



City of Austin

Recommendation for Action

File #: 25-0118, Agenda Item #: 4.

3/27/2025

Posting Language

Authorize negotiation and execution of a lease with Worldwide Flight Services, Inc. for certain premises consisting of approximately 1,466 square feet of building space and related improvements for office use and support of its ground handling operations at Austin-Bergstrom International Airport, for a term of one year, with a renewal option for an additional one-year term. Funding: This item is projected to result in approximately \$12,828 in additional revenue for the Fiscal Year 2024-2025 Aviation Department's Operating Budget.

Lead Department

Aviation

Fiscal Note

This item is projected to result in approximately \$12,828 in additional revenue for the Fiscal Year 2024-2025 Aviation Department's Operating Budget.

For More Information:

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

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on March 12, 2025.

Additional Backup Information:

The Department of Aviation seeks to lease Suite 200 of its air cargoport facility located at 9501 Cargo Avenue. Worldwide Flight Services, Inc. (WFS) is currently authorized to use this space under a temporary license agreement for office use and support of operations and services provided at Austin-Bergstrom International Airport, and desires to secure leased premises for a longer term.

Under the proposed terms for the new lease, WFS would lease for its exclusive use, approximately 1,466 square feet of building space subject to the current AUS-established cargo building base rental rate of \$14.00 per square foot per annum. This will generate an estimated annual base rent total of \$20,524. In addition to this base rent, there will be an O&M recovery fee calculated as 25% of the base rent, which is \$5,131. The base rent is subject to escalation annually based on the higher of CPI or 3%. The proposed lease will generate an estimated \$25,655 for a one-year term, or \$52,079 if a one-year option renewal is exercised.