



**Contra
Costa
County**

To: Board of Supervisors
From: Keith Freitas, Airports Director
Date: August 6, 2019

Subject: Approve & Auth to Execute a Long-Term Lease w/ Skyview Aviation LLC for County-Owned Aircraft
Maint Bldg & Adjacent Land at Byron, Byron Area (Dst 3)

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Director of Airports, or designee, to execute, on behalf of the County, a 15-year ground lease between the County, as Lessor, and Skyview Aviation, LLC, as Tenant, for the lease of an approximate 7,500 square foot County-owned aircraft maintenance hangar building located at 505 Eagle Court and about 0.02 acres adjacent to the hangar at the Byron Airport.

FISCAL IMPACT:

There is no impact on the General Fund. The Airport Enterprise Fund will receive lease and other revenue and the County General Fund will receive property, sales and possessory interest tax revenues from this development. The ground rent will begin at \$1,296 per month (or \$15,552 per year) and increase annually by the CPI inflator.

BACKGROUND:

The 7,500 square foot aircraft maintenance hangar building is owned by the County and located on the south side of Byron Airport, across the road from the Airport office

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **08/06/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V 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: August 6, 2019

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

By: Stacey M. Boyd, Deputy

Contact: Beth Lee (925)
681-4200

cc:

BACKGROUND: (CONT'D)

building. The aircraft maintenance hangar building is designated for aviation use on the Byron Airport Master Plan.

Federal Aviation Administration's (FAA) Airports District Office (ADO) regarding use and development at Byron Airport, the County solicited competitive interest from commercial tenants at both County airports and to those persons who have asked to be included on notification list for development and use of County airport buildings at either of the County airports. The County received one additional letter of interest to lease this facility.

On February 12, 2019, the Board of Supervisors authorized staff to negotiate a lease for this building with the top-ranked proposer, Skyview Aviation, LLC. This action was consistent with the master developer selection process that was approved by the Board of Supervisors on May 23, 2006, whereby projects with competitive interest are to be reviewed and ranked by a selection committee.

County staff has negotiated lease terms with Skyview Aviation LLC. The effective date of this new lease is August 1, 2019. The lease has a five-year term that expires in 2024 and the tenant has the right to request two additional five-year extensions of the original term, which the County may deny in its sole discretion. Leasing of this building and adjacent land has been presented and discussed with the Aviation Advisory Committee and the Airport Committee during the solicitation and lease development processes.

Use of the maintenance hangar and adjacent land for an aviation maintenance and flight training business will expand economic development activity at the Byron Airport. This general aviation focus is consistent with the policies identified within the Byron Airport Master Plan. Further, the lease will provide rental and sales tax revenue to the Airport Enterprise Fund and County General Fund.

Unless and until a final lease agreement is fully executed by all parties, this Board Order, any draft lease agreement, other communications or conduct of the parties shall have absolutely no legal effect, may not be used to impose any legally binding obligation on the County and may not be used as evidence of any oral or implied agreement between the parties or as evidence of the terms and conditions of any implied agreement.

A copy of the lease signed by the Tenant is attached.

CONSEQUENCE OF NEGATIVE ACTION:

Delay in leasing the maintenance hangar will result in a delay in the expansion of aviation services at Byron Airport and may negatively impact the Airport Enterprise Fund and the County General Fund.

ATTACHMENTS

