

June 17, 2015

**WHEREAS**, on June 10, 1955, Braniff Airways, Inc., entered into a lease referenced herein as Lease No. 3 containing a combined total of approximately 36.082 acres of land with an option to lease an additional 9.036 acres of land, for aviation related purposes at Dallas Love Field authorized by the Dallas City Council on June 10, 1955, by Resolution No. 55-2693; and,

**WHEREAS**, on July 25, 1966, Braniff Airways, Inc. leased the option property resulting in a total combined leased premises containing 45.11 acres of land; and,

**WHEREAS**, on April 28, 1982 18.3242 acres of land under Lease No. 3, was assigned to The Southland Corporation; and,

**WHEREAS**, through multiple assignments, on December 31, 2005 Lease No. 3 was assigned to Signature Flight Support Corporation ("Signature"); and,

**WHEREAS**, it is in the best interest of the City and Signature to amend Lease No. 3.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That the City Manager is authorized to negotiate and execute, on behalf of the City of Dallas, the proposed fourth amendment to Lease No. 3 with Signature Flight Support Corporation after approval as to form by the City Attorney.

**Section 2.** That upon completion of the current term of Lease No. 3 on April 30, 2022, the portion of land and facilities that border Lemmon Avenue (Hangars 1 and 4) and the adjacent parking be reverted back to the City of Dallas.

**Section 3.** That the term of Lease No. 3 be extended from May 1, 2022 to October 31, 2043 to run coterminous with Lease No. 2.

**Section 4.** That the rental amount received be reduced by: 1) an annual amount of \$600,000 to be applied retroactively from October 1, 2012 until the end of Lease No. 3 term and 2) reimbursement to Signature for rent overpayment in the amount of \$1,650,000 from October 1, 2012 through June 30, 2015 in the form of monthly rent reduction/credits commence on July 1, 2015 through December 31, 2016.

**Section 5.** That Article VII, Paragraph 4 of Lease No. 3 be modified to be consistent with the escalator language in the current Signature Lease No. 2 to read as follows:

Commencing May 1, 2022 and every three years thereafter, including option periods, the annual improved ground and improvement rental rates for the Revised Leased Premises shall be subject to increase based on the CPI (hereinafter defined) in the manner hereinafter set forth; provided, however, that any increase in the rental rates based on the CPI adjustment described below shall not exceed twelve percent (12%) of the then existing rental rate. Rates shall adjust to the Airport's then-prevailing rates on May 1, 2022, May 1, 2029 and May 1, 2036. In any time of adjustment, the new proposed rate shall never be less than the existing rate.

**Section 6.** That the Chief Financial Officer is hereby authorized to deposit all revenues received under Lease No. 3, as amended, to: Aviation Operating Fund 0130; Dept. AVI; Unit 7722; Revenue Source 7814.

**Section 7.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY  
CITY COUNCIL

JUN 17 2015

*Lucas B. Lewis*  
City Secretary