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



ITEM: 3.38 (ID # 20918)

MEETING DATE:

FROM: TLMA – AVIATION:

Tuesday, February 28, 2023

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Approval of Second Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement – between the County of Riverside, as Lessor, and Desert Jet Center LLC, as Lessee, Thermal, CA, CEQA Exempt pursuant to State CEQA Guidelines Sections 15301 and 15061(b)(3), District 4. [\$1,550 Total Cost – TLMA Aviation Fund 100%] (Clerk to file Notice of Exemption)

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. <u>Find</u> that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities exemption, and Section 15061(b)(3) "Common Sense" exemption;
- 2. <u>Approve</u> the attached Second Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement ("Second Amendment") between the County of Riverside, as Lessor, and Desert Jet Center LLC, as Lessee, and authorize the Chairman of the Board to execute the same on behalf of the County; and
- 3. <u>Direct</u> the Clerk of the Board to file the attached Notice of Exemption with the County Clerk within five (5) working days of approval by the Board.

ACTION:Policy

MINUTES OF THE BOARD OF SUPERVISORS

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

2/21/2023

Aves:

Jeffries, Spiegel, Washington, and Gutierrez

Nays:

None

Absent:

Perez

Date:

February 28, 2023

XC:

TLMA-Aviation, Recorder

Deputy

Kimberly Rector

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	\$ 1,550	\$ 0	\$ 1,550	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: TLMA Aviation Revenue Fund 100%			100% Budget Adj	ustment: No
			For Fiscal	ear: 22/23 – 55/56

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside, as lessor ("County") and Desert Jet Center, LLC, a California limited liability company, as lessee ("Lessee") entered into the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated October 6, 2015 ("Ground Lease Agreement"), as amended by that First Implementation Agreement to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance to Ground Lease Amendment dated December 8, 2016, and as amended by that First Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated May 8, 2018 (collectively, "Lease"). The Lease relates to Lessee's use of that certain real property consisting of 4.4 acres of land for conducting the business and operation of a full-service Fixed Base Operation (FBO). The term of the Lease commenced on November 1, 2015, and expires on October 31, 2051, with one option to extend the term by 5 years.

The Lessee has requested to expand the Leased Premises by adding an additional 2.310 acres consisting of heavy ramp space for aircraft parking. The County Transportation and Land Management Agency, Aviation Division ("TLMA-Aviation") is amenable to Lessee's request as it promotes the expansion of Lessee's FBO services at the airport to the public. TLMA- Aviation and Lessee have negotiated the attached Second Amendment to expand Lessees Lease Premises from 4.4 acres to 6.710 acres. Additionally, the Second Amendment will increase the rent from \$6,378.36 a month to \$9,806.20 a month. All other terms and conditions of the Lease will remain the same.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15301 class 1-Existing Facilities exemption and Section 15061(b)(3) "Common Sense" exemption.

The Second Amendment has been reviewed and approved by County Counsel.

Impact on Residents and Businesses

Approval of the attached Lease will continue to support the County's effort to increase airport operations at the Jacqueline Cochran Regional Airport. Pilots and airport enthusiasts at the

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

Jacqueline Cochran Regional Airport will benefit by the aircraft storage services provided by Lessee.

Additional Fiscal Information

No net County cost will be incurred, and no budget adjustment is necessary, however, the TLMA- Aviation has incurred costs associated with this transaction. County Counsel and Facilities Management costs to date in the approximate amount of \$1,550 will be reimbursed from the TLMA- Aviation Revenue Fund.

Total	\$	1,550
CEQA NOE	\$	50
County Counsel Review		1,500

Attachments

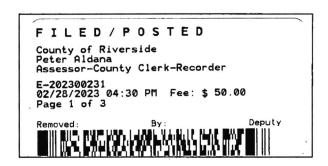
- Second Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement
- Notice of Exemption
- Aerial Map

Jason Farin, Principal Management Analyst 2/22/2023

Jaron General 2/15/20



County of Riverside
TLMA Aviation
4080 Lemon Street, 14th Floor, Riverside, CA 92501



NOTICE OF EXEMPTION

February 14, 2023

Project Name: Approval of Second Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement – between the County of Riverside, as Lessor, and Desert Jet Center LLC, as Lessee, Thermal, CA

Project Location: 56850 Higgins Avenue, Thermal, CA 92274 Assessor Parcel Number 759-060-018 (a portion)

Description of Project: The County of Riverside, as lessor ("County") and Desert Jet Center, LLC, a California limited liability company, as lessee ("Lessee") entered into the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated October 6, 2015 ("Ground Lease Agreement"), as amended by that First Implementation Agreement to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance to Ground Lease Amendment dated December 8, 2016, and as amended by that First Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated May 8, 2018 (collectively, "Lease"). The Lease relates to Lessee's use of that certain real property consisting of 4.4 acres of land for conducting the business and operation of a full-service Fixed Base Operation ("FBO"). The term of the Lease commenced on November 1, 2015, and expires on October 31, 2051, with one option to extend the term by 5 years.

The Lessee has requested to expand the Leased Premises by adding an additional 2.310 acres consisting of heavy ramp space for aircraft parking. The County Transportation and Land Management Agency, Aviation Division ("TLMA-Aviation") is amenable to Lessee's request as it promotes the expansion of Lessee's FBO services at the airport to the public. TLMA- Aviation and Lessee have negotiated the attached Second Amendment to expand Lessees Lease Premises from 4.4 acres to 6.710 acres. Additionally, the Second Amendment will increase the rent from \$6,378.36 a month to \$9,806.20 a month. All other terms and conditions of the Lease will remain the same.

The Second Amendment has been identified as a proposed project under the California Environmental Quality Act (CEQA) because a discretionary action is required for approval. The approval of the Second Amendment is limited to modifications to an existing contractual obligation and will not result in any direct effects on the environment.

4080 Lemon Street, 14th Floor • Riverside, California 92501 • (951) 955-9722

P. O. Box 1605 • Riverside, California 92502-1605

The Second Amendment relates to the operation of fixed base operator services at the Jacqueline Cochran Regional Airport, which will not result in any significant environmental impacts or include any mitigation measures.

Name of Public Agency Approving Project: County of Riverside

Name of Person or Agency Carrying Out Project: Riverside County Transportation and Land Management Agency – Aviation Division

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b)(3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

Reason 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 involve unusual circumstances that could potentially have a significant effect on the environment. The project is limited to modifications to the existing Lease and does not include a new development or improvements to the Leased Premises. Furthermore, this project would not result in any physical direct or reasonably foreseeable indirect impacts to the environment.

- Section 15301 Class 1 Existing Facilities Exemption: This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project, as proposed, is limited to modifications to the existing Lease terms which are consistent with the existing land use and would not result in a physical change to the property. These improvements fall within the criteria identified in Section 15301. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301. Article 19, Categorical Exemptions of the CEOA Guidelines.
- 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 approval of the Second Amendment would result in the continued limited fixed base operation on the leased premises. 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.

Signed:

Date: 2/14/2023

Jose Ruiz, Senior Real Property Agent, County of Riverside TLMA-Aviation Division

SECOND AMENDMENT

TO THE JACQUELINE COCHRAN REGIONAL AIRPORT FIXED BASE OPERATION AND MAINTENANCE GROUND LEASE AGREEMENT

RECITALS

WHEREAS, Lessor owns and operates the Jacqueline Cochran Regional Airport, located at 56850 Higgins Drive, Thermal, California 92274, and depicted on the site map attached hereto as Attachment No. 1 and incorporated herein by this reference ("Airport");

WHEREAS, Lessor and Lessee entered into that certain Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated October 6, 2015, as amended by that certain First Implementation Agreement to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated December 8, 2016, and as amended by that certain First Amendment to the Jacqueline Cochran Regional Airport Fixed Base Operation and Maintenance Ground Lease Agreement dated May 8, 2018 (collectively "FBO Lease"), wherein Lessee, among other things, leased approximately 4.4 acres of real property on the Airport ("Fixed Base Operator Leasehold") for the purpose of providing fixed base operating services;

WHEREAS, Lessee is operating a successful Fixed Base Operation ("FBO") on the Fixed Base Operator Leasehold as contemplated under the FBO Lease;

WHEREAS, Lessee has a need to expand its operations and desires to lease an additional 2.310 acres of land consisting of the aircraft apron area in front of the terminal building

on the Fixed Base Operator Leasehold ("Aircraft Apron"), as depicted on the Amended Site Map attached hereto as Attachment No. 3;

WHEREAS, County desires to lease the Aircraft Apron to Lessee to allow for aeronautical operations adjacent to Lessee's existing terminal building;

WHEREAS, Lessee's rent under the FBO Lease shall be increased accordingly to reflect the addition of the Aircraft Apron as part of the Fixed Base Operator Leasehold and current temporary rent is cancelled with no further obligation by either party;

WHEREAS, the purpose of this Second Amendment is to effectuate and amend the FBO Lease by (i) amending the Fixed Base Operator Leasehold to include the adjacent Aircraft Apron; (ii) increase rent under the FBO Lease accordingly to reflect the addition of the Aircraft Apron as part of the Fixed Base Operator Leasehold; and (iii) modifications to certain other obligations of the Parties, all on the terms and conditions as set forth below.

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

- Recitals. The Recitals and attachments referenced above are incorporated herein by this reference and adopted by the Parties to be true and correct.
- 2. Increase Acreage of Leased Premises; Aircraft Apron. At the request of Lessee, County hereby agrees to increase the acreage of the Fixed Base Operator Leasehold (currently 4.4 acres) by an additional 2.310 acres to include the aircraft apron area in front of the terminal building located on the Fixed Base Operator Leasehold, as more specifically depicted on the Amended Site Map attached hereto as Attachment No. 3, Amended Site Map. The addition of the Aircraft Apron Area shall increase the total Fixed Base Operator area to approximately 6.710 acres. The Legal Description will be amended by adding the legal description attached hereto as Attachment No. 2 which describes the additional 2.310 acres of Aircraft Apron Area. Attachment No. 2 shall be added to the FBO Lease as Exhibit A-4. (See Section 3 below.) An Amended Site Map depicting the Leased Premises expanded to include the Aircraft Apron Area is attached

hereto as Attachment No. 3 and shall replace Exhibit A-1 to the FBO Lease. (See Section 5 below). County and Lessee herein acknowledge that Lessee has no fee title interest in or to the Original Leased Premises or the Aircraft Apron Area. Lessee's rent under the Ground Lease for the Original Leased Premises and the Aircraft Apron Area shall be assessed pursuant to Section 5 of the Ground Lease. Lessee's obligation to pay rent for the Aircraft Apron Area shall commence upon the Effective Date of this Second Amendment.

Prior to the Effective Date, Lessee, at Lessee's sole expense, shall have investigated and approved the physical condition of, and the condition of title with respect to, the Aircraft Apron Area. County makes no representation or warranty, expressed or implied, regarding any conditions of the Aircraft Apron Area. Lessee acknowledges and agrees that County makes no representations, express or implied, with respect to the legality, fitness, or desirability of the Aircraft Apron Area for Lessee's intended use. If Lessee desires to do so, Lessee shall have the right to conduct its own investigation, to its satisfaction, with respect to any matters affecting Lessee's ability to use the Aircraft Apron Area for Lessee's intended use. Lessee represents that it has inspected the Aircraft Apron Area and acknowledges and agrees that the Aircraft Apron Area shall be delivered from County to Lessee in an "as is" physical condition, with no warranty, express or implied by County as to the presence of hazardous substances, or the condition of the soil, its geology or the presence of known or unknown faults, and fully assumes any and all risk associated with the use thereof. County shall not be liable to Lessee, its officers, agents, employees, subcontractors or independent contractors for any bodily injury, personal injury or property damage suffered by them or others which may result from hidden, undisclosed latent or other dangerous conditions in, on upon or within the Aircraft Apron Area. County represents it is not in possession of any records or knowledge of any hazardous materials and/or non-remediated conditions known to exist on the Fixed Base Operator Leasehold.

3. Amendments to the Ground Lease.

- **a.** <u>Leased Premises.</u> Section 2 of the FBO Lease titled, "Property Description" is hereby deleted in its entirety and replaced with the following:
- "2. Leased Premises. The property leased herein is located within the Jacqueline Cochran Regional Airport, County of Riverside, State of California and consists of approximately 4.4 acres of vacant land and 2.310 acres of land consisting of the aircraft apron area totaling a collective area of 6.710 acres that are located on the Airport, as more specifically described in the Amended Legal Description and depicted on the Amended Site Map and Amended Survey, each incorporated herein by this reference and attached hereto as Exhibits A-1, A-2, A-3, and A-4 respectively, including all improvements located thereon ("Leased Premises"). Lessee acknowledges and agrees that Lessee has no fee title interest in or to the Leased Premises or any portion thereof."
 - **b.** The first paragraph of Section 6 to the FBO Lease titled, "Rent" shall be deleted in its entirety and replaced with the following.
 - "6. Rent. Lessee shall pay to Lessor as initial base rent for the use and occupancy of the Leased Premises monthly rent equal to Nine Thousand Eight-Hundred Six Dollars and 23/100 (\$9,806.23) ("Base Rent"). Said Base Rent is due and payable in advance on the first of each month. The Base Rent shall be considered delinquent, if not paid by the 10th of the month.
 - **c.** <u>Notices.</u> Section 41 of the FBO Lease titled, "Notices" is hereby deleted in its entirety and replaced with the following:
 - "41. Notices. Any notices required or desired to be served by either Party upon the other shall be addressed to the respective Parties as set forth below:

COUNTY

County of Riverside, TLMA Aviation Division 4080 Lemon Street, Suite 14th Floor Riverside, CA 92501

Attn: TLMA – Aviation Division

LESSEE

Desert Jet Center LLC 56600 Invader Ave Thermal, CA 92274

Attn: James McCool

or to such other addresses as from time to time shall be designated by the respective Parties. A change of notification address is required in writing and must be delivered to the other Party.

Formal notices, demands and communications between Lessor and Lessee shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the Lessor and Lessee, as designated in this Section 41. Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received the day after the documented date of delivery; and any notice that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the second day of delivery.

Lessor shall use good faith efforts to deliver copies of any notices of default delivered to Lessee to the Encumbrancer, at such addresses for receipt of notice as shall be provided to the Lessor in writing.

- 4. <u>Amended Legal Description</u>. The FBO Lease is hereby amended in its entirety to add the Aircraft Apron Area Legal Description as Exhibit A-4, which is attached hereto as Attachment No. 2 and incorporated herein by this reference.
- **5.** Amended Site Map: Except for the Recitals, all references in the FBO Lease to Exhibit A-1 as the Site Map are hereby deleted in their entirety and replaced with references to the Amended Site Map to be attached as Exhibit A-1 which is attached

hereto as Attachment No. 3 and incorporated herein by this reference.

6. Miscellaneous

- a. <u>Interpretation</u>. This Second Amendment, when combined with the FBO Lease, sets forth and contains the entire understanding and agreement of the Parties hereto and correctly sets forth the rights, duties and obligations of each to the other as of this date. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Second Amendment or the FBO Lease.
- b. Waivers; Amendments. All waivers of the provisions of this Second Amendment and all amendments hereto must be in writing and signed by the appropriate authorized representatives of the County and Lessee. Failure or delay by County in giving notice of any default under this Second Amendment or the FBO Lease shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this Second Amendment and in the FBO Lease, any failures or delays by either Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either Party in asserting any of its rights and remedies shall not deprive either Party of its right to institute and maintain any actions or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies.
- c. <u>Attachments</u>. Each of the attachments and exhibits attached hereto are incorporated herein by this reference.
- d. <u>Effectiveness of FBO Lease</u>. Except as modified and amended by this Second Amendment, all other terms and conditions of the FBO Lease remain unmodified and in full force and effect.
- e. <u>Counterparts</u>. This Second Amendment may be signed by the different Parties hereto in counterparts, each of which shall be an original but all of which together shall constitute one and the same agreement.

f. <u>Effective Date</u>. The effective date of this Second Amendment is the date this Second Amendment is executed by the County's Chairman of the Board of Supervisors.

[Signatures on the Following Page]

Amended Site Map

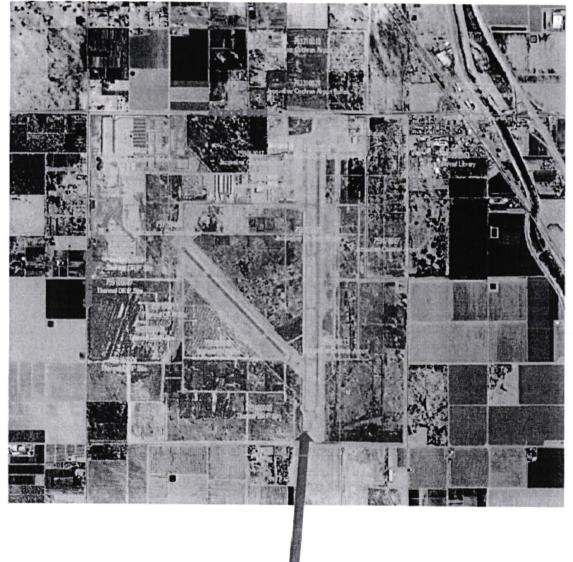
Attachment No. 3

28

ATTACHMENT NO. 1

SITE MAP of Jacqueline Cochran Regional Airport

(BEHIND THIS PAGE)



Jacqueline Cochran Regional Airport
Thermal, CA

ATTACHMENT NO. 2

LEGAL DESCRIPTION Aircraft Apron Legal Description

(BEHIND THIS PAGE)

RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

EXHIBIT "A"

LEGAL DESCRIPTION

JACQUELINE COCHRAN REGIONAL AIRPORT – LEASE AREA

In the unincorporated area of the County of Riverside, State of California, being that portion of Lot 6 of the Map Of The Coachella Land & Water Co, filed in book 4, page 53 of Maps, records of said county, lying within Section 21, Township 6 South, Range 8 East, San Bernardino Meridian, described as follows:

Beginning at the southeasterly corner of the land described as Parcel "A" in Memorandum of Lease recorded September 26, 2016 as Instrument No. 2016-0418246 of Official Records of said county;

Thence North 00° 03' 30" West 384.72 feet along the easterly line of said Parcel to the southerly line of the land described as The Ramp Lease in First Amendment to Memorandum of Lease recorded July 18, 2018 as Instrument No. 2018-0289692 of Official Records of said county;

Thence North 89° 56' 52" East 261.53 feet along said southerly line to a line parallel with and 261.53 feet easterly of said easterly line;

Thence South 00° 03' 30" East 384.69 feet along said parallel line to the easterly prolongation of the southerly line of said Parcel "A";

Thence South 89° 56' 30" West 261.53 feet along said prolongation to the Point of Beginning.

Containing 100,611 square feet/2.310 acres more or less.

The distances shown herein are in grid. Ground distances may be obtained by dividing grid distance by the combination factor of 0.99997882.

See Exhibit "B" attached hereto and made a part hereof.

NO. 7752

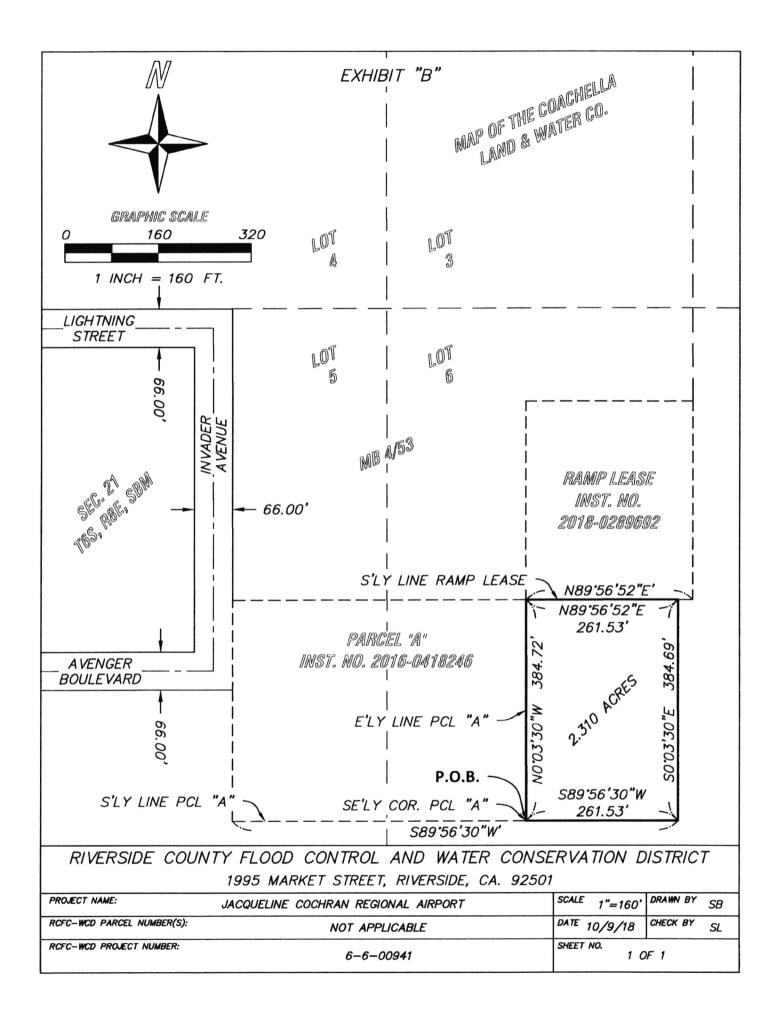
EXP. 12-31-19

SIMIE OF CALIFORNIA

JAMES R. McNEILL

Land Surveyor No. 7752

Date: 10-10-18

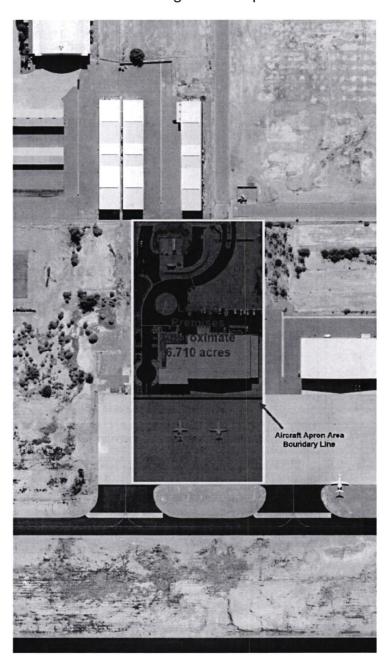


ATTACHMENT NO. 3

LEASED PREMISES Amended Site Map

(BEHIND THIS PAGE)

Amended Site Map Including Aircraft Apron



Amended Leased Premises 6.710 acres

NOT A SURVEY Areas are approximate for Illustration purposes only

Second Amendment to the Jacqueline Cochran Regional Airport FBO and Maintenance Ground Lease Agreement – Desert Jet Center LLC 56850 Higgins Drive, Thermal, CA 92274

