

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

925



FROM: Economic Development Agency

SUBMITTAL DATE:
August 5, 2009

SUBJECT: Lease Cancellation, Hemet-Ryan Airport

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Lease Cancellation Agreement between the County of Riverside, as Lessor, and Larry Howell, Inc., as Lessee, for the Lease between the County of Riverside, as Lessor, and Sailplane Enterprises of Hemet, as Lessee, dated July 1, 1972, and as amended and assigned to Larry Howell, Inc., Assignee, by Sailplane Enterprises, Inc. Assignor, on April 22, 1994;
2. Authorize the Chairman of the Board of Supervisors to execute the Lease Cancellation Agreement; and
3. Authorize the Assistant County Executive Officer/EDA or designee to execute any additional documents required by the Lease Cancellation Agreement.

BACKGROUND: The Economic Development Agency has received a lease cancellation agreement from Larry Howell, Inc., dba Sailplane Enterprises, at Hemet-Ryan Airport. The Lease, dated July 1, 1972, between the County of Riverside, as Lessor, and Sailplane Enterprises of Hemet, as Lessee, is for approximately 8.36 acres of land at Hemet-Ryan Airport. (Continued)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	09/10

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

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

Dep't Recomm.: Consent Policy

Per Exec. Ofc.: Consent Policy

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel*
DATE: 8-19-09
SYNTHIA M. GUNZEL
DATE: *8-19-09*
Departmental Concurrence

Prev. Agn. Ref.: 8/8/72; 1/7/74; 7/9/76; 8/18/81; 3/23/82; 10/26/83; 3.23; 7/24/90; 9/17/91 3.17; 5/10/94 3.3;

District: 3rd

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3 49
EDA-001
Form 11 (Rev. 6/2002)

BACKGROUND: (continued)

An unpowered glider storage and tow business has been operated by various entities on the leasehold since 1972. The lease terminates on June 30, 2011.

Lessee has experienced a general decline in activity and revenue since exercising a five year option to extend the term of the lease. Given the current economic climate, Lessee sees no alternative to closing the business and has asked the County for an early termination of the lease, effective October 1, 2009.

The Economic Development Agency recommends that the Board of Supervisors approve the Lease Cancellation Agreement. County Counsel has approved the form of the agreement.

1 LEASE CANCELLATION AGREEMENT
2 HEMET-RYAN AIRPORT
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4 WHEREAS, the COUNTY OF RIVERSIDE, a political subdivision of the State
5 of California, hereinafter County, as Lessor, and Larry Howell, Inc., as Assignee and
6 Lessee, (as assigned to Larry Howell, Inc., by Sailplane Enterprises, Inc., as Assignor,
7 on April 22, 1994) under that certain Lease dated July 1, 1972, between the County of
8 Riverside and Sailplane Enterprises of Hemet, as Lessee, and as amended by First
9 Amendment, undated, and by Second Amendment to Lease, dated July 9, 1976, and
10 by Third Amendment to Lease dated December 13, 1977, and amended by Fourth
11 Amendment to Lease dated August 18, 1981, and by First Amendment to Fourth
12 Amendment to Lease dated April 19, 1983, and by Second Amendment to Fourth
13 Amendment to Lease dated December 6, 1983, and by Third Amendment to Fourth
14 Amendment to Lease dated August 7, 1984, and Fifth Amendment to Fourth
15 Amendment to Lease dated October 26, 1993; and

16 WHEREAS, Lessee, because of declining revenues and other economic
17 considerations, has decided to close its business and cease glider operations of Larry
18 Howell, Inc., dba Sail Plane Enterprise, at Hemet Ryan-Airport on October 1, 2009;
19 and

20 WHEREAS, Lessee has submitted to County a written request that the Lease
21 be cancelled on October 1, 2009; and

22 WHEREAS, County is willing to cancel the Lease; subject to Lessee providing
23 ninety days notice of closure and cessation of glider operations to all current
24 sublessees and users, delivering the leased premises to County in a clean, orderly
25 and sanitary condition, and removing all gliders and portable hangars from the
26 leasehold prior to October 1, 2009.

27 NOW, THEREFORE, the parties hereto do mutually agree to cancel the Lease
28 effective October 1, 2009.

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Larry Howell, Inc.
a California corporation

Date: 08-1-09

By: *Larry Howell*
Larry Howell, President

Date: _____

COUNTY OF RIVERSIDE
a political subdivision of the State of California

By _____
Chairman, Board of Supervisors

ATTEST:

Kecia Harper-Ihem, Clerk of the Board

By: _____ (SEAL)

FORM APPROVED:

Pamela J. Walls, County Counsel

By: *Synthia M. Gunzel*
Deputy

SYNTHIA M. GUNZEL