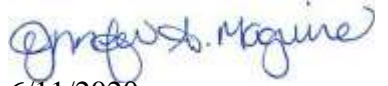


CITY COUNCIL ACTION REQUEST

Department(s): Airport	CEQA: Not a Project, PP17-003, Agreements/Contracts resulting in no physical changes to the environment.	Coordination: City Manager's Budget Office and City Attorney's Office	Dept. Approval: /s/ John Aitken
Council District(s): City-wide			CMO Approval:  6/11/2020

SUBJECT: THIRD AMENDMENT TO THE LEASE OF AIRPORT PREMISES AGREEMENT BETWEEN THE CITY OF SAN JOSE AND JET CENTER PROPERTY SERVICES, LLC

RECOMMENDATION:

Approve a Third Amendment to Lease of Airport Premises with Jet Center Property Services, LLC ("Jet Center") to extend the term for five years, from July 1, 2020 through June 30, 2025, with annual revenue to the City of approximately \$195,492.

BASIS FOR RECOMMENDATION:

Jet Center is authorized to use the leased premises for parking, moving, and storing tenant's vehicles and temporary storage of equipment and other property subject to the approval of the Director. Jet Center occupies 57,720 sq. ft. space of low-load bearing (asphalt) space on the west-side of the airport located at 291 Martin Avenue.

Municipal Code 25.08.1340 allows the Director to execute leases and amendments if the total monetary value received by the City does not exceed \$250,000 or the agreement is three years or less including the term of any extensions or renewals. Jet Center requests to extend its lease for five years to expire on June 30, 2025, which will result in total revenue exceeding \$250,000 and the proposed lease extension therefore requires Council approval. The terms of the lease allow either party to terminate the lease upon a thirty day written notice, and approval of the five-year extension will provide approximately \$195,492 in yearly revenues to the Airport.

Climate Smart San José: The recommendation in this memo has no effect on Climate Smart San Jose energy, water, or mobility goals.

Commission Recommendation/Input: No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE:

Annual revenue to the City of \$195,492 is anticipated for the term of this amended agreement.

FOR QUESTIONS CONTACT: John Aitken, A.A.E., Aviation Director at (408) 392-3610