

County of El Dorado

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Legislation Text

File #: 15-0500, Version: 1

Community Development Agency, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign the County of El Dorado Airport Ground Lease for Portable Hangars 460-L1611 (Land Lease) for Hangar Space SP-13, a Single "T" Hangar located at the Placerville Airport, with John G. McPherson and Donna J. McPherson, Revocable Trust, in an amount of \$792 per year as established by Resolution 079-2016 for ten years with two additional tenyear lease options. (4/5 vote required)

FUNDING: Placerville Airport Enterprise Fund - Fee Revenue.

DEPARTMENT RECOMMENDATION

Community Development Agency (CDA), Administration and Finance Division, recommending the Board approve and authorize the Chair to sign the County of El Dorado Airport Ground Lease for Portable Hangars 460-L1611 (Land Lease) for Hangar Space SP-13, a Single "T" Hangar located at the Placerville Airport, with John G. McPherson and Donna J. McPherson, Revocable Trust, in an amount of \$792 per year as established by Resolution 079-2016 for ten years with two additional tenyear (10-year) lease options.

DISCUSSION / BACKGROUND

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

The proposed agreement is a new Land Lease with John G. McPherson and Donna J. McPherson, Revocable Trust, upon which an 812 square-foot, privately-owned portable aircraft storage hangar will be utilized. The initial term of the lease is ten years; the Lessee has the right to extend the term for two additional 10-year lease options under such terms and conditions as may be agreed upon at such time.

In accordance with the County's Ordinance Code Title 18, Airports, Chapter 18.04, Section 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 were approved by the Board on May 3, 2016 (Item 31) under Resolution 079-2016. The current rate for land leases of this type is set at \$792 per year. The proposed Land Lease provides for annual adjustment of this amount if the Board adopts different rates in the future.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management

CAO RECOMMENDATION

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Chief Administrative Office concurs with staff's recommendations.

FINANCIAL IMPACT

The Placerville Airport Enterprise Fund will receive revenue of \$792 per year for the subject Land Lease at the Placerville Airport. The lease rate per unit is set by Resolution 079-2016, approved by the Board on May 3, 2016 (Item 31). Should the Board adjust rates in the future, annual lease payments will also adjust, commensurate with Board direction.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Chair will sign two (2) originals of the County of El Dorado Airport Ground Lease for Portable Hangars 460-L1611.
- 2) The Clerk of the Board will return one (1) fully executed original to CDA, Administration and Finance Division, for transmittal to the Lessee.

STRATEGIC PLAN COMPONENT

Economic Development, Effective Services, Financial Stability

CONTACT

Kate Sampson, Assistant Director Administration and Finance Division Community Development Agency