

# Clemens Aviation, LLC Use & Lease Agreement

Colonel James Jabara Airport  
*Wichita Airport Authority*



*February 18, 2020*



# Background

- Dwayne Clemens is the owner and operator of Stearman Field in Benton
- Clemens manages a Fixed Base Operation (FBO) at Stearman that provides aircraft fuel sales, charter, maintenance, management, pilot services, hangar sales, and a residential estates airpark
- Stearman Field is the fastest-growing General Aviation (GA) airport in the state with more than 219 based aircraft , and is viewed by KDOT Aviation as a model of success for other airports for economic development

# Background

- Clemens operates a fleet of 21 aircraft with a variety of types
- Largest Beechjet operator in the country with 14 aircraft
- Largest General Aviation flight department in Kansas with over 30 pilots
- 64 investors from Wichita that have shares in its jet management program

# Proposal

- Clemens proposes to construct two 18,000 SF hangars with support and office areas
- They will build an aircraft ramp adjacent to the hangars
- They will provide storage, maintenance, pilots, and other services for its owned, leased, or managed aircraft
- They will provide FAR Part 135 charter services for hire

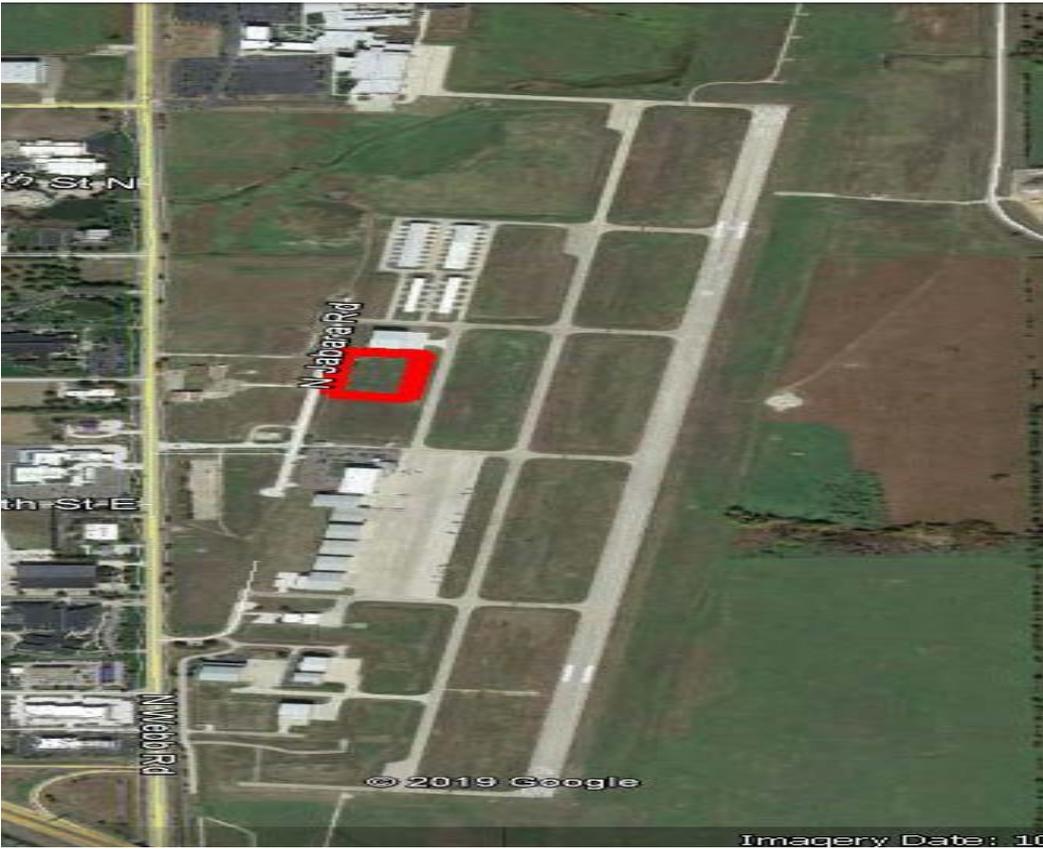
# Key Financial & Business Terms

- Lease Term: 30 years
- Leasehold size: 100,519 SF +/-
- Initial Lease Rate for Site: \$0.2316 per SF per year
- Initial Annual Lease Revenue to WAA: \$23,280
- Lease Rate Escalation: 1% per year
- Facility Rent at then-current Fair Market Value starts in year 26

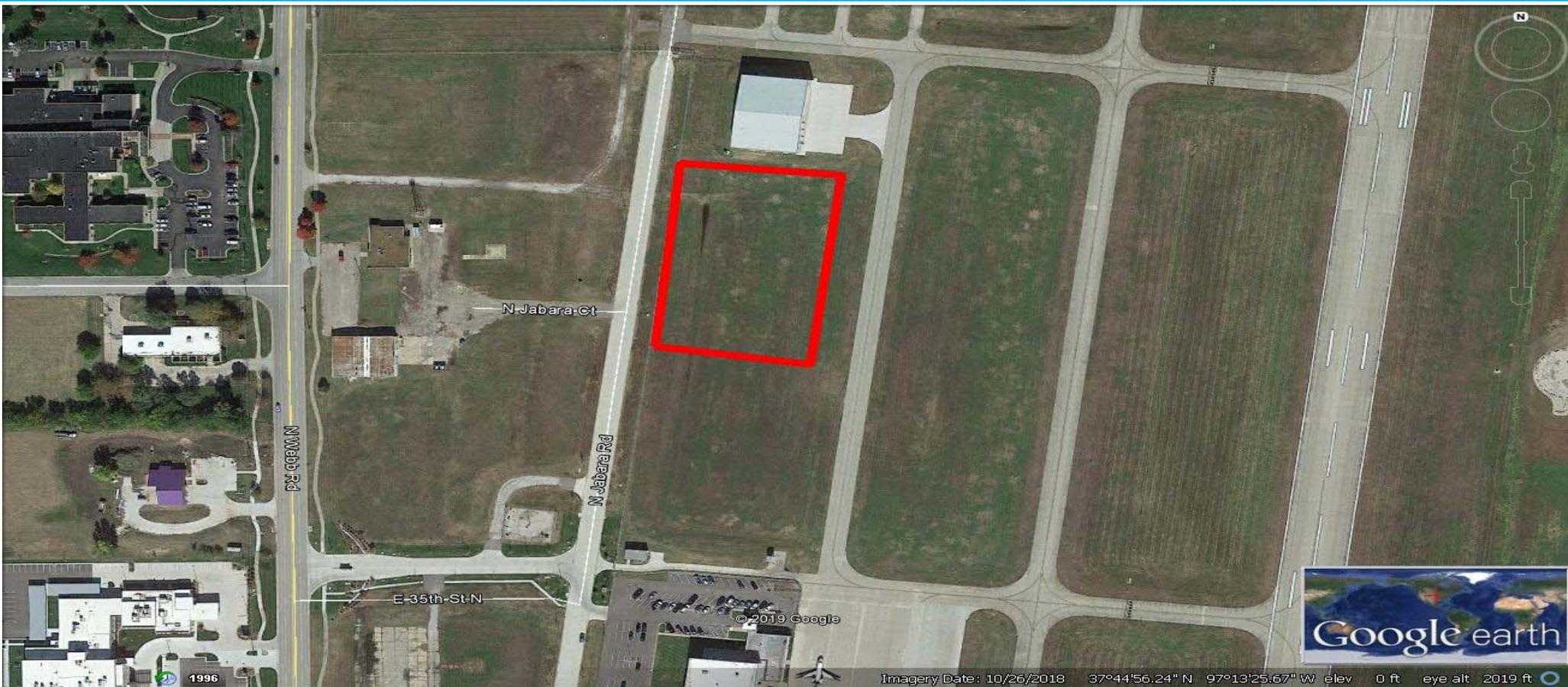
# Key Financial & Business Terms

- All construction costs will be paid by Clemens (includes hangars, aircraft ramp, vehicle parking, etc.)
- Triple Net Lease
- Clemens may choose to obtain Airport Special Facilities Revenue Bonds (ASFRB) financing in order to qualify for sales tax exemption on certain construction costs

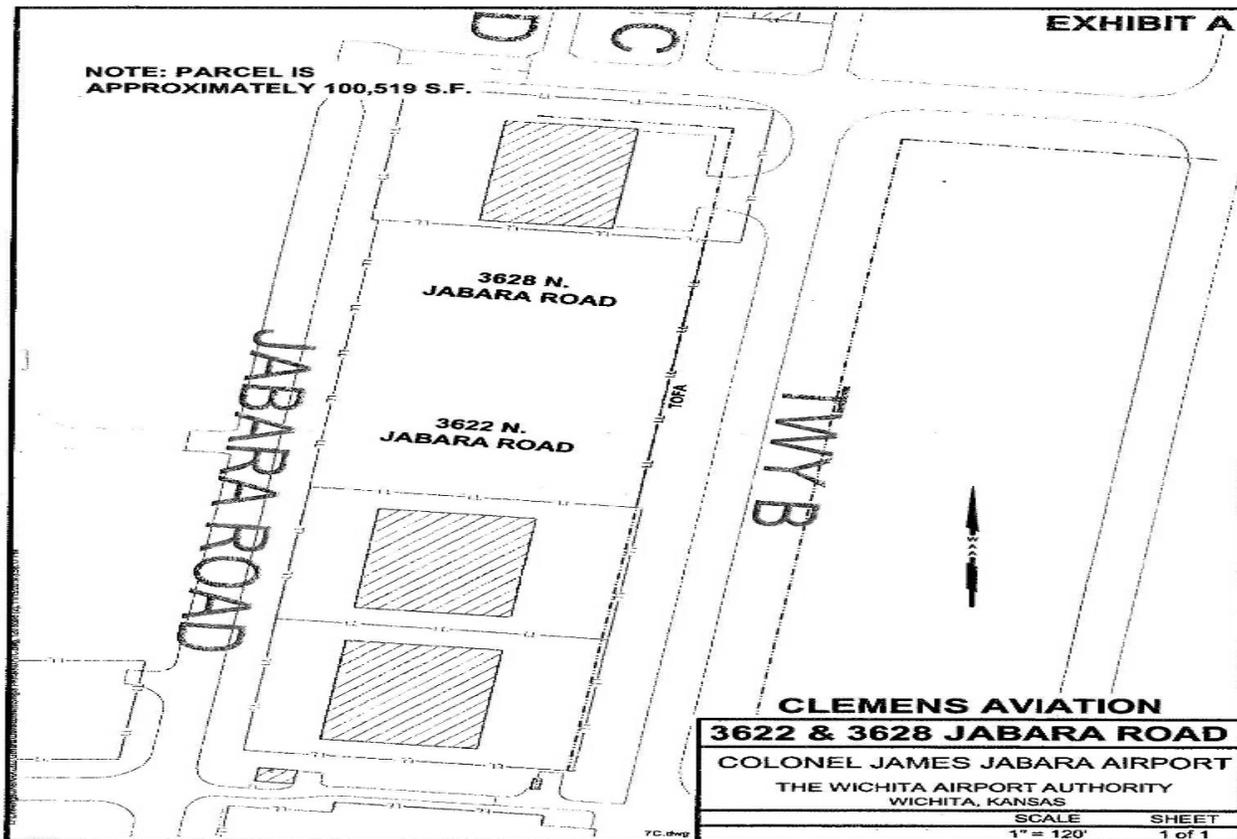
# Location of Proposed Facilities



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# Airport Board Action

- The proposal was reviewed and the financial and business terms of the lease were unanimously approved by the Wichita Airport Advisory Board (WAAB) at its February 2, 2020 meeting and recommended for approval by the Wichita Airport Authority

# Recommended Action

**It is recommended that the Wichita Airport Authority Approve the Use and Lease Agreement and authorize the necessary signatures**

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