

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 11/12/24 M&C FILE NUMBER: M&C 24-0956

LOG NAME: 21AVX AIRCRAFT LEASE AGREEMENT

SUBJECT

(CD 10) Authorize the Execution of a Facilities Lease Agreement with AVX Aircraft Company for Approximately 4,320 Square Feet of Industrial and Warehouse Space Located at 2008 Eagle Parkway, Fort Worth, Texas, 76177 within a Portion of what is Known as the Chemical Maintenance Storage Building #3 at the Alliance Fort Worth Maintenance Facility

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a facilities lease agreement with AVX Aircraft Company for approximately 4,320 square feet of industrial and warehouse space located at 2008 Eagle Parkway, Fort Worth, Texas, 76177, within a portion of what is known as the Chemical Maintenance Storage Building #3 at the Alliance Fort Worth Maintenance Facility.

DISCUSSION:

AVX Aircraft Company (AVX) provides helicopter engine testing to its customers and has requested the use of approximately 4,320 square feet of space within the Chemical Maintenance Storage Building #3 (Premises) at the Alliance Fort Worth Maintenance Facility (AMF) to be used as industrial warehouse space for the storage and testing of helicopter engines for their local operations.

As a result of negotiations between the City's Property Management Department, Hillwood Properties (AMF property manager) and AVX, the parties have agreed to a facility lease agreement under the following terms:

- Primary lease term of 3 years.
- No use of the Central Utility Plant or Industrial Waste Treatment Facility located at the AMF.
- Base Rent is as follows:

Year	Base Rent Rate	Monthly Rent	Annual Rent
1	\$8.00/SF	\$2,880.00	\$34,560.00
2	\$8.40/SF	\$3,024.00	\$36,288.00
3	\$8.82/SF	\$3,175.20	\$38,102.40

- Base rent includes common area fees and operating expenses.
- Base rent rate reflects fair market value for comparable leases at the AMF.
- Total base rent revenues resulting from the three (3) year term contribute a total of \$108,950.40 toward the Alliance Maintenance Facility Fund.

This property is located in Council District 10.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and execution of the lease agreement, funds will be deposited into the Alliance Maintenance Facility Fund. The Property Management Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

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