



COUNTY of VENTURA
Department of Airports

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June 4, 2024

County of Ventura
Board of Supervisors
800 S. Victoria Avenue
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Subject: Approval of the Department of Airports' Fiscal Year 2024-25 Rent and Fee Schedule, Effective July 1, 2024; Adoption of a Resolution Establishing Rents, Fees, and Insurance Requirements for the Department of Airports; Delegation of Authority to the County Executive Officer and the Director of Airports to Execute Leases, Subleases, Licenses, Permits, Special Use/Activity Permits, Operation Agreements, Extensions, Amendments, Consents, Termination Notices, and Unlawful Detainer Complaints in Accordance with the Provisions of the Schedule; Supervisorial District Nos. 3 and 5 (Recommendation No. 2 Requires 4/5ths Vote)

Recommendations:

1. Approve the Department of Airports' ("Department") FY 2024-25 Rent and Fee Schedule (Exhibit 1 is a clean version and Exhibit 2 is a legislative version with track changes), with an effective date of July 1, 2024; and
2. Authorize the County Executive Officer and the Director of Airports to execute certain leases, subleases, licenses, permits, special use/activity permits, operation agreements, extensions, amendments, consents, termination notices, and unlawful detainer complaints as described in section III of the attached resolution (pages 31-38 of Exhibit 1) (requires 4/5ths vote); and
3. Approve, adopt, and execute the resolution (pages 31-38 of Exhibit 1) establishing rents, fees, and insurance requirements for the Department.

Fiscal/Mandates Impact:

Mandatory: No

Source of funding: *The rents and fees provide the primary source of funding for the airport enterprise fund other than federal grants.*

Funding match required: None

Impact on other departments: *Several other departments are tenants at the airports and subject to paying rent. The established rents are based upon building replacement and/or fair market appraisals conducted by the Real Estate Services Division of the Public Works Agency or by outside, independent appraisers.*

Summary of Revenues and Costs

FY 2024-25 Requested (Note B)

Revenue (see Note A):	\$ 9,738,000
Costs:	
Direct (see Note A)	8,547,000
Indirect	<u>964,000</u>
Total Costs	<u>9,511,000</u>
Net Airports' Revenue	<u>\$ 227,000</u>

Note A: *Revenue excludes investment income and grant revenue; cost excludes depreciation expense and capital projects.*

Note B: *Following fiscal year is not shown since the Rent and Fee Schedule is re-evaluated annually.*

Discussion:

At the recommendation of the Auditor-Controller, the Department's rents and fees are reviewed annually for appropriate adjustment in accordance with those policies set forth in that resolution establishing airports' rents and fees. Proposed changes are discussed below:

1. Per Rent & Fee Policy 3.b., there are no rate adjustments for hangars and tie-downs this year. During this Fiscal Year, the Department of Airports will conduct the five-year market study of storage rates for inclusion in the FY 25/26 budget.
2. To continue to create an incentive for our six Aviation Service Providers to offer a new unleaded aviation fuel alternative, the Department of Airports proposes to again this year temporarily waive the Fuel Flowage Fee and the Storage Fee (applies to unleaded fuel stored in County-owned tanks). An incentive is appropriate because this fuel formulation is new in the marketplace and, due to the extremely low volumes and other supply chain considerations, comes at a higher price and lower margins. Despite the economics, having an unleaded fuel product available at our airports is very much in the interest of the Department to help reduce and eventually eliminate lead emissions from aviation. This waiver will be reevaluated next fiscal year to determine if the incentive is still needed.
3. To continue to encourage compliance with the requirement for Mobile Mechanics, Independent Flight Instructors, and Self-Fuelers to obtain and/or maintain Aviation Commercial Activity Permits, the Department of Airports will retain the annual fee of \$750.00. In addition, we propose to continue the new discounted fee to renew an active permit is proposed to encourage permit holders to remain in good standing and in compliance with this requirement.

4. We have made a significant change to the fees charged for filming at the airport, specifically for commercial filming/ feature films, from \$1,100 per day to \$15,000 for the first day and \$10,000 per day thereafter. These projects require significant investment in time and logistics and the charges are more in line with industry standards.
5. The waiver of the 2% transfer fee outlined in VIII. B. for the transfer/sale of the Private hangars will continue to apply to new term leases signed and transferred on or before June 30, 2025, which is the last and final waiver for this category.
6. Rates have been adjusted for personnel where time is charged to grants, tenant requested maintenance, and/or tenant requested operations that are not part of our day-to-day business. Rates are adjusted to reflect cost recovery only.
7. The Department recently implemented a new ePay option. The following fees apply: Credit Cards: 2.15% of transaction amount (minimum of \$1.00 fee); Electronic Checks (eChecks) \$1.50 per transaction. As a continuing incentive to encourage tenant acceptance of the new payment option, ePay transaction fees will be waived until June 30, 2025.
8. We have modified the Policy section 3.d. on page 35 to remove the requirement for Private hangar owners to first offer their hangar to the County if the owner wants to improve or modify its hangar. This reflects the changes made with the recent long-term private hangar lease agreement. Moreover, County does not have the capacity to repair or restore general aviation hangars and retain those in its inventory.

The proposed Department of Airports' Rent and Fee Schedule, to become effective July 1, 2024, is recommended for your Board's approval and contains the adjustments noted above.

The County Executive Office, the Auditor-Controller's Office, and County Counsel have reviewed this item, and the Aviation Advisory Commission and the Camarillo and Oxnard Airport Authorities recommend its approval.

If you have any questions regarding this item, please call Dave Nafie at (805) 388-4201, or me at (805) 388-4200.


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

Attachments:

Exhibit 1 – FY 2024-25 Rent and Fee Schedule - Proposed Clean Version

Exhibit 2 – FY 2024-25 Rent and Fee Schedule - Proposed Track Changes Version