



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: [Click or tap here to enter TMP-#.](#)

Submitted Department/Preparer: Aviation

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Estimating revenue in the amount of \$16,753.46; and authorizing the Director of Aviation to execute a twenty (20) year lease agreement with a ten (10) year renewal option with ALG Transportation, Inc. for 66,460 square feet of Hangar 5B and adjacent area located on NW Richards Road at the Charles B. Wheeler Downtown Airport.

Discussion

The lease is for a total of 66,460 square feet of Hangar 5B and adjacent area located on NW Richards Road at the Charles B. Wheeler Downtown Airport, for use of the Premises solely for the purpose of long or short term aircraft storage, aircraft maintenance, passenger and pilot accommodation, offices, and any related or ancillary uses to the foregoing. The term of the lease is for 20 years with a one time mutual option for a 10 year extension subject to Aviation Director approval. The lease will generate ground rent estimated at \$18,276.50 annually during years one through eight and ground and building rent at \$198,276.50 annually during years nine through twenty with CPI-U adjustments. Lessee agrees to invest \$1,000,000 in capital expenditures over the first two years of the initial term, followed by an additional \$1,000,000 during years three through five of the initial term. Ground Rent and Building Rent for the Option Term shall be in the then fair market rent for the land portion of the Premises.

Fiscal Impact

1. Is this legislation included in the adopted budget? ☐ Yes ☒ No
2. What is the funding source?
26-8300-620000-470640 – Aviation Fund
3. How does the legislation affect the current fiscal year?
Legislation will create an estimated revenue of \$16,753.46 for the current 2026 fiscal year.
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

Legislation will create an estimated revenue of \$18,276.50 annually during FY2027 through FY2034, \$198,276.50 annually during FY2035 through FY2045, and \$148,707.36 during FY2046 at the end of the initial term.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

Legislation will create an estimated revenue of \$18,276.50 annually during FY2027 through FY2034, \$198,276.50 annually during FY2035 through FY2045, and \$148,707.36 during FY2046 at the end of the initial term.

Office of Management and Budget Review

(OMB Staff will complete this section.)

- | | | |
|---|---|--|
| 1. This legislation is supported by the general fund. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 2. This fund has a structural imbalance. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 3. Account string has been verified/confirmed. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?
Infrastructure and Accessibility (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - ☐ Engage in thoughtful planning and redesign of existing road networks to ensure safety, access, and mobility of users of all ages and abilities.
 - ☒ Enhance the City's connectivity, resiliency, and equity through a better-connected multi-modal transportation system for all users.
 - ☒ Build on existing strengths while developing a comprehensive transportation plan for the future.
 - ☒ Develop environmentally sustainable infrastructure strategies that improve quality of life and foster economic growth.
 - ☒ Ensure adequate resources are provided for continued maintenance of existing infrastructure.
 - ☐ Focus on delivery of safe connections to schools.

Prior Legislation

None.

Service Level Impacts

Click or tap here to provide a description of how this ordinance will impact service levels. List any related key performance indicators and impact.

Other Impacts

1. What will be the potential health impacts to any affected groups?
Not applicable.
2. How have those groups been engaged and involved in the development of this ordinance?
Not applicable.
3. How does this legislation contribute to a sustainable Kansas City?
This Lease Agreement supports our goal to maximize revenue while providing services to corporate and private entities.
4. Does this legislation create or preserve new housing units?
No (Press tab after selecting)

Click or tap here to enter text.

Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

Please Select (Press tab after selecting)

Click or tap here to enter text.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?

Yes(Press tab after selecting)

In an effort to prevent disclosure of confidential information, a separate communication will be provided to City Council members to reflect the top three proposers for the RFP/Q.