



City of Santa Barbara
Airport Department

Meeting: 12/19/18
Agenda Item No. 5

DATE: December 19, 2018
TO: Airport Commission
FROM: Aaron Keller, Interim Airport Director *AK*
SUBJECT: Lease Agreement – ACIJet

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a two (2) year Lease Agreement plus three (3) automatic, one (1) year options to extend with ACIJet, a California Corporation, for 2,300 square feet of combined office/warehouse space in Building 2, Suite A, at 6100 Hollister Road, at the Santa Barbara Airport, effective on or before May 1, 2019, for a monthly rental of \$3,680, exclusive of utilities and CAM charges. The automatic options are predicated on Lessee's compliance with all lease terms.

DISCUSSION:

The subject Premises are located in the Airport's new light industrial development north of Hollister Avenue in an Airport Industrial (A-I-1) zone, at 6100 Hollister Avenue. The development is currently under construction and is expected to be completed and ready for occupancy on May 1, 2019. Should construction be completed and a Certificate of Occupancy received prior to May 1, the tenant would like access to the premises.

ACIJet was founded in 1998 and provides corporate aircraft management, charter, maintenance, and ground handling services. ACIJet is currently based out of San Luis Obispo and is recognized as an industry leader in service, safety, and flight support. ACIJet intends to utilize the space as a base of local business operations. The use conforms to existing zoning.

The proposed monthly rental is based on a rate of \$1.60 per square foot, which is within the parameters of lease rates approved by the Commission.

In addition, ACIJet will pay monthly utility charges of \$23.09 for water and \$15.39 for sewer, or the metered amount, whichever is greater, as well as electrical and a CAM rate between \$.05 to \$.08 per square foot depending on the finalized operating budget.

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 Development/Properties