



CITY COUNCIL STAFF REPORT

DATE: July 7, 2010 CONSENT AGENDA
SUBJECT: Signature Flight Support, Inc. Amendment 4 to Lease No. 4821
FROM: David H. Ready, City Manager
BY: Airport Department

SUMMARY

This action will promulgate Amendment No. 4 to the long-term lease with the Airport's Fixed Base Operator, Signature Flight Support, to account for the new Air Traffic Control Tower boundaries, provide dedicated parking positions for the flight school aircraft, and reserve a route for Airport emergency vehicles across the leasehold.

RECOMMENDATION:

1. Approve Amendment 4 to Lease #4821 with Signature Flight Support Corporation for Fixed Base Operator (FBO) Services effective September 1, 2010.
2. Authorize City Manager to execute all necessary documents.

STAFF ANALYSIS

The Airport Commission voted in support of recommending this tenant lease agreement amendment at its June 16, 2010 meeting.


Signature Flight Support is one of two Fixed Base Operators doing business on the airport and it has a long term lease which ends in 2044. This leasehold consists of 14 different parcels East of El Cielo and Alejo Roads. The most noticeable and prominent portion of this leasehold property includes their new terminal complex and apron located on the other side of El Cielo across from City Hall.

The new FAA Control Tower has a final lease footprint that does encroach upon the Signature aircraft parking areas and this amendment makes the necessary leasehold


boundary modifications to these parcels. In addition, because the Airport will now have a direct lease with the long-standing flight instruction school (see additional Council Report) and the aircraft require staging within the Signature leasehold, this amendment contains language to appropriate the necessary space that will properly accompany these aircraft. This amendment also includes language that ensures Signature always accommodates an access route across their apron for the Airport's Aircraft Rescue and Firefighting trucks.

FISCAL IMPACT:

There is no Airport Enterprise Fund expense or revenue associated to this lease amendment.



Thomas Nolan,
Executive Director, Airport



David H. Ready, City Manager

cc: Signature Lease 4821 Amendment 4

AMENDMENT NO. 4 TO LEASE 4821
WITH SIGNATURE FLIGHT SUPPORT CORPORATION
FOR FIXED BASE OPERATOR (FBO) SERVICES

THIS AMENDMENT NO 4. TO LEASE #4821 WITH SIGNATURE FLIGHT SUPPORT FOR FIXED BASE OPERATOR (FBO) SERVICES ("Amendment No. 4") is made and entered into this first day of September 2010, by and between the CITY OF PALM SPRINGS, a California municipal corporation ("City") and SIGNATURE FLIGHT SUPPORT CORPORATION, a Delaware corporation ("Tenant").

RECITALS

WHEREAS, on January 21, 2004, City and Tenant entered into that certain Lease with Signature Flight Support Corporation for Fixed Base Operator (FBO) Services ("Agreement"), for Tenant's lease and operation of its FBO at Palm Springs International Airport ("Airport"), as more specifically described in the Agreement;

WHEREAS, on October 24, 2004, and before Tenant, through its authorized subcontractor, commenced construction of improvements at the Airport on Parcels 3 and 6 pursuant to the Agreement, the parties entered into Amendment No. 1 to the Agreement ("Amendment No. 1") after discovering the need to restrict construction on Parcels 3 and 6 to assure appropriate and adequate access to the structures being constructed thereon exists at the Access Way, as such term is defined therein;

WHEREAS, on January 12, 2005, Amendment No.1 was superseded in its entirety by Amendment No. 2 which added designated building setbacks on construction on Parcels 3 and 6;

WHEREAS, on March 15, 2006, Amendment No. 3 removed certain language requiring a payment upon completion of the demolition to Hangar (Parcel 13);

WHEREAS, the parties wish to amend the Agreement pursuant to the terms of Amendment No. 4 as follows;

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Tenant agree as follows:

1. Subsection 2.12 Flight School Aircraft Tie-Downs (Parcel 1). Shall be added to the Agreement as follows:

2.12 Flight School Aircraft Tie-Downs (Parcel 1). During the current agreement/option periods included in the City Facility Rental Agreement with Legend Aire dba The Flight School Tenant shall provide Legend Aire dba The Flight School, located in Hangar 1, five single engine aircraft Tie-Downs, as reasonably close to Hangar 1 as feasible at a monthly rental rate equal to that provided to other FBO Tie-Down customers. Tenant shall make the Tie-Downs accessible at all times. If Legend Aire dba The Flight School does not meet the Tenant requirements per the standard Tenant FBO Tie-Down agreement or becomes delinquent on rent for the Tie-Downs this subsection will be null and void.

2. Subsection 2.13 Aircraft Rescue and Firefighting (ARFF) Emergency Route (Parcel 2). Shall be added to the Agreement as follows:

2.13 Aircraft Rescue and Firefighting (ARFF) Emergency Route (Parcel 2). The City is obligated by Federal Aviation Administration regulations to provide fire and rescue services and Tenant will not obstruct ARFF vehicle access between the ARFF Facility and the Airfield. Tenant shall maintain at all times at least one clear and open vehicle path wide enough for the largest single ARFF truck to expeditiously traverse. Tenant will not impose any fees or charges for maintaining the clear pathway. Tenant will not be entitled to any reimbursement for revenues lost from not being able to use that apron space for business activities.

5. Exhibit A. Legal Description for Parcels 2 has been revised in it's entirety due to the new Air Traffic Control Tower property boundary which is depicted in Exhibit "A". These revisions have resulted in a total reduction of 2,178 square feet. Tenant's rent for Parcel 2, shall remain unchanged as a result of these revisions.
6. Exhibit A. Legal Descriptions for Parcels 1, 4, 6 have been revised due to errors in coordinate directions as depicted in Exhibit "A" – no change in actual area of leasehold or rent.
7. Full Force and Effect. Except as expressly modified herein all other provisions of the Agreement shall remain unmodified and in full force and effect.
8. Corporate Authority. The persons executing this Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment on behalf of said party, (iii) by so executing this Amendment,

such party is formally bound to the provisions of the Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which said party is bound.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

CITY OF PALM SPRING
a municipal corporation

By: _____
City Clerk

By: _____
City Manager

APPROVED AS TO FORM:

By: _____
City Attorney

CONTRACTOR: Check one: ___ Individual ___ Partnership ___ Corporation

Corporations require two notarized signatures: One from each of the following: A. Chairman of Board, President, or any Vice President: AND B. Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.

By: _____
Signature (notarized)

By: _____
Signature (notarized)

Name: _____

Name: _____

Title: _____

Title: _____

State of _____

State of _____

County of _____

County of _____

On _____ before me, _____

On _____ before me, _____

personally appeared _____
who proved to me on the basis of satisfactory
evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument
and acknowledged to me that he/she/they
executed the same in his/her/their authorized
capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s),
or the entity upon behalf of which the
person(s) acted, executed the instrument.

personally appeared _____
who proved to me on basis of satisfactory
evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument
and acknowledged to me that he/she/they
executed the same in his/her/their authorized
capacity(ies), and that by his/her/their
signatures(s) on the instrument the person(s)
or the entity upon behalf of which the
Person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY
under the laws of the State of California that
the foregoing paragraph is true and correct.

I certify under PENALTY OF PERJURY
under the laws of the State of California that
The foregoing paragraph is true and correct.

WITNESS my hand and official seal.

WITNESS my hand and official seal.

Notary Signature: _____

Notary Signature: _____

Notary Seal:

Notary Seal:

EXHIBIT "A"
REVISED LEGAL DESCRIPTIONS
FOR
PARCELS 1, 2, 4 AND 6
SEE ATTACHED

EXHIBIT "A"

PALM SPRINGS INTERNATIONAL AIRPORT

SIGNATURE FLIGHT SUPPORT LEASE

LEGAL DESCRIPTION PARCEL NO. 1

That portion of the Northwest ¼ of Section 18, Township 4 South, Range 5 East, San Bernardino Base and Meridian, in the City of Palm Springs, County of Riverside, State of California, being more particularly described as follows:

COMMENCING at the West ¼ Corner of said Section 18;

Thence North 00°05'30" East, along the Westerly line of said Section 18 a distance of 740.93 feet;

Thence South 89°40'10" East a distance of 44 feet to the **TRUE POINT OF BEGINNING**;

Thence North 00°05'30" East a distance of 568.88 feet;

Thence South 89°55'10" East a distance of 319.94 feet;

Thence South 00°05'30" West a distance of 570.28 feet;

Thence North 89°40'10" West a distance of 319.97 feet to the **TRUE POINT OF BEGINNING**.

CONTAINING: 4.18 Acres, more or less.

Legal Description

Amended Signature Flight Support Parcel No. 2 Lease Palm Springs International Airport Palm Springs, CA

That certain parcel of land located in the Northwest Quarter of Section 18, Township 4 South, Range 5 East, San Bernardino Meridian, City of Palm Springs, County of Riverside, State of California, more particularly described as follows:

COMMENCING at the west quarter corner of said Section 18;

Thence along the westerly line of said Section 18 North $00^{\circ}10'11''$ East, 740.93 feet to its intersection with the westerly prolongation of the southerly line of Signature Flight Support Lease Parcel No. 1, as described in said lease;

Thence along said prolongation and said southerly line North $89^{\circ}35'29''$ East, 363.97 feet to the southeast corner of said Signature Flight Support Lease Parcel No. 1 and the **TRUE POINT OF BEGINNING**;

Thence continuing along said southerly line of Signature Flight Support Lease Parcel No. 1 and its easterly prolongation South $89^{\circ}35'29''$ East, 199.95 feet to the southwest corner of Signature Flight Support Lease Parcel No. 4;

Thence along the westerly line of said Signature Flight Support Lease Parcel No. 4 and its northerly prolongation North $00^{\circ}10'11''$ East, 501.66 feet to its intersection with the southerly line of the Airport Traffic Control Tower Lease as described in Federal Aviation Administration Lease No. DTFAWP-09-L-00028;

Thence along the southerly line of said Airport Control Tower Lease North $89^{\circ}51'02''$ West, 7.77 feet to the southwest corner of said Airport Control Tower Lease;

Thence along the westerly line of said Airport Control Tower Lease North $00^{\circ}13'38''$ East, 254.63 feet to the northwest corner of said Airport Control Tower Lease;

Thence along the northerly line of said Airport Control Tower Lease South $89^{\circ}51'02''$ East, 7.51 feet to its intersection with the northerly prolongation of said Signature Flight Support Lease Parcel No. 4;

Thence along said northerly prolongation North $00^{\circ}10'11''$ East, 265.05 feet to a point of intersection with a line perpendicular to the easterly line of Signature Flight Support Lease Parcel No. 6;

Thence along said perpendicular line North $89^{\circ}50'29''$ West, 199.99 feet to the westerly line of said Signature Flight Support Lease Parcel No. 6;


Thence along said westerly line of Signature Flight Support Lease Parcel No. 6 South $00^{\circ}09'31''$ West, 140.01 feet to the southwest corner of said Signature Flight Support Lease Parcel No. 6;

Thence South 00°09'57" West, 310.19 feet to the northeast corner of said Signature Flight Support Lease Parcel No. 1;

Thence along the easterly line of said Signature Flight Support Lease Parcel No. 1 South 00°10'11" West, 570.28 feet to the **TRUE POINT OF BEGINNING**.

CONTAINING: 4.64 Acres, more or less.

This description was prepared by me or under my direction.


Levi D. Cox, P.L.S. 7930

5-24-2010

Date



EXHIBIT "A"

PALM SPRINGS INTERNATIONAL AIRPORT

SIGNATURE FLIGHT SUPPORT LEASE

LEGAL DESCRIPTION PARCEL NO. 4

That portion of the Northwest ¼ of Section 18, Township 4 South, Range 5 East, San Bernardino Base and Meridian, in the City of Palm Springs, County of Riverside, State of California, being more particularly described as follows:

COMMENCING at the West ¼ corner of said Section 18;

Thence North 00°05'30" East, along the Westerly line of said Section 18, a distance of 740.93 Feet;

Thence South 89°40'10" East a distance of 563.89 feet to the **TRUE POINT OF BEGINNING**;

Thence North 00°05'30" East a distance of 471.35 feet;

Thence South 89°55'10" East a distance of 355 feet;

Thence South 00°05'30" West a distance of 472.89 feet;

Thence North 89°40'10" West a distance of 355 feet to the **TRUE POINT OF BEGINNING**.

CONTAINING: 3.85 Acres, more or less.

EXHIBIT "A"

PALM SPRINGS INTERNATIONAL AIRPORT

SIGNATURE FLIGHT SUPPORT LEASE

LEGAL DESCRIPTION PARCEL NO. 6

That portion of the Northwest ¼ of Section 18, Township 4 South, Range 5, East, San Bernardino Base and Meridian, in the City of Palm Springs, Co8unty of Riverside, State of California, Being more particularly described as follows:

COMMENCING at the West ¼ Corner of said Section 18;

Thence North 00°05'30" East, Along the Westerly line of said Section 18 a distance of 1619.81 feet;

Thence South 89°55'10" East a distance of 228.86 feet to the **TRUE POINT OF BEGINNING**;

Thence North 00°05'30" East a distance of 305 feet;

Thence South 89°55'10" East a distance of 135 feet;

Thence South 00°04'50" West a distance of 305 feet;

Thence North 89°55'10" West a distance of 135 feet to the **TRUE POINT OF BEGINNING**;

CONTAINING: 0.95 Acres, more or less.