March 1, 2021

Aviation Advisory Commission
Camarillo Airport Authority
Oxnard Airport Authority
555 Airport Way, Suite B
Camarillo, CA 93010

Subject: Approval of the Revised Form Hangar Lease Agreement for Privately Owned Hangars at the Camarillo and Oxnard Airports to Replace Month-to-Month Leases with Term Leases; Authorization for the Director of Airports or His Designee to Terminate All Existing Month-to-Month Hangar Lease Agreements for Privately Owned Hangars and to Sign the Revised Form Lease Agreement with Tenants of Existing Hangars.

Recommendations:

Staff requests that your Commission/Authorities recommend that the Board of Supervisors:

1. Approve the revised form hangar lease agreement for privately owned hangars at the Camarillo and Oxnard Airports (Exhibit 3), to replace the current month-to-month leases with term leases; and

2. Authorize the Director of Airports or his designee to terminate all existing month-to-month lease agreements for privately owned hangars and to sign the revised form lease agreement in Exhibit 3 with tenants of existing privately owned hangars.

Fiscal/Mandates Impact:

There are no fiscal impacts associated with this action.

Discussion:

Since 1985, the Department of Airports (Department) has been using the same form to lease land to private owners of aircraft storage hangars at the Camarillo and Oxnard Airports. That form, a sample of which is attached as Exhibit 1, is outdated and no longer
meets the Department’s needs. So, beginning in 2015, prompted in part by tenants’ requests to be able to sublease their hangars, in part by concerns over tenants’ uses of their hangars, and in part by various inadequacies of the current lease form, the Department has been attempting to update the lease form. These efforts have included obtaining the help of a third-party facilitator; meetings with a committee of various stakeholders at the County’s airports; two town-hall–style meetings; numerous workshops, presentations, and meetings with tenants and hangar tenant association groups; and discussions at the Airport Advisory Commission and Camarillo and Oxnard Airport Authorities meetings. A great deal of time, energy, and funds have been spent on this process.

During a joint meeting between the Department of Airports and the Ventura County Hangar Owners and Tenants Association (VCHOTA) in September 2019, the Department of Airports presented a staff-proposed recommendation for revising the lease agreement, with the understanding that any staff-proposed draft lease recommendation would require approval of the Board of Supervisors prior to becoming a valid final revised lease. The staff-proposed draft lease, consistent with the recommendation presented to VCHOTA, was then presented for your consideration and approval during the March, 2020 Aviation Advisory Commission and the Camarillo and Oxnard Airport Authority regularly scheduled meetings. Staff was requested by the Camarillo and Oxnard Authorities, to further review and report back on six sections of the proposed agreement based on discussion during the March 2020 meetings.

The sections that staff were requested to review and report back on include:

- Section 1: This was revised to remove pilot’s license number
- Section 10: Revised to allow one car and one golf cart in all hangars, and to allow two cars and one golf cart if hangar is over 1,500 sq. ft.
- Section 26 (Now Section 27): Not revised
- Section 35 (Now Section 36 & 37): Revised to split assignment and subletting into two sections
- Section 38 (Now 39): Revised to remove minor violations
- Section 46 (Removed): Deleted provisions required by FAA only for commercial leases

A revised draft of the proposed lease agreement was sent to all private hangar owners on February 1, 2021 seeking additional comment and feedback. Staff hosted a virtual meeting to discuss these items and other questions or concerns that tenants may have with the proposed agreement on February 11, 2021. Staff has received additional input from tenants on these and other points which led to a few final suggested edits for consideration which are illustrated in Exhibit 2.

This revised agreement (Exhibit 3) will be required to be approved by a four-fifths vote of the Board of Supervisors for final adoption and use by the Department of Airports.
The proposed revised lease agreement adds, improves, or clarifies numerous provisions, including the lease term, assignment and subleasing, storage of additional aircraft, storage of non-airworthy aircraft, storage of a motor vehicle, storage of other non-aeronautical items, relocation of the hangar, default notice procedures, maintenance of the hangar, utilities, trash, airport security, fire hazards, and termination expectations. The revisions also remove obsolete requirements, reflect current requirements and practices, and conform to other County airport lease agreements in format and content. The proposed revised lease is intended primarily for existing private hangar owners however will also serve as a template for new private hangar owners. (The Department of Airports will propose other lease forms at a later date for County-owned hangars that are leased on a month-to-month basis.)

Key terms of the proposed revised lease for existing private hangar owners include:

- **Term:** 20 years
- **No reversion:** At end of term, owners of existing hangars would have the option to either:
  1. Enter into a new lease,
  2. Sell or transfer the hangar to another owner, or
  3. Remove or relocate the hangar.
- **Subletting allowed** with County approval of both subtenant and written sublease
- **Motor vehicle allowed:** 1 for first 1,500 s.f. of hangar space plus one golf cart, and a second vehicle allowed if hangar exceeds 1,500 sq. ft. plus a golf cart (boats and RVs excluded)
- **Additional aircraft under construction allowed** for two years with County approval, plus extensions if approved

After a revised lease has been approved by the Board of Supervisors, the Department of Airports will then send out a 90-day notice to existing tenants informing them of the need to swap over to the new revised lease. The Department anticipates that all tenants will switch to the new lease, and we intend to work with tenants to ensure the switch happens smoothly. But it is the Department’s intent to transition all existing privately owned hangar leases to the new term format.

If you have any questions regarding this item, please call me at (805) 388-4372.

KIP TURNER, C.M.
Director of Airports

Attachments:

Exhibit 1 – Existing privately owned hangar lease form
Exhibit 2 – Proposed revised privately owned hangar lease form (track changes)
Exhibit 3 – Proposed revised privately owned hangar lease form