

FALLBROOK AIRPARK ADVISORY COMMITTEE  
August 7, 2017

AGENDA ITEM #6

Proposed Amendment to Lease with L18 Airpark, LLC

**Background**

On March 26, 2008 (10), the County of San Diego (“County”) Board of Supervisors (“Board”) approved a 30-year lease of approximately 4.11 net acres at Fallbrook Community Airpark with L18 Airpark Corporation. In 2011 L18 Airpark Corporation assigned its leasehold interest to L18 Airpark, LLC. This 30-year lease, known as County Contract No. 124436, commenced on June 1, 2008 and is scheduled to terminate on May 31, 2038.



## PROPOSED AMENDMENT WITH L18 AIRPARK, LLC

Rent – The base monthly rent will be adjusted to \$1,820.00. 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 June 2018 and every five years thereafter. This schedule will keep rental adjustments in line with the all other aviation leases at the Airpark.

Rent Rate Renegotiation – updates current language and lengthens timelines to current standards.

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

Stormwater and Non-Stormwater Discharges – updates 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.

Indemnification – adds subsection (f) to recognize State and Federal changes in the law.

Transfer Premium – updates language and simplifies the formula for computing fees.

### **Benefits to County**

Airports will benefit through 1) maintaining market rate rent revenue 2) conformance with current California accessibility laws 3) updating environmental standards; and 4) clarifying legal protections and calculation of transfer premium.

### **RECOMMENDED MOTION**

*“Fallbrook Airpark Advisory Committee recommends the Board of Supervisors approve the new amendment to L18 Airpark, LLC lease, as recommended by staff.”*