

Planning & Development Committee  
Meeting Minutes  
August 27, 2020 at 7am  
Commission Room

**Attendees:** Commissioners: Jay Joseph, Lindsey Smith Staff: Jenifer Spratley, Michael Giardino

**Recorder:** Barbara Rumsey

Mr. Joseph called the meeting to order at 7:09am.

**Approval of Minutes from July 20, 2020.** Approved by voice vote. 2-0

**New Business:**

**Resolutions:**

- GA Leasing Policy:

Mr. Giardino stated there was a lease adopted by the PAC in December. A draft policy was sent to tenants on January 23<sup>rd</sup> asking for feedback and we received no feedback. A condition index is being used that would adjust rates one on one. John Borden Director of Facilities has kept the condition index. The index was explained: Excellent, good, standard, sub-standard. Excellent- does not require maintenance (1 currently), good (11), standard, substandard. The rates would be adjusted according to the index. The resolution is asking that the staff has the ability to adjust rates lower based on index. The lease was reduced to 23-page document.

Received an email from Hunter Old requesting the Commission be shown a lease that is 10 pages. Lease policy and all documents have been on the website since July 13<sup>th</sup>.

Ms. Smith likes the policy as it is written.

Mr. Joseph asked for the distinction between private and commercial lease. Mr. Giardino explained that if there are commercial activities done out of the hangar, it would be commercial. Ms. Smith asked if we have a lessee that resembles this. Mr. Giardino replied that we speculate this is happening and have offers for it to happen.

Mr. Joseph asked if we are doing repairs before leasing or after. Mr. Giardino explained that we are responsible for repairs. Mr. Joseph asked if there is a non-standard hangar, do we lease as is with a reduced rate. Mr. Giardino, we would not place someone in a non-standard hangar.

Mr. Joseph asked for explanation of sub-tenant and a sharer from the policy. Do we have any situations where there are hangars are shared? Mr. Giardino answered that we do not have any knowledge of these issues.

Ms. Smith asked to be walked through repair process. Mr. Giardino stated that Chris is available, John Borden and Howard Lavelle (Skeeter), if an issue arises, we place a work order, it gets allocated, if we are unable to do the repair ourselves, we contract it out. Recently, we had a water issue and we offered to relocate at no expense to the tenant.

Ms. Smith motioned to recommend policy to be approved, Jay seconded the motion. **Motion passed by voice vote to take to the full PAC. 2-0.**

- GA Lease.

Mr. Joseph asked if we are ready to move forward with the lease. Ms. Smith asked what the difference is between the lease sent by Mr. Old and the lease we are recommending.

Mr. Joseph stated we have two options. Move forward or hold and review the one from Mr. Old. Mr. Joseph asked Ms. Smith her opinion. Ms. Smith feels we need to move forward. Mr. Joseph asked for a response for Mr. Old to be that we are recommending the document we spent months on. Ms. Smith made a motion to recommend the lease form to the PAC. Mr. Joseph seconded the motion. All in favor. **Motion approved by voice vote to take to the full PAC. 2-0.**

Ms. Spratley read the proposed resolution. The Commissioners reviewed the resolution. Mr. Joseph stated that this resolution does not address the rates, only the phasing in of indexed rates. Mr. Joseph would like the rates to be published for transparency. Can we post the rates on the website to include the index rating, when can we publish? Mr. Giardino said we could have it by the end of the day. Ms. Smith has reservations on the 3<sup>rd</sup> section with regards to authority and would like it to read reduce and not to exceed current rates.

Mr. Joseph asked if we want to move forward. Ms. Smith asked to move to recommend to the full Commission resolution 21-05 with adjustments as previously reflected. Mr. Joseph seconded. All in favor.

**Motion passed by voice vote to present to full PAC.2-0.**

Now therefore, be it resolved the Board of Commissioners of the Peninsula Airport Commission that:

1. The General Aviation Leasing Policy is hereby adopted as presented.
2. Approves the form of the revised general aviation hangar Leases as presented, and each of the Chairman, Vice Chairman, as well as the Executive Director, are authorized to enter into such Leases and amendments with qualifying tenants.

3. Gives authority to the Executive Director to adjust hangar lease rates downward using guidance provided in the Policy.
4. Authorizes; for holdover and month to month tenants in good standing executing a new lease on the exact same hangar before December 31, 2020, the Executive Director to phase-in rental increases of 30% or more using methodology presented to the PAC on August 27, 2020. An example is attached hereto as Exhibit A (Phase-in Rental Increase Example).
5. Orders the annual increase in rent for calendar year 2021 to exceed 37.5% of the annual rent of the calendar year 2020.
6. This resolution shall take effect immediately.

**Old Business:**

- McMurrin: we are moving and drafting an MOU which is incumbent upon re-zoning. Ms. Smith asked why are we continuing an MOU's instead of straight to contract. Mr. Giardino replied we have no process of MOU; it was desirous of the buyer. Ms. Spratley added that we went to a purchase agreement and not an MOU. Ms. Smith asked if it is contingent upon the re-zoning. Mr. Joseph added that we shouldn't have to re-zone someone else's purchase. Mr. Giardino added that we need to have all the information on the land use to send to the FAA.
- Land Releases are looking good and moving forward. Waterworks is moving along and Mr. Ballou is reviewing the language on Deed restrictions and MOU.

Mr. Giardino requested closed session for disposition of real property. Mr. Joseph entered closed session at 7:30a.m.

Open meeting began at 7:55am.

Adjourned. 8:00am.