

AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting July 22, 2025 Second Reading Ordinance for the City Council Meeting July 29, 2025

DATE: July 22, 2025

TO: Peter Zanoni, City Manager

FROM: Jeremy Valgardson, Interim Director of Aviation

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Ordinance authorizing the City Manager to execute a one-year lease agreement with Ocean Air Center, LLC, for aviation equipment maintenance space at the Corpus Christi International Airport.

CAPTION:

Ordinance authorizing an amendment to the lease with Ocean Air Center, LLC to amend the term to add two one-year renewals and add an escalation of the base rent by 3% per annum.

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 one-year lease agreement, for monthly rent in the amount of \$1,880.19 for a total of \$22,562.28 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	Monthly	Annual
		Feet	Rate	Total
Concrete Apron OF-4 (adjacent to Hanga 2)	0.113	4902.83	\$ 252.50	\$ 3,030.00
Parking Lot OF-4 (adjacent to Hangar 2)	0.017	760.42	\$ 29.37	\$ 352.44
Storage Associated with OF-4	0.116	5032.75	\$1,598.32	\$19,179.84
	0.246	10696	\$1,880.19	\$22,562.28

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.

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 \$22,562.28 per year.

FUNDING DETAIL:

Fund: 4610

Organization/Activity: 35000 – Airport Administration

Department: 888
Project # (CIP Only): N/A
Account: 320230

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 Amendment No. 1 with Exhibit