

TO: James L. App, City Manager
FROM: Meg Williamson, Interim Director of Public Works
SUBJECT: Airport Short Term Lease – Cook’s Coastal Enterprises
DATE: August 3, 2004

NEEDS: For the City Council to consider a short-term lease agreement for office space in the Airport Terminal with Cook’s Coastal Enterprises.

- FACTS:**
1. On April 28, 2004, the City received a request from Eric Cook, dba Cook’s Coastal Enterprises, to rent a small office space in the Airport Terminal building.
 2. The office space is currently available and intended for short-term use by Airport-related businesses.
 3. The applicant proposes the premises be used as a business office in support of his flight instruction activities being conducted on the Airport.

**ANALYSIS
AND**

CONCLUSION: The requested occupancy is consistent with the City’s intent for the premises use. The applicant is an established business on the airport – providing flight instruction services to a number of students in the local area. The proposed operation meets the requirements of the FAA and the City’s current requirement for conduct of business on the airport. The proposed rent is consistent with market value for similar occupancies elsewhere in the City. The month-to-month provisions in the proposed lease allow for timely termination if the City determines that the premises are needed for other uses.

**POLICY
REFERENCE:** Airport Lease Policy

**FISCAL
IMPACT:** Increased Airport rental revenue of approximately \$3,000 per year.

- OPTIONS:**
- a. Adopt Resolution No. 04-xx approving a short-term lease agreement with Eric Cook, dba Cook’s Coastal Enterprises, for office space within the Airport Terminal building at 4900 Wing Way.
 - b. Amend, modify or reject the above option.

Attachments: (2)
1) Resolution
2) Short-term Lease Agreement

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROVING A SHORT-TERM AIRPORT REAL ESTATE LEASE
FOR OFFICE SPACE IN THE AIRPORT TERMINAL

WHEREAS, the City has determined office space in the Airport Terminal building to be available and appropriate to rent for Airport purposes; and

WHEREAS, the City has received a request from Cook's Coastal Enterprises to enter into a short-term agreement to rent said space, Office #1; and

WHEREAS, the applicant has been determined a viable and qualified business entity at the airport.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does hereby approve the short-term lease agreement for office space within the Airport Terminal building with Cook's Coastal Enterprises.

SECTION 2. That the City Council of the City of Paso Robles does hereby authorize the execution and recordation of required documentation of the subject agreement.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 3rd day of August 2004 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

CITY OF EL PASO DE ROBLES

**SHORT-TERM RENTAL AGREEMENT
FOR OFFICE SPACE – AIRPORT TERMINAL**

This SHORT-TERM RENTAL AGREEMENT is made and entered into this 1st day of August, 2004, by and between the CITY OF EL PASO DE ROBLES, a political subdivision of the State of California, hereinafter referred to as LESSOR, and **COOK'S COASTAL ENTERPRISES**, hereinafter referred to as RENTER.

LESSOR and RENTER agree to the following terms and conditions with regard to the rental space:

In the consideration of the payment of a monthly rental fee, LESSOR agrees to rent, on a month-to-month basis, the below-described area within the Airport Terminal building, 4900 Wing Way on the terms and conditions contained herein.

RENTAL SPACE

LESSOR rents to RENTER the designated area (herein "Office Area") within the terminal facility located at 4900 Wing Way, Paso Robles, California, referred to as 'Office Space #1', a total of 128.4 square feet, as outlined in the attached Exhibit "A", for the purpose of general office use and associated activities.

TERMS AND CONDITIONS

1. Lessor rents to RENTER and RENTER hires from Lessor that specific office area identified above on a month-to-month basis to conduct general business services incidental to RENTER's operations on the airport, and for no other purposes without the written consent of LESSOR.
2. Either party may cancel this Agreement by giving written notice to the other party. RENTER shall have 30 days from the date of said notice to vacate the premises and return same to its original appearance and condition. Upon failure by RENTER to do so in a timely manner, Lessor shall remove all such effects of RENTER and the expense of such shall be borne by RENTER.
3. The monthly rental for the space hired by RENTER is Two Hundred Fifty Dollars (\$ 250.00) payable monthly in advance.
4. The monthly rental rate shall be escalated on July 1st of each subsequent year according to the established method based on the Consumer Price Index, currently in use by the City.
5. RENTER agrees, at RENTER'S expense, to maintain the Office Area in a neat and clean condition, and shall be responsible for daily and continuous custodial care of the leased premises. This shall include the routine care of floors, walls, ceiling, and associated fixtures.
6. RENTER shall not make any physical changes, site improvements or alterations to the leased premises without the prior written consent of the LESSOR.
7. This agreement does not grant to RENTER any right, authority, or access to any part of the airport, including aircraft operating areas for himself, his employees, his customers, or the general public except to the leased premises and appropriate access thereto through the designated public and common use areas of the airport terminal.
8. RENTER agrees to accept the Office Area designated in Exhibit "A" on an "as-is" basis; further, LESSOR hereby disclaims, and RENTER accepts the disclaimer, of any warranty, either express or implied, of the condition of the Office Area. RENTER assumes full responsibility for the condition of the leased premises and agrees to maintain and operate said premises in a clean and efficient manner, acceptable to the City, subject to the continued and ongoing monitoring and inspection by City to determine condition and compliance.

9. Upon termination of occupancy of the premises, RENTER agrees to return all elements to the former conditions; including, if necessary, repair, repainting, or replacement of walls, floor coverings, ceilings and appurtenant fixtures attached thereto.
10. LESSOR agrees to provide heating and air conditioning to the office space through the common HVAC systems in the building. LESSOR agrees to provide electrical service. RENTER will provide telephone service through the building communications system and any other utilities services required at RENTER'S own expense.
11. RENTER agrees to include these leased premises within all applicable insurance coverage for operations on the Airport. Said coverage shall include, but not be limited to insurance for: Commercial Liability, Plate Glass, Leasehold Improvements and RENTER's Personal Property, and Worker's Compensation. The required insurance coverages shall include the endorsement naming the City of Paso Robles as additional insured.
12. The term of this lease shall be One (1) year from the date of execution. Absent written notice from either party to the contrary, or in accordance with Section 2, this agreement shall automatically extend for one (1) additional year, and subsequently each year for two (2) additional years without additional notification from either party.
13. RENTER agrees to abide by all rules and regulations, as amended from time to time, of the Federal Aviation Agency, the State of California, and the City of El Paso de Robles, and other duly constituted public authorities having jurisdiction over the Airport.
14. LESSOR grants to and RENTER hereby accepts custody and use of certain office furniture contained in the leased premises. RENTER agrees to care for and maintain said furniture throughout the duration of this agreement and return said furniture in the same condition received, reasonable wear and tear excepted.
15. Consent, waiver, or compromise by LESSOR of any of the provisions of this lease shall not be construed as a waiver of the LESSOR'S right to enforce the remaining terms and conditions of this Agreement.
16. RENTER agrees to notify the LESSOR in writing within ten (10) days of change of any personal information furnished. All notices required by this lease shall be deemed delivered upon personal delivery or deposit in the United States Mail addressed as follows:

LESSOR: CITY OF PASO ROBLES
 1000 Spring Street
 Paso Robles, CA 93446

RENTER: COOK'S COASTAL ENTERPRISES
 PO Box 3830
 Paso Robles, CA 93447

IN WITNESS WHEREOF, the parties hereby enter into this Agreement the ____ day of _____ 2004.

RENTER:
COOK'S COASTAL ENTERPRISES

LESSOR:
CITY OF EL PASO DE ROBLES

 Eric A. Cook

 James L. App, City Manager

ATTEST:

 Sharilyn M. Ryan, Deputy City Clerk