



Legislation Details (With Text)

File #: 20-1952 **Version:** 1 **Name:**

Type: CONSENT AGENDA **Status:** Approved

File created: 9/30/2020 **In control:** Department of Aviation

On agenda: 10/28/2020 **Final action:** 10/28/2020

Title: Authorize the first amendment to the Aviation Lease of Land at Dallas Love Field dated May 20, 2016 with DAL Aviation Development Company, LLC (DAL Avitation) to: (1) accommodate the United States Customs and Border Protection operations - Estimated Revenue Foregone: \$30,008.06; and (2) authorize payments from the City to DAL Aviation for fire alarm panel upgrades - Not to exceed \$15,000.00 - Financing: Aviation Fund

Sponsors:

Indexes: 2

Code sections:

Attachments: 1. Map, 2. Resolution

| Date | Ver. | Action By | Action | Result |
|------|------|-----------|--------|--------|
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STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: October 28, 2020

COUNCIL DISTRICT(S): 2

DEPARTMENT: Department of Aviation

EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize the first amendment to the Aviation Lease of Land at Dallas Love Field dated May 20, 2016 with DAL Aviation Development Company, LLC (DAL Avitation) to: **(1)** accommodate the United States Customs and Border Protection operations - Estimated Revenue Foregone: \$30,008.06; and **(2)** authorize payments from the City to DAL Aviation for fire alarm panel upgrades - Not to exceed \$15,000.00 - Financing: Aviation Fund

BACKGROUND

Dallas Love Field Airport (the "Airport") is currently designated as a User Fee Airport through the United States Customs and Border Protection ("CBP") Service. As part of the designation, CBP requires that a secure facility be provided for its operations. On September 8, 2010, City Council authorized a contract for the construction of a CBP facility at the Airport, and subsequently on December 8, 2010, authorized a memorandum of understanding with CBP detailing its operations at the new facility.

On September 9, 2015, City Council authorized two leases with The Braniff Centre, LP (“Braniff Centre”) for commercial and aviation uses at the Airport. Each of the two leaseholds included a portion of the existing CBP facility. While the CBP facility was located within Braniff Centre’s leasehold areas, all rights and obligations relating to the CBP facility were subject to the City’s memorandum of understanding with CBP.

However, CBP recently notified the Department of Aviation that its facilities must remain under the exclusive control of the Airport and cannot be part of another leasehold. In an effort to comply with this requirement, the City is proposing to amend the Aviation Lease of Land at Dallas Love Field with DAL Aviation,” assignee of Braniff Centre) to exclude the area occupied by CBP and revert that area to the control of the Airport. However, in the event the City relocates CBP to another facility, DAL Aviation would have the right to lease back the approximately 1,200 square feet of space would revert back to DAL Aviation’s leasehold at the then-current rental rate. The ramp area adjacent to the CBP facility will remain part of the DAL Aviation leasehold.

The proposed amendment also authorizes the Department of Aviation to pay for expenses incurred with providing the necessary fire alarm panel upgrades in the CBP facility.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 9, 2015, City Council authorized the Aviation Lease of Land by Resolution No. 15-1693.

FISCAL INFORMATION

Estimated Revenue Foregone: Aviation Fund \$30,086.06

| Fund | FY 2021 | FY 2022 | Future Years |
|---------------|-------------|---------|--------------|
| Aviation Fund | \$15,000.00 | \$0.00 | \$0.00 |

OWNER

DAL Aviation Development Company, LLC

CLT Aviation Partners, LP, its manager
TAC Air DAL GP, LLC, its general partner
Greg Arnold, Manager

MAP

Attached