

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - Wed
WEDNESDAY, OCTOBER 16, 2019**

MINUTE ORDER NO. 6

**SUBJECT: GILLESPIE FIELD - SECOND AMENDMENT TO AVIATION LEASE WITH
SKY HARBOR HANGARS (DISTRICT: 2)**

OVERVIEW

Gillespie Field is a general aviation airport owned and operated by the County of San Diego's (County) Department of Public Works (DPW) within the municipal limits of the City of El Cajon. The airport includes 19 aviation leases and is a gateway to and from San Diego's east county providing infrastructure, facilities, and services to corporate and general aviation communities. Leasing of airport property generates lease revenue within the airport enterprise fund, which is used by DPW to ensure that all County airports are properly maintained and safe for airport users.

On September 15, 2010 (13) the Board of Supervisors approved a new nine-year ten-month lease for aircraft storage hangars with Sky Harbor Hangars (Sky Harbor). The lease commenced on October 1, 2010 and is scheduled to terminate on July 31, 2020. This lease was amended on September 12, 2012 (8) to reduce the size of the leasehold and adjust rent proportionately. The lease provides for a renegotiated rent adjustment, which is scheduled to take effect on December 1, 2019. DPW and Sky Harbor have negotiated a lease amendment that would adjust the rent for the remaining 8-month term of the lease.

This is a request to approve the second amendment to the aviation lease with Sky Harbor. The amendment would increase base monthly rent, effective December 1, 2019, from \$13,100 to \$13,799. If the proposed action is adopted, the current fiscal year revenue would increase by \$4,893.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find, in accordance with Section 15301 of the California Environmental Quality Act (CEQA) Guidelines that the proposed lease amendment is categorically exempt from CEQA review as it consists of leasing of existing facilities involving negligible or no expansion of existing or former use.
2. Approve and authorize the Clerk of the Board to execute, upon receipt, three copies of the Second Amendment to Aviation Lease with Sky Harbor Hangars, a general partnership, (County Contract No. 503284) **(4 VOTES)**

FISCAL IMPACT

Funds resulting from this request are partially included in the Fiscal Year 2019-20 Operational Plan for the Airport Enterprise Fund. If approved, this request would result in total annual revenue of \$162,093 in Fiscal Year 2019-20, an increase of \$4,893 over the amount budgeted. The funding source for the additional revenue is increased rental payments for the lessee under the terms of the amended lease. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Gaspar, seconded by Supervisor Desmond, the Board of Supervisors took action as recommended, on Consent.

AYES: Cox, Jacob, Gaspar, Fletcher, Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed

by Marvice Mazyck, Chief Deputy