



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Denton Enterprise Airport

ACM: Frank Dixon

DATE: April 15, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton approving an Airport Hangar Lease Agreement between the City of Denton, Texas and DSR-Cherokee 180, LLC, covering property at 918 Aeronca Lane, Denton, Texas at the Denton Enterprise Airport; authorizing the City Manager to execute the Airport Hangar Lease Agreement; and providing an effective date. Airport Advisory Board recommends approval (6-0).

BACKGROUND

The land lease for 918 Aeronca Lane is currently held by DSR-Cherokee 180, LLC ("Lessee") and is set to expire on April 30, 2025, at which point the property will revert to the City of Denton. The Lessee has expressed interest in entering into a hangar lease agreement to continue its occupancy of the property.

The hangar, comprising 6,480 square feet, was appraised by Airport & Aviation Appraisals, Inc. in 2022 at \$4.00 per square foot. The appraisal was conducted with the understanding that the City of Denton intended to establish a lease agreement under which the tenant would be responsible for all property expenses in addition to rent and utilities. These expenses include any required taxes, insurance, and maintenance. A comprehensive breakdown of maintenance and repair responsibilities has been provided to the Lessee and is attached to the Airport Hangar Lease Agreement. In accordance with current leasing standards, the appraisal was adjusted by the Consumer Price Index (CPI) to \$4.28 per square foot in 2024.

The Lessee intends to utilize the leasehold for Flight Training Services and holds a current and approved Airport Business Permit. The proposed lease term is three (3) years.

Additionally, the Lessee will be required to provide a security deposit equivalent to one month's rent.

STAFF RECOMMENDATION

Airport Staff recommends approval of the Ordinance (**Exhibit 3**).

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

April 9, 2025: Airport Advisory Board recommended approval of Airport Hangar Lease Agreement (6-0).

FISCAL INFORMATION

The lease rate will be set at \$4.28 per square foot, amounting to \$27,745.83 annually. Commencing on the second anniversary of the approved lease, the lease rate will be adjusted in accordance with any increases in the Consumer Price Index for All Urban Consumers (CPI-U) as published by the U.S. Department of Labor Bureau of Labor Statistics, in accordance with the lease terms.

EXHIBITS

1. Agenda Information Sheet
2. Location Map
3. Ordinance – DSR-Cherokee 180, LLC Airport Hangar Lease Agreement
4. Lessee Information

Respectfully submitted:
Ryan Adams
Airport Director