

MEETING DATE

CITY OF LAKE CITY

Report to Council

COUNCIL AGENDA	
SECTION	
ITEM NO.	

SUBJECT: Hangar Rental Rate Increase

DEPT / OFFICE: Airport

Originator: Laura Kraft		
City Manager Paul Dyal	Department Director Dee Johnson	Date 2/21/2023
Recommended Action: Raise the hangar rental rate by \$.03/sq. ft. bringing the rate to \$0.18/ sq. ft.		
Summary Explanation & Background: It has been nearly 10 years since the rates have increased for the airport hangar rentals. In May of 2013 it was proposed to raise the rate \$0.03 per sq. ft. The current rates range from \$0.147 to \$0.165 per sq. ft. We are proposing to raise the rate to \$0.18 per sq. ft. for all hangars regardless of size or location (with exception to FHP, FL Wildlife, Forestry and Jayviation who have rental contracts and not rental agreements). Our airport's T-Hangars will range from \$215.10 to \$323.10 plus tax per month. Surrounding airports are currently charging \$223.68 to \$475.00 plus tax per month for T-Hangars (calculating out to \$0.23 - \$0.35 per sq. ft.). We would like this increase to take effect on May 1, 2023.		
Alternatives: Keep the rates the same and not increase revenue for the airport.		
Source of Funds: N/A		
Financial Impact: Produce \$1,169.36/month or \$14,032.32 annual increase in revenue for the airport.		
Exhibits Attached: None		