## MEMORANDUM COUNTY OF VENTURA COUNTY COUNSEL'S OFFICE

March 10, 2016

TO: Todd McNamee, Director, Department of Airports

FROM: Thomas W. Temple, Assistant County Counsel

RE: PROHIBITION ON SUBLEASING AND ASSIGNMENTS

Tenants of hangars at the County of Ventura's airports are prohibited from subleasing, assigning, or otherwise transferring any interest in their leases to a third party. Tenants of both County-owned and privately owned hangars have agreed to this prohibition in their leases and license agreements:

"THIS LEASE [OR LICENSE] IS PERSONAL TO THE LESSEE [OR LICENSEE], AND SHALL NOT BE TRANSFERRED, IN WHOLE OR IN PART, OR ASSIGNED."

The above language does not use the term "sublease," but it prohibits subleasing nonetheless, because a sublease is a transfer. Both a sublease and an assignment are transfers of rights, but the difference between them is that a sublease transfers only some of the rights held by the tenant, while an assignment transfers all rights. (*Reed v. South Shore Foods, Inc.* (1964) 229 Cal.App.2d 705, 710.) Put into the terms used in the above-quoted sentence, a tenant who subleases a hangar has "transferred [the lease] ... in part," while a tenant who assigns a lease has "transferred [the lease] in whole" or "assigned" the lease. A sublease is a transfer; the above-quoted language prohibits all transfers; therefore, the above-quoted language prohibits all subleases.

Therefore, where any tenant's lease or license agreement contains the above-quoted sentence (or functionally identical language), that tenant is barred from subleasing, assigning, or transferring any interest in the lease or license to any third party.

In addition, subleasing for compensation is a commercial activity that is also prohibited. Tenants' leases and license agreements prohibit commercial activity:

"Lessee [or Licensee] may not conduct any commercial activity on the premises .... Such use constitutes grounds for termination of this Lease [or License], unless Lessee [or Licensee] secures prior written consent of the Lessor [or Licensor]."

Ventura County Ordinance Code section 6507-6 makes it an infraction, punishable by a fine, to conduct commercial activity at an airport without a permit from the Department of Airports.