


CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Airport	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	COORDINATION City Attorney's Office and City Manager's Budget Office	Director Approval /s/ Mukesh (Mookie) Patel
COUNCIL DISTRICT(S) Citywide			CMO Approval  <div style="text-align: right;">12/3/24</div>
SUBJECT: Amendment to the Fixed Base Operator Ground Lease and Operating Agreement with AvBase San Jose, LLC			
RECOMMENDATION			
Adopt a resolution authorizing the City Manager or her designee to negotiate and execute a second amendment to the fixed base operator ground lease and operating agreement between the City of San José and AvBase San Jose, LLC to update the square footage of the premises from 213,537 square feet to 219,904 square feet.			
BASIS FOR RECOMMENDATION			
<p>On March 20, 2001, the City entered into a fixed base operator ground lease and operating agreement with AvBase San Jose, LLC for Airport parcels W-3, W-3A, W-3B, W-3C, W-4, and W-5. In the initial agreement, parcel W-3C was not contiguous to the other parcels and the total space was calculated to encompass 213,537 square feet.</p> <p>On March 23, 2004, the City and AvBase entered into a first amendment to reconfigure the premises adjusting parcel W-3C to a new agreed upon location contiguous to the other parcels. At that time, the premises square footage was not recalculated and remained at 213,537 square feet. During an audit of the lease outline drawing, the premises as outlined in the first amendment, was recalculated and found to be 219,904 square feet, amounting to an additional 6,367 square feet that was not previously accounted for. The adjustment in leased space will amount to an additional \$24,194.60 in annual ground rent and approximately \$217,751.40 additional ground rent through the remainder of the agreement term.</p> <p>Delegating authority to the City Manager or her designee will allow the City to amend the agreement and adjust the lease outline drawing to properly reflect the space that AvBase San Jose, LLC is leasing.</p>			
COMMISSION RECOMMENDATION AND INPUT			
No commission recommendation or input is associated with this action.			
COST AND FUNDING SOURCE			
There are no costs associated with this action.			
FOR QUESTIONS CONTACT: Matthew Kazmierczak, Division Manager, (408) 392-3640			