

# **Lompoc City Council Agenda Item**

City Council Meeting Date: July 18, 2023

**TO:** Dean Albro, City Manager

**FROM:** Richard Fernbaugh, Aviation/Transportation Administrator

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SUBJECT: Agreement with Central Coast Agriculture, Inc. to Terminate Its Existing

Lease Agreement at Lompoc Airport due to Transfer of Hangar to Matthew Miller; Approval of Lease Agreement with Matthew Miller at Lompoc

Airport

# **Recommendation:**

Staff recommends the City Council approve and authorize the City Manager to execute a mutual agreement to terminate the current Lease of Central Coast Agriculture, Inc. (Attachment 1), and to approve and authorize the City Manager to execute a Land Lease Agreement with Matthew Miller for a hangar at the Lompoc Airport (Attachment 2).

# **Background:**

Matthew Miller (Miller) is purchasing a hangar, currently owned by Central Coast Agriculture Inc. (CCA), which has approximately 10 years and 11 months remaining on the existing Lease Agreement between CCA and the City (CCA's Lease Agreement). In light of its sale of the Hangar, CCA wishes to terminate its current Lease Agreement with the City. Miller desires to lease the premises from the City for the remaining term period therein. The new Lease Agreement between Miller and the City proposes that Miller lease the premises from the City and assume the term period remaining on CCA's Lease Agreement. Miller's Lease Agreement is for \$260.10 per month and has yearly increases built into it.

# **Fiscal Impact:**

No change to current fiscal impact to the Airport.

# **Conclusion:**

The Lease Agreement with Miller will continue an agreement which provides revenue to the Airport and results in the hangar becoming the property of the City at the end of the Lease Agreement in 2034.

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Respectfully submitted,
Richard Fernbaugh, Aviation/Transportation Administrator
APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:
Michael W. Luther, P.E., Public Works Director
APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:
Dean Albro, City Manager
Attachments: 1) Agreement for Mutual Termination of Lease with CCA 2) Land Lease Agreement with Matthew Miller