

Mayor and Council Communication

DATE: 08/03/21

M&C FILE NUMBER: M&C 21-0533

LOG NAME: 55FTW CONSENTASSIGNMENT GRND LEASE 21S TACTICAL AVIATION SERV

SUBJECT

(CD 2) Authorize Execution of a Consent to Assignment of a Ground Lease Agreement for Lease Site 21S by JW & DJ First Family Limited Partnership to Tactical Aviation Services, LLC at Fort Worth Meacham International Airport

RECOMMENDATION:

It is recommended that the City Council authorize execution of a consent to assignment of a Ground Lease Agreement for lease site 21S by JW & DJ First Family Limited Partnership to Tactical Aviation Services, LLC at Fort Worth Meacham International Airport.

DISCUSSION:

On February 21, 1984, Cook's Oil Company, (Previous Lease) entered into City Secretary Contract (CSC) No. 13621, an unimproved ground lease agreement with mandatory improvements for approximately 3,000 square feet of unimproved ground which a 2,500 square foot hangar was constructed with a lease term of twenty-five (25) years at Fort Worth Meacham International Airport. On September 6, 1988, City Council authorized a Consent to Assignment of the Previous Lease to Joe W. Gillespie through J343802. On May 16, 2000, City Council authorized a Consent to Assignment of the Previous Lease to JW & DJ First Family Limited Partnership through CSC No. 26486.

On July 31, 2008, the Lessor and JW & DJ First Family Limited Partnership entered into CSC No. 37382 (Lease), a renewal of the ground lease agreement for Lease Site 21S. In consideration for investments on improvements made to the property, the lease term is an additional fifteen (15) years, for a total of forty (40) years. The initial term of the Lease commenced on March 1, 2009 and expires on February 29, 2024 with no options to renew.

On June 21, 2021, staff received a request from Lessee to consent to an assignment of the Lease to Tactical Aviation Services, LLC (Tactical Aviation). Upon City Council approval, Tactical Aviation will assume the leasehold interest and obligations associated with the lease. The Lease prohibits any assignment of the lease or causing any lien to be made on improvements constructed on the leased premises without City Council approval. These types of transactions are routine for airport tenants and staff has no objection to this request.

Under the current agreement, JW & DJ First Family Limited Partnership remits the amount of \$1,408.75 annually to the City, payable in monthly installments of \$117.40 for the ground space. After the assignment, Tactical Aviation will remit the same amount and be subject to the provisions contained within the original agreement.

Fort Worth Meacham International Airport is located in COUNCIL DISTRICT 2.

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 Municipal Airport Fund. The Aviation Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

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