



Legislation Text

File #: 20-0775, **Version:** 1

Planning and Building Department, Airports Division, recommending the Board approve and authorize the Chair to sign County of El Dorado Airport Ground Leases for Portable Hangars located at the Placerville Airport, which require a rental fee to be paid at commencement of the lease and annually thereafter, which are based on fees established by Board Resolution in effect at the time each lease payment is due, and provides upon Board approval for an initial lease term of ten years with two additional ten-year lease options, as follows:

- 1) Lease 2009, between the County and Lessee, Terry G. Campbell Revocable Trust dated December 14, 1999, for a rectangular hangar located on Space H-27, representing use of 2,350 square feet of ground at the Placerville Airport, with a commencement rental fee due of \$2,312.40 (Attachment B); and
- 2) Lease 2010, between the County and Lessee, Duncan DeLapp, for a rectangular hangar located on Space H-24, representing use of 2,016 square feet of ground at the Placerville Airport, with a commencement rental fee due of \$1,983.74 (Attachment D). (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.

These proposed leases represent new ground leases, upon which privately-owned portable aircraft storage hangars will be utilized, and provide each named hangar owner with the necessary authorization to continue occupying their current hangar space at the Placerville Airport, specifically, Space H-27 for Terry G. Campbell Revocable Trust dated December 14, 1999, Terry G. Campbell, Trustee (Campbell Trust Lease), and Space H-24 for Duncan DeLapp (DeLapp Lease).

The initial term of each lease is ten years, with each 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 fees now referenced in both leases, as follows:

- 1) Campbell Trust Lease with an annual fee of \$2,312.40 for a rectangular hangar utilizing 2,350 square feet of designated airport property; and
- 2) DeLapp Lease with an annual fee of \$1,983.74 for a rectangular hangar utilizing 2,016 square feet of designated airport property.

Both the Campbell Trust and DeLapp Leases provide 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 or disapprove on an individual lease basis;
- 2) Approve the proposed Campbell Trust and DeLapp Leases with a different term of the Board's choosing, for both the initial term and term options; or
- 3) Disapprove the proposed Campbell Trust and DeLapp Leases, which will require removal of both portable hangars from County airport property, resulting in the loss of lease revenue until such time as new hangar placement requests are received and airport ground leases are secured.

PRIOR BOARD ACTION

Adoption of Resolution 183-2019 (Attachment E) 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 (Attachments A and C).

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 payments reflected below will also adjust commensurate with Board direction.

Upon commencement, the Placerville Airport Enterprise Fund will receive annual revenue of \$2,312.40 from the Campbell Trust Lease for use of Space H-27, and \$1,983.74 from the DeLapp Lease for use of Space H-24, representing \$4,296.14 in combined annual revenue.

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 Campbell Trust Lease and DeLapp Lease; and
- 2) Clerk of the Board will return one (1) fully executed original copy of the Campbell Trust Lease and DeLapp Lease to the County Procurement and Contracts Division, Building C of the County Government Center, for transmittal to the respective Lessee.

STRATEGIC PLAN COMPONENT

Economic Development and Good Governance.

CONTACT

Tiffany Schmid, Director
Planning and Building Department