



**Lease Agreement/Renewal  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 4  
**AGENDA DATE:** Thu 03/25/2004  
**PAGE:** 1 of 1

**SUBJECT:** Approve the negotiation and execution of an amendment to a lease with TEMPLE-INLAND FOREST PRODUCTS CORPORATION, Austin, TX to increase the area of land leased to Temple-Inland at Austin-Bergstrom International Airport.

**AMOUNT & SOURCE OF FUNDING:** Revenue generating contract. Annual net revenue amount for 4.75 acres is \$41,382.08. Anticipated revenue of \$17,242.53 is not included in Aviation's Approved Fiscal Year 2003-2004 Budget. Revenue over the life of the (30-year) term is estimated at \$1,241,462.

**FISCAL NOTE:** There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING** Aviation  
**DEPARTMENT:**

**DIRECTOR'S  
AUTHORIZATION:** Jim Smith

**FOR MORE INFORMATION CONTACT:** Charles W. Gates, Director of Finance and Administration - (512) 530-7526

**PRIOR COUNCIL ACTION:** Original Temple-Inland Airport Lease approved on January 29, 2004.

**BOARD AND COMMISSION ACTION:** Recommended by the Austin Airport Advisory Commission.

---

On January 29, 2004, Council approved the negotiation and execution of a lease with Temple-Inland of 2.4 acres of land at Austin-Bergstrom International Airport for the construction of a hangar and related facilities. The Department of Aviation seeks approval to amend the Temple-Inland airport lease to increase the size of the leased premises by approximately 2.35 acres for a total of approximately 4.75 acres of land at the airport. In working with Temple-Inland staff and their architects and engineers it was determined that the original site is too small to fully meet their immediate needs or allow the construction of a possible future second hangar at the site. Temple-Inland would like to secure the land at this time to not inhibit future development.

The same lease rates apply, an annual ground rental rate of \$.20 per square foot, subject to escalation based on CPI during the lease:

|                      |            |                      |
|----------------------|------------|----------------------|
| Original:            | 2.4 @ .20  | = \$20,908.88        |
| Additional           | 2.35 @ .20 | = \$20,473.20        |
| Total Amount to DOA: |            | \$42,382.08 per year |