



# Milwaukee County

## Legislation Text

File #: 11-85, Version: 1

From the Director, Department of Transportation and Public Works, and the Airport Director, requesting authorization to sell one of Signature Flight Support's hangar facilities at General Mitchell International Airport (GMIA) to Air Cargo Carriers, LLC, and enter into a new lease agreement for the rental of approximately 99,279 square feet of land on which the hangar is located.

### **POLICY**

County Board approval is required for hangar sale transactions and for the issuance of long-term lease agreements at General Mitchell International Airport (GMIA).

### **BACKGROUND**

Air Cargo Carriers, LLC (Air Cargo Carriers) is requesting to enter into an agreement for the lease of approximately 99,279 square feet of land at GMIA on which to operate and maintain an aircraft hangar upon County Board consent to the sale of an aircraft hangar from Signature Flight Support. The land is a combination of land previously leased under Airport Agreement Nos. BO-1180 and OL-1333. Air Cargo Carriers is a current tenant of GMIA, which owns and leases land in the Northwest Hangar Area to support its air freight operation.

### **RECOMMENDATIONS**

1. Airport staff recommends that Milwaukee County approve the purchase of the Signature Flight Support hangar by Air Cargo Carriers.
2. Airport staff further recommends that Milwaukee County enter into a new lease agreement with Air Cargo Carriers under the standard terms and conditions as other hangar plot lease agreements at General Mitchell International Airport, inclusive of the following:
  - a. The term of the agreement shall be for five (5) years, effective on the date of sale with an option to renew the agreement for an additional term of five (5) years.
  - b. Rental for the 99,279 square feet of land on which the hangar is located shall be at \$0.3033 per square foot per annum (based upon the latest appraised fair market value), subject to adjustment each July 1 based on the Consumer Price Index (All Urban Consumers) for the Milwaukee area, which is computed by comparing the then-current January index with the index of the preceding January.
  - c. The agreement shall contain the current standard insurance and environmental language for similar hangar land lease agreements.

**FISCAL NOTE**

Airport revenue will be \$30,111.32 per year.

Prepared by: Steven Wright, A.A.E., Airport Properties Manager

Approved by:

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Jack Takerian, Director  
Transportation and Public Works

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C. Barry Bateman  
Airport Director

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