



Contra
Costa
County

To: Board of Supervisors
From: Keith Freitas, Airports Director
Date: January 19, 2010

Subject: Approval of a Ground Lease with Valley Relocation and Storage of Northern California Inc. for the Premises located at 5400 Marsh Drive, Concord Area.

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Director of Airports, or his designee, to execute, on behalf of the County, a lease between the County, as Lessor, and Valley Relocation and Storage of Northern California Inc., as Tenant, for the lease of property located at 5400 Marsh Drive.

FISCAL IMPACT:

There is no negative impact on the General Fund. The lease permits the Airport Enterprise Fund to receive ground rent. In addition, the General Fund will continue to receive property, sales and possessory interest tax revenues from the lease. The ground rent will begin at \$9,800 per month during the first year, and will be adjusted annually thereafter based on changes in the Consumer Price Index.

BACKGROUND:

This property was formerly leased by JR Leasing, doing business as Budget Sales and Leasing. JR Leasing discontinued operations in November 2009. The Board of Supervisors approved the early termination of the lease with JR Leasing at its January 12, 2010 meeting. Airport

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **01/19/2010** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Gayle B. Uilkema, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: Susan A. Bonilla, District IV
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 19, 2010

David Twa, County Administrator and Clerk of the Board of Supervisors

By: EMY L. SHARP, Deputy

Contact: Beth Lee, (925)
646-5722

cc:

BACKGROUND: (CONT'D)

staff has been marketing this site since JR Leasing vacated the premises.

Valley Relocation and Storage of Northern California has submitted a proposal to move its moving vans and dispatch service to the 5400 Marsh Drive property. The proposal is consistent with the allowable land uses and is comparable in financial terms to the revenue received under the former lease.

A Notice of Exemption for the Valley Relocation and Storage of Northern California was prepared and forwarded to the Department of Conservation and Development (DCD) staff to review. DCD approved the Notice of Exemption on January 4, 2010.

This new lease is for a three (3) year term that would expire in 2013. The tenant has the right to request three additional five-year extensions of the lease term, which the County may deny in its sole discretion.

The Lease will provide an opportunity for a local business to prosper and grow in Contra Costa County. This use is consistent with the policies identified within the Buchanan Field Airport Master Plan. Further, the Lease will provide rental and sales tax revenue to the Airport Enterprise Fund and County General Fund.

A copy of the Lease signed by the tenant is attached hereto.

CONSEQUENCE OF NEGATIVE ACTION:

The County General Fund and the Airport Enterprise Fund would not realize additional revenues.

ATTACHMENTS

Valley Relocation Lease