

CITY OF RICHLAND CENTER - AGENDA ITEM DATA SHEET

Agenda Item: A Resolution Adopting Updated Airport Lease and Rental Fees

Requested & Presented by: Darcy Perkins, Municipal Services Specialist

Meeting Date: Public Works Committee on 10-16-2025

Finance Committee and Common Council on 11-04-2025

Committee Review: Public Works Committee on 10-16-2025 – Motion by Fruit to recommend to the Finance Committee adoption of Resolution 2025-TBD, implementing updated airport lease and rental fees, and to authorize the City Attorney to prepare updated lease and rental agreements utilizing a standardized lease form. Seconded by Schultz. Motion carried unanimously by voice vote.

Background: The City manages eleven (11) private hangar lot lease agreements and six (6) City-owned hangar rental agreements at the Richland Municipal Airport (93c). The current rates have not been comprehensively updated in several years and no longer reflect market conditions or current operational costs.

Staff have reviewed the City's existing data and found that several of the rental and ground lease agreements on file are no longer active, having expired without renewal. To ensure consistency, compliance and adequate cost recovery, staff is proposing the following lease and rental fee updates to be implemented upon expiration of any active lease or on January 1, 2026 for any lease currently expired:

Recommended Adjustment Summary			
Lease Category	Ground Leases (11 Total)	Heated Rentals (2 Total)	Non-Heated Rentals (4 Total)
WI Small General Aviation (SGA) Range	\$0.03 - \$0.33/SF (Annually)	\$150.00 – \$305.83/month Average: \$227.92/month	\$120.00 – \$405.50/month Average: \$184.10/month
Regional Range	\$0.06 - \$0.50/SF (Annually)	\$135.00 – \$250.00/month	\$100.00 – \$500.00/month
Current Rates	\$0.10/SF (Annually)	\$150.00/month	\$125.00/month
Proposed Rates	\$0.125/SF (Annually)	\$187.50/month	\$156.25/month
Rate Increase	+\$0.025/SF (Annually)	+\$37.50/month (+\$450/year)	+\$31.25/month (+\$375/year)
Percentage Increase	+25%	+25%	+25%

These recommendations were developed using comparative data, inflationary trends, and guidance from the Wisconsin Bureau of Aeronautics (BOA). In addition to the updated rates, we are recommending an annual escalator clause not to exceed 5% be added to all new leases. Any future adjustments will be standardized through updated regional and WI SGA comparisons.

Department Recommendation: Staff recommend adoption of Resolution 2025-TBD, implementing updated airport lease and rental fees, and authorization for the City Attorney to prepare updated lease and rental agreements utilizing a standardized lease form.

Financial Impact: Increase of annual lease and rental revenue.

Requested Action:

FINANCE: Motion to recommend to the Common Council adoption of Resolution 2025- _____, implementing updated airport lease and rental fees, and to authorize the City Attorney to prepare updated lease and rental agreements utilizing a standardized lease form.

COUNCIL: Motion to adopt Resolution 2025- _____, implementing updated airport lease and rental fees, and to authorize the City Attorney to prepare updated lease and rental agreements utilizing a standardized lease form.

Attachment(s):

- Resolution 2025- _____, Adopting Updated Airport Lease and Rental Fees