

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

548



FROM: Economic Development Agency

SUBMITTAL DATE:
February 03, 2011

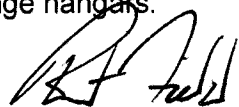
SUBJECT: Aviation Ground Lease, FW Aviation, LLC, Jacqueline Cochran Regional Airport, Fourth District

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Lease between the County of Riverside and FW Aviation, LLC, a California Limited Liability Company, as Lessee;
2. Authorize the Chairman of the Board to execute the Lease; and
3. Authorize the Assistant County Executive Officer/EDA, or designee, to administer the Lease and to execute any additional documents associated therewith.

BACKGROUND: The Economic Development Agency, Aviation Division has negotiated a lease agreement between the County of Riverside and FW Aviation, LLC, a California Limited Liability Company, for 4.21 acres of land at Jacqueline Cochran Regional Airport for the purpose of building a California Highway Patrol Aviation Facility and aircraft storage hangars.

(Continued)


Robert Field
Assistant County Executive Officer/EDA

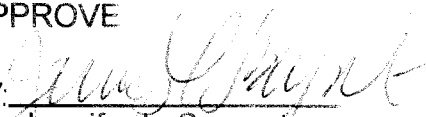
FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: N/A

Positions To Be Deleted Per A-30	☐
Requires 4/5 Vote	☐

C.E.O. RECOMMENDATION: APPROVE

BY: 
County Executive Office Signature Jennifer L. Sargent

Dep't Recomm.: ☐ Consent ☒ Policy
Per Exec. Ofc.: ☐ Consent ☒ Policy

Prev. Agn. Ref.: N/A

District: 4

Agenda Number:

3.44

BACKGROUND: (Continued)

As consideration for occupying the leasehold interest, commencing upon the issuance of the grading permit, or twelve months from execution of the lease, Lessee shall commence monthly payments in accordance with the rent schedule below. Commencing July 1, 2011, and every July 1 thereafter, the base monthly rent will be increased each July 1 through the year 2014, in accordance with the schedule indicated below, and in the year 2015, and every five years thereafter, it will be adjusted to market rate based on an appraisal to be obtained by the county. The rent will be adjusted by multiplying the Total Acres times the rent per acre as shown in the following table:

July 1, 2010 – June 30, 2011	(\$479.74 per acre) x 4.21 Total Acres = \$2,019.70
July 1, 2011 – June 30, 2012	(\$522.74 per acre) x 4.21 Total Acres = \$2,200.74
July 1, 2012 – June 30, 2013	(\$569.76 per acre) x 4.21 Total Acres = \$2,398.69
July 1, 2013 – June 30, 2014	(\$620.91 per acre) x 4.21 Total Acres = \$2,614.03
July 1, 2014 – June 30, 2015	(\$676.67 per acre) x 4.21 Total Acres = \$2,848.78

Beginning July 1, 2016, and every July 1 thereafter, except for date coinciding with the appraisals obtained by the county every fifth year, the rent will be adjusted by the change in the Consumer Price Index. The term of the Lease is for 30 years with an option to extend the term for an additional 10 years. The total term of the Lease will not exceed 40 years without county's approval.

Economic Development Agency staff recommends approval of the Lease to FW Aviation, LLC. County Counsel has approved the form of the lease.

LEASE SUMMARY:

Size: 4.21 acres

Term: 30 years with one 10 year option to extend.

Rent: Minimum of \$2,019.70 monthly commencing upon issuance of a grading permit, but in no case later than twelve months from Lease execution by both parties. Actual rent shall be in accordance with the established schedule to be adjusted annually through June 30, 2015. Thereafter rent will be adjusted annually either by appraisal or change in the Consumer Price Index.