



CITY COUNCIL ACTION FORM

DEPARTMENT Administration	PRESENTED BY Drew Nelson - City Administrator	DATE January 4, 2022
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ITEM

Hangar Ground Lease Agreement Amendment for Harriet Alexander Field

BACKGROUND

Harriet Alexander Field is owned and operated by a partnership between Chaffee County and the City of Salida. The airport is managed by a board made up of representatives of both the City and County, and the board makes operational recommendations to both the Board of County Commissioners and the City Council.

The Airport Advisory Board routinely recommends approval of ground leases to allow private parties to construct and occupy airplane hangars on the property of Harriet Alexander Field. Recently, the Board was approached to amend the terms of an existing agreement with John Diesslin to include additional space at the airport. The proposed amendment seeks to lease property adjacent to the original lease that was agreed to in January of 2022, increasing the total leased premises to 10,780 square feet.

FISCAL NOTE

The attached ground leases provide for an annual revenue for the airport of \$0.2111 per square foot of area rented (10,780 square feet). This would equate to \$2,275.66 per year, with adjustments for inflation.

STAFF RECOMMENDATION

Staff recommends that the City Council approve the First Amendment for Ground Lease with John Diesslin as recommended by the Airport Advisory Board.

SUGGESTED MOTION

A City Councilperson should state, "I move to combine and approve the Consent Agenda", followed by a second and a roll call vote.

FIRST AMENDMENT TO GROUND LEASE

This Amended Lease is between the City of Salida, Colorado, a municipal corporation and Chaffee County on behalf of the Chaffee County, State of Colorado, acting by and through the Board of Commissioners of Chaffee County, Colorado (collectively “Lessors”) and John Diesslin, (“Lessee”).

Lessors and Lessee entered into a Ground Lease (“Lease”) on January 4, 2022, which contemplated Lessee leasing the Leased Premises as designated as G2 to construct a hanger and as further stated and contemplated in the Lease.

Lessee has requested to lease G1, the site adjacent to G2 and incorporate G1 as part of the Leased Premise of the Lease. Adding G1 to the Leased Premises of the Lease would increase the total square footage and total annual rent of the Leased Premises (G1 and G2).

This First Amendment to the Lease seeks to amend the Leased Premises to include G1 and G2 and increase the total square footage of the Leased Premises to 10,780 square feet (G1 and G2) with and increase the total annual rent of the Leased Premises to \$2,275.66.

NOW THEREFORE in mutual consideration of the rights and obligations specified below, the parties agree to the following amendment to the Lease:

The term of the Lease for Lessee is amended as follows:

- Page 1, Header: “Site Designation” is amended to reflect that both G1 and G2 will be leased by Lessee and is part of the Leased Premises.
- Page 2, Paragraph 7. Rent, is amended to reflect that “Lessee shall pay to Lessors total annual rent of \$2,275.66 for a total of 10,780 square feet.”
- Page 11, Exhibit A site plan, is amended to reflect that Lessee, John Diesslin, is leasing the site designated as G1 and G2.

All terms, conditions and provisions of the Lease and Exhibit A, except those provisions specifically changed by this Amendment shall remain in full force and effect.

IN WITNESS THEREOF, the undersigned have executed this Amendment to the Agreement.

City of Salida
Lessors

Board of Commissioners of Chaffee County
Lessors

By: _____

By: _____

Print Name: _____

_____, [Acting] Chairman

Title: _____

Date: _____

Date: _____

John Diesslin
Lessee

By: _____

Print Name: _____

Title: _____

Date: _____