

March 24, 2021

WHEREAS, Commemorative Air Force, Inc. (“CAF”) currently leases approximately forty-five acres of land at Dallas Executive Airport from the City of Dallas (“City”) under that certain Lease and Use Agreement of Land and Facilities (the “Lease”) approved on December 10, 2014, by Resolution No. 14-2184; and

WHEREAS, the City and CAF entered into the first amendment to the Lease to shift the City’s obligation to construct 90,000 square feet of additional ramp space to CAF and reimburse CAF for the costs associated with the ramp construction in an amount not to exceed \$1,260,580.00, approved on August 26, 2020 by Resolution No. 20-1215; and

WHEREAS, CAF has completed the construction of the ramp, but the final construction cost exceeded the initial estimate by \$70,000.00; and

WHEREAS, the City and CAF entered into a Development Agreement for the construction of a 35,000 square foot museum/hangar building with a minimum investment of \$5,000,000.00 from CAF (the “Phase I Improvements”) approved on December 10, 2014, by Resolution No. 14-2185; and

WHEREAS, the Phase I Improvements also include the construction of an education center; and

WHEREAS, CAF’s affiliate The American Airpower Heritage Museum, Inc., a Texas non-profit corporation (the “Museum”) and the Museum’s wholly-owned subsidiary, AAHM DEA Education Center, LLC (“AAHM DEA”) will be responsible for the operation of CAF’s new museum and education center, respectively; and

WHEREAS, in order to utilize valuable incentive financing for development of the education center under the federal New Markets Tax Credit program, CAF subleased its leasehold interest in the education center portion of the leased premises and transferred its interest in the existing improvements and construction-in-progress for the education center to AAHM DEA; and

WHEREAS, AAHM DEA will complete the development and construction of the education center; and

WHEREAS, in consideration of an additional capital investment of \$2,000,000.00 into the airport, the City desires to amend the lease to allow the Museum and AAHM DEA, as the entities responsible for the operation of the Phase I Improvements, to meet CAF’s various rent abatement benchmarks, to fulfill CAF’s existing capital investment obligation, and to enter into loan security instruments involving their interest in the subleased premises.

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Now Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is authorized to execute the Second Amendment to the Lease and Use Agreement of Land Facilities between the City of Dallas, and Commemorative Air Force, Inc., approved as to form by the City Attorney.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$70,000.00 to The Commemorative Air Force, Inc. from Aviation Fund, Fund 0130, Unit 7731, Object 4599, Vendor VS86790, Program AVICAF, CX-AVI-2021-00015902.

SECTION 23. That this Second Amendment is designated as Contract No. AVI-2021-00015902.

SECTION 34. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.