DATE: January 18, 2017

TO: Airport Commission

FROM: Hazel Johns, Airport Director

SUBJECT: Lease Agreement – Narretto Gandolfo, Inc., dba Nargan Fire & Safety

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a two-year Lease Agreement with Narretto Gandolfo, Inc., a California Corporation, dba Nargan Fire & Safety, for 1,364 square feet of Building 258, at 629 Firestone Road, at the Santa Barbara Airport, effective February 1, 2017, for a monthly rental of $2,019, exclusive of utilities.

DISCUSSION:

The subject Premises is located south of Hollister Avenue in an Airport Facilities (AF) zone.

Nargan has been a tenant in good standing since 1975, operating a fire extinguisher service center. The term of Nargan’s lease has expired and they wish to continue to lease their existing Premises for the next two years. Five employees will work at this location. The use conforms to existing zoning.

The proposed monthly rental is based on a rate of $1.48 per square foot for industrial space and is comparable to other buildings on the Airport for similar use and in similar condition. The proposed rent represents a 3% increase over the previous rental.

In addition the tenant will pay common use utility charges of $175 for electricity, $26.67 for gas, $23.09, or the metered amount whichever is greater, for water, $15.39 for sewer service, and a Common Area Maintenance (CAM) charge of $150.59.

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

PREPARED BY: Business & Property Division

ATTACHMENT: Map