



City of Austin

Recommendation for Action

File #: 25-0926, **Agenda Item #:** 18.

6/5/2025

Posting Language

Authorize negotiation and execution of an amendment to the amended and restated fixed base operator lease and development agreement with Austin FBO, LLC, for approximately 38 acres of land at Austin-Bergstrom International Airport, to provide for the reimbursement by Austin FBO, LLC, to the City of an amount not to exceed \$3,118,000 for the construction and renovation costs associated with the AUS AEDP MFT-Economy Lot 3 Project, as part of the Midfield Taxiway Project, and their proportionate share of the design costs. Funding: Due to the anticipated construction timeframe, this item is not projected to result in additional revenue for the Fiscal Year 2024-2025 Operating Budget of the Department of Aviation.

Lead Department

Aviation

Fiscal Note

This item is not projected to result in additional revenue for the Fiscal Year 2024-2025 Operating Budget of the Department of Aviation.

Prior Council Action:

November 19, 2009 - Council authorized negotiation and execution of a Fixed Base Operator Lease and Development Agreement with Austin FBO, LLC's predecessor in interest, Advanced Services, Inc. d/b/a Jet Black Flight Service.

April 18, 2024 - Council authorized negotiation and execution of an amended and restated fixed base operator lease and development agreement with Austin FBO LLC, for approximately 40 acres of land at Austin-Bergstrom International Airport to modify and add to the leased premises, provide for the relocation of the water quality and water detention pond system, and add 10 years to the term.

For More Information:

Inquiries should be directed to Tracy Thompson, Airport Chief Officer - Business & External Affairs at tracy.thompson@flyaustin.com, 512-530-5023.

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on May 14, 2025.

Additional Backup Information:

As part of the amended and restated fixed base operator lease and development agreement with Austin FBO, LLC, Austin FBO, LLC, agreed to construct additional improvements at Austin-Bergstrom International Airport (AUS) with an estimated cost of \$50-55 million to include the relocation and redevelopment of storm water ponds, additional apron area, and the construction of three additional hangars, associated administrative space, and additional vehicle parking.

In consideration for, among other things, the City's consent and approval of certain documents related to the issuance of tax-exempt debt in exchange for taxable debt associated with the facilities at AUS, Austin FBO has

agreed to reimburse the City an amount not to exceed \$3,118,000 for the construction and renovation costs associated with the AUS AEDP MFT-Economy Lot 3 Project, as part of the Midfield Taxiway Project, and their proportionate share of the design costs.