A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/15/2020
Agenda Placement: 6M

NAPA COUNTY BOARD OF SUPERVISORS
Board Agenda Letter

TO:	Board of Supervisors
FROM:	Steven Lederer - Director of Public Works Airport
REPORT BY:	Kathy Wagenknecht, Staff Services Analyst II - 259-8683
SUBJECT:	Approval of a Lease Agreement Amendment with Yamaha Motor Corporation, USA

RECOMMENDATION

Director of Public Works requests approval of and authorization for the Chair to sign Amendment No. 3 to Lease Agreement No. 180217B with Yamaha Motor Corporation U.S.A., increasing the annual rental amount by 3.1 percent from $26,964 to $27,804, and extending the term through June 30, 2021, with an option for an additional six (6) month term, for the continued leasing of space at 2000 Airport Road.

EXECUTIVE SUMMARY

Since January 1, 2018, through Lease Agreement No. 180217B, Yamaha Motor Corporation has leased approximately 1,907 sq. ft. of space within the northeast portion of 2000 Airport Road, to store and maintain its RMAX agricultural spray vehicles. This lease will expire on December 31, 2020. Staff requests Board approval of Amendment No. 3 to Lease Agreement No. 180217B increasing the monthly rental rate beginning January 1, 2021 by 3.1 percent from $2,247 to $2,317, to reflect the 2019 Annual Consumer Price Index (CPI), and to extend the term of the agreement through June 30, 2021 with an option to renew for one (1) additional six (6) month term.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Airport Enterprise Fund - Fund 5010 Subdivision 50100-00
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	The Napa County Airport Enterprise Fund will receive rental income totaling $27,804 during the proposed term of the amendment, including the optional 6 month extension term.
Is the general fund affected?	No
Future fiscal impact:	Continued revenue through June 30, 2021 and possibly through December 31, 2021.
Consequences if not approved:	Not approving this amendment will result in the Airport Enterprise Fund not receiving the proposed revenue and require the tenant to relocate from the Airport.
County Strategic Plan pillar addressed:	Effective and Open Government
Additional Information:	

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Categorical Exemption Class 1: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 1 (“Existing Facilities”) which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15301; see also Napa County’s Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

BACKGROUND AND DISCUSSION

Prior to Yamaha's lease with the County, Yamaha subleased the approximately 1,907 sq. ft. of space from the International Airline Training Academy (IATA) since April 1, 2016 under County Agreement No. 8710, which began on October 1, 2014, and expired on December 31, 2017. IATA leased the entire 16.8 acres encompassing improvements located at 1950 and 2000 Airport Road. The Board of Supervisors subsequently approved Agreement No. 180217B with Yamaha Motor Corporation to continue leasing this space. The Agreement was amended in December 2018 and December 2019 to extend through calendar years 2019 and 2020. Yamaha has now requested that the County continue their lease for the space through June 30, 2021, with an option to renew the term for an additional six (6) months through December 31, 2021.

Staff requests Board approval of Amendment No. 3 to Lease Agreement No. 180217B with Yamaha Motor Corporation U.S.A. increasing the monthly rental rate beginning January 1, 2020 by 3.1 percent from $2,247 to $2,317 for their continued use of space at 2000 Airport Road.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Mary Booher