

FALLBROOK AIRPARK ADVISORY COMMITTEE  
May 1, 2017

AGENDA ITEM #5

Proposed Amendment to Murray Investment Company, LLC

**Background**

On October 14, 2015 (3), the County of San Diego ("County") Board of Supervisors ("Board") approved a 30-year lease for approximately 0.976 net acres at Fallbrook Community Airpark with Murray Investment Company, LLC assignee of Fallbrook Flyers, LLC. This new 30-year lease, known as County Contract No. 316001, commenced on November 1, 2015 and is scheduled to terminate on October 31, 2045. This lease replaced the previous lease with Fallbrook Flyers. The new lease continued the rent renegotiation schedule with Fallbrook Flyers, which called for rental renegotiation every 5 years. As such the first required rent renegotiation was to take place as previously scheduled in 2017 and every 5 years thereafter. This also keeps this lease on a similar schedule as the other aviation leases at the airport.



**PROPOSED AMENDMENT WITH MURRAY INVESTMENT COMPANY, LLC**

Rent – The base monthly rent will be adjusted to \$440.00 per acre per month. Rent will be subject to annual cost of living adjustments and periodic rental rate renegotiations as provided in the Lease. The next rental rate adjustment will be five years from November 2017 and every five years thereafter. This schedule will keep Murray's rental adjustments in line with the two other aviation leases at the Airpark.

Compliance with new ADA Laws – updated language to reflect current standards of California Law

Stormwater and Non-Stormwater Discharges – Updating this Section of the Lease to be in conformance with current lease language is standard County policy and will result in maintaining the highest environmental standards while having no adverse effect on Lessee.

**Benefits to County**

Airports will benefit through 1) maintaining market rate rent revenue 2) conformance with current California accessibility laws and 3) environmental standards.

**RECOMMENDED MOTION**

*“Fallbrook Airpark Advisory Committee recommends the Board of Supervisors approve the new amendment to Murray Investment Company, LLC lease, as recommended by staff.”*