



Agenda Report

MEETING DATE: Tuesday, November 9, 2021

TO: City Council

FROM: AIRPORT DIRECTOR WILLIAMS
ASSISTANT ADMINISTRATIVE ANALYST AGUADO

SUBJECT: APPROVAL OF THREE-YEAR LEASE OF AIRPORT PROPERTY AT
60 AVIATION WAY TO WATSONVILLE CHAPTER 119,
EXPERIMENTAL AIRCRAFT ASSOCIATION

STATEMENT OF ISSUES:

Watsonville Chapter 119, Experimental Aircraft Association's lease expired on September 30, 2021 and wishes a new lease for three years.

RECOMMENDED ACTION:

It is recommended that the City Council approve a three-year lease of Airport property at 60 Hangar Way to Watsonville Chapter 119, Experimental Aircraft Association, an IRS 501(c)(3) non-profit corporation.

DISCUSSION:

Experimental Aircraft Association, Chapter 119, is a non-profit corporation which was incorporated in 1982 and is a long-standing Municipal Airport tenant which has served various aviation related groups, other tenants, and the general public for over fifteen years in the current location. Its current officers are Christopher and Tracy Laws of Hill Avenue in Watsonville and Tom Hall of Boulder Creek. Via a relationship with the Pájaro Valley Unified School District, this tenant has provided an academic and vocational venue for classroom environments which include a charter school and adult educational opportunities.

The Airport has negotiated and reached agreement on lease terms for the two thousand five hundred (2,500) square feet of hangar space at 60 Aviation Way. The first year rent is \$315.00 per month with annual CPI adjustments to the first year rent, as noted in the lease. This discounted rent takes into consideration the building use for aviation related meetings, seminars, activities and events and the aforementioned use by an educational institution.

STRATEGIC PLAN:

4-Economic Development

FINANCIAL IMPACT:

Rent inures to the Airport Enterprise Fund. The low rent does not unduly impact the Airport Enterprise Fund and generates aviation related benefits for a long time tenant which provides pass through benefits to serve both Airport and surrounding communities.

ALTERNATIVE ACTION:

Alternatives include not approving the lease resulting in loss of a major aviation aeronautical community support activity which is not supportive of the Airport's on-going plan to ensure economic development and viability.

ATTACHMENT(S)

None.