



## Legislation Text

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**File #:** 16-1057, **Version:** 1

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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 303-L1711 for Hangar Space H-26, a Rectangular Hangar at the Placerville Airport, with Russell G. Sardina, in an amount of \$1,021.68 per year as established by Resolution 079-2016, for ten years with two additional ten-year 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 303-L1711 (Ground Lease) for Hangar Space H-26, a Rectangular Hangar at the Placerville Airport, with Russell G. Sardina, in an amount of \$1,021.68 per year as established by Resolution 079-2016, for ten years with two additional ten-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 County 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 Ground Lease with Russell G. Sardina, upon which a 1,548 square foot privately-owned portable aircraft storage hangar will be utilized. The initial term of the Ground Lease is ten years; the Lessee has the right to extend the term for two additional ten-year lease options under such terms and conditions as may be agreed upon at such time.

In accordance with the County's 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 were approved by the Board on May 3, 2016 (Item 31), under Resolution 079-2016. The current rate for ground leases of this type is set at \$0.055 per square foot per month, which brings the subject Ground Lease to \$1,021.68 per year. The proposed Ground 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**

Approve the Department's recommendation.

### **FINANCIAL IMPACT**

The Placerville Airport Enterprise Fund will receive revenue of \$1,021.68 per year for the subject Ground 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 303-L1711.
- 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**

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Community Development Agency