



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/18/2018

Agenda Placement: 6J

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Julie Kirk, Staff Services Analyst II - 259-8603

SUBJECT: Approval of Commercial Lease Agreement with Yamaha Motor Corporation, USA

RECOMMENDATION

Director of Public Works requests approval of and authorization for the Chair to sign Amendment No. 1 to Lease Agreement No. 180217B with Yamaha Motor Corporation U.S.A. increasing the annual rental fee revenue by 3.1 percent from \$25,176 to \$25,956 and extending the term through June 30, 2019, with an option for an additional six (6) month term, to continue leasing space at 2000 Airport Road, in the County of Napa.

EXECUTIVE SUMMARY

Since January 1, 2018, through Lease Agreement No. 180217B, Yamaha Motor Corporation has leased approximately 1,907 sq. ft. of space on the North end of the newer building at 2000 Airport Road, to operate its RMAX Agricultural Spray Services. This lease will expire on December 31, 2018. Staff requests Board approval of Amendment No. 1 to Lease Agreement No. 180217B increasing the monthly rental rate beginning January 1, 2019 by 3.1 percent from \$2,098 to \$2,163 to reflect the 2017 Annual Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers for San Francisco-Oakland-San Jose, CA and to extend the term of the agreement through June 30, 2019 with an option to automatically renew for one (1) additional six (6) month term.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Airport-Operations Fund 5010 Subdivision 50100-00
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification: The Napa County Airport Enterprise Fund will receive rental income totaling \$25,956 over FY 18/19 and FY 19/20.

Is the general fund affected? No

Future fiscal impact: Continued revenue through June 30, 2019.

Consequences if not approved: Not approving this amendment will result in the Airport Enterprise Fund not receiving the proposed revenue.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Prior to Yamaha's lease with the County of Napa, Yamaha subleased the approximately 1,907 sq. ft. of space from International Airline Training Academy (IATA) since April 1, 2016. Through County Agreement No. 8710, which began on October 1, 2014, and expired on December 31, 2017, IATA leased approximately 16.835 acres and four buildings encompassing 107,855 square feet at the Napa County Airport to operate a Flight Crew Training Center at the Napa County Airport. Yamaha Motor Corporation requests that the County continues their lease for the space and use through June 30, 2019, with an option to automatically renew the term an additional six (6) months through December, 31, 2019.

The County continues to actively review options for leasing the building to replace IATA. The proposed lease provides the flexibility for the County in this effort and will allow for the relocation of Yamaha to another appropriate area within the Airport property should a new lease for the building necessitate the use of their current space. Staff requests Board approval of Amendment No. 1 to Lease Agreement No. 180217B with Yamaha Motor Corporation U.S.A. increasing the monthly rental fee beginning January 1, 2019 by 3.1 percent from \$2,098 to \$2,163 for their continued use of space at 2000 Airport Road, in the County of Napa.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi