

TO: James L. App, City Manager
FROM: Meg Williamson, Interim Director of Public Works
SUBJECT: Airport Lease – Lessee Name Change
DATE: July 6, 2004

NEEDS: For the City Council to consider amending an airport real estate lease to change lessee names at the lessee's request.

FACTS:

1. On March 12, 1999, the City gave consent to the assignment of a 50-year property lease of Parcel 36 in the Airport Industrial Park to Matthew and Susan Andros.
2. The lease remains in good standing and compliance.
3. In a letter dated April 2, 2004, the lessee requests an amendment to the lease to reflect a name change of the listed lessee from the current "Matthew James Andros and Susan Berry Andros" to "Matthew J. Andros and Susan B. Andros, Trustees (or Successor Trustee) of the Matt and Sue Andros Family Trust dated March 4, 2004."

**ANALYSIS
AND**

CONCLUSION: The requested name change is consistent with the lease agreement and City's standard practice to allow same through a Lease Assignment Agreement. A "Memorandum of Lease Assignment" would be recorded to memorialize the name change and as "Assignment of Lease" would be executed by the Lease Holders, (documents attached for reference). No other lease modification is requested at this time.

POLICY

REFERENCE: Airport Lease Policy

FISCAL

IMPACT: None

OPTIONS:

- a. Adopt Resolution No. 04.xx approving the lease amendment.
- b. Amend, modify or reject the above option.

Attachments: (3)

- 1) Resolution
- 2) Lease Assignment Agreement
- 3) Memorandum of Assignment

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AMENDING AN AIRPORT REAL ESTATE LEASE
TO CHANGE LESSEE NAME AT LESSEE'S REQUEST

WHEREAS, on August 15, 1980, the City and Well Products West, Inc. entered into a 50-year property lease on Parcel 51 of the Airport Industrial Park; and

WHEREAS, said lease agreement was subsequently repossessed by Santa Lucia Bank; and

WHEREAS, on March 12, 1999, the City approved an assignment of the lease from Santa Lucia Bank to Matthew James Andros and Susan Berry Andros; and

WHEREAS, the lease remains in good standing and compliance; and

WHEREAS, in a letter dated April 2, 2004, lessee requests an amendment to the lease to reflect a name change of the listed lessee from the current "Matthew James Andros and Susan Berry Andros" to "Matthew J. Andros and Susan B. Andros, Trustees (or Successor Trustee) of the Matt and Sue Andros Family Trust dated March 4, 2004."

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does hereby adopt Resolution No. 04-xx approving the lease assignment and authorizing execution and recordation of required documentation.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 6th day of July 2004 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

Recording Requested by and
When Recorded Return to:

**City of Paso Robles
Department of Public Works
1000 Spring Street
Paso Robles, CA 93446**

For Recorder Use Only

**MEMORANDUM OF ASSIGNMENT OF LEASE
PARCEL 51 of PRAL 80-53**

This Memorandum of Assignment of Lease (“Memorandum”) is made and agreed to as of **July 6, 2004**, by and among **Mathew James Andros and Susan Berry Andros** (“Assignor”), **Matthew J. Andros and Susan B. Andros, Trustees of the Matt and Sue Andros Family Trust** (“Assignee”) and the **City of El Paso de Robles** with respect to that certain Assignment of Lease between all parties (“Amendment”) for Parcel 51 of PRAL 80-53, Book 29, Page 47 of Parcel Maps in the Official Records of the County of San Luis Obispo, commonly known as 4285 Second Wind Way, Paso Robles, California (herein the “Property”).

1. Lease Agreement; Premises

Pursuant to that certain lease agreement, originally dated August 15, 1980, the City of El Paso de Robles approved an assignment of said lease to Matthew James Andros and Susan Berry Andros (“Assignor”) on March 12, 1999, for the above specified property within the Airport Industrial Park.

2. Assignment, Amendment of Lease

Pursuant and subject to the provisions contained in the Lease Amendment, all obligations of the Assignor under the Lease Agreement have been assigned to and assumed by Assignee. All the terms and conditions set forth in the Lease Agreement shall remain in full force and effect. On July 6, 2004, the City of El Paso de Robles adopted Resolution 04-XX approving the Assignment, with findings. A true and correct copy of said Resolution is attached hereto as Exhibit A.

This Memorandum shall incorporate herein all of the terms and provisions of the Lease Amendment as though fully set forth herein.

This Memorandum of Assignment of Lease is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the Lease Amendment, of which this is a memorandum.

IN WITNESS WHEREOF, Matthew James Andros and Susan Berry Andros, and Matthew J. Andros and Susan B. Andros, Trustees for the Matt and Sue Andros Family Trust dated March 4, 2004, and

the **City of El Paso de Robles** have executed this Memorandum of Assignment of Lease as of the date first written above.

ASSIGNOR:

Matthew James Andros

Susan Berry Andros

ASSIGNEE:

Matthew J. Andros, Trustee

Susan B. Andros, Trustee

**LESSOR:
CITY OF PASO ROBLES**

James L. App, City Manager

Attest:

Sharilyn M. Ryan, Deputy City Clerk

ASSIGNMENT OF LEASE

This Assignment of Lease ("Assignment") is made as of July 6, 2004, by and between Matthew James Andros and Susan Berry Andros ("Assignor"), and Matthew J. Andros and Susan B. Andros, Trustees of the Matt and Sue Andros Family Trust dated March 4, 2004 ("Assignee").

Recitals

A. The City of Paso Robles ("Landlord"), as Landlord, approved an Assignment of Lease to Assignor, as Tenant, dated March 12, 1999 ("Lease"), a copy of which is attached and incorporated by reference as Exhibit A, pursuant to which Landlord leased to Tenant and Tenant leased from Landlord that certain property described on attached Exhibit B and incorporated by reference for a term of Fifty (50) years, the original lease commencing on August 15, 1980 and ending on August 15, 2030, subject to earlier termination as provided in the Lease.

B. Assignor desires to assign the Lease to Assignee, and Assignee desires to accept the assignment of the Lease from the Assignor and assume obligations under the Lease.

Therefore, for good and valuable consideration, the receipt and adequacy of which are acknowledged, Assignor and Assignee agree as follows:

Section 1. Assignment.

Assignor assigns and transfers to Assignee all right, title, and interest in the Lease and Assignee accepts from Assignor all right, title, and interest, subject to the terms and conditions set forth in this Assignment.

Section 2. Assumption of Lease Obligations

Assignee assumes and agrees to perform and fulfill all the terms, covenants, conditions, and obligations required to be performed and fulfilled by Assignor as lessee under the Lease, including the making of all payments due to or payable on behalf of Lessor under the Lease as they become due and payable.

Section 3. Assignor's Covenants

- (a) Assignor covenants that the copy of the Lease attached as Exhibit A is a true and accurate copy of the Lease as currently in effect and that there exists no other agreement affecting Assignor's tenancy under the Lease.
- (b) Assignor covenants that the Lease is in full effect and no default exists under the Lease, nor any acts or events which, with the passage of time or the giving of notice or both, could become defaults.

Section 4. Litigation Costs

If any litigation between Assignor and Assignee arises out of this Assignment or concerning the meaning of interpretation of this Assignment, the losing party shall pay the prevailing party's costs and expenses of this litigation, including, without limitation, reasonable attorney fees.

Section 5. Indemnification

Assignor indemnifies Assignee from and against any loss, cost, or expense, including attorney fees and court costs relating to the failure of Assignor to fulfill Assignor's obligations under the Lease, and accruing with respect to the period on or prior to the date of this Assignment. Assignee indemnifies Assignor from and against any loss, cost, or expense, including attorney fees and court costs relating to the failure of Assignee to fulfill obligations under the Lease, and accruing with respect to the period subsequent to the date of this Assignment.

Section 6. Successors and Assigns

This Assignment shall be binding on and inure to the benefit of the parties to it, their heirs, executors, administrators, successors in interest, and assigns.

Section 7. Governing Law

This Assignment shall be governed by and construed in accordance with California law. The parties have executed this Assignment as of the date first above written.

ASSIGNOR:

ASSIGNEE:

Matthew James Andros

Matthew J. Andros, Trustee

Susan Berry Andros

Susan B. Andros, Trustee

Consent of Landlord

The undersigned Lessor, as Landlord under the Lease, hereby approves and gives consent to this Assignment and Amendment of the Lease of Parcel 51 of Parcel Map PRAL 80-53 to Assignee, Mathew J. Andros and Susan B. Andros, Trustees of the Matt and Sue Andros Family Trust dated March 4, 2004, as indicated, and hereby releases Assignor, Matthew James Andros and Susan Berry Andros, as Tenants, from any and all responsibilities and obligations under the terms of the subject agreement.

By this Consent, Landlord hereby accepts Assignee as Tenant under the terms of the subject lease agreement and agrees to his assumption of all rights, responsibilities and obligations of the Tenant, as specified under the terms and conditions contained therein.

Further, Lessor agrees to the amendments referenced in Section 3 of the Assignment.

Executed this 6th day of July, 2004, in Paso Robles, California, on behalf of the City of El Paso de Robles.

By: _____
James L. App, City Manager

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk