



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting June 28, 2022
Second Reading Ordinance for the City Council Meeting July 19, 2022

DATE: May 25, 2022
TO: Peter Zaroni, City Manager
FROM: Kevin Smith, Director of Aviation
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Ordinance authorizing the City Manager to execute a month-to-month lease agreement with Ocean Air Center, LLC, for aviation equipment maintenance space at the Corpus Christi International Airport.

CAPTION:

Ordinance authorizing a month-to-month lease agreement with Ocean Air Center for aviation equipment maintenance space, apron area and vehicular parking area at the Corpus Christi International Airport.

SUMMARY:

The proposed lease agreement between the City of Corpus Christi, lessor Ocean Air Center, LLC for premises located at the Corpus Christi International Airport for a month-to-month lease agreement, for monthly rent in the amount of \$1,010.71 for a total of \$12,128.50 per year. The lease agreement is for office, apron space, and parking on the east side of the airport adjacent to Hangar #2.

Lessee will occupy 5,032.75 square feet of storage, with 760.42 square feet of uncovered parking, and 4,902.83 square feet of the concrete apron.

Category	Acreage	Square Feet	Monthly Rate	Annual Total
Concrete Apron OF-4 (adjacent to Hangar 2)	0.113	4,902.83	\$ 196.11	\$ 2,353.36
Parking Lot OF-4 (adjacent to Hangar 2)	0.017	760.42	\$ 17.74	\$ 212.92
Storage Associated with OF-4	0.116	5,032.75	\$ 796.85	\$ 9,562.23
	0.246	10,696	\$1,010.71	\$12,128.50

BACKGROUND AND FINDINGS:

These facilities enhance customer service and provide additional space for aeronautical operations.

Ocean Air Center, LLC is an existing tenant at CCIA with past multiple leased premises and currently provides pilot and aviation services for various clients. Ocean Air Center operated under a sublease with Signature Flight Support, Fixed Based Operator (FBO), when the company was on-site at CCIA. Upon Signature’s departure, Atlantic Aviation was responsible for maintenance and collection of monthly rent for the referenced facilities through a management agreement. That agreement has since expired, precluding the need for a direct lease agreement with Ocean Air Center.

Ocean Air Center, LLC has requested a reduction in leased space as they sold off and reduced operations.

ALTERNATIVES:

The alternative includes not leasing the facility and having a vacant building or continuing to allow Ocean Air Center to operate without an agreement.

FISCAL IMPACT:

The proposed new lease agreement will provide CCIA with a total annual rent revenue of \$12,128.50 per year.

FUNDING DETAIL:

Fund:	4610	Airport
Organization/Activity:	35000	Airport Administration
Mission Element:	888	Revenue
Project # (CIP Only):	N/A	
Account:	320230	Commercial non-aviation

RECOMMENDATION:

City staff recommends approval of this action item.
The Airport Board recommended approval of this action item at their regularly scheduled meeting.

LIST OF SUPPORTING DOCUMENTS:

- Ordinance
- Lease Agreement with Exhibits