

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



ITEM
3.20
(ID # 7427)

MEETING DATE:

Tuesday, July 17, 2018

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Approve the Fifth Amendment to Lease French Valley Airport Between the County of Riverside and French Valley Hangars LLC, a California Limited Liability Company, French Valley Airport, French Valley, District 3 [\$0], CEQA Exempt (Clerk to file Notice of Exemption)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3), General Rule (common sense) exemption;
2. Approve the attached Fifth Amendment to Lease French Valley Airport between County of Riverside, as Lessor, (County) and French Valley Hangars, LLC, as Lessee, (French Valley Hangars), providing an additional option term;
3. Authorize the Chairman of the Board of Supervisors to execute the attached Fifth Amendment on behalf of the County; and
4. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five days of the approval by the Board.

ACTION: Policy

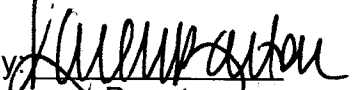
Robert Field, Assistant County Executive Officer/ECD 7/2/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Perez and Ashley
Nays: None
Absent: None
Abstained: Washington
Date: July 17, 2018
xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board

By 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 2018/19-2051/52	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside, as lessor and the French Valley Hangars, as lessee entered into that certain French Valley Airport Lease, dated June 4, 2002 (Original Lease), as amended by that certain First Amendment to Lease French Valley Airport dated October 21, 2003, as amended by that Second Amendment to Lease French Valley Airport dated July 17, 2007, as amended by that certain Third Amendment to Lease French Valley Airport dated November 20, 2007, and as amended by that Fourth Amendment to Lease French Valley Airport dated March 17, 2009 (collectively, Lease) relating to, among other things, the lease by County to Lessee of that certain real property consisting of 3.5 acres of land, located at the French Valley Airport in French Valley, County of Riverside. The term of the Lease commenced on July 1, 2002, and terminates on June 30, 2032, with one option to extend the term for 10 years. Pursuant to the Lease, French Valley Hangars operates as a limited fixed base operator at the French Valley Airport.

French Valley Hangars has requested the Lease be amended to extend the term of the Original Lease by adding one (1) additional ten (10) year option. The County is amenable to French Valley Hangars request as in consideration they have provided several improvements that benefit the Airport. French Valley Hangars assisted with the development of the fuel farm which included the installation of light poles and perimeter fencing of the fuel farm. Additionally, French Valley Hangars financially assisted in the remediation of contaminated soil within the Airport and constructed and paid for striping of a helicopter pad. The terms and conditions of the Amendment are set forth in the proposed Fifth Amendment to Lease French Valley Airport (Fifth Amendment). Other than the addition of a one (1), ten (10) year option to the Fifth Amendment which will provide French Valley Hangars with two (2) options to extend the lease by ten (10) years each; the existing terms and conditions of the Lease will remain unchanged.

California Environmental Quality Act (CEQA)

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

Pursuant to the California Environmental Quality Act (CEQA), the Fifth Amendment was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines 15061(b)(3), General Rule or "Common Sense" Exemption.

The proposed amendment will extend the term of the Lease by providing French Valley Hangars with one additional ten year option period. Furthermore, it can be seen with certainty that there is no possibility that the Fifth Amendment may have a significant effect on the environment since the impacts will be administrative and operational related. The Notice of Exemption will be filed by staff with the County Clerk within 5 days of the approval of the Fifth Amendment.

County Counsel has reviewed and approved the attached Fifth Amendment, including all exhibits, as to form. Staff recommends that the Board approve the Fifth Amendment, including all exhibits.

Impact on Citizens and Businesses

French Valley Hangars, will continue to conduct the existing business of a limited fixed base operator on the leased premises, which will continue to provide aeronautical related services at the French Valley Airport and a positive economic impact to the region.

SUPPLEMENTAL:

Additional Fiscal Information

No additional information.

ATTACHMENTS:

- Fifth Amendment to Lease French Valley Airport


Rahini Dasika, Principal Management Analyst 7/9/2018


Gregory L. Priamos, Director County Counsel 7/5/2018



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

7/19/18
Date

kb
Initial

NOTICE OF EXEMPTION

June 22, 2018

Project Name: County of Riverside, Fifth Amendment to the French Valley Airport Lease Agreement Between the County of Riverside and French Valley Hangars, LLC, French Valley Airport, Murrieta

Project Number: ED1910012

Project Location: 37600 Sky Canyon Drive, east of Winchester Road, Assessor's Parcel Number (APN) 963-030-010, Murrieta, Riverside County, California, 92563 (See attached exhibits)

Description of Project: The County of Riverside (County) entered into a Lease Agreement with French Valley Hangars, LLC, a California limited liability Company (Lessee) on June 4th, 2002, for the lease of 3.5 acres of property at the French Valley Airport in Murrieta, California. The Lease Agreement, which has been amended four times previously, requires that the Lessee make improvements to the airport which consist of the remediation of contaminated soil, the installation of lighting and fencing with the fuel farm, and the stripping of a helicopter pad. The term of the Lease commenced on July 1, 2002 and terminates on June 30, 2032, with one option to extend the term for 10 years. Pursuant to the Lease, French Valley Hangars operates as a limited fixed base operator at the French Valley Airport. The County and Lessee now desire to amend the Lease to provide the Lessee with one additional ten-year option to extend the Lease Agreement as consideration for costs incurred as a result of the improvements. Other than the addition of the 10 year option to extend, the existing terms and conditions of the Lease will remain unchanged. The Fifth Amendment to the Lease Agreement is identified as the proposed Project under the California Environmental Quality Act (CEQA). No additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: County of Riverside, Economic Development Agency, French Valley Hangars, LLC

Exempt Status: Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Article 5 Sections 15061.

JUL 17 2018 3.20

P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.6686

[www.co.riverside.org](http://www.co.riverside.ca.gov)

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Real Property
Redevelopment Agency
Workforce Development

Reasons Why Project is Exempt: The proposed Project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The Project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The Project will not cause an impact to an environmental resource of hazardous or critical concern nor would the Project include unusual circumstances which would have a potentially significant effect on the environment. The Project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. The Project is limited to administrative and operation related provisions within the Lease Agreement which would not result in any physical direct or reasonably foreseeable indirect impacts to the environment. and no significant environmental impacts are anticipated to occur.

- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the Project may have a significant effect on the environment. The execution of the Fifth Amendment is an administrative function, and would result in the continued operation of the airport on the leased premises for an additional ten-year period. No significant direct or indirect environmental impacts would occur. Therefore, in no way, would the Project as proposed have the potential to cause a significant environmental impact and the Project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed: _____



Date: _____

6/22/18

Mike Sullivan, Senior Environmental Planner
County of Riverside, Economic Development Agency

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Fifth Amendment to the French Valley Airport Lease Agreement Between the County of Riverside and French Valley Hangars, LLC, French Valley Airport, Murrieta

Accounting String: 537080-22100-1910700000- ED1910012

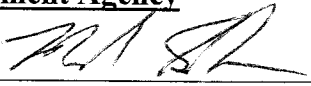
DATE: June 22, 2018

AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Economic Development Agency

Signature: 

PRESENTED BY: Jose Ruiz, Real Property Agent III, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: June 22, 2018

To: Mary Ann Meyer, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # ED1910012**
Fifth Amendment to the French Valley Airport Lease Agreement Between the County of Riverside and French Valley Hangars, LLC, French Valley Airport, Murrieta

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to:

Mail Stop #1330

Attention: Mike Sullivan, Senior Environmental Planner,
Economic Development Agency,
3403 10th Street, Suite 400, Riverside, CA 92501

If you have any questions, please contact Mike Sullivan at 955-8009.

Attachment

cc: file

**FIFTH AMENDMENT TO LEASE
FRENCH VALLEY AIRPORT**

This FIFTH AMENDMENT TO LEASE FRENCH VALLEY AIRPORT ("Fifth Amendment") is made and entered into as of this 17th day of July, 2018 ("Effective Date") by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("Lessor"), and FRENCH VALLEY HANGARS LLC, a California Limited Liability Company ("Lessee"). Lessor and Lessee may sometimes be referred to collectively herein as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, Lessor and Lessee entered into that certain French Valley Airport Lease, dated June 4, 2002 ("Original Lease"), as amended by that certain First Amendment to Lease French Valley Airport dated October 21, 2003, as amended by that certain Second Amendment to Lease French Valley Airport dated July 17, 2007, as amended by that certain Third Amendment to Lease French Valley Airport dated November 20, 2007, and as amended by that Fourth Amendment to Lease French Valley Airport dated March 17, 2009 (collectively "Lease") relating to, among other things, the lease of that certain real property consisting of 3.5 acres at the French Valley Airport in the County of Riverside, as depicted on the site plan attached to the Lease as Exhibit A-2 and incorporated herein by this reference ("Leased Premises");

WHEREAS, since entering into that Original Lease, Lessee was conditioned to provide additional unexpected improvements to the French Valley Airport, which included: the remediation of contaminated soil, the installation of lighting and fencing within the fuel farm, and the stripping of a helicopter pad ("Unexpected Improvements");

WHEREAS, Lessor and Lessee now desire to amend the Lease to provide Lessee with one (1) additional, ten (10) year option to extend the Lease as consideration for costs incurred as a result of the Unexpected Improvements;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the Parties agree as follows:

1. Recitals. The Recitals set forth above are true and correct and incorporated herein by this reference.
2. Amendment to the Lease. Section 3 (b) of the Lease, as amended, under the title, "Term" is hereby deleted in its entirety and replaced with the following:

"3 (b) With respect to the Leased Premises and subject to the Provisions of paragraphs 5, 8, 10, 16, and 17 hereof, and provided that the Lessee, at the time of exercising of the option, is in full compliance with the terms of the Lease, the Lessee

shall be provided two (2) options to extend the Lease for a period of ten (10) years each. Each option shall be exercised by providing County a written notice of Lessee's intention to extend, sixty (60) days prior to the expiration of the then current term.

3. Binding on Successors and Assigns. This Fifth Amendment and all of the terms and conditions herein shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legatees of the Parties.
4. Entire Understanding. This Fifth Amendment and the Lease set forth and contain the entire understanding and agreement of the Parties hereto. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Fifth Amendment and the Lease.
5. Agreement in Full Force and Effect. Except as otherwise expressly modified herein, all other terms and conditions of the Lease remain unmodified and in full force and effect.
6. Effectiveness of Fifth Amendment. The effective date of this Fifth Amendment shall be the Effective Date set forth above.
7. Further Assurances. The Parties agree to execute such other documents and to take such other actions as may be reasonably necessary to further the purposes of this Fifth Amendment. Lessee acknowledges and agrees that Lessee's failure to comply with the terms and provisions of this Fifth Amendment shall constitute a material breach under the Lease, and Lessor shall have the right to exercise all remedies available to it in law and equity.
8. Effective Date. This Fifth Amendment to Lease shall not be binding or consummated until its approval by the Riverside County Board of Supervisors and fully executed by the Parties

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[Signatures on Following Page]

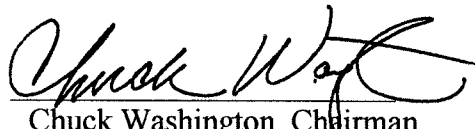
IN WITNESS WHEREOF, the parties have executed this Fifth Amendment as of the date set forth above.


LESSOR:


LESSEE:

COUNTY OF RIVERSIDE, a political
subdivision of the state of California

FRENCH VALLEY HANGARS LLC, a
California limited liability company

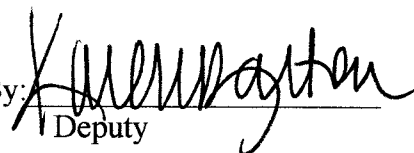
By: 
Chuck Washington, Chairman
Board of Supervisors

By: 
Michael Leon Amos,
Member

By: 
Philip Roy,
Member

ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

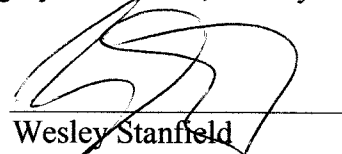
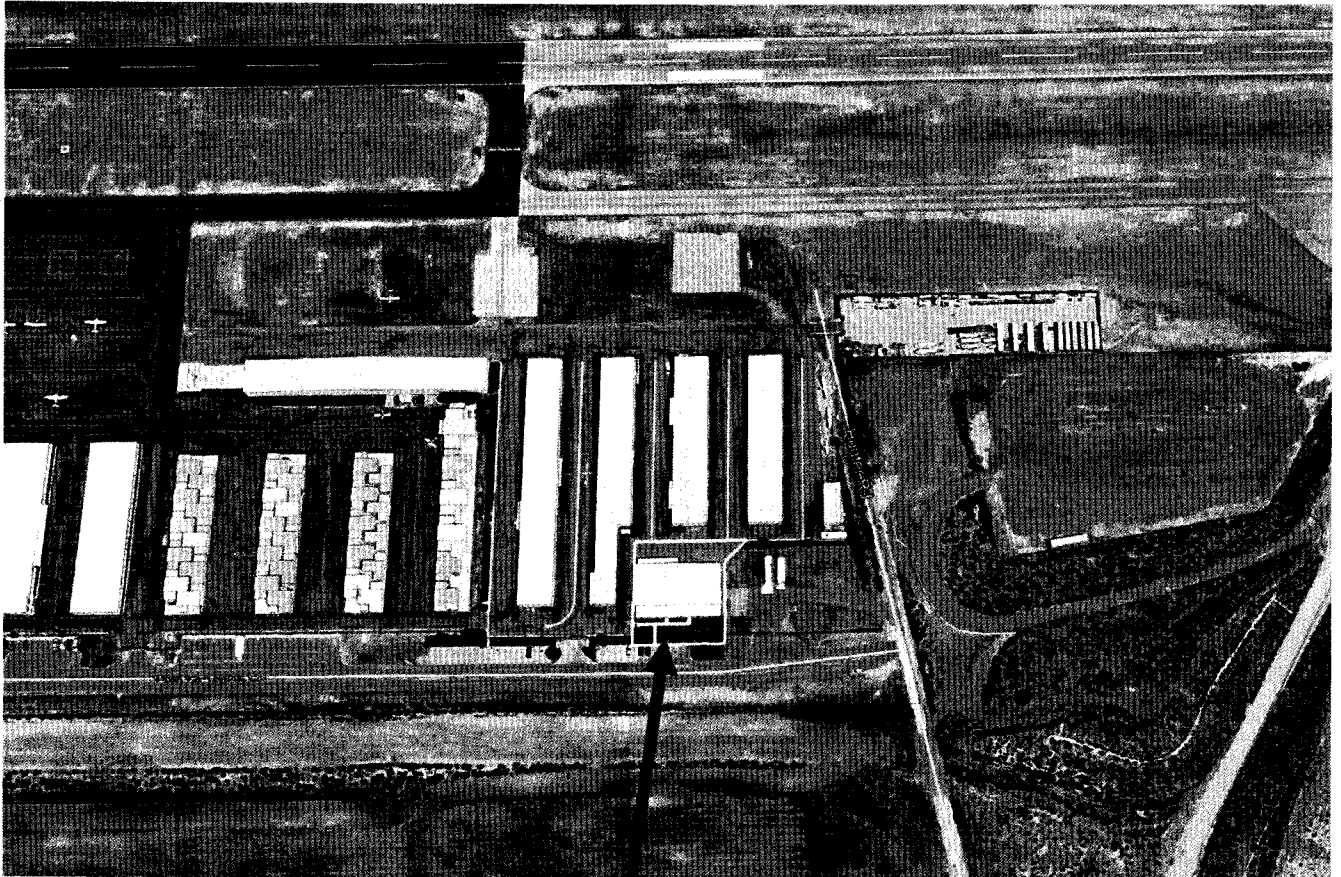
By: 
Wesley Stanfield
Deputy County Counsel

Exhibit A-2

Site Plan



Leasehold Premises consisting of 3.5 acres

NOT A SURVEY. Areas are approximate.
For illustration purposes only.