



COUNTY of VENTURA

Department of Airports

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July 25, 2023

County of Ventura
Board of Supervisors
800 S. Victoria Avenue
Ventura, CA 93009

Subject: Approval of, and Authorization for the Director of Airports or Designee to Sign, the Third Amendment to Lease with Airport Properties Limited, LLC for Development of a Hangar Complex at the Camarillo Airport; Supervisorial District No. 3

Recommendation:

Approve, and authorize the Director of Airports or his designee to sign, the attached Third Amendment to Lease with Airport Properties Limited, LLC (APL) for development of a hangar complex at the Camarillo Airport (Exhibit 1).

Fiscal/Mandates Impact:

Mandatory: No
Source of funding: Airport Enterprise Fund
Funding match required: None
Impact on other departments: None

<u>Summary of Revenue and Project Costs</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Revenue	\$ (26,368)*	\$ 0
Direct Costs	<u>0</u>	<u>0</u>
Net Cost – Airport Enterprise Fund	<u>\$ 26,368</u>	<u>\$ 0</u>

Reduction in budgeted monthly rent of \$5,654.00 for option property "I", increase in overall annual rent for surveyed properties of \$41,480.

Current Fiscal Year Budget Projection:

FY 2023-24 Budget Projection for Camarillo Airport Administration Division 5020 - Unit 5021*				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/ (Deficit)
Appropriations	\$3,894,611	\$3,894,611	\$3,894,611	\$0
Revenue	5,689,713	5,689,713	5,689,713	0
Net Cost	(\$1,795,102)	(\$1,795,102)	(\$1,795,102)	\$0

Sufficient revenue and appropriations are available in the FY 23-24 budget.

Discussion:

APL signed a 30-year lease on June 19, 2001, for the development of a multi-building hangar complex on approximately 3.3 acres at Camarillo Airport. The lease, which has been amended twice, gave APL the right to extend for 10 years and the option to lease and develop additional parcels (the “option properties”).

Several lease disputes have arisen over the years. These disputes have centered mostly on the precise boundaries of APL’s leased premises and APL’s rights regarding the option properties, which have not been developed at the pace the County originally hoped for. APL’s 2019 lawsuit regarding the option properties resolved one dispute in APL’s favor, but boundary issues continue, including APL’s ability to maintain underground utilities APL installed.

APL and the County have negotiated a lease amendment (Exhibit 1) that will resolve these issues and improve the pace of APL’s development. Key elements of the amendment include:

- Better defining the boundaries of the leased premises;
- Clarifying APL’s right to access and use various areas adjoining the premises;
- Resolving a lingering dispute from APL’s 2019 lawsuit regarding APL’s exercise of options “under protest”;
- Modifying the boundaries of the remaining option properties;
- Shortening the time for APL to exercise options and to develop the remaining option properties; and
- Allowing APL, on the remaining option properties, to provide aeronautical services beyond aircraft storage.

The County Executive Office, the Auditor-Controller's Office, and County Counsel have reviewed this item. The Airport Advisory Commission and the Camarillo Airport Authority reviewed this matter on July 13, 2023, and have indicated their approval.

If you have any questions regarding this item, please call Madeline Herrle at (805) 388-4243, or me at (805) 388-4200.



KEITH FREITAS, A.A.E., C.A.E.
Director of Airports

Attachment:

Exhibit 1 – Third Amendment to Lease