

RESOLUTION NO. 2020-122

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
APPROVING LEASE AGREEMENT BETWEEN THE CITY OF MARINA
AND UNITED STATES OF AMERICA DEPARTMENT OF THE NAVY FOR
30,460 SQUARE FEET IN BUILDING 507 LOCATED AT 3200 IMJIN ROAD
AT THE MARINA MUNICIPAL AIRPORT, AUTHORIZING THE FINANCE
DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY
ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE LEASE
AGREEMENT ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW
AND APPROVAL BY CITY ATTORNEY

WHEREAS, since 2003, Building 507 has been leased to the United States of America (US) Department of the Navy for use by the US Naval Postgraduate School, Monterey, Center for Interdisciplinary Remotely Piloted Aircraft Studies (CIRPAS); and

WHEREAS, at the regular meeting of August 21, 2018, City Council adopted Resolution No. 2018-100, approving Lease Amendment between City of Marina and the United States of America (CIRPAS) for the building located at 3200 Imjin Road (Building 507) at the Marina Municipal Airport to reduce their leased space from 64,920 to 30,460 square feet;

WHEREAS, at the regular meeting of August 21, 2018, City Council adopted Resolution 2018-101, approving Lease Agreement between City of Marina and Joby Aero Inc. for the building located at 3200 Imjin Road (Building 507) at the Marina Municipal Airport for 34,460 square feet; and

WHEREAS, CIRPAS and Joby Aero, Inc have been co-existing in the same building, and have shared in their proportionate share of utilities and maintenance costs; and

WHEREAS, the current lease with the US Department of the Navy will expire on September 30, 2020. The US Department of the Navy, and CIRPAS, the current tenant, desire to continue to lease their portion of Building 507; and

WHEREAS, the leased premises of 30,460 square feet, including hangar, office, and machine shop space, are to be used for a base of operations by the U.S. Naval Postgraduate School, Monterey, CIRPAS Airborne Research Facility; and

WHEREAS, the Airport relies heavily upon the revenue generated from leasing buildings and/or space in the buildings which accounts for approximately forty-nine percent (49%) of the airport's annual revenue; and

WHEREAS, Staff and City Attorney's office have reviewed the Lease Agreement prepared by the US Department of the Navy for a portion of Building 507 ("**EXHIBIT A**"). The Lease Agreement provides for:

- Initial three (3) month lease term, four (4) one-year options to renew to coincide with the calendar year of January 1 – December 30 and one (1) six month option to renew of January 1 – June 30 for a total of fifty seven (57) months.
- Initial rent of \$0.37 per square foot. A three percent increase over the rent paid in the last year of the current lease.
- Initial rent will apply to the first fifteen (15) months and then increase each January 1 by three percent (3.0%).

Other terms and conditions of the new lease remain in place as exists in the current lease; and

WHEREAS, further benefits of the proposed lease include:

- The lease of space in Building 507 will create ongoing/reoccurring building lease revenue for the Airport.
- Continue support of the US Naval Postgraduate School and CIRPAS program; and

WHEREAS, anticipated rent revenue to the airport for the initial fifteen (15) month period will be approximately \$169,419. Building lease rent revenue is recorded to FY 2020-21 Budget, Airport Operations Fund 555, Facilities Rents Building Rents, Account No. 555.000.000.00-5460.220.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve Lease Agreement between the City of Marina and United States of America Department of the Navy for 30,460 square feet in Building 507 located at 3200 Imjin Road at the Marina Municipal Airport; and
2. Authorize Finance Director to make necessary accounting and budgetary entries; and
3. Authorize City Manager to execute Lease Agreement subject on behalf of the City, subject to final review and approval by City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 15th day of September 2020, by the following vote:

AYES, COUNCIL MEMBERS: Berkley, O'Connell, Morton, Delgado

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE
10/01/2020

LEASE NO.
N6247320RP00151

THIS LEASE, made and entered into this date by and between

The CITY OF MARINA, a California charter city and municipal corporation

whose address is 211 Hillcrest Avenue, Marina, California 93933, and whose interest in the property hereinafter described is that of the owner, hereinafter called the Lessor, and

the UNITED STATES OF AMERICA, hereinafter called the Government

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agrees as follows:

1. The lessor hereby leases to the Government the following described premises:
a portion of the Marina Municipal Airport, located within and around Building Number 507 located at 3200 Imjin Road, Marina, County of Monterey, California as shown on Exhibit A attached hereto and made a part hereof, including adjacent parking area for no more than twenty (20) vehicles. The interior space leased consists of approximately 30,460 square feet of hangar and office space within Hangar 507 as outlined and designated on Exhibit B attached hereto and made a part hereof.

The Premises are to be used for a base of operations by the U.S. Naval Postgraduate School, Monterey, CIRPAS Airborne Research Facility (CIRPAS). CIRPAS activities at Hangar 507 shall be limited to operation of air and ground-based vehicles used to conduct atmospheric and oceanographic scientific research. Consistent with these uses, CIRPAS may also utilize Hangar 507 for storage maintenance, systems integration, equipment fabrication, roof and ground-based scientific observation and telemetry/data link activities. CIRPAS will not use the leased premises, or any part thereof, or permit them to be used for any other purposes. An easement is granted for ingress to and egress from the leased Premises for vehicles.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on October 1, 2020 through December 31, 2020, subject to termination and renewal rights as may be hereinafter set forth
3. The Government shall pay the Lessor a three (3) month rent of \$33,883.71 at the rate of \$ 11,294.57 per month in arrears. Rent for a lesser period shall be prorated. The Government will make rental payments under this lease by electronic funds transfer (EFT). The Lessor which is The City of Marina, no later than 30 days before the first payment is due, shall designate a financial institution for receipt of EFT payments, and shall follow the guidance of clause number 24.552.232-76, which is included in this lease.
4. The Government may terminate this lease at any time by giving at least thirty (30) days' notice in writing to the Lessor and no rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals: for four (4) additional one (1) year periods, and one (1) additional six (6) month period renewed annually subject to availability of funds, provided notice be given in writing to the lessor at least thirty (30) days before the end of the original lease term or any renewal term. The gross rent for the optional renewal terms shall be as follows: (a) for the first one-year renewal term (01 January 2021 – 31 December 2021) the gross rent shall be an annual rent of \$135,534.84 at the rate of \$ 11,294.57 per month; (b) for the second one-year renewal term (01 January 2022 – 31 December 2022) the gross rent shall be \$139,600.92 at the rate of \$11,633.41 per month; (c) for the third one-year renewal term (01 January 2023 – 31 December 2023) the gross rent shall be an annual rent of \$143,788.92 at the rate of \$11,982.41 per month; (d) for the fourth one-year renewal term (01 January 2024 – 31 December 2024) the gross rent shall be an annual rent of \$148,102.56 at the rate of \$12,341.88 per month; (e) for the one (1) six-month renewal term (01 January 2025 – 30 June 2025) the gross rent shall be a six-month rent of \$76,272.84 at the rate of \$12,712.14 per month; provided notice be given in writing to the Lessor at least thirty (30) days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

As set forth in the Special Provisions attached hereto.

7. The following are attached and made a part hereof:

The General Provisions and Instructions
The Special Provisions
Exhibit A (Vicinity Map)
Exhibit B (Interior Premises)
Exhibit C (NEPA Documentation)

8. The following changes were made in this lease prior to its execution:

Government Line of Accounting:

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR	
SIGNATURE	SIGNATURE
NAME OF SIGNER	NAME OF SIGNER

IN PRESENCE OF	
SIGNATURE	SIGNATURE
NAME OF SIGNER	NAME OF SIGNER

UNITED STATES OF AMERICA	
SIGNATURE	NAME OF SIGNER
	OFFICIAL TITLE OF SIGNER

GENERAL CLAUSES
(Acquisition of Leasehold Interests in Real Property)

1. This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or the full text may be found as GSA form 3517B at <http://www.gsa.gov/leasingform>.

The term “usable” in reference to square footage in any of these clauses means “ANSI/BOMA Office Area”

2. THE FOLLOWING CLAUSES ARE INCORPORATED BY REFERENCE:

CATEGORY	CLAUSE NO.	48 CFR REF.	CLAUSE TITLE
GENERAL	1		SUBLETTING AND ASSIGNMENT
	2	552.270-11	SUCCESSORS BOUND
	3	552.270-23	SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN
	4	552.270-24	STATEMENT OF LEASE
	5	552.270-25	SUBSTITUTION OF TENANT AGENCY
	6	552.270-26	NO WAIVER
	7		INTEGRATED AGREEMENT
	8	552.270-28	MUTUALITY OF OBLIGATION
PERFORMANCE	9		DELIVERY AND CONDITION
	10		DEFAULT BY LESSOR
	11	552.270-19	PROGRESSIVE OCCUPANCY
	12		MAINTENANCE OF THE PROPERTY, RIGHT TO INSPECT
	13		FIRE AND CASUALTY DAMAGE
	14		COMPLIANCE WITH APPLICABLE LAW
	15	552.270-12	ALTERATIONS
	16		ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY
PAYMENT	17	552.270-33	SYSTEM FOR AWARD MANAGEMENT - LEASING
	18	52.204-13	SYSTEM FOR AWARD MANAGEMENT MAINTENANCE
	19	552.270-31	PROMPT PAYMENT
	20	52.232-23	ASSIGNMENT OF CLAIMS
	21		PAYMENT
	22	52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER—SYSTEM FOR AWARD MANAGEMENT
STANDARDS OF CONDUCT	23	52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT
	24	552.270-32	COVENANT AGAINST CONTINGENT FEES
	25	52-203-7	ANTI-KICKBACK PROCEDURES
	26	52-223-6	DRUG-FREE WORKPLACE
	27	52.203-14	DISPLAY OF HOTLINE POSTER(S)
ADJUSTMENTS	28	552.270-30	PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
	29	52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA
	30	552.270-13	PROPOSALS FOR ADJUSTMENT
	31		CHANGES

LESSOR: _____ GOVERNMENT: _____

AUDITS	32	552.215-70	EXAMINATION OF RECORDS BY GSA
	33	52.215-2	AUDIT AND RECORDS—NEGOTIATION
DISPUTES	34	52.233-1	DISPUTES
LABOR STANDARDS	35	52.222-26	EQUAL OPPORTUNITY
	36	52.222-21	PROHIBITION OF SEGREGATED FACILITIES
	37	52.219-28	POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION
	38	52.222-35	EQUAL OPPORTUNITY FOR VETERANS
	39	52.222-36	EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES
	40	52.222-37	EMPLOYMENT REPORTS ON VETERANS
SUBCONTRACTING	41	52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
	42	52.215-12	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA
	43	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS
	44	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN
	45	52.219-16	LIQUIDATED DAMAGES—SUBCONTRACTING PLAN
	46	52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST- TIER SUBCONTRACT AWARDS
OTHER	47	52.204-25	PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT
	48	552.204-70	REPRESENTATION REGARDING CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT
	49	52.204-19	INCORPORATION BY REFERENCE OF REPRESENTATIONS AND CERTIFICATIONS

The information collection requirements contained in this solicitation/contract that are not required by regulation have been approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

LESSOR: _____ GOVERNMENT: _____

SPECIAL PROVISIONS

1. SPECIAL PROVISIONS AND GENERAL CLAUSES

The Lease expressly and specifically incorporates by reference the General Clauses and Special Provisions. In event, and to the extent, of an inconsistency between the provisions of the General Clauses and these Special Provisions, the Lease will be interpreted so as to give effect to the mutual intention of the parties as it existed at the time of contracting, so far as the same is ascertainable and lawful.

2. APPROVAL OF THE FAA

All terms and conditions of the aviation-related Lease are subject to review by and approval of the Federal Aviation Administration (FAA).

3. AVIGATION EASEMENT

The leased premises shall be subject to an easement and right of way for unobstructed passage of aircraft in the airspace above the leased premises, which is reserved by Lessor for the benefit of itself and all members of the general public operating aircraft which land at or take off from the Airport. Concomitant and coextensive with said easement and right of way, Lessor and general public shall have the further right to cause in all airspace above the surface of the leased premises such noise, vibrations, fumes, dust, fuel particles, and other effects that may be caused by operation of aircraft landing at or taking off from or otherwise operating at the Airport. In connection with this easement and right of way, Government agrees not to cause or permit any structure, natural growth, or other object on the leased premises which extends into the airspace over the leased premises more than 210 feet above mean sea level and not to use or permit the use of the lease premises in such a manner as to create electrical interference with radio communications between aircraft and the Airport, to make it difficult for flyers to distinguish between airport lights and other lights, to impair visibility in the vicinity of the Airport, or to otherwise endanger aircraft landing at or taking off from Airport. Government further agrees that in the event it causes or permits any structure, natural growth or other object on the leased premises which extends into the airspace over the leased premises more than 210 feet above mean sea level, or otherwise causes or permits any condition on the leased premises which endangers aircraft landing at or taking off from the Airport, then Lessor shall have the right to enter upon the leased premises and to remove such structure natural growth, object or condition endangering aircraft landing at or taking off from the Airport, all at Government's sole cost and expense.

4. UTILITY RESERVATION

Lessor reserves the right to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, and connections; water, oil and gas pipelines, telephone, telegraph and electrical power lines; and the appliances and appurtenances necessary or

convenient in connection therewith, in, over, upon, through, across and along any and all portions of the leased premises. No right reserved by the Lessor in this clause shall be so exercised as to interfere unreasonably with Government's operations.

5. SUBORDINATE TO AGREEMENTS WITH FEDERAL GOVERNMENT – APPLICABILITY OF RELEVANT PROVISIONS OF QUITCLAIM DEED

The Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Lessor and the United States government or any department thereof relative to the development, operation or maintenance of the Airport. Government acknowledges it has been given a copy and an opportunity to review the Quitclaim Deed of conveyance for the leased premises from the U.S. Army to the Lessor including the notices, reservations, restriction, conditions, and covenants therein and agrees to comply with all requirements pertinent to Government's activities contained in that document. Government understands and agrees it aeronautical and airport-related use of the leased premises shall not be an exclusive right to that of any other person or firm to operate the same or a similar business at the Marina Municipal Airport and to lease premises at the Airport from the Lessor for such purposes, within the meaning of §308A of the Federal Aviation Act of 1958, as amended (49 U.S.C 1349a). Lessor reserves the right, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to Government by the Lease.

6. WAR OR NATIONAL EMERGENCY

The Lease and all provisions thereof shall be subject to whatever right the United States government has affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during a time of war or national emergency.

7. CONFORMANCE WITH FAA REGULATIONS

Government agrees that its use of the leased premises, including all future construction, modification or alteration thereon, shall comply with all applicable Federal Aviation Administration regulations now in force of that may be hereafter adopted by Federal authority. Government shall also comply with applicable law as set forth in Section 18 of the General Clauses, which shall include payment of prevailing wages when contracting for construction, modification or alteration of the leased premises.

The Government will furnish services on a reasonable and not unjustly discriminatory basis to all users, and charge reasonable and not unjustly discriminatory prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

The Government will conform to airport and Federal Aviation Administration safety and security rules and regulations regarding use of the airport operations area including runways, taxiways, aircraft aprons by vehicles, employees, customers, visitors, etc., in order to prevent security

breaches and avoid aircraft incursions and vehicle/pedestrian deviations; will complete and pass airfield safe driving instruction program when offered or required by the Airport.

8. ACCEPTANCE OF LEASED PREMISES

Government understands that the leased premises were formerly used by the federal government as part of an Army air base, that surrounding lands which were also part of such Army air base have, in the past have been found to contain concentrations of volatile organic chemicals which exceed standards prescribed by the environmental agencies and the state and federal governments. Pursuant to California Health & Safety Code §25359.7(a) Government is provided this notice that the structure may contain asbestos material and lead-based paints. The Lessor has provided to the Government an asbestos survey report prepared by the U.S. Army Corps of Engineers for Building 507, which is attached to the Lease as Exhibit C. Government acknowledges that Lessor has granted to Government the right to review all maps and records of the old Army air base presently on file in the office of the Lessor's Planning Department as well as the right to inspect the leased premises and perform any tests of the soils and improvements thereon or the groundwater thereunder, all in order to afford Government a full and complete opportunity to investigate and determine whether the leased premises can be used for the purposes for which it is being leased.

9. NO WARRANTY

Government further understands and agrees that no representation, statement, or warranty, express or implied, has been made by or on behalf of the Lessor as to the condition of the leased premises or the suitability of the premises for its intended use, save and except for the representation and warrant that no officer, employee, or agent of Lessor has caused any condition of pollution or contamination which may now exist on the leased premises. Such representation and warrant however, shall not extend to any condition of pollution or contamination caused by the federal government or any other tenant of Lessor. Government agrees to accept the leased premises in its present condition and "AS IS", with respect to all conditions which may now exist on or under the leased premises save and except for any condition of pollution or contamination caused by an officer, employee, or agent of Lessor. Government is not responsible for the cost of environmental abatement, remediation or cleanup of pollution or contamination which is unrelated to the activities of the Government, or its officers, employees, agents. Contractors or invites, on the premises.

10. AMERICANS WITH DISABILITIES ACT

Government is solely responsible for determining whether or not Government's intended use of Building 507 will be or in in compliance with ADA. Government acknowledges that certain portions of Building 507 remain inaccessible for some disabled individuals . By entering into this Lease, unless otherwise agreed between the parties in a writing signed by the authorized representative of each party, Government agrees to be responsible for all compliance with the ADA, if applicable to the Government or the Lessor.

11. IMPROVEMENTS TO LEASED PREMISES

During the initial or any extended term of this Lease, Government shall not make any additions or alterations to the improvements on the leased premises without the prior written consent of the Lessor, such consent not to be unreasonably delayed or withheld. Moreover, upon receiving consent to make an addition or alteration to the improvement on the leased premises, Government shall not commence work on the construction or installation of such added or altered improvements until plans and specification for same have been submitted to and approved by the Lessor's review processes and a building permit issued.

12. TITLE TO IMPROVEMENTS

Upon termination of this Lease or any renewal period thereof, all additions or alterations to the improvements on the leased premises of the Airport made by Government shall become the property of the Lessor without payment of any compensation therefor, provided, however, that upon termination of this Lease, with the exception of prior authorized alterations, additions and repairs which had Lessor's prior written approval, Lessor shall have the option to require Government to remove any or all added improvements or restore any altered improvements to the same condition as it was at the commencement of the term of this Lease, all at Government's sole cost and expense.

13. REIMBURSEMENT TO GOVERNMENT FOR COST OF IMPROVEMENTS

- (a) The authorized representatives of Lessor and the Government, designated herein, agree to meet and confer periodically during the initial and any renewed term of the Lease concerning improvements to the premises' interior systems, for which the Government is responsible for maintenance and repair in accordance with section 14 herein. Their authorized representatives shall negotiate and agree in a writing signed by both parties concerning a maximum amount to be expended by the Government for approved improvements, the actual payment for which will be reimbursed by the Lessor to the Government through reduced rental payments (i.e., rental credits) during which months such reimbursement is due , to the Government in an amount not to exceed Five Thousand Dollars (\$5,000.00) during any month until the Government is reimbursed in full. The Lessor may also choose to cost share for improvements to the premises' interior systems in place of rental credits if agreed to in writing by both parties.
- (b) Lessor designates as its Authorized Representatives the City Manager who shall have the authority to act for the Lessor. The Authorized Representative shall represent the Lessor in matters pertaining to improvements to the premises' interior systems. Government designates as its Authorized Representative the Real Estate Contracting Officer who shall have the authority to act for the Government. The Authorized Representative shall represent the Government in matters pertaining to improvements to the premises' interior systems.

14. MAINTENANCE & REPAIR RESPONSIBILITIES OF THE GOVERNMENT

Government shall be responsible for one hundred percent (100%) of the following maintenance and repair of the leased premises within Building 507 and fifty percent (50%) of the shared/common space within Building 507 for the initial and any renewal term of the Lease:

- (a) Maintenance, including painting, repair or replacement of interior systems and components for the electrical, plumbing, ventilation, and mechanical systems. Government understands the heating boiler for Hangar 507 is currently inoperable and need not be repaired at this time, however, if the need arises to have it repaired, the Government will notify the Lessor and obtain Lessor's prior written consent or approval before proceeding with any work to be done.
- (b) Interior and exterior glass, glazing, windows or doors.
- (c) The hangar doors.
- (d) All interior walls, ceiling, floors, bathrooms, drains and other structures or components. Lessor shall ensure floors drains in the second-floor bathrooms are functional and sanitary.
- (e) All communications systems and components.
- (f) The deluge fire suppression system. Lessor tested the deluge fire suppression system on or about June 2018, and made repair or adjustment necessary to its full functionality. Thereafter no more than fifty percent (50%) of testing of the deluge fire suppression system will be a Government responsibility, subject to the Lessor's Fire and Building Department requirements for its periodic testing no less frequently than every five (5) years by a state licensed C-16 contractor.
- (g) The Government shall be responsible for twenty-five percent (25%) of the cost of maintenance and repair of the overhead crane.
- (h) Maintenance, sweeping and keeping clear of refuse, regular trash and waste removal, repair or replacement of sidewalks, driveways and asphalt parking areas as well as any damage to the building structure or components or paved surfaces caused by Government or its invitees.
- (i) General maintenance and upkeep of the trash enclosure.

15. MAINTENANCE AND REPAIR RESPONSILBILTIES OF THE LESSOR

Lessor shall be responsible for the following maintenance and repair of Building 507 for the initial and any renewed term of this Lease:

- (a) Maintaining and repairing, with the exception of painting, all structural elements of the building's exterior walls, surfaces and foundations.
- (b) Maintaining the watertight integrity of the building exterior walls.
- (c) Maintain, repair, or replace as required roof coverings, gutters and exterior drains.
- (d) Maintain and repair all underground and exterior plumbing, drains and utility connections.
- (e) Maintaining in compliance with applicable law, regulations and codes, the interior fire alarm system. Any damage to the interior fire alarm system resulting from tenant misuse or negligence shall be repaired or replaced by the Government.
- (f) Maintaining and repairing the deluge fire suppression system.

16. SURRENDER OF THE PREMISES

On the last day of the Lease, Government shall surrender the leased premises to the Lessor in the same condition as when received, broom clean, ordinary wear and tear expected. Government shall repair any damage to the leased premises occasioned by the removal of Government's trade fixtures, furnishings and equipment which repair shall include the patching and filling of holes and repair of structural damage.

17. UTILITIES

Government shall have the right to use the utility service facilities serving the premises at the commencement of the term of the Lease. The Lessor will use its best efforts to continue all utility services as they presently exist, but it cannot and does not guarantee that there will be no interruptions or service. To the extent it has knowledge the Lessor will provide notice of any work scheduled which may interrupt the utility service to the leased Premises. If Lessor is unable to provide utility service facilities due to the imposition of any limit on consumption or on the construction of additional utility facilities, or the allocation or curtailment of utility facilities or services by law or regulation, it shall have no obligation hereunder.

18. PAYMENT FOR UTILITIES

Government agrees upon entering into occupancy of the premises to pay directly to the utility providers for all utility services provided under the terms of any contract between the Government and the utility provider if and when individual metering is installed and to pay the Lessor a pro-rated portion for all utility services provided under the terms of any contract between the Lessor and a utility provider serving the premises through existing lines and connections. Pro-rata charges shall be based upon a schedule mutually agreed upon by the Government and the City.

19. PAYMENT FOR COMMUNICATIONS CONNECTIVITY

Government shall be responsible for providing and paying directly to the provider for telephone, internet and electronic data transmission connection to the premises.

20. PAYMENT FOR TRASH REMOVAL

Government agrees upon entering into occupancy of the leased premises to pay for garbage and trash collection and removal services. Government shall arrange and pay for the disposal of all hazardous waste in accordance with all applicable local, state and federal law and regulations.

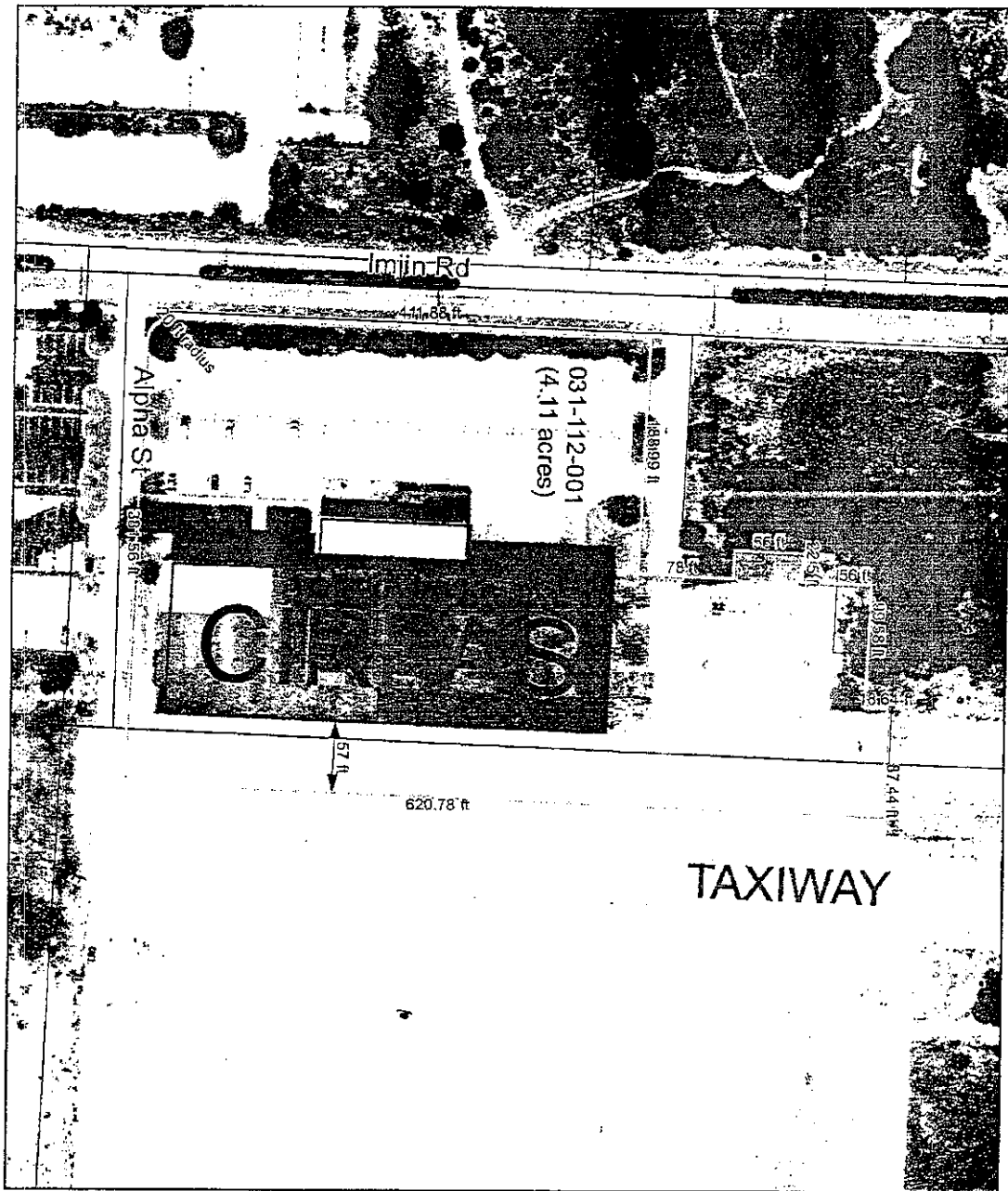
21. DAMAGES

If the death or injury to any person, or the loss or damage to any property is caused by the Government, or a duly authorized representative or contractor of the Government, in the course of its use of the premises, the liability, if any, of the Government therefor shall be determined in accordance with the applicable provisions of the Federal Tort Claims Act (62 Stat. 869, 982, 28 U.S.C. 2671-2680). The Government is self-insured. The Government agrees to consider and adjudicate any claim for damage or injury sustained by Government personnel, including its duly authorized representatives or contractors, in the performance of their official duties while on the Lessor's premises. Such adjudication will be made pursuant to the Federal Employees Compensation Act, 5 U.S.C. 8101 *at seq.* or such legal authority as may be pertinent.

22. NON-DISCRIMINATION / AFFIRMATIVE ACTION

The Government for itself, its heirs, personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that in the event facilities are constructed, maintained, or otherwise operated on the said premises described in the Lease, for a purpose for which a Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, the Government shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21.

EXHIBIT (A)



CIRPAS Hangar Lease Map

Legend

Leased Area - 1.96 acres

Building Outline

Dimension Lines

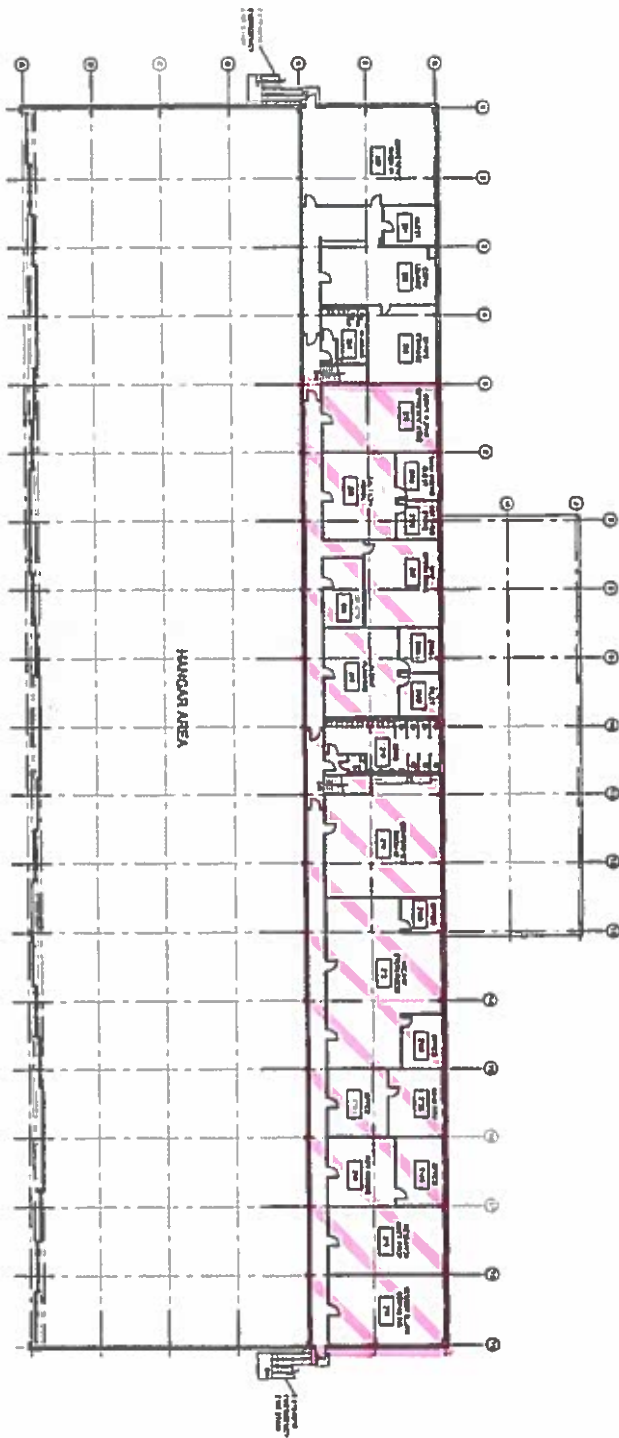
Roads

Parcels

Date: 3-24-2011

[illegible]

SECOND FLOOR PLAN - EXISTING & DEMO
 DATE: 1/1/2020



7 July 2020

MEMORANDUM FOR THE RECORD

Subj: RECORD OF CATEGORICAL EXCLUSION SERIAL NUMBER 2020-018
LEASE FOR CENTER FOR INTERDISCIPLINARY REMOTELY PILOTED
AIRCRAFT

Ref: (a) National Environmental Policy Act (NEPA) of 1969
(b) Council on Environmental Quality Regulations for Implementing NEPA
(c) 32 CFR Part 775
(d) OPNAVINST 5090.1E

Encl: (1) NSA Monterey Environmental Checklist

1. Purpose and Need

The Naval Postgraduate School (NPS) Center for Interdisciplinary Remotely Piloted Aircraft (CIRPAS) requires hangar space for mission-essential operations near the Monterey NPS campus.

2. Project Description

A 5-year succeeding agreement with the City of Marina to lease a 30,460 square-foot space inside B507, City of Marina hangar, 3200 Imjin Road, Marina, CA. CIRPAS has been a tenant of this aircraft hangar since 2003.

3. Required Permits or Mitigations: None

4. Conclusion

It was determined that the proposed action is within the scope of the following CATEX:

(29) Initial real estate in grants and out grants involving existing facilities or land with no significant change in use (*e.g.*, leasing of federally owned or privately owned housing or office space, and agricultural out leases);

None of the exclusions from reliance on a CATEX apply in this case. Therefore, the proposed action is excluded from the requirement for further NEPA analysis.

Victoria L. Taber
N45

September 10, 2020

Item No: **8g(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 15, 2020

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2020-,
APPROVING LEASE AGREEMENT BETWEEN THE CITY OF MARINA
AND UNITED STATES OF AMERICA DEPARTMENT OF THE NAVY
FOR 30,460 SQUARE FEET IN BUILDING 507 LOCATED AT 3200
IMJIN ROAD AT THE MARINA MUNICIPAL AIRPORT,
AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY
ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING
CITY MANAGER TO EXECUTE LEASE AGREEMENT ON BEHALF OF
THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY
ATTORNEY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2020- , approving Lease Agreement between the City of Marina and United States America Department of the Navy for 30,460 square feet in Building 507 located at 3200 Imjin Road at the Marina Municipal Airport; and
2. Authorizing Finance Director to make necessary accounting and budgetary entries; and
3. Authorizing City Manager to execute Lease Agreement subject on behalf of the City, subject to final review and approval by City Attorney.

BACKGROUND:

Since 2003, Building 507 has been leased to the United States of America (US) Department of the Navy for use by the US Naval Postgraduate School, Monterey, Center for Interdisciplinary Remotely Piloted Aircraft Studies (CIRPAS).

Dated June 1, 2011, the current lease with US Department of the Navy provided for an initial 5-month lease term, and 9 one-year options to renew thereafter to coincide with the Federal Government's fiscal year of October 1 – September 30.

At the regular meeting of August 21, 2018, City Council adopted Resolution No. 2018-100, approving Lease Amendment between City of Marina and the United States of America (CIRPAS) for the building located at 3200 Imjin Road (Building 507) at the Marina Municipal Airport to reduce their leased space from 64,920 to 30,460 square feet.

At the regular meeting of August 21, 2018, City Council adopted Resolution 2018-101, approving Lease Agreement between City of Marina and Joby Aero Inc. for the building located at 3200 Imjin Road (Building 507) at the Marina Municipal Airport for 34,460 square feet.

CIRPAS and Joby Aero, Inc have been co-existing in the same building, and have shared in their proportionate share of utilities and maintenance costs.

ANALYSIS:

The current lease with the US Department of the Navy will expire on September 30, 2020. The US Department of the Navy, and CIRPAS, the current tenant, desire to continue to lease their portion of Building 507.

The leased premises of 30,460 square feet, including hangar, office, and machine shop space, are to be used for a base of operations by the U.S. Naval Postgraduate School, Monterey, CIRPAS Airborne Research Facility. CIRPAS activities at Building 507 shall be limited to operation of air and ground-based vehicles used to conduct atmospheric and oceanographic scientific research. Consistent with these uses, CIRPAS may also utilize their portion of the building for storage maintenance, systems integration, equipment fabrication, roof and ground-based scientific observation and telemetry/data link activities. CIRPAS will not use the leased premises, or any part thereof, or permit them to be used for any other purposes. An easement is granted for ingress to and egress from the leased Premises for vehicles. The lease also provides for parking up to twenty (20) vehicles in the adjacent building parking lot.

The Airport relies heavily upon the revenue generated from leasing buildings and/or space in the buildings which accounts for approximately forty nine percent (49%) of the airport's annual revenue. Staff and City Attorney's office have reviewed the Lease Agreement prepared by the US Department of the Navy for a portion of Building 507 ("**EXHIBIT A**").

The Lease Agreement provides for:

- Initial three (3) month lease term, four (4) one-year options to renew to coincide with the calendar year of January 1 – December 30, and one (1) six month option to renew of January 1 – June 30 for a total of fifty seven (57) months.
- Initial rent of \$0.37 per square foot. A three percent increase over the rent paid in the last year of the current lease.
- Initial rent will apply to the first fifteen (15) months and then increase each January 1 by three percent (3.0%).

Other terms and conditions of the new lease remain in place as exists in the current lease.

Further benefits of the proposed lease include:

- The lease of space in Building 507 will create ongoing/reoccurring building lease revenue for the Airport.
- Continue support of the US Naval Postgraduate School and CIRPAS program.

FISCAL IMPACT:

Should the City Council approve this request, anticipated rent revenue to the airport for the initial fifteen (15) month period will be approximately \$169,419.

Building lease rent revenue is recorded to FY 2020-21 Budget, Airport Operations Fund 555, Facilities Rents Building Rents, Account No. 555.000.000.00-5460.220.

CONCLUSION:

This request is submitted for the City Council consideration and approval.

Respectfully submitted,

Jeff Crechriou
Airport Services Manager
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina