



## AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting March 19, 2024  
Second Reading Ordinance for the City Council Meeting March 26, 2024

**DATE:** March 19, 2024  
**TO:** Peter Zaroni, City Manager  
**FROM:** Kevin Smith, Director of Aviation  
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**Ordinance authorizing a five-year farm lease agreement  
with Danysh Farm, Inc. on Airport Property**

**CAPTION:**

Ordinance authorizing a five-year farm lease agreement with Danysh Farms, Inc. to lease approximately 68.93 acres of farmland at Corpus Christi International Airport, with one three-year renewal option, in consideration for \$7,295.56 annually with 3% annual increases.

**SUMMARY:**

The proposed farm lease agreement between the City of Corpus Christi and Danysh Farms, Inc. to include 68.93 acres recently purchased by the Corpus Christi International Airport. This agreement is for farming rights for an initial term of five years with one (1) three-year renewal option. The annual rent is \$7,295.56. During the initial term of the lease and renewal periods, the annual rent will increase by 3% each year beginning October 1, 2024.

**BACKGROUND AND FINDINGS:**

The Corpus Christi International Airport recently purchased 68.93 acres adjacent to airport property as part of the Airport Master Plan. Danysh Farms, Inc. is currently farming on the property and will continue to farm under this new farm lease agreement. The property is located adjacent to the current airport property on the Southwest side of Runway 13-31, at Kosar Road (CR 34), Corpus Christi, TX 78406. The property is located outside of the Airport Operations Area fence line. The purpose of this lease is to enable Lessee to utilize the Premises for the farming of crops and for no other purpose. The use of the premises shall be limited as specified in the lease.

The lease includes terms to allow the City to terminate the lease should a higher use be identified and developed. While there are no immediate plans to use this land for aeronautical or other non-aeronautical purposes, future uses may be developed before

the expiration of the lease and it is important to preserve alternative uses should the need arise.

**ALTERNATIVES:**

The alternative is to not lease the farmland to the current farmer and forfeit any revenue opportunity until the land is needed for airport use. Staff does not have any immediate use of the land for aeronautical purposes.

**FISCAL IMPACT:**

The proposed new lease agreement will provide CCIA with additional rent revenue of \$7,295.56 per year.

**FUNDING DETAIL:**

Fund:	4610
Organization/Activity:	35000 – Airport Administration
Department:	53
Project # (CIP Only):	N/A
Account:	320200

**RECOMMENDATION:**

Staff recommend approval of this action item to authorize the farm lease agreement to Danysh Farms, Inc. The Airport Board recommended approval at their regularly scheduled Board meeting.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance  
Lease Agreement and Exhibits