City of Santa Barbara
Airport Department

DATE: November 21, 2017
TO: Airport Commission
FROM: Hazel Johns, Airport Director
SUBJECT: Lease Agreement – Arrow Truck Accessories LLC.

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a month-to-month Lease Agreement with Arrow Truck Accessories, a California Limited Liability Company, for 2,922 square feet of space in Building 116, 5,398 square feet of fenced land and 1,632 square feet of parking space at 6190 Hollister Avenue at Santa Barbara Airport. The rental rate is $1.28 per square foot of building space and $.18 per square foot of land/parking. The Agreement would become effective on June 1, 2017 for an annual rental of $59,712 paid in monthly installments of monthly $4,976. The lease includes an annual Consumer Price Index (CPI) increase of no less than 3% and no more than 8%.

DISCUSSION:

The subject Premises is located north of Hollister Avenue in an Airport Industrial (AI-1) zone.

Arrow Truck Accessories LLC has been known as Arrow Camper Shell LLC at the location the company has occupied since 2012. The Premises is used as offices, showroom, storage of truck beds and camper shells, and other similar products. The parking space also functions as a rental location for Penski brand trucks.

Due to the death of one of the firm’s partners, the company has been re-established as Arrow Truck Accessories LLC in the ownership of the remaining partner, Randy Rischar. The focus of company’s business remains the same. Arrow Camper Shell has been a tenant in good standing and the Airport expects a continued good relationship. As this new lease agreement is a contractual transition to the company’s new ownership structure, the terms are a continuation of those contained in the existing agreement. In addition to rent for the space, the tenant will pay utilities of $23.99 per unit or metered amount, whichever is greater, for water, and $15.39 for sewer service.

The proposed Agreement has been negotiated based upon the criteria set forth in Resolution 93-127 and has been determined to be exempt from environmental review.

PREPARED BY: Business Development/Properties
ATTACHMENT: Map