CITY OF LONG BEACH



LONG BEACH AIRPORT

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Long Beach, CA 90808

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August 9, 2016

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute any and all documents necessary for a lease between the City of Long Beach and the United States of America, Department of Transportation, Federal Aviation Administration, for the use of City-owned property at 3601 E. Spring Street at the Long Beach Airport for the continued operation of the Air Traffic Control Tower. (District 5)

DISCUSSION

In order to operate, the Long Beach Airport (Airport) requires Federal Aviation Administration (FAA) facilities and equipment (Facilities) for navigation, communication and weather aid to support air traffic operations. The City provides the land for the Facilities at "no fee" in exchange for the construction, operation and maintenance of the Facilities by the FAA. Further, standard FAA grant conditions for the annual receipt of federal funding require a "no fee" use of property for purposes of aeronautical support.

Lease No. 34276 provides for approximately 33,000 square feet of City-owned property at 3601 E. Spring Street for the operation of the Air Traffic Control Tower (ATCT). All other FAA equipment in and around the airfield is consolidated under Memorandum of Agreement No. 32110 (MOA). Under FAA policy, use of the land for the ATCT cannot be incorporated into the MOA and must remain as a separate lease.

Lease No. 34276 will expire on September 30, 2016. In advance of its expiration, the FAA has provided a new lease for execution for the continued operation of the ATCT at the Airport. The new lease will contain the following major terms and provisions:

- <u>Lease Term:</u> The new lease shall be for a 19-year period commencing on October 1, 2016, and terminating on September 30, 2035. The FAA shall have one option to further extend the term for an additional year through September 30, 2036.
- <u>Termination Option:</u> The FAA may terminate the lease agreement, in whole or in part, at any time by providing the City with 90-days prior written notification.

• <u>Consideration:</u> The FAA shall pay the City no monetary consideration. It is mutually agreed that the rights extended to the FAA are in consideration of the obligations assumed by the FAA in its establishment, operation and maintenance of the ATCT.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and by Budget Analysis Officer Rhutu Amin Gharib on June 14, 2016.

TIMING CONSIDERATIONS

City Council action on this item is requested on August 9, 2016, in order to execute the new lease in a timely manner.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JUAN LOPEZ-RIOS INTERIM DIRECTOR LONG BEACH AIRPORT

APPROVED:

CITY MANAGER

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