



# CITY COUNCIL AGENDA REPORT

**DATE: August 6, 2025**

**AGENDA OF: August 12, 2025**

**DEPARTMENT: City Council**

**SUBJECT: Application for Business Activities at the Castroville Municipal Airport**

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## **RECOMMENDED MOTION:**

**All business wishing to locate on Castroville Municipal Airport shall submit a full background/financial application for review and approval, including lease, by City Council.**

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## **BACKGROUND**

A number of years ago Castroville airport begin attracting more businesses. There were no review or background check requirements to determine if these potential tenants were good choices for the airport. As it turned out many were not and the airport suffered significant rent and facility damage losses and had its reputation sullied by association with these businesses. Additionally, many aircraft were left unrepaired after payment of maintenance costs even to the point of one initially airworthy aircraft having to be donated for scrap.

As a result, the Airport Advisory Board developed a background check document that included financials, references, licenses, insurance, hangar requirements, etc. That document is attached. Once that requirement was instituted the potential problem tenants were refused. After seeing the background requirements, several decided not to apply.

At some point in the last 4 or 5 years that application requirement was dropped or airport management at the time was unaware of it. To the best of my knowledge, the skydivers were the last ones to accomplish the application. I was back on the AAB during their review process and based on their demonstration of running the same business at two other airports and their background checks, AAB recommended to council they be approved.

Recently there was a business at the airport that caused numerous aircraft owners long delays in getting their aircraft repaired after having given the business significant sums to do the repairs. I believe it we had this application process in place when that business applied to be a tenant business we would have had a thorough understanding as to their ability to conduct their business in a professional and sound financial manner.

I recommend council reinstitute the full background and financial investigation sheet for any potential commercial tenants that want to do business on airport property and that council approve all business/commercial leases.

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**FISCAL IMPACT/SOURCE OF FUNDING:** N/A

Budgeted ☐ Requires Budget Amendment

**Urgency (0-5 = Low Urgency to High Urgency):** 5

**Impact (0-5 = Low Impact to High Impact):** 5

**ATTACHMENTS:**

Application for Business Activities at The Castroville Municipal Airport

Submitted by: Councilmember Lee