



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 18, 2008

**TO:** Mayor and Councilmembers

**FROM:** Business & Property Division, Airport Department

**SUBJECT:** Lease Amendment With Stratman Aero Service, Inc.

### **RECOMMENDATION:**

That Council approve and authorize the Airport Director to execute a Lease Amendment Agreement with Stratman Aero Service, Inc., a California Corporation, amending the Premises and Rental provisions of Lease No. 20,369 to adjust the square footage to 83,241 with a proportionate reduction in the rent to \$5,084 per month.

### **DISCUSSION:**

On July 31, 2001, City Council approved Lease No. 20,369 between the City and Stratman Aero Service, Inc. for 84,565 square feet of land at 101 Cyril Hartley Place, at the Santa Barbara Municipal Airport. The Lease provided for construction of a new 6,400 square foot corporate hangar to be sublet to Jacob Stern & Sons, Inc.; demolition of one of the 2,000 square foot 1972 hangars and construction of a new 3,000 square foot hangar; repainting the remodeled 3,522 square foot hangar to coordinate with the new facilities; partial pavement reconstruction to accommodate vehicle parking outside the AOA; and drainage and landscaping improvements for an estimated cost of \$450,000. The Lease commenced on December 6, 2002 with the issuance of the Certificate of Occupancy for a term of twenty years with one five-year option.

The Airport embarked on a paving project in the fall of 2002 that included the Stratman ramp. During the project, a rental credit was given for the 33,662 square feet of ramp impacted by the project. As part of the project, a new lane was created for service vehicles, including fire trucks, reducing the Stratman leasehold by 1,324 square feet for a new total of 83,241 square feet. This Amendment recognizes the adjustment in the square footage of the Premises and the subsequent adjustment of the monthly rent.

The Airport Commission recommends approval.

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**SUBMITTED BY:** Karen Ramsdell, Airport Director

**APPROVED BY:** City Administrator's Office