



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Transportation

CM/ DCM/ ACM: Mario Canizares

DATE: December 5, 2017

SUBJECT

An Ordinance of the City of Denton, Texas approving a consent to assignment of an Airport lease between Mark Hicks Transport, LLC and Polygon Enterprises, Inc. and providing an effective date. Council Airport Committee recommends approval (2-0).

BACKGROUND

The Mark Hicks Transport lease agreement is a 40-year agreement dated October 20, 2015, effective October 20, 2015 to October 19, 2055. The 26,223 square foot leasehold includes one, 10,000 square foot hangar, apron and auto parking.

Polygon Enterprises, Inc. is currently a based customer of US Jet FBO and is interested in acquiring their own hangar facility to accommodate one existing based corporate aircraft. The proposed assignment does not include any renegotiated terms or conditions.

OPTIONS

1. Recommend assignment of the Mark Hicks Transport, LLC lease to Polygon Enterprises, Inc. with additional direction.
2. Take no action at this time.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

Council approved the lease agreement on October 20, 2015, Ordinance 2015-324.

Council approved the first amendment on November 1, 2016, Ordinance 2016-337.

Council Airport Committee recommended approval on November 28, 2017.

FISCAL INFORMATION

This property lease is for 26,223 square feet of land for a current annual lease rate of \$7,080.24. The annual lease rate includes annual Consumer Price Index adjustment and will be adjusted on October 1, 2019.

A transfer fee of \$500 will be required by Assignor.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Economic Development

Related Goal: 1.1 Manage financial resources in a responsible manner

EXHIBITS

1. Agenda Information Sheet
2. Mark Hicks Transport Location Map
3. Request to assign October 4, 2017
4. Mark Hicks Transport Airport Lease Agreement
5. Mark Hicks Transport Airport Lease Agreement – First Amendment
6. Ordinance

Respectfully submitted:
Scott T. Gray, C.M., C.A.E.
Airport Manager