



# Agenda Report

**MEETING DATE:** Tuesday, December 13, 2022

**TO:** City Council

**FROM:** AIRPORT DIRECTOR WILLIAMS

**THROUGH:** CITY MANAGER MENDEZ

**SUBJECT:** RESOLUTION APPROVING FOUR YEAR LEASE OF AIRPORT  
PROPERTY AT 240 AIRPORT BOULEVARD TO BILL KNOWLTON  
DBA KNOWLTON CONSTRUCTION

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## **RECOMMENDED ACTION:**

It is recommended the City Council approve a four (4) year lease of Airport property to Bill Knowlton dba Knowlton Construction.

## **BACKGROUND:**

Knowlton Construction is a general contractor and construction company providing professional residential and commercial building construction, fabrication and remodeling services.

Knowlton Construction is a long tenured non-aeronautical leasehold, dating back to February 2001 with a number of lease renewals and a relocation over the last twenty years.

## **DISCUSSION:**

The Airport has negotiated and reached agreement on lease terms for the 1,730 square feet of industrial office located at 240 Airport Boulevard. Lease term is four years at a rate of \$0.95 per square foot, totaling \$1,643.50 per month and subject to standard CPI adjustments over the term, as noted in the attached lease document.

## **STRATEGIC PLAN:**

This four-year lease aligns with the Airport's Strategic plan to maintain a self-sustaining enterprise fund.

## **FINANCIAL IMPACT:**

Current market conditions support a lease rate of \$0.95 per square foot for industrial space on the Airport property. Any future tenant improvements must be approved and at the end of the lease period, all improvements on the premises become the City's property free of all claims.

**ALTERNATIVE ACTION:**

Alternatives include not approving the lease resulting in loss of a long tenured Airport tenant.

**ATTACHMENTS AND/OR REFERENCES (If any):**

None.