



## COUNCIL AGENDA ITEM MEMORANDUM

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### **DEPT./DIVISION SUBMISSION & REVIEW:**

Sean Parker, Director of Airport

**ITEM DESCRIPTION:** Consider adopting a resolution authorizing a First Amendment to the Land Lease Agreement with the Temple Fire & Rescue, a department of the City of Temple, to expand the leased area to accommodate additional training facilities at Fire Station 8, and on Airport property.

**BACKGROUND:** On October 1, 2010 the Parties entered into an Airport Lease Agreement for the lease of a 2.86 acres (124,581 sq. ft.) to construct a 15,845 sq. ft. fire station and emergency operations center and 58,827 sq. ft. paved area, commonly known as Fire Station 8. The term of the Lease is for twenty (20) years commencing on October 1, 2010 and ending September 30, 2030, with five (5) one-year renewals at the agreement of the parties at fair market value.

Rent was initially established at \$12,458 per year, with rental rates to be adjusted at the end of each lease year, computed according to the Consumer Price Index (CPI) for Dallas, Texas, or to rates prevailing in the Temple area for similar facilities.

The City has constructed, or will construct, additional improvements to Fire Station 8, expanding beyond the 124,581 square foot plot initially leased. In 2014, Phase II was constructed, adding the Fire Burn Building and Fire Storage Site on an additional 3.2 acres (139,392 sq. ft.) and, recently, Phase III was constructed to add a Driving Skills Pad, a Simulation Shoot house, and a storage building on an additional 4 acres (174,240 sq. ft.). The total increased square footage is 313,632 square feet for a total of 438,213 square feet leased. This area is designated as non-aeronautical space on the Airport Layout Plan.

In order to comply with the Airport Sponsor's Federal Aviation Administration (FAA) Grant Assurances, the City desires to amend the Land Lease as follows:

- Expand the leased premises to include an additional 313,632 square feet to accommodate the Fire Training Facility expansion.

- Update the Annual Land Lease Rate based on the Consumer Price Index (CPI) adjustment from October 2010 through the present, setting the new rate at \$0.14971 per square foot.
- Set the updated annual lease payment at \$65,604.87, based on the revised total area of 438,213 square feet (approximately 10.06 acres).

Staff recommends approval of these amendments to the Land Lease Agreement for the expansion of the training facilities at Fire Station 8.

**ALIGNMENT WITH ADOPTED PLANS:**

| Plan           | Comments                                                                                                                                                                                                                                                                                                                                      |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategic Plan | This item supports the City of Temple's Strategic Plan goal of "Infrastructure, facilities, and systems that support exceptional services and community growth", as well as the Strategic Plan commitments of "Plan for, design, construct, and maintain high quality facilities that meet the needs of the community now and in the future." |

**STAFF RECOMMENDATION:** Adopt the resolution as presented in the Item Description.

**BOARDS & COMMISSIONS RECOMMENDATION:** This item was not reviewed by any of the official boards and commissions.

**FISCAL IMPACT:** A budget amendment is being presented to Council to allocate additional funding in the prorated amount of \$22,144.53 for the First Amendment to the Land Lease Agreement with Temple Fire & Rescue, effective May 1, 2025. These funds will be deposited into account 110-0000-446-3022 (Fire Land Lease).

In the future, the updated annual rental payment of \$65,604.87, along with any adjustment based on the Consumer Price Index, will be incorporated into the Fire Department's operating budget.

**ATTACHMENTS:**

Resolution  
Area Map  
Budget Amendment