



Item Number: 12

City Council / Board of Directors

Written Communications

Meeting of: June 15, 2021

Submitted By:

C. Eric Ray, Airport Director

Subject:

Standard License Agreement for Building 732 by and between the Southern California Logistics Airport Authority and Victor Valley College.

Recommendation:

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

- (1) approve entering into a Standard License Agreement for Building 732 ("Agreement"), by and between the SCLAA and Victor Valley College, ("VVC") and
- (2) authorize the Airport Director to execute said Agreement.

Fiscal Impact:

There is no fiscal impact associated with this item.

Background:

In March of 2006, the Victor Valley Aviation Education Consortium ("VVAEC") was formed to develop what was known as the Southern California Logistics Airport School of Aviation for the purpose of training and certifying students to become licensed airframe and power plant (A&P) mechanics to fulfill the need to support the local aviation community and improve the work force in the Victor Valley community to benefit the local businesses at the Southern California Logistics Airport (SCLA). Due to the limited grant opportunities to help the school's continuance, the VVAEC explored its continued existence under the umbrella of the VVC, as so doing could open opportunities for future students to apply for financial aid. In 2011, VVC agreed to accept the program under its umbrella of course instruction under the condition that VVC continues providing instruction at the SCLA. In exchange for keeping the aviation school operational, the SCLAA agreed to lease VVC Building 717B and Building 732 at no cost. The last of those leases expired on August 31, 2021 and is now in holdover status on a month-to-month basis.

Discussion:

Staff has remained in communication with key VVC decision makers since last summer to explore leasing options that are more equitable to the SCLAA while continuing to support the program. After considerable reflection, VVC decided to relocate the classroom portion of the A&P Program to its newly refurbished facilities in Building 519, thus negating the need for Building 717B. VVC intends to completely vacate Building 717B by June 30, 2021. The need for Building 732 remains for the provision of “hands-on” laboratory studies.

The SCLAA is obligated under both deed restriction and Federal Aviation Administration (FAA) grant obligations to operate its airport in accordance with FAA Order 5190.6B, known as the “*Airport Compliance Manual*”. As such, the SCLA is required “to be as self-sustaining as possible” through the implementation of appropriate revenue generating rates and charges, with only four narrowly tailored exceptions. One allowing for reduced rent pertains specifically to aeronautical education programs conducted by accredited education institutions for the benefit of the civil aviation community. The A&P Program offered by VVC meets the requirements of this exception allowing the SCLAA to waive rent payment for the rental of Building 732. Moreover, VVC provides “In-Kind services” through its A&P Program as it serves to support both the local and the larger civil aviation communities by providing FAA rated mechanics.

To ensure adequate accounting for the provision of “In-Kind services”, VVC is required to report the following information no later than August 31st of each year for the class that graduated that year:

1. Enrollment
2. Job Placement
3. Success Rate
4. FAA Certification Numbers
5. Program Promotion/Marketing

The program promotion and marketing is an outreach to high school students with the aim of introducing them to aviation career opportunities in the High Desert. This program requires VVC to conduct two annual fieldtrips of one hundred (100) high school students each to the SCLA. The fieldtrips include tours of VVC's A&P Program facilities along with guided tours of ComAv, GE Aviation, General Atomics, & Exquadrum facilities. As part of the tour, VVC typically provides each student with a t-shirt that includes the names of the tour stops. Moreover, this promotion and marketing program is coordinated with synergistically related events such as the General Atomics Roadshow and ComAv's Pathways to Success events. All focused on providing opportunities to local residents and supporting civil aviation.

Because VVC has successfully operated the A&P Program at the SCLA since 2011, with an average of 110 students enrolled per academic year for the last three years, staff recommends maintaining this successful relationship. The proposed Standard License Agreement for Building 732 entails a term of two years with a commencement date of

July 1, 2021. The Licensed Area consists of Building 732 which is comprised of approximately 11,788 square feet of office, classroom, and lab space, approximately 3,243 square feet of fenced storage yard space and approximately 7,700 square feet of right of use parking space of one Boeing 727 aircraft. Additionally, VVC will be responsible for paying the utilities costs associated with Building 732.

Approval of this Standard License Agreement will allow VVC to continue operating the A&P Program at the SCLA for the benefit of the students and SCLA tenants. Therefore, staff recommends that the Board of Directors approve the Standard License Agreement with VVC for Building 732 and authorize the Airport Director to execute said agreement.

Staff remains available for any questions or comments you may have.

CER/lf

Attachments: Attachment A – General Site Map
Attachment B – Standard License Agreement