City of Fort Worth, Texas

Mayor and Council Communication

DATE: 08/26/25 **M&C FILE NUMBER**: M&C 25-0797

LOG NAME: 55FWS AIR CENTER LEASE 20E CONSENT TO LSEHLD DEED OF TRUST

SUBJECT

(CD 8) Authorize Execution of a Consent to Leasehold Deed of Trust with Air Center Helicopters, Inc. and UMB Bank, N.A. to Enable Air Center Helicopters, Inc. to Obtain Financing Using Lease Site 20E as Collateral to Expand Aeronautical-Related Business Activity at Fort Worth Spinks Airport

RECOMMENDATION:

It is recommended that the City Council authorize execution of a consent to leasehold deed of trust with Air Center Helicopters, Inc. and UMB Bank, N.A. to enable Air Center Helicopters, Inc. to obtain financing using Lease Site 20E as collateral to expand aeronautical-related business activity at Fort Worth Spinks Airport.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize execution of a consent to leasehold deed of trust with Air Center Helicopters, Inc. (Air Center) and UMB Bank, N.A. (UMB Bank) to enable Air Center to obtain financing using Lease Site 20E as collateral to expand aeronautical-related business activity at Fort Worth Spinks Airport.

On or about April 19, 2022, by Mayor and Council Communication (M&C 22-0283), City Council approved City Secretary Contract No. (CSC) 48506-CA1, a Consent to Assignment to transfer the lease agreement from Dumont Group Properties VI, LLC to Air Center for a ground lease agreement for Lease Site 20E, at Fort Worth Spinks Airport. Lease Site 20E consists of 158,735 square feet of ground space, including a 51,300 square foot hangar. CSC 48506-CA1 expires on December 31, 2056 with a hangar rate to be applied on January 1, 2049. The hangar rate will be equal to the then fair market value as determined by Lessor's market analysis and will expire with the ground rate on December 31, 2056. The current annual revenue is \$49,207.85, based on the current ground rate of \$0.31 per square foot, payable in monthly installments of \$4,100.65.

On or about July 14, 2025, UMB Bank requested a deed of trust on its leasehold interest. The consent to leasehold deed of trust will grant Air Center's lender, UMB Bank the right, subject to the previous lien, to operate as Lessee or secure another tenant in place of Air Center, if previously approved by the City Council, in the event Air Center defaults on its loan or its lease with the City of Fort Worth. The lease agreement prohibits Air Center from making any assignment of the lease or causing a lien to be made on improvements constructed on the leased premises without City Council approval. This type of transaction is routine for airport tenants and staff has no objection to Air Center's request.

Fort Worth Spinks Airport is located in COUNCIL DISTRICT 8.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this recommendation will have no material effect on City funds.

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