



MEMORANDUM

Council Agenda
Item No. IX. AT
11/5/2024

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Oklahoma City Airport Trust Amendment No. 1 to the Lease and Operations Agreement with OnCue Marketing, LLC, to incorporate the final site plan, establish certain infrastructure improvement credits, and confirm the Primary Lease Period commencement date, retroactive to July 1, 2023, Will Rogers World Airport. Ward 3.

Location:

Will Rogers World Airport

Background:

The Trust entered into a Lease and Operations Agreement (“Agreement”) on July 23, 2020 with OnCue Marketing, LLC (“Lessee”), to lease land to construct certain Facilities and Infrastructure Improvements (“Improvements”) to conduct operations as a retail convenience store including a restaurant and fueling station. Upon completion of construction the Lessee received a temporary certificate of use and occupancy from the City, dated June 27, 2023.

The parties agreed that Lessee would build three Detention Ponds and construct an underground reinforced concrete pipe for drainage purposes (“Drainage”) as part of the Improvements, and upon completion of construction the Lessee would transfer the Detention Ponds and Drainage to the Trust, through a bill of sale, for credits of \$100,000 and \$250,000, respectively. These will be reimbursed by the Trust to the Lessee, evenly over a three year period. The parties desire to memorialize the Primary Lease Period commencement date and the improvement credits.

The City of Oklahoma City is not a party to the Lease and Operations Agreement with OnCue Marketing, LLC but is approving this Amendment No. 1 to the Lease and Operations Agreement as required by the City’s Lease Agreement with the Oklahoma City Airport Trust.

Revenue:

Ground Rent–\$266,829.69 annually; 1% escalation every 3 years beginning 07/01/2026.
Revenue to be recorded in Oklahoma City Airport Trust - Project Account – OKCAT- Airports-WRWA Eastside Development-Ground Space Rental (8000-REV2000-A0665-43450000).

Review:

Department of Airports

Recommendation: Amendment be approved.