite Metro Airport.

Mesquite Aircraft Sales and Service currently operates an aircraft sales and maintenance facility in an existing 10,000 square-foot building owned by the City of Mesquite. The company desires to construct two 9,600 square-foot hangars at the Mesquite Metro Airport to house their corporate aircraft and expand their aircraft maintenance business. The City's proposed ground lease includes a 25-year term at a market rate of \$0.30/sf (\$2,880.00 per year). The ground lease provides for an increase in rental rates beginning the sixth year of the lease and every year thereafter based on Dallas Consumer Price Index. The hangar will revert to City ownership at the end of the 25-year lease term.

Recommended/Desired Action

Staff recommends the City Manager be authorized to execute a Ground Lease with LBL - Birdhouse Too, LLC, for a corporate aircraft hangar at Mesquite Metro Airport.

Drafter

Cynthia S. Godfrey

Head of Department

Cynthia S. Godfrey