

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

703



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**

June 15, 2006

**SUBJECT:** Ovation Air Group, Third Amendment to Lease, French Valley Airport

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Third Amendment to Lease dated June 4, 2002, and amended on October 21, 2003 and December 12, 2005, between the County of Riverside and Ovation Air Group, Inc., formerly known as Mach 1, Air Charter, Inc., as Lessee;
2. Authorize the Chairman to execute the Third Amendment to Lease; and
3. Authorize the Assistant County Executive Officer or designee to execute any additional documents required by the Third Amendment to Lease.

**BACKGROUND:** The Economic Development Agency has received a Third Amendment to Lease for the 3.0 acre lease at French Valley Airport between the County and Ovation Air Group, Inc., as Lessee, dated June 4, 2002, and amended on October 21, 2003 and December 12, 2005.

(continued)

Departmental Concurrence

RZ:JC:DL:CC:DS:HO

S:\EDCOM\AIRPORTS\FRVALLEY\Ovation-MACH 1 AIR CHARTER\OAG F11 3rd amnd.doc

*[Signature]*  
Robin Zimpfer  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

**SOURCE OF FUNDS:** N/A

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** **APPROVE**

FORM APPROVED  
COUNTY COUNSEL

**County Executive Office Signature**

*[Signature]*

JUL 03 2006

BY *[Signature]*

- Policy
- Policy
- Consent
- Consent

Dept's Recomm.:  
Per Exec. Ofc.:

**Prev. Agn. Ref.:** June 4, 2002 3.2; Oct 21, 2003 3.14; Dec 13, 2005 3.7

**District:** 3rd

**Agenda Number:**

**ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD**

**BACKGROUND** (continued):

The Third Amendment to Lease achieves the following:

1. Increases the base monthly rent to \$3,049.20, effective July 1, 2005;
2. Establishes the next base monthly rental adjustment date as July 1, 2015;
3. Provides a procedure for lessee to participate in the selection of the appraiser who will perform the appraisal to establish the one new base monthly rental; and
4. Provides for annual increases in the base monthly rental equal to the percentage increase in the Consumer Price Index for the previous year, except for dates coinciding with the appraisals conducted every fifth year after July 1, 2015.

Economic Development Agency staff recommends that the Board of Supervisors approve the Third Amendment to Lease. County Counsel has approved the Third Amendment to Lease as to Form.