



**City of Santa Barbara**  
Airport Department

Meeting: 06/26/19  
Agenda Item No. 6

**DATE:** June 26, 2019  
**TO:** Airport Commission  
**FROM:** Henry Thompson, Airport Director  
**SUBJECT:** Lease Agreement – Senseeker Engineering Inc.

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**RECOMMENDATION:**

That Commission recommend approval to the City Council and authorize the Airport Director to execute a five-year Lease Agreement with a five-year option to extend with Senseeker Engineering, Inc. (“Senseeker”), a California Corporation, for 10,880 square feet of Building 114 and surrounding parking areas, at 100 Frederick Lopez Road effective July 1, 2019, for a monthly rental of \$15,776, exclusive of utilities.

**DISCUSSION:**

The subject Premises are located north of Hollister Avenue in an Airport Industrial zone (A-I-1).

Senseeker Engineering, Inc. specializes in the design of digital imaging sensors and digital readout integrated circuits for hybrid image sensing arrays. Senseeker is currently located in two separate office suites in one building on Hollister Avenue near Goleta Valley Cottage Hospital. The separation of employees across two suites is not ideal for collaboration, and Senseeker began seeking another location to better meet the needs of their growing company. Senseeker found the square footage and configuration of the space in Building 114 suited their needs and are prepared to commit to long-term tenancy at this location.

The proposed monthly rental is based on a rate of \$1.45 per square foot for the building, which is within the Airport Commission approved rates for a combined R&D/administration use. An annual CPI increase with a floor of 3% and a ceiling of 5% will commence on the first anniversary date of the lease commencement date. In addition, Senseeker will pay monthly utility charges of \$23.09 for water and \$15.39 for sewer, or the metered amount, and for electrical service.

This proposed Lease Agreement is the Airport’s second attempt to lease the space to a suitable tenant. In March, Airport Commission approved a two-year with two automatic one-year options to another local R&D/technology company. However, the proposed tenant was not able to sign the Lease Agreement due to issues with awarded government contracts. This proposed Lease Agreement affords the Airport the same rental rate and a longer term than the previous proposal. Senseekers also plans to make tenant improvements to the space at their own expense.

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