



## Lompoc City Council Agenda Item

**City Council Meeting Date:** August 16, 2022

**TO:** Dean Albro, City Manager

**FROM:** Richard Fernbaugh, Aviation/Transportation Administrator  
r\_fernbaugh@ci.lompoc.ca.us

**SUBJECT:** Approval of a Land Lease Agreement with Robert Campbell for a Hangar at Lompoc Airport

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### **Recommendation:**

Staff recommends the City Council approve the attached Land Lease Agreement with Robert Campbell for a hangar at Lompoc Airport.

### **Background/Discussion:**

Robert Campbell purchased a hangar at the Lompoc Airport, formerly owned by Land McCarley. Robert Campbell desires to lease the premises from the City based on the terms identified in the attached Lease Agreement, which includes installation of a sewer line and a term period commencing on September 1, 2022, and terminating June 30, 2050. In a cost sharing agreement for the installation of sewer improvements by the tenant, the rent for the initial period of September 1, 2022, through June 30, 2036, will be fixed at \$696.18 per month. In addition, City street encroachment permit fees shall be waived for the work required for the sewer improvement. On July 1, 2036, the monthly rent will be increased based on the Consumer Price Index of each of the years 2021 through 2036 plus 1%. Thereafter, beginning July 1, 2037, and continuing each July 1, the rent will be adjusted annually based on the Consumer Price Index plus 1%, not to exceed 10% per year. The Lompoc Airport will be able to utilize the sewer line Campbell will install when its septic system eventually is replaced. The sewer line will also be available for other hangar facilities to hook up to.

### **Fiscal Impact:**

Fiscal impact to the Airport will result in an annual income of \$8,354.16 per year during the initial period of the Lease Agreement with increasing rents based on the Consumer Price Index thereafter.

**Conclusion:**

The Lease Agreement with Robert Campbell provides revenue to the Airport, the installation of a sewer line at the Airport, and it results in the hangar becoming the property of the City at the end of the Lease Agreement in 2050.

Respectfully submitted,

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Richard Fernbaugh, Aviation/Transportation Administrator

**APPROVED FOR SUBMITTAL TO THE CITY MANAGER:**

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Michael W. Luther, P.E., Public Works Director

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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Dean Albro, City Manager

Attachment: Land Lease Agreement