



Legislation Text

File #: 21-0482, **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, that require a rental fee to be paid at commencement of the lease and paid annually thereafter in accordance with fees established by Board Resolution 183-2019 by the Board on October 22, 2019 (Item 31, Legistar 19-0663), in effect at the time payment is due, and upon Board execution, a lease term of ten years as follows (4/5 Vote Required):

- 1) Lease 2016, between the County and Lessee, David Anderson, for a privately-owned Hangar located on Space SP-04 at the Placerville Airport, representing use of 812 square feet of Airport ground, with commencement rental fee due of \$792 (Attachment B);
- 2) Lease 2017, between the County and Lessee, Gerald Catalano, for a privately-owned Hangar located on Space TP-16 at the Placerville Airport, representing use of 1,086 square feet of Airport ground, with commencement rental fee due of \$1,068 (Attachment C); and
- 3) Lease 2018, between the County and Lessee, Dale Kral, for a privately-owned Hangar located on Space SP-09 at the Placerville Airport, representing use of 812 square feet of Airport ground, with commencement rental fee due of \$792 (Attachment D).

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 leases represent new ground leases, upon which a privately-owned portable aircraft storage hangar will be utilized, and recognizes a change in ownership for these hangars occupying:

- ☐ Placerville Airport Space SP-04, new owner David Anderson (Anderson Lease);
- ☐ Placerville Airport Space TP-16, new owner Gerald Catalano (Catalano Lease); and,
- ☐ Placerville Airport Space SP-09, new owner Dale Kral (Kral Lease).

Each lease includes a term effective upon Board execution and expiring ten (10) years thereafter. Upon expiration of the initial term, Lessees shall have the right to extend the term for an additional two (2) ten (10) year lease options under such terms and conditions as may be agreed upon at such time. After expiration, the County may issue a written notice authorizing each Lessee to holdover as a holdover tenant with a month-to-month term under the same lease terms and conditions, including Section 3 regarding payment of a prorated share of the annual rent due. The County may terminate at any time the holdover period upon thirty (30) days written notice.

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 establishes per Exhibit A (Attachment F) the rental fees now referenced in each lease, as follows:

- ☐ Anderson Lease with a flat annual fee of \$792 for a Single “T” Hangar utilizing 812 square feet of designed airport property;
- ☐ Catalano Lease with a flat annual fee of \$1,068 for a Twin “T” Hangar utilizing 1,086 square feet of designated airport property; and,
- ☐ Kral Lease with a flat annual fee of \$792 for a Single “T” Hangar utilizing 812 square feet of designed airport property.

Each 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 or disapprove on an individual lease basis;
- 2) Approve the Anderson Lease, Catalano Lease, and Kral Lease with a different term of the Board’s choosing; or,
- 3) Disapprove the proposed Anderson Lease, Catalano Lease, and Kral Lease, that will require removal of the 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 F) 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

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

Lease rates are based on hangar type and square footage set by the Board Adopted Resolution 183-2019. 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 in the amount of \$792 from the Anderson Lease for use of Space SP-04; \$1,068 for the Catalano Lease for use of Space TP-16; and, \$792 for the Kral Lease for use of Space SP-09, which combined represents \$2,652 in annual revenue.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Obtain the Chair’s signature on the two (2) original copies of the Anderson Lease, Catalano Lease, and Kral Lease;

2) Return one (1) fully executed original copy of the Anderson Lease, Catalano Lease, and Kral Lease to the Planning and Building Department, Airports Division, to the attention of Jessica Dillon, for transmittal to the respective Lessees.

STRATEGIC PLAN COMPONENT

Economic Development and Good Governance.

CONTACT

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