



# City of Denton

City Hall  
215 E. McKinney St.  
Denton, Texas 76201  
[www.cityofdenton.com](http://www.cityofdenton.com)

## Meeting Agenda

### Airport Advisory Board

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Wednesday, May 13, 2026

3:00 PM

Airport Terminal Meeting Room

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After determining that a quorum is present, the Airport Advisory Board of the City of Denton, Texas will convene in a Regular Meeting on Wednesday, May 13, 2026, at 3:00 p.m. in the Meeting Room at the Denton Enterprise Airport Terminal Building, 5000 Airport Road, Denton, Texas, at which the following items will be considered:

#### **1. PLEDGE OF ALLEGIANCE**

- A. U.S. Flag
- B. Texas Flag

“Honor the Texas Flag – I pledge allegiance to thee, Texas, one state under God, one and indivisible.”

#### **2. PRESENTATIONS FROM MEMBERS OF THE PUBLIC**

Citizens may complete one Request to Speak “Public Comment” card per night for the “Presentations from Members of the Public” portion of the meeting and submit it to the Airport Staff. Presentations from Members of the Public time is reserved for citizen comments regarding items not listed on the agenda. No official action can be taken on these items. Presentations from Members of the Public is limited to five speakers per meeting with each speaker allowed a maximum of three (3) minutes.

#### **3. ITEMS FOR CONSIDERATION**

- A. [AAB26-005](#) Consider approval of the minutes of March 11, 2026.

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)  
[Exhibit 2 - Draft Minutes – March 11, 2026](#)

- B. [AAB26-006](#) Receive a report, hold a discussion, and provide feedback regarding recognition of the United States Air Force training activity at Denton Enterprise Airport.

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)

- C. [AAB26-007](#) Receive a report, hold a discussion, and provide feedback regarding a draft update of the Airport Leasing and Development Policy.

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)  
[Exhibit 2 - Presentation](#)  
[Exhibit 3 - Airport Leasing and Development Policy \(redline\)](#)  
[Exhibit 4 - Airport Leasing and Development Policy \(clean\)](#)

#### **4. WORK SESSION**

- A. [AAB26-008](#) Staff Reports:
  - 1. Monthly Operations Report - May 2026

2. Administrative Update - May 2026
3. Airport Advisory Board-City Council Airport Related Items Matrix - May 2026

Attachments:

[Monthly Operations Report - May 2026](#)

[Administrative Update - May 2026](#)

[Airport Advisory Board-City Council Airport Related Items Matrix - May 2026](#)

## 5. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Airport Advisory Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutory recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

NOTE: The Airport Advisory Board reserves the right to adjourn into a Closed Meeting on any item on its Open Meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

Following the completion of the Regular Meeting, the Airport Advisory Board will convene in a Work Session at which the following items will be considered:

### CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on May 6, 2026, in advance of the three (3) business day posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

\_\_\_\_\_  
OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST TWO (2) BUSINESS DAYS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Denton Enterprise Airport

**ACM:** Frank Dixon

**DATE:** May 13, 2026

### **SUBJECT**

Consider approval of the minutes of March 11, 2026.

### **BACKGROUND**

The draft minutes from the Airport Advisory Board meeting of March 11, 2026, are attached for the Board's consideration and approval.

### **EXHIBITS**

1. Agenda Information Sheet
2. Draft Minutes – March 11, 2026

Respectfully submitted:  
Leanne Alexander, A.C.E.  
Airport Analyst

**MINUTES**  
**AIRPORT ADVISORY BOARD**  
**March 11, 2026**

After determining that a quorum was present, the Airport Advisory Board of the City of Denton, Texas convened in a Regular Meeting on Wednesday, March 11, 2026, at 3:04 p.m. in the Meeting Room at the Denton Enterprise Airport Terminal Building, 5000 Airport Road, Denton, Texas.

**PRESENT:** Chair Rick Woolfolk, Vice Chair Brownie Stonecipher, Members Ann Patterson, Byron Woods, and Craig ORourke

**ABSENT:** None

**1. PLEDGE OF ALLEGIANCE**

Members conducted the U.S. and Texas pledge of allegiance.

**2. PRESENTATION FROM MEMBERS OF THE PUBLIC**

None.

**3. ITEMS FOR CONSIDERATION**

**A. Consider approval of the minutes of January 14, 2026. (AAB26-003)**

The item was presented, and discussion followed.

Member Woods moved to approve the item as presented. Member Patterson seconded the motion. Motion carried.

AYES (4): Chair Woolfolk, Vice Chair Stonecipher, Members Patterson and Woods

NAYS (0): NONE

ABSENT (1): Member ORourke

**B. Ratification of the Airport Business Permit for Carrozza 2 LLC dba Cady Aircraft Detailing to conduct Aircraft Washing services at the Denton Enterprise Airport. (AAB26-002)**

The item was presented, and discussion followed.

Vice Chair Stonecipher moved to approve the item as presented. Member Woods seconded the motion. Motion carried.

AYES (4): Chair Woolfolk, Vice Chair Stonecipher, and Members Patterson and Woods

NAYS (0): NONE

ABSENT (1): Member ORourke

- C. Receive a report, hold a discussion, and provide recommendation to City Council regarding the approval of a Fourth Amendment to Airport Lease for Sheltair Aviation Denton, LLC covering property at 4849 Spartan Drive, Denton, Texas at the Denton Enterprise Airport; amending the existing airport lease; authorizing the City Manager to execute the Fourth Amendment of Airport Lease; and providing an effective date. (AAB26-001)**

The item was presented, and discussion followed.

Member Woods moved to approve the item as presented. Vice Chair Stonecipher seconded the motion. Motion carried.

AYES (5): Chair Woolfolk, Vice Chair Stonecipher, and Members Patterson, Woods, and ORourke  
NAYS (0): NONE  
ABSENT (0): NONE

#### **4. WORK SESSION**

##### **A. Staff Reports: (AAB26-004)**

- 1. Monthly Operations Report – March 2026**
- 2. Airport CIP Update – March 2026**
- 3. Administrative Update – March 2026**
- 4. Airport Advisory Board-City Council Airport Related Items Matrix – March 2026**

The items were presented, and discussion followed. There was no direction provided as the items were for presentation/discussion purposes only.

#### **5. CONCLUDING ITEMS**

Chair Rick Woolfolk recommended the Board discuss at a future meeting options to recognize and/or thank the United States Air Force for its investment in training activity at Denton Enterprise Airport. The Board supported this discussion and requested that it be placed on the next available agenda.

The next scheduled Airport Advisory Board meeting is April 8, 2026, at 3:00 p.m.

With no further business, the meeting was adjourned at 3:43 p.m.

X

\_\_\_\_\_  
Rick Woolfolk  
Chair

X

\_\_\_\_\_  
Leanne Alexander  
Recording Secretary

MINUTES APPROVED ON: \_\_\_\_\_



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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Denton Enterprise Airport

**ACM:** Frank Dixon

**DATE:** May 13, 2026

### **SUBJECT**

Receive a report, hold a discussion, and provide feedback regarding recognition of the United States Air Force training activity at Denton Enterprise Airport.

### **BACKGROUND**

During the Concluding Items portion of the March 11, 2026, Airport Advisory Board meeting, Chair Rick Woolfolk recommended the Board discuss at a future meeting options to recognize and/or thank the United States Air Force for its investment in training activity at Denton Enterprise Airport.

The Board supported this discussion and requested it be placed on the next available agenda.

### **OPTIONS**

n/a

### **RECOMMENDATION**

n/a

### **ESTIMATED SCHEDULE OF PROJECT**

n/a

### **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

n/a

### **EXHIBITS**

1. Agenda Information Sheet

Respectfully submitted:  
Ryan Adams, C.M.  
Director of Airport



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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Denton Enterprise Airport

**ACM:** Frank Dixon

**DATE:** May 13, 2026

### **SUBJECT**

Receive a report, hold a discussion, and provide feedback regarding a draft update of the Airport Leasing and Development Policy.

### **BACKGROUND**

As a recipient of Federal Aviation Administration (“FAA”) Airport Improvement Program funding, in addition to other federal funding, the City of Denton (“City”) is obligated to operate Denton Enterprise Airport (“Airport”) under FAA Grant Assurances. Among these federal obligations is the requirement to operate the Airport for the use and benefit of the public and for the Airport to be made available to all types, kinds, and classes of aeronautical activity on reasonable terms and without unjust discrimination.

These Grant Assurances further obligate the City to maintain a fee and rental structure for the facilities and services at the airport, making the Airport as self-sustaining as possible under existing circumstances and avoiding unjust economic discrimination within classes of users.

The Airport Leasing and Development Policy, adopted on Oct. 15, 2024, sets forth the parameters that shall be used by the City for leasing land and/or improvements for commercial or non-commercial general aviation purposes at the Airport.

When the policy was discussed by the Airport Advisory Board in September 2024, staff committed to holding a subsequent discussion with the board to provide an update on the policy and recommend any modifications, if applicable. In January 2026, the Airport Advisory Board reviewed the policy with Airport staff and provided feedback on potential modifications.

Staff will present an overview of a draft update to the policy and seek feedback from the board up to and including returning at a future meeting with a final draft for a formal recommendation to the City Council.

### **OPTIONS**

n/a

### **RECOMMENDATION**

n/a

### **ESTIMATED SCHEDULE OF PROJECT**

Staff anticipates any additional policy revisions and the formal recommendation of the updated policy to be reviewed by the AAB in June

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Jan. 14, 2026: AAB Work Session  
Oct. 15, 2024: City Council Approval of Airport Leasing and Development Policy  
Sept. 11, 2024: AAB Recommendation of Airport Leasing and Development Policy  
May 8, 2024: AAB Work Session  
June 12, 2024: AAB Work Session  
Aug. 14, 2024: Airport Advisory Board Work Session

**EXHIBITS**

1. Agenda Information Sheet
2. Presentation
3. Draft Airport Leasing and Development Policy (redline)
4. Draft Airport Leasing and Development Policy (clean)

Respectfully submitted:  
Ryan Adams, C.M.  
Director of Airport



# Airport Leasing and Development Policy

Airport Advisory Board

# Summary

- Purpose of and Need for a Lease Policy
- Airport/Tenant Lease Relationship
- Policy Elements
- Challenges with current policy
- Draft Improvements
- Next Steps

# Purpose/Need for a Leasing Policy

## Supports Federal Grant Assurances

- 5. Rights and Powers
- 19. Operations & Maintenance
- 22. Economic Non-Discrimination
- 23. Exclusive Rights
- 24. Fee & Rental Structure
- 29. Airport Layout Plan

- Benefits of a policy-based approach
  - Supports a well-organized and comprehensive approach to leasing
  - Encourages transparency and consistency; demonstrates equity
  - Reduces ad-hoc decision-making
  - Creates process efficiency in application approval and negotiation
- FAA Compliance
  - Reduces inadvertent non-compliance
  - FAA views presence of a policy favorably
  - “No Policy is a Policy”

# Airport/Tenant Lease Relationship

## Airport Receives

- Good, dependable service/activity
- Reliable income stream
- Full market return on invested capital
- Expectation of ownership of Improvements (and charging market rates)

## Tenants Receive

- Airport/Airfield Access
- Good customer base
- Recoup investment costs (directly or indirectly)
- Business profit

# Lease Policy Components

## Article I

- Introduction, Purpose, Authority, Applicability

## Article II

- Principal Development Criteria, Application, Approval, RFPs

## Article III

- Lease Terms and Conditions, Maintenance and other Requirements

## Article IV

- Rent, Fees, Lease Term

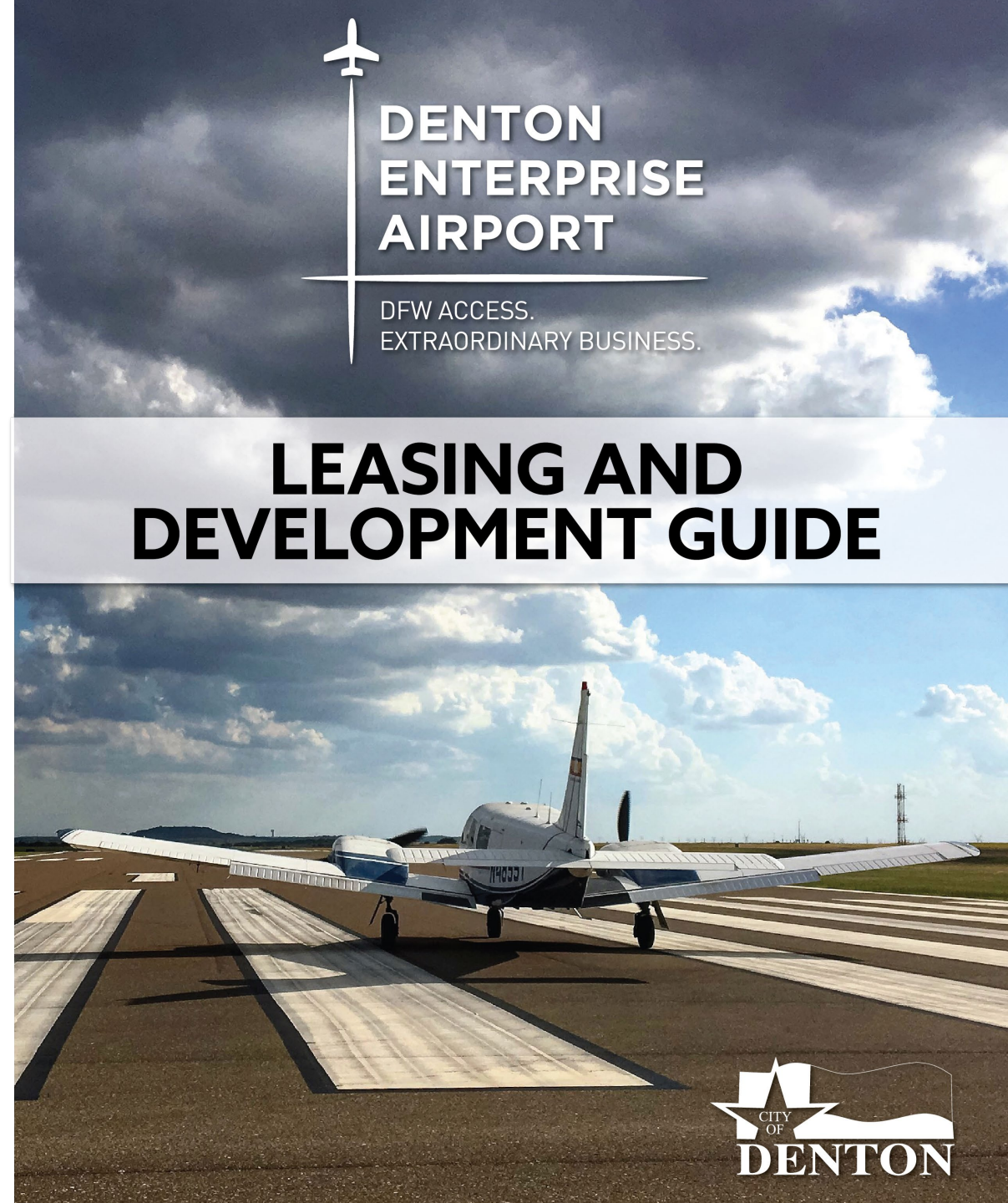
## Article V

- Lease Reversion

# Benefits Since Adoption

- Clarity
  - Lease conditions
  - Length of Lease term
- Basis for accepting Lease Applications
  - Must conform to Principal Development Criteria
- Process for Requests for Proposals (RFPs)

AAB26-007; May 13, 2026



# Challenges discussed in January

## Timelines

- Lengthy negotiation process for complex developments results in council approval after deadline
- 120 days may not be sufficient in most cases

## Competitive Applications

- Policy best suited for one interested developer at a time
- No process for competitive applications (e.g. Site 3 and 4)

# Challenges discussed in January

## Lease Application Submissions

- No requirement for a site plan with specific items to include
- Pre-application meeting would be more efficient with that information provided ahead of time

## Appraisals

- Requirement for appraisals every two years is costly, impractical
- This is a cost of development that should be borne by the developer

# Draft Policy Updates

- Article I – Introduction
  - New provision granting the ability to modify policy in certain cases.

# Draft Policy Updates

- Article II – Leasing Airport Land or Improvements
  - Airport Pre-Leasing Application Meeting (PLAM) is required for developers
  - Establishes documents that must be provided at the PLAM, including site plan
  - Application approval criteria:
    - Airport notification of approval (i.e. conformance with Principal Development Criteria)
    - Participation by the developer in a Development Services Pre-Application Conference
    - Payment of the applicable fee
  - Explicitly states that if two or more applications are received for a property prior to any one application being approved, the Airport will enter into a competitive process.
  - If the application is incomplete/rejected, the applicant may reapply within 90 days at no cost.
  - Exclusive negotiating period extended by 60 days (to a total of 180 days).
  - Applicant is responsible for acquiring an updated appraisal
  - Removed criteria for considering a competitive process (in conflict with other provisions)

# Draft Policy Updates

- Article III – The Lease Agreement
  - Requirement for building permit and construction completion deadlines
  - Clarifications on requirements for subleasing
  - Condition Assessment shall be performed by a licensed commercial building inspector
- Article IV – Rents Fees and Agreement Term
  - No substantive changes
- Article V – Reversion of Improvements to the City
  - No Substantive changes
- All - Grammatical corrections and clarifications

# Next Steps

- AAB consideration of final draft
- Council consideration of final draft

# Airport Leasing and Development Policy

## Article I. Introduction

As a recipient of Federal Aviation Administration (“FAA”) Airport Improvement Program funding, in addition to other federal funding, the City of Denton (“City”) is obligated to operate Denton Enterprise Airport (“Airport”) in accordance with FAA Grant Assurances. Among these federal obligations is the requirement to operate the Airport for the use and benefit of the public and for the Airport to be made available to all types, kinds, and classes of aeronautical activity on reasonable terms and without unjust discrimination.

These Grant Assurances further obligate the City to maintain a fee and rental structure for the facilities and services at the airport, making the Airport as self-sustaining as possible under existing circumstances and avoiding unjust economic discrimination within classes of users.

### Section 1.01 Purpose

The Airport Lease and Development Policy (“Policy”) sets forth the parameters that shall be used by the City for leasing land and/or improvements for commercial or non-commercial general aviation purposes at the Airport.

The Policy seeks to:

1. **Promote Aviation Growth** by encouraging the provision of essential aeronautical activities and aviation services for the benefit of the public while preserving the City’s financial investment in the Airport. Non-aeronautical uses of Airport land will be permitted only on portions of the Airport not needed for aviation purposes and in accordance with FAA policy.
2. **Apply Standards Uniformly** through equitable, reasonable, and not unjustly discriminatory treatment of all lessees and permittees while promoting the highest and best use of Airport property. The Policy facilitates orderly management of and ensures consistent quality of facilities at the Airport.
3. **Promote Long-Term Financial Self-Sufficiency** through a rental, rates, and fees structure that maximizes Airport revenue for its current and future development, management, maintenance, and operating expenses.
4. **Ensure Compliance** with applicable laws, regulations, ordinances, policies, guidelines, and requirements as they relate to the application for and acceptance of federal funds. This includes FAA regulations and current airport Minimum Operating Standards, Rules and Regulations, and other regulatory requirements as may be adopted or amended by the City.

All new and renewed lease agreements will require adherence to Citythis Policy. ~~City policy, and, at a minimum,~~ will promote and require fairness and consistency, uniform application of this policy, and prohibit economic discrimination relative to aviation leases.

The City will establish rents and fees associated with this Policy, consistent with FAA policy and in support of grant assurances, balancing competitiveness with financial sustainability, with provisions for periodic review and adjustment based on market conditions and operational needs.

## Section 1.02 Authority of the City

The Airport is owned, operated, and governed by the City, which expressly reserves the authority to lease Airport-owned land and/or improvements, ~~allow~~allows the occupancy and/or development of Airport-owned land or improvements, ~~grant~~grants the right to engage in any activity at the Airport, and ~~implement, supplement, amend, modify, approve~~implements, supplements, amends, modifies, approves, or ~~adopt~~adopts any agreement, policy, standard, rule, regulation, or ~~directives~~directive.

Any person wishing to lease for the exclusive use of any parcel of land on the Airport, or of any ~~city~~City-owned or operated facility, must enter into a written lease agreement with the City specifying the terms and conditions of such use. The City Council may establish by ordinance those rates and fees, and those terms and conditions it deems appropriate and applicable to Airport use.

The Airport Director, acting under the authority of the City Manager, shall take those necessary decisions and/or actions to ensure compliance with:

- Existing leases, licenses, permits, and other written agreements between the City and persons within the Airport;
- This Policy, and those other policies, rules, ~~or~~regulations, ~~or~~ordinances established by the authority of the City Council, which apply within the Airport;
- Those responsibilities levied on the City by the federal or state governments concerning Airport operations and management.

The Airport Director may authorize an interim or emergency agreement to occupy or use City-owned improvements and infrastructure by appropriate public agencies. Examples of situations that may be suitable for such authorizations are military or law enforcement activities ~~and~~ the temporary occupation of airport areas by government agencies during natural disasters, or aircraft accident investigations.

The Airport Manager may waive or modify any portion of this Policy for the benefit of any governmental agency performing non-profit public services, fire protection, or firefighting operations. The City manager or designee may waive or modify any portion of this Policy for any person when it is determined that such waiver or modification is in the best interest of the City and will not result in unjust discrimination among airport users or a violation of the Grant Assurances.

## Section 1.03 Applicability

This Policy shall apply to any new agreement or any new amendment to an existing agreement relating to the leasing of land and/or improvements, including the establishment or ~~adjusting~~adjustment of rents, rates, fees, and other charges for commercial or non-commercial general aviation aeronautical activities.

This Policy shall not affect any agreement or amendment thereto that is properly executed before the date of adoption of this Policy, except as provided for in such agreement, in which case, this Policy shall apply to the extent provided by such agreement.

The City reserves the right from time to time to amend, supplement, revise, alter, rescind, or add to the policies and procedures listed herein, either in part or in their entirety. The Airport further reserves the

right to use this ~~Leasing~~ Policy for the selection of non-aeronautical ~~service providers and concessionaires~~uses as it deems appropriate.

#### Section 1.04 Compliance with Federal, State, and Local Law

This Policy is subject to federal law, FAA regulations, state statute, and local ordinance. In the event of provisions of this policy conflicting with the aforementioned ~~law~~laws, the aforementioned laws shall prevail.

If any section, subsection, sentence, clause, or phrase of these policies and procedures is, for any reason, held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall neither affect nor impair any of the remaining provisions.

## Article II. Leasing Airport Land or Improvements

Entities shall not occupy Airport land or improvements for any purpose unless the entity has an agreement ~~or with the City, occupies a hangar under an approved~~ sublease, or occupies a hangar under a rental agreement with a duly permitted hangar rental business. Any use of leased property must be listed and approved within the lease agreement prior to allowing such use. In addition, entities shall not conduct aeronautical or non-aeronautical commercial activities at the airport unless the entity has an Airport Business Permit authorizing such activities. Entities shall also comply with the Denton Code of Ordinances, Airport Rules and Regulations, Minimum Operating Standards, and any other applicable federal, state, and local laws and regulations.

#### Section 2.01 Principal Development Criteria

The Airport has limited land resources, ~~so and it is important to shall~~ adequately evaluate proposed Airport leases and ~~development~~developments to ensure that the highest and best use of each property is realized and that such use is compatible with future Airport development and land use plans. ~~Proposed leasing~~Leasing or development ~~requests~~proposals will be evaluated in accordance with this ~~policy~~Policy. Such evaluation will look to whether the proposed use conforms to the following (collectively, the "Principal Development Criteria"):

1. The use is shown to be appropriate and consistent with the Airport Layout Plan ("ALP"), Airport Master Plan, ~~Airport Appraisal~~qualified appraisals, and other relevant Airport planning documents or Airport expansion or development plans or goals.
2. The use will not interfere with the normal and efficient operation of the Airport or with the ability of other Airport users to enjoy reasonable access to their leaseholds or the public areas of the Airport, including its runway ~~and~~, public taxiways~~, and aprons. The use also considers access to public areas of the Airport from adjacent land.~~
3. The use will advance the goal of achieving financial self-sustainability for the Airport by providing a consistent, reliable, and appropriately substantial source of revenue to the Airport, whether in the form of rent or other rates, fees, or charges.
4. The use will provide long-term benefits to the Airport through the tenant's construction, expansion, maintenance, or other development of useful and valuable improvements or facilities (or through the tenant's efficient use of improvements to existing Airport property or facilities).

5. The use will support the City's efforts to make the Airport an attractive, aesthetically pleasing gateway to, and source of economic development for, the City.
6. The use will not involve non-aeronautical use of Airport property designated for an aeronautical use on the Airport Layout Plan, or facilities more appropriate or necessary for aeronautical use, as determined at the sole discretion of the City.
7. The use does not pose exceptional or unreasonable financial, legal, or operational risk to the Airport or the City.
8. The use does not violate any applicable laws or regulations or any Grant Assurances or similar state or local obligations and does not pose a substantial risk of causing the City to violate any such laws, regulations, Grant Assurances, or obligations.

## Section 2.02 Designated Areas

The City reserves the right to designate specific Airport land and/or improvements in which commercial and/or non-commercial aeronautical activities may or may not be conducted. The right to use the Airport and any airport land or improvements is non-exclusive except for the land and or improvements leased exclusively to an entity by the City.

The City may establish, through the Airport Master Plan or other Council-approved plan, certain areas approved for particular types of commercial and non-commercial activities within the Airport. These designated areas will indicate proposed future uses and activities for segments of the Airport property. If designated areas are established, all proposed activities and developments must be located in a designated area that corresponds to and does not conflict with such use.

To the extent allowed under FAA regulations, the City reserves the right to refuse proposals to use or develop ~~airport~~Airport land for aeronautical or non-aeronautical purposes.

## Section 2.03 Pre-Leasing Application Meeting

### Section 2.03—Prior to submission of a Lease Application

~~Prior to entering into formal lease discussions or negotiations~~, a prospective lessee shall ~~complete a written~~ schedule an Airport pre-leasing application meeting with Airport staff. The purpose of the meeting is for a leaseairport staff to provide information on the leasing process, discuss the requirements of this Policy, and provide basic feedback on the proposal's alignment with the principal development criteria.

Prior to the pre-leasing application meeting, and in a form prescribed by the City and pay any associated fees as established by the City Council. The application shall, a prospective lessee must, at a minimum, provide the following to Airport staff:

1. A conceptual plan or layout of the development area, to include, at ~~minimum~~:a minimum, leasehold boundaries, all proposed buildings, including hangar door height, if known, paved ramp or apron areas, vehicular parking points of ingress and egress, fencing, and gates. It shall further include the total area of the leasehold, in square feet, and of any buildings, ramps, aprons, and vehicular parking areas.
2. The estimated value of the capital investment, if known.
- 1.3. A description of the activity or activities that the applicant proposes to conduct under its requested development, with sufficient narrative detail to adequately explain the benefits of the

activity or activities to the Airport and the City and to demonstrate that it meets the Principal Development Criteria.

4. The estimated increase in based aircraft and itinerant air traffic resulting from the development.
5. For any commercial activity, the projected number of employees and hours of operation.
- ~~2-6.~~ The names and contact information of the prospective lessee(s) or, if an incorporated entity, of all parties owning an interest in the entity.
- ~~3.~~ A description of the premises intending to be leased.
- ~~4.~~ The type of facilities which the applicant proposes to construct on or for the proposed leasehold, if applicable.

#### Section 2.04 Airport Lease Application

After the pre-leasing application meeting, but prior to entering into formal lease discussions or negotiations, a prospective lessee shall complete a written application for an Airport lease in a form prescribed by the City and pay any associated fees as established by the City Council. The application shall include, at a minimum:

1. All information required for the pre-leasing application meeting, to include any updates recommended by Airport staff.
- ~~5.~~ An estimate of the value of the proposed capital investment on the premises, if applicable.
- ~~6-2.~~ For any commercial activity, the services to be not previously provided, proposed hours of operation, number of aircraft to be based, and projected number of employees, and other relevant information.

The City reserves the right to request additional information from the lease applicant. Upon receipt, Airport staff will review the application and determine if the proposed use and leasehold location comply with this ~~policy~~ Policy. Noncompliance may result in the rejection of the lease application.

~~Submission of~~ The City Council shall have the right to adopt an application fee and publish it in the Airport Rates and Fees schedule.

In the event two or more complete applications are received for the same property prior to any one applicant's application being approved, the City will initiate a Request for Proposals (RFP) process (See Section 2.06)

#### Section 2.05 Lease Negotiation and Approval/Rejection

A lease application shall not be considered approved until:

- Review and written notification of approval of the proposed development application by the Airport
- Participation by the applicant in a Development ~~Services~~ Pre-Application Conference
- Payment of the applicable fee

Where applications are incomplete or, after review, do not meet the requirements of this Policy, the application will be rejected and the applicant notified. The applicant may resubmit their application within 90 days of the original application submission without payment of ~~applicable fees~~ the application fee.

Approval of an application secures for the prospective Lessee applicant the exclusive right to pursue a lease with the City for 120 days. During this time, the Airport will not consider nor discuss the leasing or development of the subject property with other interested parties. If no lease agreement is executed by the end of the 120 days, the application will expire, and the City may accept applications for the property from other parties. This 120 or a resubmittal of the application by the prospective lessee whose original application expired. This 180-day timeframe may be extended in writing by the Airport Director.

~~The~~ At the request of the City Council, the applicant shall have the right:

1. Be responsible for acquiring, at its sole cost, a new or updated survey of the proposed lease boundaries, provided by a surveyor qualified to adopt an application fee perform such work in the State of Texas.
2. Be responsible for acquiring, at its sole cost, a new or updated appraisal of the proposed leasehold property for the purpose of confirming the fair market value rental rate for the proposed use. The appraiser shall be approved by the City and publish it qualified to perform such work in the Airport Rates and Fees schedule State of Texas.

#### Section 2.04 Lease Approval

Within 60 days of receiving a completed application, including survey and appraisal, as required, the Airport shall convey the key terms and conditions (including rents, fees, and other charges) of a proposed lease agreement to the applicant. The applicant shall, within a reasonable amount of time, indicate if the key terms and conditions proposed by the Airport are acceptable or provide revised key terms and conditions. The Airport Director may negotiate the revised key terms and conditions and/or initiate the competitive proposal process described in Section 2.05.

All new lease agreements, lease assignments or transfers, and subleases amendments shall be reviewed by Airport staff and considered for recommendation to the City Council by the Airport Advisory Board. Approval by the City Council shall be required for any lease agreement or amendment.

#### Section 2.05 Section 2.06 Requests for Proposals

~~If~~ As Airport land and/or improvements exist or become available for leasing, the City may, at its sole discretion and at any time, including upon receipt of an application for a lease or development, issue a request for proposals to optimize the development of or to assess the level of market demand and competitiveness for a proposed activity or use of Airport property. Any competitive proposal or bidding process shall comply with the City of Denton's purchasing policies and directives.

~~To determine whether it is appropriate to utilize competitive proposal or bidding, the City shall consider factors including, but not limited to:~~

- ~~1. The size and proposed use of the property.~~
- ~~2. The availability of similar property at the Airport.~~
- ~~3. Whether the property is going to be used for Aeronautical or Non-Aeronautical Activities.~~
- ~~4. Whether the property is developed or vacant.
  - ~~a. If the property is vacant, the proposed use; type of Improvements will be developed; number of employees to work on the property.~~~~

- ~~b. Whether infrastructure (such as utility lines) needs to be installed or and if so, who will be responsible for such installation?~~
- ~~5. The financial strength and experience of the Applicant.~~
- ~~6. Economic impact the proposed use of the Airport property will have on the Airport.~~
- ~~7. Whether the proposed use of the Airport property will generate new revenue for the Airport or generate new activity at the Airport.~~

The request for proposals shall also list the criteria the City will use to make its selection, including but not limited to, compliance with this Policy and the Principal Development Guidelines, the benefits generated by the proposed activity, and the long-term revenue generated by the proposal. The City may consider additional factors that it deems relevant to make its final decision regarding the use or disposition of the Airport premises and privileges in question. The City shall examine all applications and select a proposal for further lease negotiations, if, in the City's opinion, it is in the best interest of the Airport and the community.

## Article III. The Lease Agreement

Lease Agreements are designed to protect the public interest and contain more restrictive clauses than private-sector leases. Liabilities associated with possession and control of real property will be transferred to the Lessee to the greatest extent possible, including compliance with and subordination to all applicable federal, state, and local laws and regulations. Leases will additionally be subordinate to the City's Grant Assurances, other applicable federal and state laws and regulations, and City ordinances and regulations.

The following are not inclusive of all lease terms, conditions, and obligations. Authority is granted to City staff to negotiate leases that promote the Principal Development Criteria and the objectives of this Policy.

### Section 3.01 Key Terms and Conditions

(a) Recitals:

All recitals shall include, at a minimum, the desires of the City and the Lessee. All recitals shall be incorporated into the agreement by reference.

(b) Premises:

Each agreement shall meticulously describe the specific area of Airport property to be occupied, including precise boundaries and any shared or common areas. Leases will clearly outline the permitted activities and any special conditions or restrictions on usage, ensuring compatibility with airport operations and safety regulations.

(c) Use:

Each agreement shall make clear the intended use of the premises.

1. **Commercial aeronautical activities** – The agreement shall identify the products, services, and/or facilities to be provided by the operator. The agreement may identify optional products, services, and/or facilities that may be provided by the operator with or without the approval of the Airport Director.

2. **Non-commercial aeronautical activities** – For non-commercial occupancy and/or use of the Airport land and/or improvements, the Agreement shall stipulate that the Lessee shall not offer or provide commercial products, services, or facilities or conduct commercial activities at the Airport or from the leased premises without an amendment of the lease agreement.
3. **Non-aeronautical activities** – Leasing Airport land and/or improvements for non-aeronautical activities is not generally favored by the City of the FAA. The City may, in its sole discretion, consider such use in the event the non-aeronautical use of Airport land and/or improvements does not interfere with the primary aeronautical use of Airport land and/or improvements and is not in violation of any legal requirements, including the Grant Assurances. If such use is contemplated, the applicant must prove that the subject Airport land and/or Improvements will not conflict with the existing or foreseeable aeronautical use of the property during the entire term of a proposed agreement. The leasing of Airport land and/or Improvements for non-aeronautical activities will not be allowed without the prior written consent of the FAA.
4. **Prohibited Activities:** All prohibited uses and activities of the premises shall be identified; however, no lease agreement will allow any activities prohibited by applicable federal, state, or local laws and regulations even if such use is not specifically set out by the lease agreement.

(d) Term

The original term, commencement date, and ending date shall be conveyed in the Agreement. The term of the agreement shall be commensurate with the value of capital investment made by the Lessee into the leased premises and/or on the Airport and sufficient for the Lessee's amortization of the investment, consistent with Article IV of this policy.

(e) Rents and Fees

The applicable rents and fees to be paid by the Lessee to the City shall be identified in the agreement. Rents and fees shall be established and adjusted in accordance with Article IV of this policy.

(f) Improvements

A description of the improvements, including minimum square footage of occupied space, shall be included in the agreement. The Lessee shall procure all necessary permits and certificates, including, but not limited to, all City building, fire, safety, final certificate of occupancy, and meet other applicable requirements for improvements located on Airport property and within the legal boundaries of the Airport as identified on the Airport Layout Plan.

Each lease agreement shall include a deadline by which the Lessee must secure a building permit and a deadline by which construction must be completed and a certificate of occupancy issued, if applicable. Each deadline shall be sufficient for development approval and construction, respectively, and incorporate a reasonable timeframe for completion.

Upon expiration of the term of the agreement, ownership of permanent improvements that have been made to the leased premises by the Lessee shall revert to the City. The City shall retain the right to require the demolition and removal of the improvements and the return of

the premises to its original condition and character by the Lessee, normal wear and tear excepted.

### Section 3.02 Other Standard Terms and Conditions

Additional terms and conditions within the Lease Agreement shall include, but are not limited to:

1. Procedures for entering into a sublease agreement for all or part of the leased premises, including approval processes and sublessee obligations, to prevent unauthorized use and maintain accountability. Subleasing shall be authorized with the operation of a permitted commercial hangar rental business or with City consent, as applicable. All sublease agreements shall be approved byin accordance with the City ~~Council~~of Denton Code of Ordinances.
2. Procedures for transferring lease interests, including city approval requirements and any associated fees or conditions, shall be clearly defined to ensure orderly transitions. All sales, assignments, or transfers shall be approved byin accordance with the City ~~Council~~of Denton Code of Ordinances.
3. ~~Conditions~~If applicable, conditions for granting rights of first refusal. Rights of first refusal may only be granted where the property that is subject to the right of first refusal is contiguous to the leased premises. No right of first refusal may be granted without the payment of a fee or other financial consideration being provided to the City. Other conditions of the right of first refusal will be negotiated by Airport staff. The City retains the right to refuse requests for rights of first refusal.
4. Conditions, procedures, and penalties for defaulting on lease obligations, including notification requirements and remedies available to the city.
5. Requirements that the Lessee shall be responsible, at its own expense, for connection to and service of public utilities.
6. Requirements for Lessee insurance coverage, including liability, property, and workers' compensation insurance, shall be clearly outlined to mitigate risk and protect airport assets.
7. The right of the City to, with notice to the Lessee, inspect the leasehold and improvements for compliance with lease terms, federal, state, or local law, and/or Airport rules and regulations.
8. Requirements that ensure construction adheres to local development standards, building codes, environmental laws, Airport Minimum Operating Standards, and other applicable statutes and regulations in order to maintain the safety and integrity of airport property
9. Requirements for the Lessee to demonstrate possession of all necessary licenses, certifications, and permits required for activities permitted under the lease, with provisions for City verification and periodic updates.
10. Requirements for the Lessee to bear responsibility for the provision of utility service during their occupancy, including electricity, water, gas, sewage, and telecommunications services, with provisions for city oversight
11. Requirements for the Lessee to fulfill all tax obligations related to its activities, including property taxes, sales taxes, and income taxes, under applicable laws and regulations.
12. Requirements for Lessee to maintain accurate records of their operations, including financial statements, maintenance logs, and regulatory compliance documentation, subject to city audit and inspection.

13. Guidelines for holdover possession beyond the lease term, including rental adjustments and termination provisions, shall be established to address transitional periods and prevent unauthorized occupancy.
14. Any other conditions or requirements deemed appropriate by the City

### Section 3.03 Maintenance of the Leasehold

The Lessee shall bear responsibility for ongoing maintenance of the leased premises and all improvements including, but not limited to, preventing the accumulation of debris and trash, abating fire and chemical hazards, abatement of nuisances, and the irrigation and maintenance of landscaping. The Lessee shall perform all work in accordance with applicable laws and regulations.

To prevent the premature aging and deterioration of the improvements, the Lessee, at its own expense, shall conduct a ~~condition assessment~~ Condition Assessment ("Assessment") on all improvements no later than the tenth (10th) anniversary of the Commencement Date, and every five (5) year anniversary thereafter. ~~The Condition Assessment shall be conducted by a person qualified to perform such an assessment in the State of Texas who, after being selected by the Lessee, shall be approved in writing by the City. The Condition~~ The Assessment shall examine, at minimum, the building's structural components, electrical, plumbing, heating and cooling systems, and roof. Additionally, any pavement (asphalt or concrete) within the leasehold area shall also be examined. The Assessment shall be conducted by a commercial building inspector qualified to perform such work in the State of Texas who, after being selected by the Lessee, shall be approved in writing by the City. The Condition Assessment shall be provided to the City within thirty (30) days of the ~~condition assessment~~ completion deadline. Any deficiencies that are due to the Lessee's failure to meet their obligations under the Lease shall be corrected by the Lessee at its expense. The Lessee shall, within ninety (90) days, provide to the Lessor a plan to correct such deficiencies identified in the Condition Assessment within one (1) year, unless extended in writing by the Airport Director, or designee. Failure to correct deficiencies identified in the Condition Assessment will constitute a breach of the lease agreement.

### Section 3.04 Additional Lease Requirements

The Lease shall contain, or adopt by reference, all provisions required by the applicable law, including, without limitation, regulations promulgated by the FAA and the Transportation Safety Administration, and assurances or agreements entered into by the City as a condition of any Federal Grant to the City for the Airport. The Lease or Permit shall be subordinate to any existing or future Federal grant assurances.

## Article IV. Rents, Fees, and Agreement Term

Airport lease rates and associated fees shall be consistent with FAA policy and Grant Assurance obligations, specifically the requirement that the Airport be as financially self-sustaining as possible and that leases are provided on a consistent and equitable basis. To the extent feasible, aeronautical use fees must be established on a cost-recovery basis while the use of Airport property for non-aeronautical facilities and/or services must be based on fair market value.

### Section 4.01 Rent

During the lease term, the Lessee shall pay the Airport market rent for applicable land and facility(ies). Where a Lessee has constructed a Facility, the Lessee shall pay Market Rent for land only during the Term of its Lease.

(a) Establishment of Market Rent

Market rent shall be established through a property appraisal by a qualified appraiser, or a market analysis performed by a similarly qualified individual or firm. ~~Appraisals~~No appraisals used to establish market rent for ~~properties~~a property shall have been performed ~~within~~the more than two years before the execution of a lease agreement.

(b) Deviations from Market Rent

Below market rent may only be offered where the Lessee constructs public infrastructure that benefits other properties (i.e., taxilanes, taxiways, roads, or utilities) or makes improvements to an existing facility that extends the useful life of the facility, as approved by the City. In such cases, the value of the reduced rental rate may not exceed the value of the Lessee's investment in public infrastructure.

In the event that the City develops all or part of the Improvements, to establish rents the City may, in its sole discretion, establish a reasonable rate of return on the investment.

Rental rates for certain property uses, particularly non-aeronautical uses, may ~~be based on~~include a percentage of Lessee's gross income ~~from~~relating to its use of the property.

#### Section 4.02 Adjustment of Rent

To account for regular cost inflation, Lease rents shall be adjusted no later than every two years after the commencement date of the lease. This adjustment proportion that the then-current United States Consumer Price Index for all urban consumers ("CPI-U") for the Dallas-Fort Worth Bureau of Labor Statistics (1982-84 = 100) bears to that of the Commencement Date month.

#### Section 4.03 "Through the Fence" Agreements

FAA Grant Assurances require access to the Airport to be provided on an equitable basis. If an adjacent property requests access to the airport to conduct aeronautical activities, the property owner may be granted a "Through the Fence Agreement" granting them such access. As a condition of this access, the property shall pay market rent, including adjustments, under the terms outlined by this policy.

The City may impose additional requirements as a condition of any "through the fence agreement" access, and any request for such agreement is subject to review and approval by the City Council.

#### Section 4.04 Fees

The City shall reserve the right to establish and assess fees to recover the costs being incurred by the Airport associated with the planning, development, operation (including maintenance and repair), management, and marketing of the Airport.

Fees may include, but are not limited to, fuel flowage fees, aircraft parking fees, based aircraft fees, operator permit fees, percentage of gross receipts fees, aircraft landing fees, and/or temporary or special use permit fees. All fees shall be identified in the City's rates and fee schedule.

#### Section 4.05 Lease Term

Lease agreements shall specify the duration of occupancy. The length of a ground lease shall comply with federal and state regulations and be sufficient for the Lessee to amortize its capital investment into the leased premises. The lease term will depend on the value of capital invested in the leasehold.

Airport staff shall, based on financial and market conditions, determine the appropriate investment to warrant a given lease term, considering additional factors such as site conditions, indirect benefits to the airport, and federal requirements, as applicable.

On a case-by-case basis, the City may consider a significantly longer lease term, still subject to federal and state regulations, to support Airport property development and allow a Lessee to amortize its investment, based on the following criteria:

1. Significant initial capital investment beyond the minimum requirements
2. Significant additional capital investment in the current leased property
3. Services Exceptional or unique services provided to other Airport tenants and users
4. Exceptional job creation and/or impact to the local economy
5. Public infrastructure extension which will benefit other properties (i.e., taxilanes, taxiways, roads, or utilities)
6. Potential to attract other new aviation business or to significantly increase airport revenues

Leases where no capital is invested into the property shall be limited to no more than 3 years.

#### Section 4.06 Lease Extensions

Extensions to leases shall only be permitted where the following criteria are met:

1. The extensions are at the Lessor's discretion;
2. The extensions are the result of an investment of capital on the premises for new improvements; or
3. The extensions are the result of an investment of capital in the leased premises that extends the life of existing improvements.

In cases where an extension is the result of an investment of capital, the extension term shall be commensurate with the value of the capital investment.

The City shall require that the rent paid for the term of any lease extension shall reflect the higher of the then-current rent or the fair market rent at the time of the extension. Rent shall be adjusted through the term of the extension as permitted within his policy. No extension or extensions may result in the total lease term extending beyond the statutory limit.

#### Article V. Reversion of Improvements to the City

Each lease agreement shall require that, at the end of the lease term, Lessees shall surrender all leased premises to the Airport, including any improvements made during the lease period, unless otherwise specified in the lease agreement. Lessees may be required to remove any improvements not deemed necessary for the ongoing operation of the airport, restoring the leased premises to their original condition at the Lessee's expense.

At the time of the reversion of the leased premises and improvements, the City may at its discretion:

1. Extend the current ground lease or enter into a new lease with the Lessee under the provisions of this policy;
2. Enter into a building conventional hangar lease at fair market value with a qualified Lessee;

3. Pursue redevelopment of the leasehold; or
4. Take any other action that is in the best interests of the Airport and in compliance with applicable laws and regulations.

The provision of a lease extension or new lease agreement shall be based on the best long-term financial interest of the airport. A long-term financial analysis shall be provided to the City Council during any consideration of a lease extension or new lease agreement under this provision.

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# Airport Leasing and Development Policy

## Article I. Introduction

As a recipient of Federal Aviation Administration (“FAA”) Airport Improvement Program funding, in addition to other federal funding, the City of Denton (“City”) is obligated to operate Denton Enterprise Airport (“Airport”) in accordance with FAA Grant Assurances. Among these federal obligations is the requirement to operate the Airport for the use and benefit of the public and for the Airport to be made available to all types, kinds, and classes of aeronautical activity on reasonable terms and without unjust discrimination.

These Grant Assurances further obligate the City to maintain a fee and rental structure for the facilities and services at the airport, making the Airport as self-sustaining as possible under existing circumstances and avoiding unjust economic discrimination within classes of users.

### Section 1.01 Purpose

The Airport Lease and Development Policy (“Policy”) sets forth the parameters that shall be used by the City for leasing land and/or improvements for commercial or non-commercial general aviation purposes at the Airport.

The Policy seeks to:

1. **Promote Aviation Growth** by encouraging the provision of essential aeronautical activities and aviation services for the benefit of the public while preserving the City’s financial investment in the Airport. Non-aeronautical uses of Airport land will be permitted only on portions of the Airport not needed for aviation purposes and in accordance with FAA policy.
2. **Apply Standards Uniformly** through equitable, reasonable, and not unjustly discriminatory treatment of all lessees and permittees while promoting the highest and best use of Airport property. The Policy facilitates orderly management of and ensures consistent quality of facilities at the Airport.
3. **Promote Long-Term Financial Self-Sufficiency** through a rental, rates, and fees structure that maximizes Airport revenue for its current and future development, management, maintenance, and operating expenses.
4. **Ensure Compliance** with applicable laws, regulations, ordinances, policies, guidelines, and requirements as they relate to the application for and acceptance of federal funds. This includes FAA regulations and current airport Minimum Operating Standards, Rules and Regulations, and other regulatory requirements as may be adopted or amended by the City.

All new and renewed lease agreements will require adherence to this Policy, and, at a minimum, will promote and require fairness and consistency, uniform application of this policy, and prohibit economic discrimination relative to aviation leases.

The City will establish rents and fees associated with this Policy, consistent with FAA policy and in support of grant assurances, balancing competitiveness with financial sustainability, with provisions for periodic review and adjustment based on market conditions and operational needs.

## Section 1.02 Authority of the City

The Airport is owned, operated, and governed by the City, which expressly reserves the authority to lease Airport-owned land and/or improvements, allows the occupancy and/or development of Airport-owned land or improvements, grants the right to engage in any activity at the Airport, and implements, supplements, amends, modifies, approves, or adopts any agreement, policy, standard, rule, regulation, or directive.

Any person wishing to lease for the exclusive use of any parcel of land on the Airport, or of any City-owned or operated facility, must enter into a written lease agreement with the City specifying the terms and conditions of such use. The City Council may establish by ordinance those rates and fees, and those terms and conditions it deems appropriate and applicable to Airport use.

The Airport Director, acting under the authority of the City Manager, shall take those necessary decisions and/or actions to ensure compliance with:

- Existing leases, licenses, permits, and other written agreements between the City and persons within the Airport;
- This Policy, and those other policies, rules, regulations, or ordinances established by the authority of the City Council, which apply within the Airport;
- Those responsibilities levied on the City by the federal or state governments concerning Airport operations and management.

The Airport Director may authorize an interim or emergency agreement to occupy or use City-owned improvements and infrastructure by appropriate public agencies. Examples of situations that may be suitable for such authorizations are military or law enforcement activities, the temporary occupation of airport areas by government agencies during natural disasters, or aircraft accident investigations.

The Airport Manager may waive or modify any portion of this Policy for the benefit of any governmental agency performing non-profit public services, fire protection, or firefighting operations. The City manager or designee may waive or modify any portion of this Policy for any person when it is determined that such waiver or modification is in the best interest of the City and will not result in unjust discrimination among airport users or a violation of the Grant Assurances.

## Section 1.03 Applicability

This Policy shall apply to any new agreement or any new amendment to an existing agreement relating to the leasing of land and/or improvements, including the establishment or adjustment of rents, rates, fees, and other charges for commercial or non-commercial general aviation aeronautical activities.

This Policy shall not affect any agreement or amendment thereto that is properly executed before the date of adoption of this Policy, except as provided for in such agreement, in which case, this Policy shall apply to the extent provided by such agreement.

The City reserves the right from time to time to amend, supplement, revise, alter, rescind, or add to the policies and procedures listed herein, either in part or in their entirety. The Airport further reserves the right to use this Policy for the selection of non-aeronautical uses as it deems appropriate.

## Section 1.04 Compliance with Federal, State, and Local Law

This Policy is subject to federal law, FAA regulations, state statute, and local ordinance. In the event of provisions of this policy conflicting with the aforementioned laws, the aforementioned laws shall prevail.

If any section, subsection, sentence, clause, or phrase of these policies and procedures is, for any reason, held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall neither affect nor impair any of the remaining provisions.

## Article II. Leasing Airport Land or Improvements

Entities shall not occupy Airport land or improvements for any purpose unless the entity has an agreement with the City, occupies a hangar under an approved sublease, or occupies a hangar under a rental agreement with a duly permitted hangar rental business. Any use of leased property must be listed and approved within the lease agreement prior to allowing such use. In addition, entities shall not conduct aeronautical or non-aeronautical commercial activities at the airport unless the entity has an Airport Business Permit authorizing such activities. Entities shall also comply with the Denton Code of Ordinances, Airport Rules and Regulations, Minimum Operating Standards, and any other applicable federal, state, and local laws and regulations.

### Section 2.01 Principal Development Criteria

The Airport has limited land resources, and it shall adequately evaluate proposed Airport leases and developments to ensure that the highest and best use of each property is realized and that such use is compatible with future Airport development and land use plans. Leasing or development proposals will be evaluated in accordance with this Policy. Such evaluation will look to whether the proposed use conforms to the following (collectively, the “Principal Development Criteria”):

1. The use is shown to be appropriate and consistent with the Airport Layout Plan (“ALP”), Airport Master Plan, qualified appraisals, and other relevant Airport planning documents or Airport expansion or development plans or goals.
2. The use will not interfere with the normal and efficient operation of the Airport or with the ability of other Airport users to enjoy reasonable access to their leaseholds or the public areas of the Airport, including its runway, public taxiways, and aprons. The use also considers access to public areas of the Airport from adjacent land.
3. The use will advance the goal of achieving financial self-sustainability for the Airport by providing a consistent, reliable, and appropriately substantial source of revenue to the Airport, whether in the form of rent or other rates, fees, or charges.
4. The use will provide long-term benefits to the Airport through the tenant’s construction, expansion, maintenance, or other development of useful and valuable improvements or facilities (or through the tenant’s efficient use of improvements to existing Airport property or facilities).
5. The use will support the City’s efforts to make the Airport an attractive, aesthetically pleasing gateway to, and source of economic development for, the City.
6. The use will not involve non-aeronautical use of Airport property designated for an aeronautical use on the Airport Layout Plan, or facilities more appropriate or necessary for aeronautical use, as determined at the sole discretion of the City.

7. The use does not pose exceptional or unreasonable financial, legal, or operational risk to the Airport or the City.
8. The use does not violate any applicable laws or regulations or any Grant Assurances or similar state or local obligations and does not pose a substantial risk of causing the City to violate any such laws, regulations, Grant Assurances, or obligations.

## Section 2.02 Designated Areas

The City reserves the right to designate specific Airport land and/or improvements in which commercial and/or non-commercial aeronautical activities may or may not be conducted. The right to use the Airport and any airport land or improvements is non-exclusive except for the land and or improvements leased exclusively to an entity by the City.

The City may establish, through the Airport Master Plan or other Council-approved plan, certain areas approved for particular types of commercial and non-commercial activities within the Airport. These designated areas will indicate proposed future uses and activities for segments of the Airport property. If designated areas are established, all proposed activities and developments must be located in a designated area that corresponds to and does not conflict with such use.

To the extent allowed under FAA regulations, the City reserves the right to refuse proposals to use or develop Airport land for aeronautical or non-aeronautical purposes.

## Section 2.03 Pre-Leasing Application Meeting

Prior to submission of a Lease Application, a prospective lessee shall schedule an Airport pre-leasing application meeting with Airport staff. The purpose of the meeting is for airport staff to provide information on the leasing process, discuss the requirements of this Policy, and provide basic feedback on the proposal's alignment with the principal development criteria.

Prior to the pre-leasing application meeting, and in a form prescribed by the City, a prospective lessee must, at a minimum, provide the following to Airport staff:

1. A conceptual plan or layout of the development area, to include, at a minimum, leasehold boundaries, all proposed buildings, including hangar door height, if known, paved ramp or apron areas, vehicular parking points of ingress and egress, fencing, and gates. It shall further include the total area of the leasehold, in square feet, and of any buildings, ramps, aprons, and vehicular parking areas.
2. The estimated value of the capital investment, if known.
3. A description of the activity or activities that the applicant proposes to conduct under its requested development, with sufficient detail to adequately explain the benefits of the activity or activities to the Airport and the City and to demonstrate that it meets the Principal Development Criteria.
4. The estimated increase in based aircraft and itinerant air traffic resulting from the development.
5. For any commercial activity, the projected number of employees and hours of operation.
6. The names and contact information of the prospective lessee(s) or, if an incorporated entity, of all parties owning an interest in the entity.

## Section 2.04 Airport Lease Application

After the pre-leasing application meeting, but prior to entering into formal lease discussions or negotiations, a prospective lessee shall complete a written application for an Airport lease in a form prescribed by the City and pay any associated fees as established by the City Council. The application shall include, at a minimum:

1. All information required for the pre-leasing application meeting, to include any updates recommended by Airport staff.
2. An estimate of the value of the proposed capital investment on the premises, if not previously provided.

The City reserves the right to request additional information from the lease applicant. Upon receipt, Airport staff will review the application and determine if the proposed use and leasehold location comply with this Policy. Noncompliance may result in the rejection of the lease application.

The City Council shall have the right to adopt an application fee and publish it in the Airport Rates and Fees schedule.

In the event two or more complete applications are received for the same property prior to any one applicant's application being approved, the City will initiate a Request for Proposals (RFP) process (See Section 2.06)

## Section 2.05 Lease Negotiation and Approval/Rejection

A lease application shall not be considered approved until:

- Review and written notification of approval of the proposed development application by the Airport
- Participation by the applicant in a Development Services Pre-Application Conference
- Payment of the applicable fee

Where applications are incomplete or, after review, do not meet the requirements of this Policy, the application will be rejected and the applicant notified. The applicant may resubmit their application within 90 days of the original application submission without payment of the application fee.

Approval of an application secures for the applicant the exclusive right to pursue a lease with the City for 180 days. During this time, the Airport will not consider nor discuss the leasing or development of the subject property with other interested parties. If no lease agreement is executed by the end of the 180 days, the application will expire, and the City may accept applications for the property from other parties or a resubmittal of the application by the prospective lessee whose original application expired. This 180-day timeframe may be extended in writing by the Airport Director.

At the request of the City, the applicant shall:

1. Be responsible for acquiring, at its sole cost, a new or updated survey of the proposed lease boundaries, provided by a surveyor qualified to perform such work in the State of Texas.
2. Be responsible for acquiring, at its sole cost, a new or updated appraisal of the proposed leasehold property for the purpose of confirming the fair market value rental rate for the

proposed use. The appraiser shall be approved by the City and qualified to perform such work in the State of Texas.

Within 30 days of receiving a completed application, including survey and appraisal, as required, the Airport shall convey the key terms and conditions (including rents, fees, and other charges) of a proposed lease agreement to the applicant. The applicant shall, within a reasonable amount of time, indicate if the key terms and conditions proposed by the Airport are acceptable or provide revised key terms and conditions. The Airport Director may negotiate the revised key terms and conditions and/or initiate the competitive proposal process described in Section 2.05.

All new lease agreements or amendments shall be reviewed by Airport staff and considered for recommendation to the City Council by the Airport Advisory Board. Approval by the City Council shall be required for any lease agreement or amendment.

### Section 2.06 Requests for Proposals

As Airport land and/or improvements exist or become available for leasing, the City may, at its sole discretion and at any time, including upon receipt of an application for a lease or development, issue a request for proposals to optimize the development of or to assess the level of market demand and competitiveness for a proposed activity or use of Airport property. Any competitive proposal or bidding process shall comply with the City of Denton's purchasing policies and directives.

A request for proposals shall also list the criteria the City will use to make its selection, including but not limited to, compliance with this Policy and the Principal Development Guidelines, the benefits generated by the proposed activity, and the long-term revenue generated by the proposal. The City may consider additional factors that it deems relevant to make its final decision regarding the use or disposition of the Airport premises and privileges in question. The City shall examine all applications and select a proposal for further lease negotiations if, in the City's opinion, it is in the best interest of the Airport and the community.

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Lease Agreements are designed to protect the public interest and contain more restrictive clauses than private-sector leases. Liabilities associated with possession and control of real property will be transferred to the Lessee to the greatest extent possible, including compliance with and subordination to all applicable federal, state, and local laws and regulations. Leases will additionally be subordinate to the City's Grant Assurances, other applicable federal and state laws and regulations, and City ordinances and regulations.

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Each agreement shall make clear the intended use of the premises.

1. **Commercial aeronautical activities** – The agreement shall identify the products, services, and/or facilities to be provided by the operator. The agreement may identify optional products, services, and/or facilities that may be provided by the operator with or without the approval of the Airport Director.
2. **Non-commercial aeronautical activities** – For non-commercial occupancy and/or use of the Airport land and/or improvements, the Agreement shall stipulate that the Lessee shall not offer or provide commercial products, services, or facilities or conduct commercial activities at the Airport or from the leased premises without an amendment of the lease agreement.
3. **Non-aeronautical activities** – Leasing Airport land and/or improvements for non-aeronautical activities is not generally favored by the City of the FAA. The City may, in its sole discretion, consider such use in the event the non-aeronautical use of Airport land and/or improvements does not interfere with the primary aeronautical use of Airport land and/or improvements and is not in violation of any legal requirements, including the Grant Assurances. If such use is contemplated, the applicant must prove that the subject Airport land and/or Improvements will not conflict with the existing or foreseeable aeronautical use of the property during the entire term of a proposed agreement. The leasing of Airport land and/or Improvements for non-aeronautical activities will not be allowed without the prior written consent of the FAA.
4. **Prohibited Activities:** All prohibited uses and activities of the premises shall be identified; however, no lease agreement will allow any activities prohibited by applicable federal, state, or local laws and regulations even if such use is not specifically set out by the lease agreement.

(d) Term

The original term, commencement date, and ending date shall be conveyed in the Agreement. The term of the agreement shall be commensurate with the value of capital investment made by the Lessee into the leased premises and/or on the Airport and sufficient for the Lessee's amortization of the investment, consistent with Article IV of this policy.

(e) Rents and Fees

The applicable rents and fees to be paid by the Lessee to the City shall be identified in the agreement. Rents and fees shall be established and adjusted in accordance with Article IV of this policy.

(f) Improvements

A description of the improvements, including minimum square footage of occupied space, shall be included in the agreement. The Lessee shall procure all necessary permits and certificates, including but not limited to all City building, fire, safety, final certificate of occupancy, and meet other applicable requirements for improvements located on Airport property and within the legal boundaries of the Airport as identified on the Airport Layout Plan.

Each lease agreement shall include a deadline by which the Lessee must secure a building permit and a deadline by which construction must be completed and a certificate of occupancy issued, if applicable. Each deadline shall be sufficient for development approval and construction, respectively, and incorporate a reasonable timeframe for completion.

Upon expiration of the term of the agreement, ownership of permanent improvements that have been made to the leased premises by the Lessee shall revert to the City. The City shall retain the right to require the demolition and removal of the improvements and the return of the premises to its original condition and character by the Lessee, normal wear and tear excepted.

### Section 3.02 Other Standard Terms and Conditions

Additional terms and conditions within the Lease Agreement shall include, but are not limited to:

1. Procedures for entering into a sublease agreement for all or part of the leased premises, including approval processes and sublessee obligations, to prevent unauthorized use and maintain accountability. Subleasing shall be authorized with the operation of a permitted commercial hangar rental business or with City consent, as applicable. All sublease agreements shall be approved in accordance with the City of Denton Code of Ordinances.
2. Procedures for transferring lease interests, including city approval requirements and any associated fees or conditions, shall be clearly defined to ensure orderly transitions. All sales, assignments, or transfers shall be approved in accordance with the City of Denton Code of Ordinances.
3. If applicable, conditions for granting rights of first refusal. Rights of first refusal may only be granted where the property that is subject to the right of first refusal is contiguous to the leased premises. No right of first refusal may be granted without the payment of a fee or other financial consideration being provided to the City. Other conditions of the right of first refusal will be negotiated by Airport staff. The City retains the right to refuse requests for rights of first refusal.
4. Conditions, procedures, and penalties for defaulting on lease obligations, including notification requirements and remedies available to the city.
5. Requirements that the Lessee shall be responsible, at its own expense, for connection to and service of public utilities.
6. Requirements for Lessee insurance coverage, including liability, property, and workers' compensation insurance, shall be clearly outlined to mitigate risk and protect airport assets.
7. The right of the City to, with notice to the Lessee, inspect the leasehold and improvements for compliance with lease terms, federal, state, or local law, and/or Airport rules and regulations.

8. Requirements that ensure construction adheres to local development standards, building codes, environmental laws, Airport Minimum Operating Standards, and other applicable statutes and regulations in order to maintain the safety and integrity of airport property
9. Requirements for the Lessee to demonstrate possession of all necessary licenses, certifications, and permits required for activities permitted under the lease, with provisions for City verification and periodic updates.
10. Requirements for the Lessee to bear responsibility for the provision of utility service during their occupancy, including electricity, water, gas, sewage, and telecommunications services, with provisions for city oversight
11. Requirements for the Lessee to fulfill all tax obligations related to its activities, including property taxes, sales taxes, and income taxes, under applicable laws and regulations.
12. Requirements for Lessee to maintain accurate records of their operations, including financial statements, maintenance logs, and regulatory compliance documentation, subject to city audit and inspection.
13. Guidelines for holdover possession beyond the lease term, including rental adjustments and termination provisions, shall be established to address transitional periods and prevent unauthorized occupancy.
14. Any other conditions or requirements deemed appropriate by the City

### Section 3.03 Maintenance of the Leasehold

The Lessee shall bear responsibility for ongoing maintenance of the leased premises and all improvements including, but not limited to, preventing the accumulation of debris and trash, abating fire and chemical hazards, abatement of nuisances, and the irrigation and maintenance of landscaping. The Lessee shall perform all work in accordance with applicable laws and regulations.

To prevent the premature aging and deterioration of the improvements, the Lessee, at its own expense, shall conduct a Condition Assessment (“Assessment”) on all improvements no later than the tenth (10th) anniversary of the Commencement Date, and every five (5) year anniversary thereafter. The Assessment shall examine, at minimum, the building’s structural components, electrical, plumbing, heating and cooling systems, and roof. Additionally, any pavement (asphalt or concrete) within the leasehold area shall also be examined. The Assessment shall be conducted by a commercial building inspector qualified to perform such work in the State of Texas who, after being selected by the Lessee, shall be approved in writing by the City. The Condition Assessment shall be provided to the City within thirty (30) days of the completion deadline. Any deficiencies that are due to the Lessee’s failure to meet their obligations under the Lease shall be corrected by the Lessee at its expense. The Lessee shall, within ninety (90) days, provide to the Lessor a plan to correct such deficiencies identified in the Condition Assessment within one (1) year, unless extended in writing by the Airport Director, or designee. Failure to correct deficiencies identified in the Condition Assessment will constitute a breach of the lease agreement.

### Section 3.04 Additional Lease Requirements

The Lease shall contain, or adopt by reference, all provisions required by the applicable law, including, without limitation, regulations promulgated by the FAA and the Transportation Safety Administration, and assurances or agreements entered into by the City as a condition of any Federal Grant to the City for the Airport. The Lease or Permit shall be subordinate to any existing or future Federal grant assurances.

## Article IV. Rents, Fees, and Agreement Term

Airport lease rates and associated fees shall be consistent with FAA policy and Grant Assurance obligations, specifically the requirement that the Airport be as financially self-sustaining as possible and that leases are provided on a consistent and equitable basis. To the extent feasible, aeronautical use fees must be established on a cost-recovery basis while the use of Airport property for non-aeronautical facilities and/or services must be based on fair market value.

### Section 4.01 Rent

During the lease term, the Lessee shall pay the Airport market rent for applicable land and facility(ies). Where a Lessee has constructed a Facility, the Lessee shall pay Market Rent for land only during the Term of its Lease.

#### (a) Establishment of Market Rent

Market rent shall be established through a property appraisal by a qualified appraiser, or a market analysis performed by a similarly qualified individual or firm. No appraisals used to establish market rent for a property shall have been performed more than two years before the execution of a lease agreement.

#### (b) Deviations from Market Rent

Below market rent may only be offered where the Lessee constructs public infrastructure that benefits other properties (i.e., taxilanes, taxiways, roads, or utilities) or makes improvements to an existing facility that extends the useful life of the facility, as approved by the City. In such cases, the value of the reduced rental rate may not exceed the value of the Lessee's investment in public infrastructure.

In the event that the City develops all or part of the Improvements, to establish rents the City may, in its sole discretion, establish a reasonable rate of return on the investment.

Rental rates for certain property uses, particularly non-aeronautical uses, may include a percentage of Lessee's gross income relating to its use of the property.

### Section 4.02 Adjustment of Rent

To account for regular cost inflation, Lease rents shall be adjusted no later than every two years after the commencement date of the lease. This adjustment proportion that the then-current United States Consumer Price Index for all urban consumers ("CPI-U") for the Dallas-Fort Worth Bureau of Labor Statistics (1982-84 = 100) bears to that of the Commencement Date month.

### Section 4.03 "Through the Fence" Agreements

FAA Grant Assurances require access to the Airport to be provided on an equitable basis. If an adjacent property requests access to the airport to conduct aeronautical activities, the property owner may be granted a "Through the Fence Agreement" granting them such access. As a condition of this access, the property shall pay market rent, including adjustments, under the terms outlined by this policy.

The City may impose additional requirements as a condition of any "through the fence agreement" access, and any request for such agreement is subject to review and approval by the City Council.

#### Section 4.04 Fees

The City shall reserve the right to establish and assess fees to recover the costs being incurred by the Airport associated with the planning, development, operation (including maintenance and repair), management, and marketing of the Airport.

Fees may include, but are not limited to, fuel flowage fees, aircraft parking fees, based aircraft fees, operator permit fees, percentage of gross receipts fees, aircraft landing fees, and/or temporary or special use permit fees. All fees shall be identified in the City's rates and fee schedule.

#### Section 4.05 Lease Term

Lease agreements shall specify the duration of occupancy. The length of a ground lease shall comply with federal and state regulations and be sufficient for the Lessee to amortize its capital investment into the leased premises. The lease term will depend on the value of capital invested in the leasehold. Airport staff shall, based on financial and market conditions, determine the appropriate investment to warrant a given lease term, considering additional factors such as site conditions, indirect benefits to the airport, and federal requirements, as applicable.

On a case-by-case basis, the City may consider a significantly longer lease term, still subject to federal and state regulations, to support Airport property development and allow a Lessee to amortize its investment, based on the following criteria:

1. Significant initial capital investment beyond the minimum requirements
2. Significant additional capital investment in the current leased property
3. Exceptional or unique services provided to other Airport tenants and users
4. Exceptional job creation and/or impact to the local economy
5. Public infrastructure extension which will benefit other properties (i.e., taxilanes, taxiways, roads, or utilities)
6. Potential to attract other new aviation businesses or to significantly increase airport revenues

Leases where no capital is invested into the property shall be limited to no more than 3 years.

#### Section 4.06 Lease Extensions

Extensions to leases shall only be permitted where the following criteria are met:

1. The extensions are at the Lessor's discretion;
2. The extensions are the result of an investment of capital on the premises for new improvements; or
3. The extensions are the result of an investment of capital in the leased premises that extends the life of existing improvements.

In cases where an extension is the result of an investment of capital, the extension term shall be commensurate with the value of the capital investment.

The City shall require that the rent paid for the term of any lease extension shall reflect the higher of the then-current rent or the fair market rent at the time of the extension. Rent shall be adjusted through the term of the extension as permitted within his policy. No extension or extensions may result in the total lease term extending beyond the statutory limit.

## Article V. Reversion of Improvements to the City

Each lease agreement shall require that, at the end of the lease term, Lessees shall surrender all leased premises to the Airport, including any improvements made during the lease period, unless otherwise specified in the lease agreement. Lessees may be required to remove any improvements not deemed necessary for the ongoing operation of the airport, restoring the leased premises to their original condition at the Lessee's expense.

At the time of the reversion of the leased premises and improvements, the City may at its discretion:

1. Extend the current ground lease or enter into a new lease with the Lessee under the provisions of this Policy;
2. Enter into a conventional hangar lease at fair market value with a qualified Lessee;
3. Pursue redevelopment of the leasehold; or
4. Take any other action that is in the best interests of the Airport and in compliance with applicable laws and regulations.

The provision of a lease extension or new lease agreement shall be based on the best long-term financial interest of the airport. A long-term financial analysis shall be provided to the City Council during any consideration of a lease extension or new lease agreement under this provision.

DRAFT



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## MONTHLY OPERATIONS REPORT May 2026

The following tables provide details on operations, fueling, based aircraft, alerts, and incidents. Historical Airport Operations, **Exhibit 1**, provides airport historical operations data from 2016-2026.

<b>OPERATIONS (Calendar Year)</b>						
Operation Type	Mar-25	Mar-26	% Change	2025 YTD	2026 YTD	% Change
IFR Itinerant	1,071	973	-9.2%	2,983	2,367	-20.7%
VFR Itinerant	8,914	7,646	-14.2%	24,351	23,703	-2.7%
Local	5,195	5,901	13.6%	17,293	16,650	-3.7%
<b>Total</b>	<b>15,180</b>	<b>14,520</b>	<b>-4.3%</b>	<b>44,627</b>	<b>42,720</b>	<b>-4.3%</b>

<b>FUELING (Fiscal Year)</b>						
Type	Mar-25	Mar-26	% Change	2025 YTD	2026 YTD	% Change
AvGas	58,358	49,370	-15.4%	306,296	304,851	-0.5%
Jet A	79,587	68,757	-13.6%	453,077	403,641	-10.9%
<b>Total</b>	<b>137,945</b>	<b>118,127</b>	<b>-14.4%</b>	<b>759,373</b>	<b>708,492</b>	<b>-6.7%</b>

<b>BASED AIRCRAFT</b>					
Description	Single Engine	Multi-Engine	Jet	Helicopter	Total
Dec 2025	378	68	30	16	492
Dec 2024	352	71	35	18	476
Dec 2023	309	62	34	15	420

*NOTE: Due to agenda-related deadlines, figures for the prior month will be available at the next Airport Advisory Board meeting.*

<b>ALERTS</b>		
<b>Date</b>	<b>Type</b>	<b>Description</b>
03/09/2026	Alert III	An aircraft had an engine issue during a stop and go. The aircraft ran off the south end of 18R into the grass and was tugged back to US Aviation hangar on Juliet. There were no other damage or injuries reported.
03/13/2026	Alert III	Pilot stated that after landing on runway 18R he did not slow down enough to make the turn onto A6. This caused the aircraft to overrun the runway threshold into the grass. The pilot and passengers were able to push the aircraft back onto the pavement and taxi it to parking under its own power. No other damage or injuries were reported.
03/20/2026	Alert III	A Cessna 172P departed DTO from RWY 18L at 14:13 local, CDT. Shortly after takeoff, the aircraft began losing altitude. At 14:14:26 local, the aircraft impacted trees 1150 ft (352m) SE from the south end of RWY 18L/36R, and approximately 700 ft (214m) east of an extended runway centerline. A post-crash fire ensued. Both the pilot in command and the one other occupant of the aircraft survived the crash with non-life-threatening injuries and were able to extract themselves from the aircraft. Airport Operations arrived at the scene, quickly contacted the pilots and guided them to paramedics. Airport Operations then directed ARFF back to the crash site. ARFF extinguished the fire and secured the scene. Texas DPS troopers arrived soon thereafter to lend assistance, until FSDO inspectors could respond to investigate. The pilots were transported to the Medical City hospital.

<b>INCIDENTS</b>	
<b>Date</b>	<b>Description</b>
03/05/26	A citation taxiing south on bravo cut corner while turning left onto foxtrot and stuck left main gear in the sod. FBO and Precision Maintenance staff were able to tug the airplane free and tow it to parking.
03/11/26	A wind gust caused an aircraft to tip on the left wing and propellor in the A7 run-up area. This caused damage to left wing, propellor blades, and wheels. The aircraft was pulled down onto wheels by maintenance and towed to hangar at the end of kilo.
03/15/26	An aircraft attempted to taxi from Hotel to Lima and tipped due to the high winds. The aircraft tipped on to its left wing and nose before the pilot and one other individual righted aircraft and pushed it to a hangar on Hotel. No other damage or other injuries were reported.

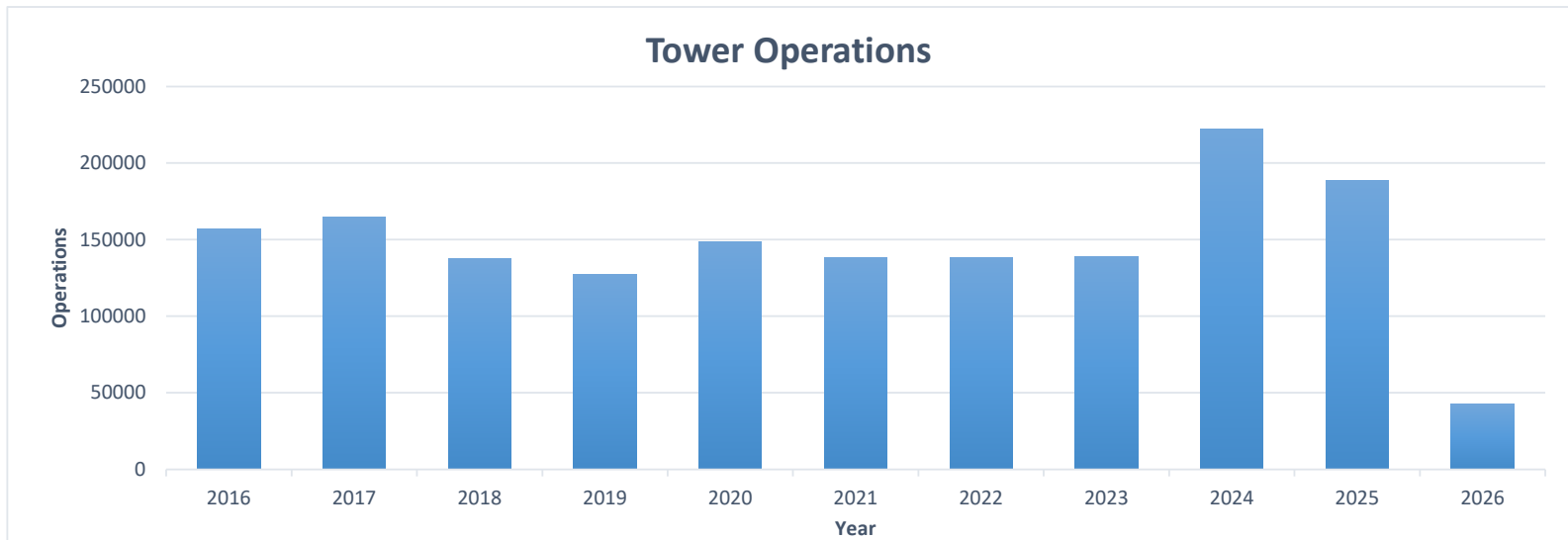
<b>March WEATHER DATA</b>	
<b>Days with Measurable Precipitation</b>	<b>Days with an Avg. Wind over 10mph</b>
2	24

**EXHIBITS**

1. Historical Airport Operations 2016-2026 (Attached)
2. Construction Updates

# DENTON ENTERPRISE AIRPORT HISTORICAL OPERATIONS

Month:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
JAN	12074	11070	13036	12323	9830	9138	14030	13814	14618	16068	11418
FEB	12530	9300	7899	9307	11704	6697	10469	13218	20919	13379	16782
MARCH	9240	10846	10659	13074	10055	12423	12719	15134	21655	15180	14520
APRIL	10226	9390	11314	11709	12090	10631	13601	14993	16992	13284	
MAY	11958	11914	14854	11172	12690	10704	9902	19470	19503	15839	
JUNE	11962	10342	12521	12468	11282	11519	15321	18549	22043	16270	
JULY	13190	11162	13553	11718	14274	14124	15936	19931	13869	18637	
AUG	11461	10514	14888	10392	13076	12868	17597	21408	14855	14955	
SEP	13523	11010	11477	12176	10911	13672	20217	20484	20090	18046	
OCT	13021	10870	13682	11444	11445	12837	17794	18362	23875	17063	
NOV	9195	10249	13276	11367	10508	12482	14415	18860	18914	16431	
DEC	9166	10899	11539	11379	10296	12051	14217	17977	14613	13518	
<b>Total:</b>	<b>157339</b>	<b>165052</b>	<b>137546</b>	<b>127566</b>	<b>148698</b>	<b>138529</b>	<b>138161</b>	<b>139146</b>	<b>221946</b>	<b>188670</b>	<b>42720</b>



Tower OPS 2016-2026

## CONSTRUCTION UPDATE May 2026

The following provides a status update on the capital improvement projects that are in progress at the Airport:

### Site 10:



# DENTON ENTERPRISE AIRPORT (KDTO), TEXAS

## 70' X 65' CORPORATE HANGARS



Delivering July 2026

### PROJECT SUMMARY:

Introducing a rare opportunity to secure one of only four newly constructed corporate aircraft hangars at Denton Enterprise Airport. Specifically **designed for high-end private & corporate aircraft operators**, your own direct ground lease with the City, no association, secure gated airside with private auto access.



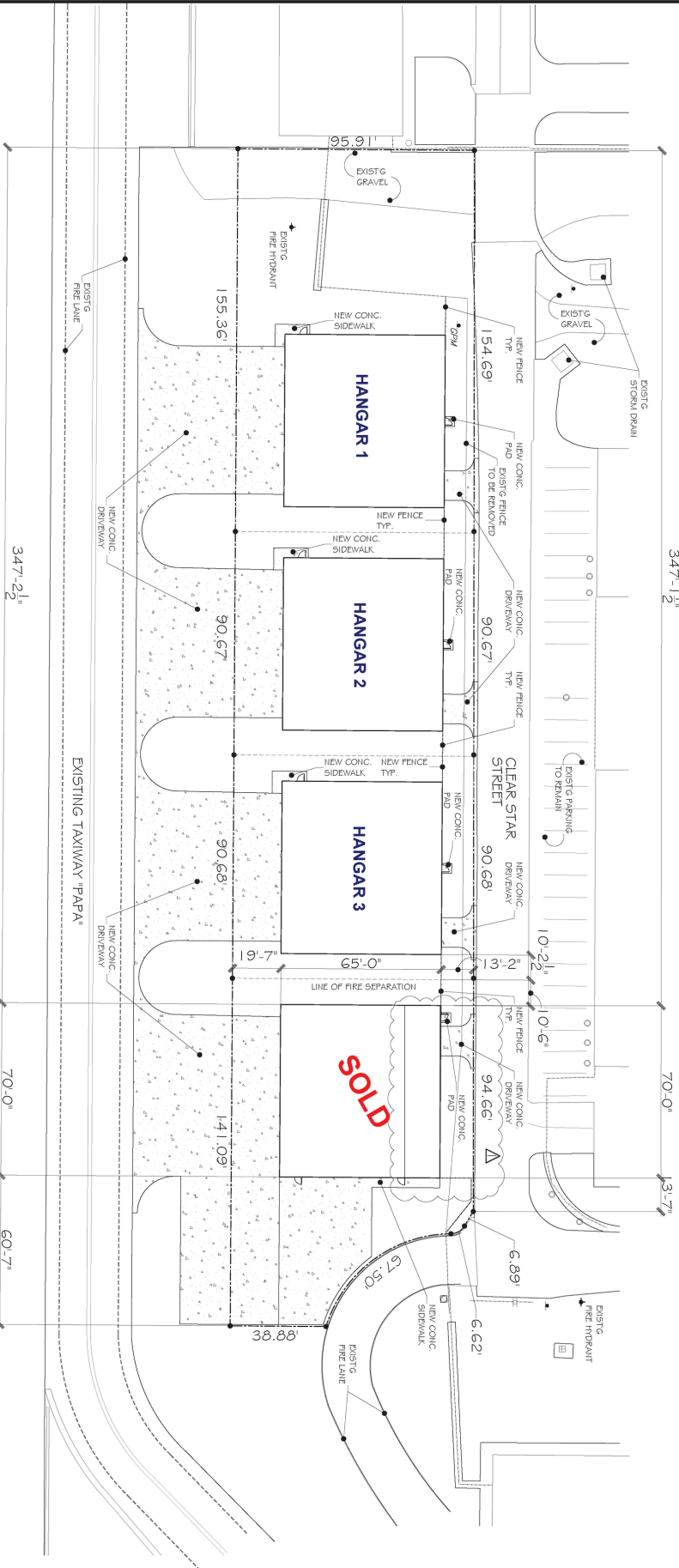
### NEW CONSTRUCTION:

- **70' x 65' Corporate Hangars**
- 60' x 18' Hydraulic Hangar Doors
- 12' x 14' Auto Garage Access
- **40-Year Land Lease with City**
- 200 Amp; 3-Phase Electric
- LED Lighting, Big Ass Fans, Insulated, Floor Drains, & more!

Ryan Cox, Broker  
**682-225-3262**  
ryan@airspacetexas.com  
airspacetexas.com

# 70' X 65' CORPORATE HANGARS

## Denton Enterprise Airport - KDTO



**AIRSPACE**  
 Ryan Cox, Broker  
 682-225-3262  
 ryan@airspace.com  
 airspacetexas.com

AREA OF EXTERIOR WALL OPENINGS BASED ON FIRE SEPARATION DISTANCE

	HANGAR 1	HANGAR 2
1. Distance from Last Used To		
2. Distance from Last Used To		
3. Unobstructed Opening Size	1412 x 6	1412 x 6
4. Maximum Allowable Area, Sq. Ft.	156	156
5. Maximum Allowable Area, %	156	156
6. Degree of Opening	Unobstructed	Unobstructed
7. Maximum Allowable Area, Sq. Ft.	156	156
8. Maximum Allowable Area, %	156	156

80.53 ACRES  
 LOT 1, BLOCK 1  
 THE SOUTH-EAST AIRPORT  
 ADDITION  
 CITY OF DENTON  
 DENTON COUNTY, TEXAS

**SITE PLAN**  
 1" = 20' of scale

**SITE NOTES:**  
 1. Structure location may vary due to terrain and terrain.  
 2. Verify lot size and all dimensions prior to construction.

A CUSTOM BUILDING PROJECT FOR:  
**DENTON EXECUTIVE HANGAR #1**  
 DENTON ENTERPRISE AIRPORT  
 3300 CLEAR STAR STREET  
 DENTON, TEXAS

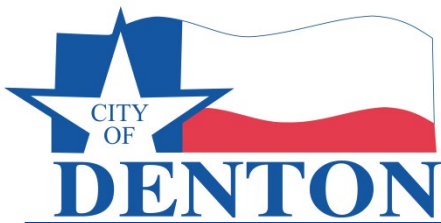
**AS** SHEET  
 JOB # 24-081



**CROSS TIMBERS ARCHITECTS**  
 4315 WINDSOR CENTRE TRAIL STE # 400  
 FLOWER MOUND, TEXAS 75026  
 PHONE: (972) 355-7754

DATE: MARCH 3, 2025  
 DRAWN BY: J.A., C.R.  
 REVISIONS:  
 JULY 11, 2025  
 AUGUST 12, 2025  
 NOVEMBER 6, 2025

**CLAUSE**  
 Cross Timbers Architects assumes no liability for any structure built from these plans. Before construction, the purchaser, builder, or contractor must verify dimensions, compliance with all governing codes & ordinances & recognize site conditions. Only a qualified engineer, architect, or structural engineer is permitted to alter these plans. These plans shall remain the property of Cross Timbers Architects & are not to be copied or reproduced without written permission.



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## ADMINISTRATIVE UPDATE May 2026

### **Standard Policies for Airport Development**

All development at Denton Enterprise Airport follows the same standards used throughout the City. The Denton Development Code and Criteria Manuals allow for director-approved flexibility on certain requirements when specific criteria are met. This flexibility has been applied for Airport developments; however, these airport-specific standards have not been formally documented, creating inefficiencies during development review.

The Airport is working with Development Services to establish clear, consistent policies that define these standards. The goal is to improve efficiency, provide predictable expectations for developers, and reduce staff time spent processing flexibility requests.

Airport-specific standards being developed include:

- Vehicular parking
- Site design
- Transportation planning (walkways, bicycle circulation, traffic impact analyses)
- Solid waste
- Drainage
- Landscaping
- Fire prevention

This effort is expected to conclude in late spring and a copy of the standards will be provided to the board at that time. The finalized standards will be provided to developers during pre-development meetings.

### **Airport Stormwater Detention Standards**

At the request of Denton Enterprise Airport, City of Denton Engineering staff evaluated how future development at the Airport might increase downstream flood risk and identify potential strategies to address impacts. Currently, any increase in downstream flood elevations due to development requires on-site detention.

The resulting downstream assessment indicates that full buildout of the Airport without detention would result in very minor increases in modeled flood elevations (0.01–0.07 feet), with no impacts to existing structures. Given the results and the requirement that the airport maximize aeronautical use, the City approved a deviation from the existing requirements due to the minimal impacts of development. As a result, future Airport development projects may proceed without drainage infrastructure obligations that are inconsistent with their impact.

### **Master Plan Update**

On January 13, 2026, the City Council approved a resolution to accept the Airport Master Plan Update. The Airport's planning consultants, Coffman Associates, have submitted the Airport Layout Plan (ALP) to the Aviation Division of the Texas Department of Transportation (TxDOT). After its review, TxDOT will then authorize the submittal of the ALP to the Federal Aviation Administration for final approval and acceptance. This final step is expected to take a number of months, and staff will report back to the Board with any updates.

### **Updates to Performance Scorecard**

The City of Denton tracks and publicizes performance metrics, in the form of a performance scorecard, for many of its departments, including the Denton Enterprise Airport. These scorecards are regularly provided to the City Council in the form of quarterly or annual reports.

The Airport recently updated its performance scorecard to better reflect airport operations and to include security and financial-related data.

[View the Airport Performance Scorecard online.](#)

<b>Airport Advisory Board/City Council Airport Related Items</b>				
<b>**Council Airport Committee – Dissolved 09/28/2021</b>				
<b>***Legal Review</b>				
<b>Description</b>	<b>Airport Advisory Board</b>		<b>City Council</b>	
	<b>Date</b>	<b>Action</b>	<b>Date</b>	<b>Action</b>
<b>Pending Items</b>				
Airport Land Lease – Leasing Policy Updates	Pending	Pending	Pending	Pending
Lease Agreement (Consolidation) - Sheltair	06/10/2026	Pending	Pending	Pending
Lease Agreement – Site 2	06/10/2026	Pending	Pending	Pending
Garver – Third Amendment – Pavement Design	Pending	Pending	Pending	Pending
<b>Completed Items with Airport Advisory Board and City Council</b>				
Lease Amendment – Sheltair – 4849 Spartan Drive (Site 0)	03/11/2026	Pending	03/24/2026	Pending
Airport Master Plan	11/20/2025	Approved 5-0	1/13/2026	Approved 7-0
Chapter 3 Amendment	10/08/2025	Approved 5-0	12/02/2025	Approved 7-0
Airport Rules and Regulations Amendment	10/08/2025	Approved 5-0	n/a	n/a
Consent to Collateral Assignment – U.S. Aviation Academy, LLC	10/08/2025	Approved 5-0	10/21/2025	Approved 6-0
Consent to Lease Assignment – Ezell Aviation, Inc to Marklyn Jet Parts, LLC	06/11/2025	Approved 7-0	06/17/2025	Approved 7-0
Consent to Collateral Assignment – HC Aviation Property Holdings, Inc	06/11/2025	Approved 7-0	06/17/2025	Approved 7-0
Land Lease Agreement – Hangar Club, LLC – Site 3 & 4	06/11/2025	Approved 7-0	06/17/2025	Approved 7-0
918 Aeronca Lane – Airport Hangar Lease Agreement	04/09/2025	Approved 6-0	04/15/2025	Approved 7-0
922 Aeronca Lane – Airport Hangar Lease Agreement	04/09/2025	Approved 6-0	04/15/2025	Approved 7-0
926 Aeronca Lane – Airport Hangar Lease Agreement	04/09/2025	Approved 6-0	04/15/2025	Approved 7-0
5088 Sabre Drive – Airport Hangar Lease Agreement	04/09/2025	Approved 5-1	04/15/2025	Approved 7-0
Garver – Second Amendment – Pavement Analysis	04/09/2025	Approved 6-0	05/06/2025	Approved 7-0
Airport Rates and Fees	12/11/2024	Approved 6-0	02/18/2025	Approved 7-0
Drainage Study – Garver Proposal – Task Amendment 1	02/12/2025	Approved 4-0	02/18/2025	Approved 7-0
Feasibility Study – UAS/Drone	02/12/2025	Approved 4-0	02/18/2025	Approved 7-0
Wayne and Maribeth Yarbrough – Lease Assignment	01/08/2025	Approved 5-0	01/14/2025	Approved 7-0

**Airport Advisory Board/City Council Airport Related Items****\*\*Council Airport Committee – Dissolved 09/28/2021****\*\*\*Legal Review**

<b>Description</b>	<b>Airport Advisory Board</b>		<b>City Council</b>	
	<b>Date</b>	<b>Action</b>	<b>Date</b>	<b>Action</b>
HC Commercial – Lease Agreement – Site 10	11/13/2024	Approved 5-0	11/19/2024	Approved 7-0
First Financial Resources – Lease Assignment	11/13/2024	Approved 5-0	11/19/2024	Approved 7-0
Airport Leasing and Development Policy	09/11/2024	Approved 6-0	10/15/2024	Approved 7-0
US Trinity Aviation, LLC – Lease Agreement – Site 9	10/09/2024	Approved 7-0	10/15/2024	Approved 7-0
GKY Holdings 1, LLC – Lease Amendment	08/14/2024	Approved 5-0	09/17/2024	Approved 7-0
Airport Master Plan	03/20/2024	Approved 5-0	04/02/2024	Approved 7-0
Airport Financial Update	03/20/2024	Work Session	N/A	N/A
Roanoke Air and Auto, Inc – Lease Agreement	03/20/2024	Approved 5-0	04/02/2024	Approved 7-0
Hangar 10 Flying Museum – Lease Assignment	02/14/2024	Approved 6-0	02/20/2024	Approved 7-0