



**Item Number: 17**

**City Council / Board of Directors**

**Written Communications**

**Meeting of: February 20, 2024**

**Submitted By:**

C. Eric Ray, Airport Director

**Subject:**

Standard Sublease Agreement for Building 720, Suite 102 by and between the Southern California Logistics Airport Authority and ComAv Technical Services, LLC.

**Recommendation:**

That the Southern California Logistics Airport Authority ("SCLAA") Board of Directors:

- (1) approve entering into a Standard Sublease Agreement for Building 720, Suite 102 ("Agreement"), by and between the SCLAA and ComAv Technical Services, LLC, ("ComAv"); and
- (2) authorize the Airport Director to execute said Agreement.

**Fiscal Impact:**

The Agreement presented herein will generate approximately \$440,179 in gross lease revenue over the initial term (March 1, 2024 – December 31, 2026). The table below outlines the fiscal impact of the Agreement.

FY 2023-2024 (March – June)	FY 2024-2025	FY 2025-2026	FY 2026-2027 (July –December)
\$50,089.32	\$151,699.28	\$157,879.96	\$80,511.19

A budget has been established in the current fiscal year 2023-2024 for the resulting revenue, therefore, no additional revenue appropriation is required with this action. Future appropriations for the subject Agreement will be considered at the time the annual budget is approved.

**Strategic Plan Goal:**

The City of Victorville Strategic Plan 2023-2026 identifies multi-year strategic goals and various strategies to work toward achieving those goals. Goal A fosters fiscal health

through disciplined long-term planning, cost control, increased revenues, and cost recovery.

**Background:**

ComAv has been a major tenant at the Southern California Logistics Airport (“SCLA”) for over twenty years, offering fully integrated aircraft asset management service to a vast array of aircraft owners and operators. As a fully certified commercial aircraft maintenance provider, ComAv performs maintenance inspections, repairs and modifications on Boeing and Airbus commercial jetliners, as well as asset management and engine services. ComAv provides both active and inactive aircraft storage, with over 200 aircraft currently in its custody. ComAv’s involvement in the end-of-lifecycle business entails divisions specializing in the aircraft parts and recycling sectors, including management of an engine pool in excess of 150 engines.

With over 250 employees, ComAv is the largest employer at the SCLA. Since executing their first lease agreement in 1998, ComAv has grown to its current leasehold estate that includes nine SCLA owned buildings and a significant ground leasehold interest.

**Discussion:**

ComAv has requested the renewal the sublease agreement for office space in Building 720, Suite 102 to perform administrative duties related to the management of stored aircraft, inspection, and re-activation services. The proposed Agreement for Building 720, Suite 102 entails an initial term of three years with a commencement date of March 1, 2024. The Sublease Agreement also contemplates one, three-month, option term. The Agreement consists of Building 720, Suite 102 which comprised of approximately 13,115 square feet of office space. ComAv has agreed to pay \$12,523 per month with an annual 3% inflator. This amounts to \$.95 cents per square foot per month for office space which is commensurate with similar SCLA buildings.

Because the Sublease Agreement accommodates the immediate needs of an important tenant, maintains local employment, and generates revenue for the Southern California Logistics Airport, staff recommends that Your Honorable Southern California Logistics Airport Authority Board approve the Sublease Agreement with ComAv Technical Services, LLC, for Building 720, Suite 102, and authorize the Airport Director to execute said agreement.

Staff remains available for any questions you may have.

CER/lf

**Attachments:**

- A. General Site Map
- B. Standard Sublease Agreement for Building 720, Suite 102