

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Airports	(2) MEETING DATE 3/22/2016	(3) CONTACT/PHONE Kevin Bumen 805-781-5205	
(4) SUBJECT Request to approve Consent to Assignment and Assumption of the Site A, Site L, and Site M lease agreements at the San Luis Obispo County Regional Airport from Aviation Consultants Inc., a California Corporation, to ACI AIR LLC., a California limited liability company. District 3.			
(5) RECOMMENDED ACTION It is recommended the Board approve Consent to Assignment and Assumption of the Site A, Site L and Site M lease agreements at the San Luis Obispo County Regional Airport from Aviation Consultants Inc., a California Corporation, to ACI AIR LLC., a California limited liability company.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP See Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 02/26/2005 Sites A & M 09/22/2015 Site L	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) District 3			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Airports / Kevin Bumen
805-781-5205

DATE: 3/22/2016

SUBJECT: Request to approve Consent to Assignment and Assumption of the Site A, Site L, and Site M lease agreements at the San Luis Obispo County Regional Airport from Aviation Consultants Inc., a California Corporation, to ACI AIR LLC., a California limited liability company. District 3.

RECOMMENDATION

It is recommended the Board approve Consent to Assignment and Assumption of the Site A, Site L and Site M lease agreements at the San Luis Obispo County Regional Airport from Aviation Consultants Inc., a California Corporation, to ACI AIR LLC., a California limited liability company.

DISCUSSION

In Feb of 2008, Site A and Site M, and more recently in Sep. 2015, Site L, at the San Luis Obispo County Regional Airport, were leased from the County to Aviation Consultants Inc. for the purposes of providing aviation consulting services, aircraft charter operations, flight instruction, and aircraft maintenance.

ACI has recently made changes to their corporate structure by creating a holding company called ACI AIR LLC., a California limited liability company. ACI is requesting the lease agreements for Site A, L and M be assigned from Aviation Consultants Inc. to ACI AIR LLC. ACI AIR LLC. would hold the leases with the County and own the tenant improvements. Operations on the sites would continue under ACI Inc. Since 2008, ACI has committed to invest and has invested approximately \$10,000,000 into their lease sites. This assignment and assumption are being requested as part of ACI's plans for further Capital Investment.

The requested change to the lease agreement does not affect lease terms previously approved by the Board.

Pursuant to Government Code section 25536, the Board of Supervisors, by a four-fifths vote, may enter into leases of County Airport property without competitive bidding.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the Consent of Assignment and Assumption of the Site A, L and M lease contracts as to form and legal effect.

FINANCIAL CONSIDERATIONS

The current annual rent is as follows:
\$ 39,055.63 for Lease Site A (including Site G),

\$ 36,576.00 for Lease Site L and

\$105,435.96 for Lease Site M

There will be no change in the annual rental of the Lease Sites as a result of this action.

RESULTS

The consent to assignment and assumption of lease provides continuation of the existing lease agreement which contributes to the County's desired community wide result of a "Prosperous Community."

ATTACHMENTS

1. Attachment 1 – Vicinity Maps for Lease Sites A, M and L.
2. Attachment 2 - Consent to Assignment and Assumption of Site A, M and L Leases.