



Legislation Text

File #: 20-0878, **Version:** 1

Planning and Building Department, Airports Division, recommending the Board approve and authorize the Chair to sign County of El Dorado Airport Ground Lease for Portable Hangars 2008 with Jacob Parsons as Lessee, for a privately owned Twin "T" Hangar located on Space TP-13 at the Placerville Airport, representing use of 1,086 square feet of Airport ground, with a rental fee due of \$1,068 at commencement of the lease and paid annually thereafter based on fees established by Board Resolution in effect at the time payment is due, and providing, upon Board approval, an initial lease term of ten years with two additional ten-year lease options (Attachment B). (4/5 vote required)

FUNDING: Placerville Airport Enterprise Fund - Fee Revenue.

DISCUSSION / BACKGROUND

Airport users with portable hangars must enter into a lease with the County for the use of Airport property, in accordance with County Ordinance Code § 3.08.021. Each new ground lease includes language required by the County and the Federal Aviation Administration.

The proposed lease represents a new ground lease, upon which a privately-owned portable aircraft storage hangar will be utilized, and recognizes a change in ownership for the hangar occupying Placerville Airport Space TP-13, now owned by Jacob Parsons (Parsons Lease).

The initial term of the lease is ten years, with the Lessee given the right to extend the lease term for two additional ten-year lease options, under such terms and conditions as may be agreed upon at such time.

In accordance with County Ordinance Code § 18.04.100, Fees and Charges, fees for airport ground leases are set by a Board adopted Resolution; therefore, lease fees are not negotiated. Current Airport fees are in accordance with Resolution 183-2019 adopted by the Board on October 22, 2019, which established per Exhibit A the rental fee now referenced in the Parsons Lease, that being a set annual fee of \$1,068 for a Twin "T" hangar utilizing 1,086 square feet of designated airport property.

The Parsons Lease provides for an annual adjustment of the rental fee amount should the Board adopt different rates in the future.

A 4/5 vote is required in accordance with County Ordinance Code § 3.08.021(B) as authorized by Government Code Section 25536 or any successor statute.

ALTERNATIVES

The Board could choose to:

- 1) Approve the proposed Parsons Lease with a different term of the Board's choosing, for both the initial term and term options; or
- 2) Disapprove the proposed Parsons Lease, which will require removal of the portable hangar from County airport property, resulting in the loss of lease revenue until such time as a new hangar placement request is received and an airport ground lease is secured.

PRIOR BOARD ACTION

Adoption of Resolution 183-2019 (Attachment C) by the Board on October 22, 2019 (Item 31, Legistar 19-0663), titled "Resolution Establishing Chief Administrative Office, Airports Division Fee Schedule," thereby superseding Resolution 080-2019.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management (Attachment A)

CAO RECOMMENDATION

Approve as recommended.

FINANCIAL IMPACT

Lease rates are based on hangar type and square footage and set by a Board adopted Resolution. Should the Board adjust rates in the future, the annual lease payment reflected below will also adjust commensurate with Board direction.

Upon commencement, the Placerville Airport Enterprise Fund will receive annual revenue in the amount of \$1,068 from the Parsons Lease for use of Space TP-13.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board will obtain the Chair's signature on the two (2) original copies of the Parsons Lease.
- 2) Clerk of the Board will return one (1) fully executed original copy of the Parsons Lease to the County Procurement and Contracts Division, Building C of the County Government Center, for transmittal to the Lessee.

STRATEGIC PLAN COMPONENT

Economic Development and Good Governance.

CONTACT

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