

**RESOLUTION NO. R2023-04**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BURNET,  
TEXAS APPROVING FIRST AMENDMENT TO LETTER OF INTENT TO  
GROUND LEASE PROPERTY AT THE BURNET MUNICIPAL AIRPORT.**

**Whereas**, by Resolution no. R2022-71 City Council authorized first amendment to letter of intent with Airy Mount Properties, LLC., to negotiate ground leases for a 1.14 +/- acres located at the north end of the Burnet Municipal Airport runway; and 0.972 +/- acres located at the south end of the Burnet Municipal Airport runway; and

**Whereas**, the term of the First Amendment to the Letter of Intent expired on December 11, 2022; and

**Whereas**, City Council desires to accept a Letter of Intent with an expiration term of April 10, 2023; and

**Whereas**, the earnest funds of \$500 will carry forward; and

**Whereas**, it is City Council's intent the Letter of Intent is not assignable; and

**NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF  
BURNET, TEXAS, THAT:**

**Section one. Findings.** That the recitals to this Resolution are incorporated herein for all purposes.

**Section two. Approval.** The Letter of Intent attached hereto are hereby approved.

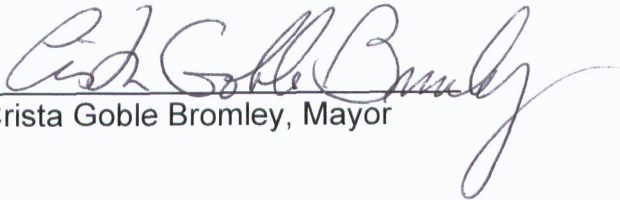
**Section three. Authorization.** The Mayor is hereby authorized to execute instruments in substantial form as the attachment and execute such ancillary documents and takes such related actions reasonably necessary to facilitate the intent of this Resolution. The City Manager is authorized to extend the term an additional ninety days without further City Council action.

**Section four. Open Meetings.** It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.


**Section five. Effective Date.** That this resolution shall take effect immediately upon its passage, and approval as prescribed by law.

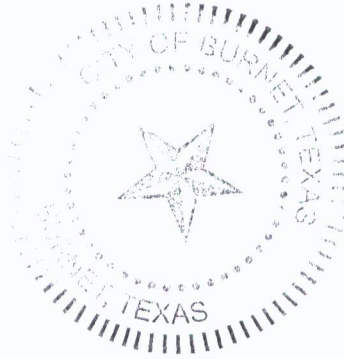
**PASSED AND APPROVED** this the 10<sup>th</sup> day of January, 2023.

CITY OF BURNET, TEXAS

  
Crista Goble Bromley, Mayor

ATTEST:

  
Kelly Dix, City Secretary



**Airy Mount Properties, LLC  
PO Box 1669  
Burnet, Texas 78611**

Wednesday, January 10, 2023

Crista Goble Bromley, Mayor  
City of Burnet Texas  
1001 Buchanan Drive, Suite 4  
Burnet, Texas 78611

***RE: LETTER OF INTENT***

The Honorable Crista Goble Bromley Mayor, City of Burnet, Texas:

This letter will serve as a Letter of Intent ("LOI") for a ground lease of a parcel of land at the Burnet Municipal Airport by and between Airy Mount Properties, LLC, or assign ("Tenant") and the City of Burnet, Texas ("Landlord").

The following expresses our understanding with respect to the matters described herein, but, unless provided otherwise herein, it is expressly understood that this Letter of Intent does not constitute a complete statement of the terms of the ground lease.

1. **Term.** This LOI shall have a term of ninety days from the date of execution by the Mayor.
2. **Ground Lease.** During the Term, Landlord and Tenant shall negotiate in good faith the terms and conditions of a written ground lease on which Tenant shall authorized and required to construct an aircraft hangar or hangars.
  - a. Within Term, the parties hereto shall negotiate in good faith the terms and conditions of a ground lease for the Parcel described herein. The parties agree the term of such lease shall not less than twenty (20) years and not more than forty (40) years, and any structure constructed on the leased premises shall become the property of the City of Burnet at the expiration of the ground lease.
  - b. During the Term of this LOI, the parties shall negotiate in good faith the rentals and any other airport fees and other lease provisions that are mutually agreeable and typical of other ground leases at the Burnet Municipal Airport.
  - c. In the event that the parties cannot agree to such terms before the expiration of the Term, either party may terminate this LOI and in such case neither party shall have any further obligation to the other.
3. **Earnest Money.** Tenant shall pay to the City of Burnet a fully refundable earnest money fee of \$500.00 for the Landlord to hold the parcel for ninety (90) days or until the ground lease is executed, whichever first occurs.

4. **Parcel.** The Parcels subject to this LOI are as follows:

- a. 1.14 +/- acres located at the north end of the Burnet Municipal Airport runway.
- b. 0.972 +/- acres located at the north end of the Burnet Municipal Airport runway.

**Note:** The parcels have not been surveyed. However, location and dimension approximations are reflected on **Exhibit "A"** attached hereto.

- 5. **Environmental Study.** Landlord shall provide to Tenant a copy of any environmental study conducted at the Burnet Municipal Airport, in any exists.
- 6. **Broker's Commission.** Neither Landlord nor Tenant shall be represented by a broker for which a commission is paid based on the ground lease or otherwise.
- 7. **Landlord's Representations.** Landlord agrees as follows: (i) no other third party has any contractual or other rights related to the Parcel; (ii) Landlord shall not market the parcel for lease or sale to any other third party during the Due Diligence Period noted above; (iii) at the end of the Due Diligence Period this LOI may be extend in writing by the parties for an additional ninety (90) days or this LOI shall automatically expire.

Upon execution of this LOI, it shall be binding on the parties during the Term or the execution of the ground lease, whichever first occurs. Notwithstanding the forgoing, in the event the Term of this LOI expires without the execution of a ground lease neither party hereto shall have any liability arising under this LOI as to the other party. This LOI replaces the 2022 LOI, and first amendment thereto, between the parties and the earnest money given with that LOI shall serve as the earnest money referenced herein.

Sincerely,

Airy Mount Properties, LLC

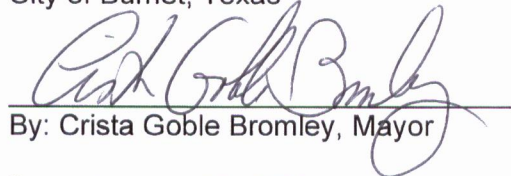
By: Alushield Investments, LLC



By: A.B. Walters, Member Manager

Accepted:

City of Burnet, Texas



By: Crista Goble Bromley, Mayor

Date: January 10, 2023

Exhibit A

