



City of Santa Barbara
Airport Department

Meeting: 03/20/19
Agenda Item No. 7

DATE: March 20, 2019
TO: Airport Commission
FROM: Henry Thompson, Airport Director 
SUBJECT: Lease Agreement – Cospheric LLC

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a three (3) year Lease Agreement, plus two (2) automatic one (1) year options to extend, with Cospheric LLC commencing on or about June 1, 2019. The company will lease three (3) units located at 6100 Hollister Avenue, consisting of units 5A and 5B in Building 5 and unit 4B in Building 4. The combined office/warehouse space is approximately 6,900 square feet for an estimated monthly rental of \$11,270, exclusive of utilities and CAM charges. The automatic options are predicated on the 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. The development is currently under construction and is expected to be completed and ready for occupancy on June 1, 2019, barring any construction or rain delays.

Cospheric LLC is owned and operated by Brian Gobrogge and the company intends to use the facilities as the base of operation for light manufacturing and R&D for their growing business in precision spherical particles. Cospheric LLC has been a tenant at another location since 2009, however, sought out a new location with additional space due to the growing demand for their products. The use conforms to existing zoning.

The proposed monthly rental varies based on location within the development. The units facing the desirable Hollister Avenue corridor will lease for \$1.65 per square foot and those facing Bucknell Road for \$1.60 per square foot. These rates fall within the industrial lease rates approved by the Commission.

In addition, Cospheric LLC will pay: 1) monthly utility charges of \$23.09 for water and \$15.39 for sewer, or the metered amount, whichever is greater, 2) electrical utility services, and 3) a CAM rate of \$.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