



COUNCIL AGENDA ITEM MEMORANDUM

DEPT./DIVISION SUBMISSION & REVIEW:

Sean Parker, Director of Airport

ITEM DESCRIPTION: Consider adopting a resolution authorizing a Third Amendment to the 2018 Airport Hangar Lease Agreement with Cory Rance for Hangar #24 at the Draughton-Miller Central Texas Regional Airport to exercise a third one-year renewal.

BACKGROUND: On January 1, 2018, the parties entered into an Airport Hangar Lease Agreement with Temple Aero Club to lease a 3,640 square foot aircraft hangar (#24) at the Draughton-Miller Central Texas Regional Airport for five (5) years, with five (5) one-year optional renewals. In January of 2024, the City entered into a Second Amendment to the Lease Agreement authorizing the second one-year renewal option under the original lease. Mr. Rance has continued to occupy the hangar, is storing aircraft in the hangar, is currently negotiating a sublease with a flight school, and has made timely rental payments. Mr. Rance has requested to exercise the third one-year renewal option under the Lease.

The rental rate has been adjusted by the Consumer Price Index (CPI) for Dallas, Texas. The new rental rate is \$9,374.40 annually (\$781.20 per month), effective immediately upon approval of the Third Amendment to the Lease Agreement.

ALIGNMENT WITH ADOPTED PLANS:

| Plan | Comments |
|----------------|--|
| Strategic Plan | This item supports the City of Temple's Strategic Plan goal of "An efficient, transparent, and accountable government", and the strategic plan commitment to "Create efficient, integrated, and streamlined regulations, policies, and processes." |

STAFF RECOMMENDATION: Adopt resolution as presented in the Item Description

BOARDS & COMMISSIONS RECOMMENDATION: On January 13, 2025, the Airport Advisory Board met and reviewed this item.

FISCAL IMPACT: The annual hangar lease revenue of \$9,374.40 will be deposited into account 110-0000-446-3026.

ATTACHMENTS:
Resolution