

RESOLUTION NO. 2019-138

A RESOLUTION OF THE CITY COUNCIL/AIRPORT COMMISSION OF THE CITY OF MARINA APPROVING A GROUND LEASE AGREEMENT BETWEEN THE CITY OF MARINA AND JOBY AERO, INC FOR A FIVE-ACRE PORTION OF THE DEVELOPED SOUTH TARMAC WITH TWO OPTIONS TOTALING 25-ACRES LOCATED AT 3200-C IMJIN ROAD, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES, AND AUTHORIZING CITY MANAGER/AIRPORT MANAGER TO EXECUTE LEASE AGREEMENT ON BEHALF OF THE CITY, SUBJECT TO MAKING MINOR ADMINISTRATIVE MODIFICATIONS AND FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, On May 23, 2019, the City of Marina Planning Commission approved a Site and Architectural Design Review application submitted Joby Aero, Inc. for the construction of a 55,200 square foot fabric covered industrial structure to be located on a five-acre developed portion of the south tarmac on the Marina Municipal Airport (**Exhibit “A”**); and

WHEREAS, the structure is proposed to be used for Aeronautical use in connection with the business of developing, designing, engineering, tooling, testing, manufacturing and the sale of aircraft and aircraft components and for the storage of active/airworthy aircraft or performing final assembly of aircraft under construction, or for repairing and storing tools and materials used for aircraft or for any one of the “aeronautical uses”; and

WHEREAS, the proposed Ground Lease Agreement includes a 217,800 square feet ($\pm$ 5 gross acres) lease area for the construction of a 55,200 square foot fabric covered industrial structure. Also included within the proposed Ground Lease are two Options (**Exhibit “B”**).

- Option Area No. 1. an additional 566,280 square feet ($\pm$ 13 acres)
- Option Area No. 2. an additional 522,720 square feet ($\pm$ 12 acres); and

WHEREAS, the attached **Exhibit “C”** includes the proposed Ground Lease Agreement; and

WHEREAS, the Planning Commission found the 55,200 square foot fabric covered industrial structure on approximately 5-acres to be Categorically Exempt (CEQA Guidelines §15332); and

WHEREAS, exercising Option No. 1 or Option No. 2 will require completion of an environmental clearance document and adoption of the document by the City. An Amendment to the Ground Lease will also be necessary before the Option can be fully exercised; and

WHEREAS, the proposed Ground Lease will allow for significant capital improvements at the Marina Municipal Airport, up to 600 new high paying jobs, and significant rent revenues beginning at \$309,240 for year one and totaling approximately \$681,800 at year 10 and once options are exercised. This growth in rent revenue will assist with financing improvements at the airport such as building new hangers, extending the runway or capital replacement costs.

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

1. Approve a Ground Lease Agreement between the City of Marina and Joby Aero Inc, for a five-acre portion of the developed south tarmac with two options totaling 25-acres located at 3200-C Imjin Road.

2. Authorize Finance Director to make necessary accounting and budgetary entries; and
3. Authorize City Manager/Airport Manager to execute the Ground Lease Agreement and subject to minor administrative modifications on behalf of the City, and subject to final review and approval by City Attorney.

PASSED AND ADOPTED by the City Council/Airport Commission of the City of Marina at a regular meeting duly held on the 17th day of December 2019, by the following vote:

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

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

RESOLUTION NO. 2019-08

**A RESOLUTION OF THE CITY OF MARINA PLANNING COMMISSION
APPROVING A PRE-FABRICATED FABRIC AVIATION
STRUCTURE/TENT (PRODUCED BY CLEARSPAN FABRIC
STRUCTURES) USED TO CONDUCT AERONAUTICAL ACTIVITIES
ASSOCIATED WITH MANUFACTURING AND ASSEMBLY OF
AIRCRAFT, LOCATED ON THE SOUTHWEST SIDE OF THE TARMAC
DIRECTLY ACROSS FROM BUILDING 507 AND APPROXIMATELY 100
FEET FROM THE CENTER OF THE TAXIWAY AND LOCATED AT 3200-C
IMJIN ROAD, MARINA (APN: 031-112-001-000).**

WHEREAS, on May 6, 2019, Joby Aviation, applicant, applied for permits to allow the construction and placement of a pre-fabricated fabric aviation structure/tent for use to conduct aeronautical activities associated with manufacturing and assembly of aircraft, located on the southwest side of tarmac directly across from Building 507 and approximately 100 feet from the center of the adjacent taxiway, located at 3200-C Imjin Road, as shown on the submitted application packet; and

WHEREAS, the property's Zoning Designation is "A" or "Airport District", which allows aviation-related uses. The project is located within the City limits within the Marina Municipal Airport; and

WHEREAS, the City of Marina Planning Division determined that this project is categorically exempt from environmental review in accordance with Article 19, Section 15332, Class 32 of the California Environmental Quality Act (CEQA) applicable to in-fill development, for projects consistent with the general plan designation zoning designation, is within city limits on a project site of no more than five-acres, the site has no value for habitat, would not result in significant effects to traffic, noise, air and/or water quality, and the site is served by required utilities and public services. The proposed project is located within a Light Industrial General Plan Land Use Designation, which allows manufacturing uses, and within an "A-1" or "Airport District", which allows aviation-related uses. The project is located within the City limits within the Marina Municipal Airport and will not encompass a lease area greater than five-acres. The project site is previously graded and paved and is located upon existing tarmac. The project will not result in significant impacts to traffic, noise, air, or water quality whatsoever, and is consistent with existing uses within the Marina Airport. The site has the ability to be served by required utilities and public services.; and

WHEREAS, the project is subject to Site and Architectural Design Review per City Code Section 17.50.010 and 17.50.040(A); and

WHEREAS, on May 15, 2019, the City of Marina Site and Architectural Design Review Board (DRB) adopted a Resolution recommending that the Planning Commission approve Site and Architectural Design Review application DR 2019-14 to allow the placement of a pre-fabricated fabric aviation structure/tent used to be located on the southwest side of the tarmac directly across from Building 507 located at 3200-C Imjin Road (APN: 031-112-001-000).

NOW, THEREFORE BE IT RESOLVED by the City of Marina Planning Commission that it hereby has considered and approved Site and Architectural Design Review DR2019-14 to allow, subject to the Findings and Conditions of Approval, a pre-fabricated fabric aviation structure/tent used to conduct aeronautical activities associated with manufacturing and assembly of aircraft.

Findings

That the project has been designed and will be constructed, and so located, that the project, as conditioned, **will not**:

1. Be unsightly, undesirable or obnoxious in appearance to the extent that it will hinder the orderly and harmonious development of the City, in that the proposed project is located on existing paved tarmac, is located within an area intended for aviation uses (airport) and is designed to be consistent with existing surrounding structures.
2. Impair the desirability of tenancy or investment or occupation in the City, in that the project involves the construction of a pre-fabricated structure that would add useable space to the airport area and would allow aviation related manufacturing to commence within the designated area of the airport site.
3. Limit the opportunity to obtain the optimum use and value of the land and improvements, in that the project site is current paved with tarmac and the project will place a large permanent structure on previously distributed area/land and allow the expansion of aviation related businesses within the airport area.
4. Impair the desirability of tenancy or conditions on or adjacent to the subject site in that the project is aviation related is proposed adjacent to other aviation related structures and uses.
5. Otherwise adversely affect the general welfare of the community, in that the project will have an overall positive effect on the general welfare of the community.

Conditions of Approval

1. **Substantial Compliance** – All construction, colors and material shall be accomplished in substantial accordance with the attached **EXHIBIT A**, except as conditioned herein.
3. **Building Permits** – The applicant shall obtain all necessary building and/or grading permits from the Marina Building Department prior to commencement of any demolition or construction activities.
4. Prior to Building Permit Final Inspection, the applicant shall contact Community Development Department-Planning to obtain a final inspection and approval.
5. Prior to issuance of a building permit, the applicant shall submit all available colors to the Director of Planning for review and approval, and that fabric/color samples be as consistent to the local nature landscape as possible. Colors may include, but not be limited to any shade of white, brown, green, or grey, all of which are allowed within the Marina Airport & Business Park “Guide for Development”.
6. **Permit Expiration (Design Review Board)** – This permit will expire 12 months from the date of approval by the Design Review Board, unless a valid building permit has been issued and construction of the project has commenced prior to expiration. The applicant may apply for an extension of this permit, by submitting an extension request application and applicable fees, no less than 30 days prior to expiration date. No renewal notice will be sent to the applicant or property owner.

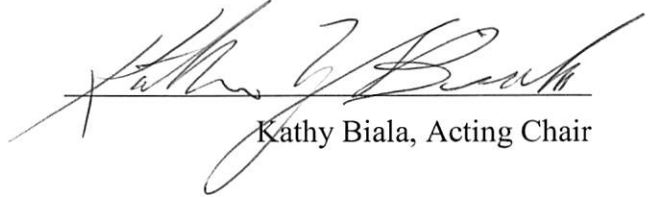
PASSED AND ADOPTED by the Planning Commission of the City of Marina at a regular meeting duly held on the 23rd day of May 2019, by the following vote:

AYES, COMMISSION MEMBERS: Biala, Bielsker, Mann, McCarthy, Weekley

NOES, COMMISSION MEMBERS: None

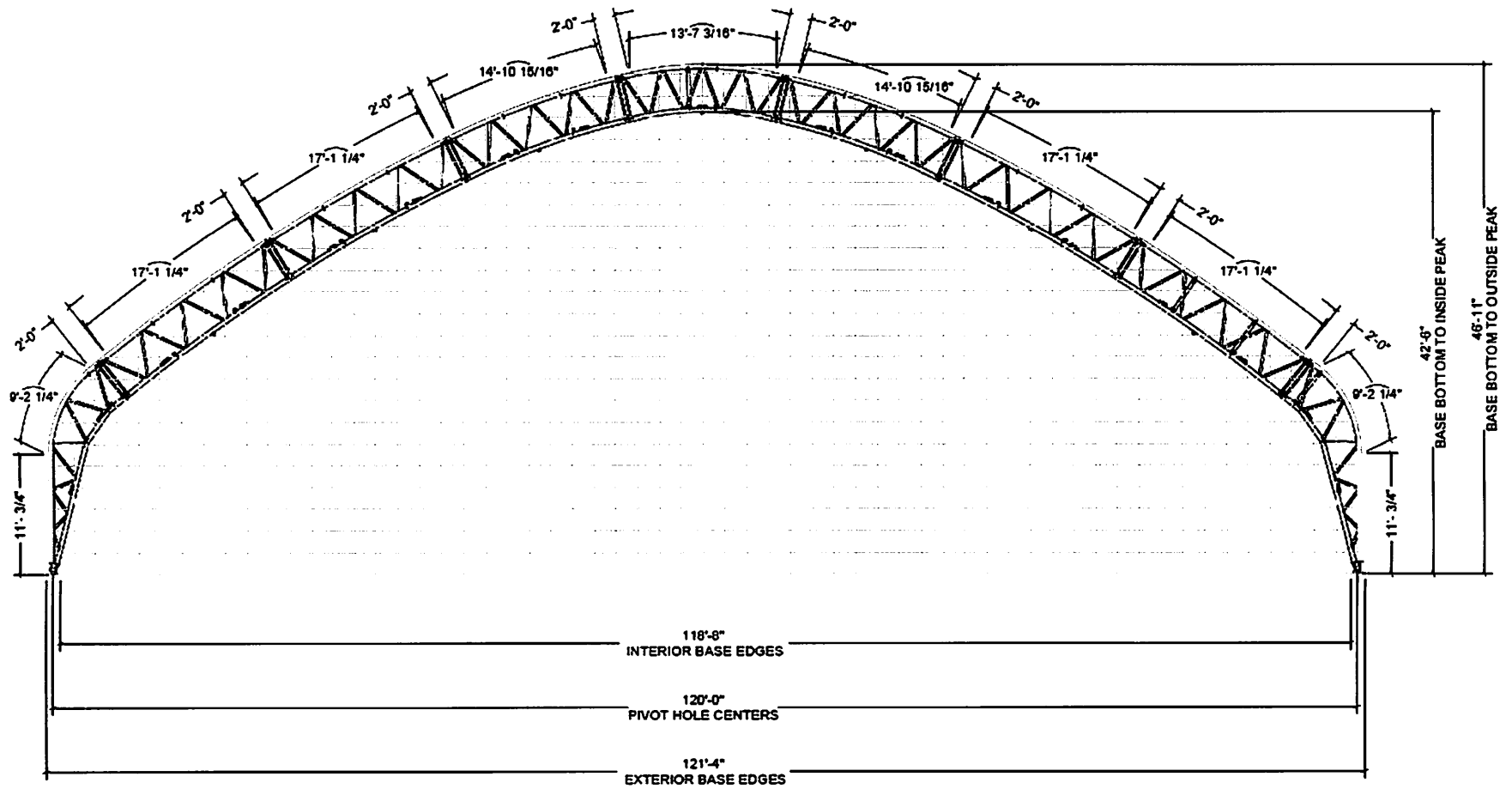
ABSENT, COMMISSION MEMBERS: Burnett, Jacobsen

ABSTAIN, COMMISSION MEMBERS: None


Kathy Biala, Acting Chair

ATTEST: 

David J. R. Mack, AICP
Senior Planner
Community Development Department
City of Marina

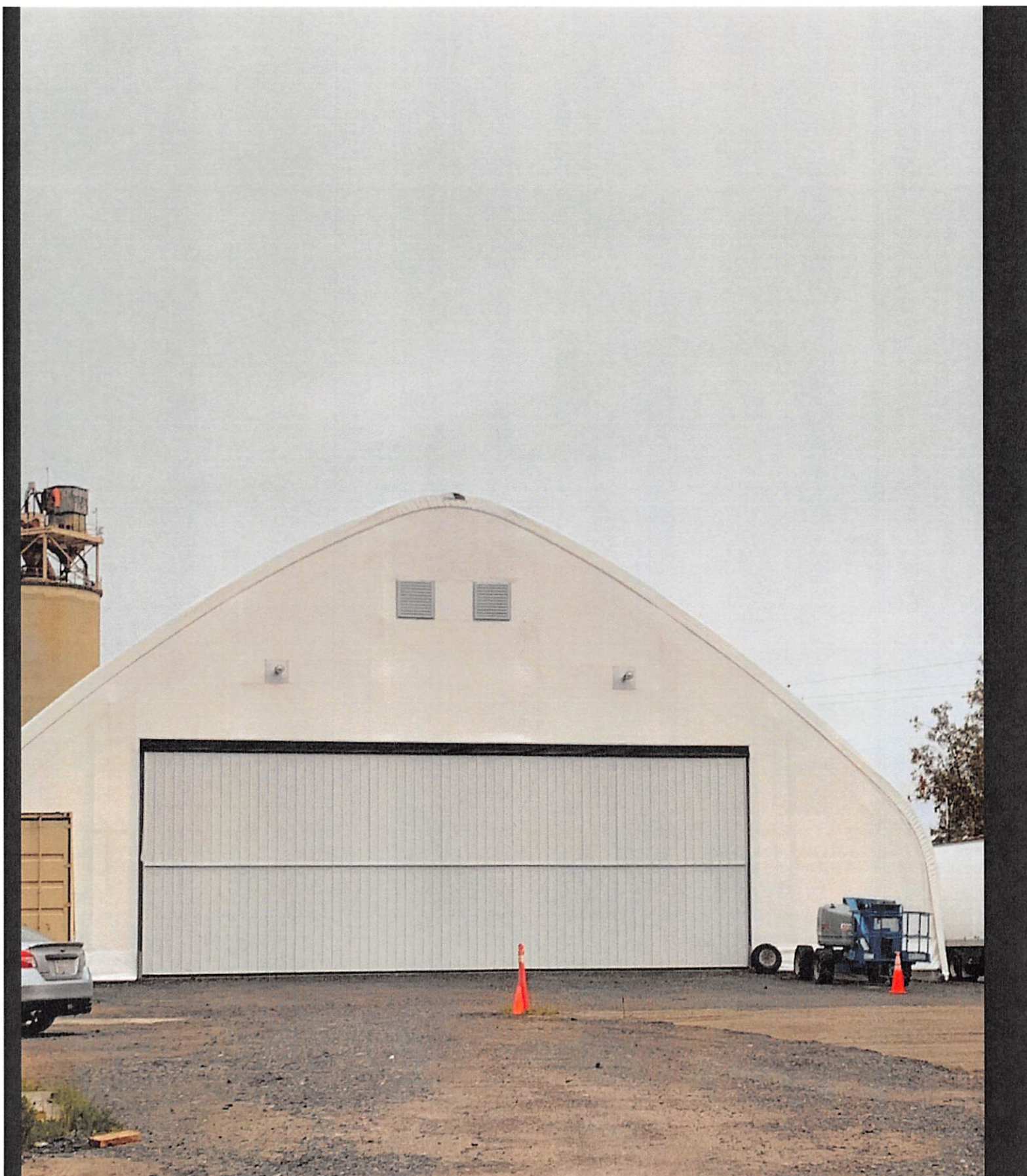


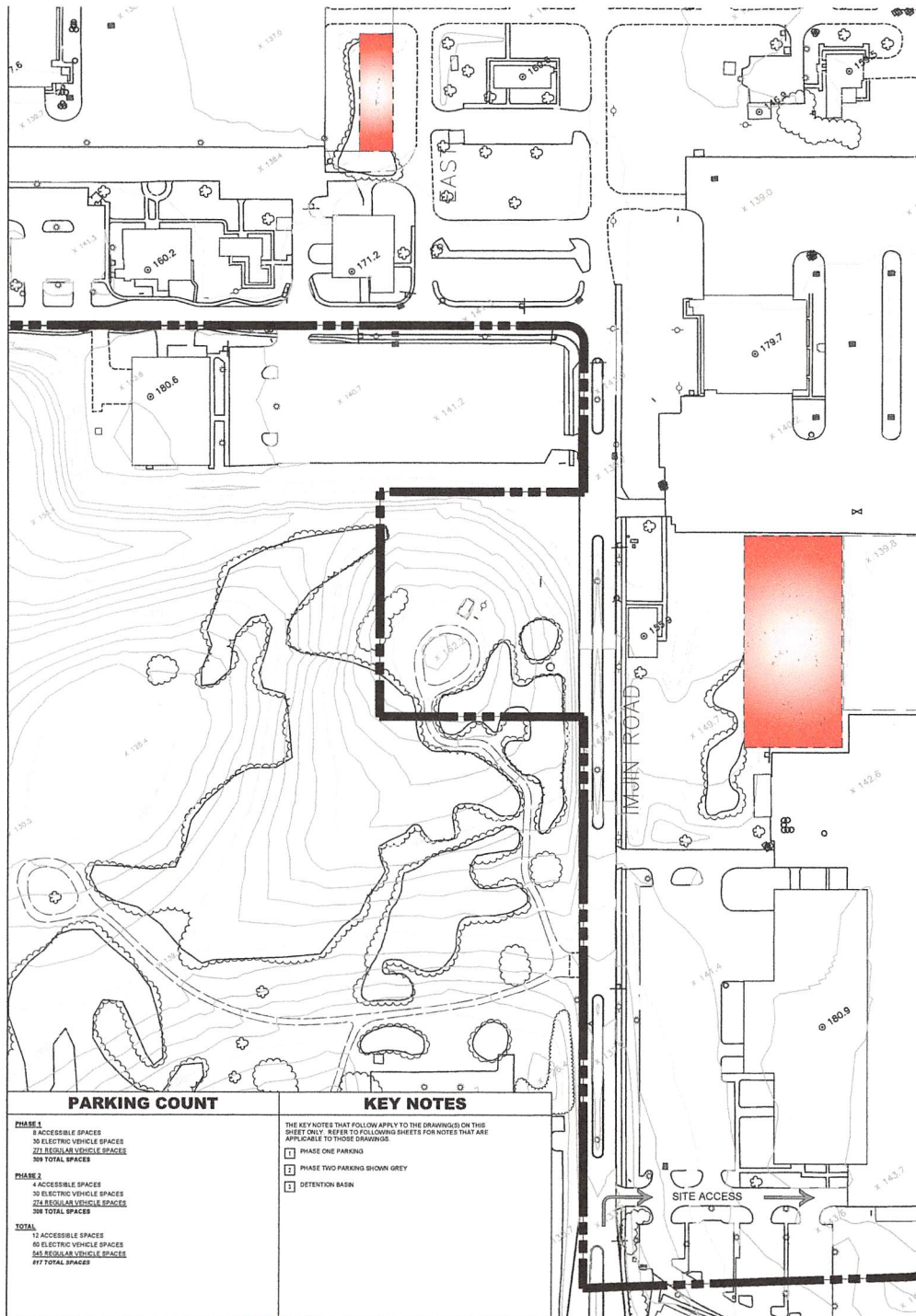
OVER-THE-TOP: 168'-4 1/16" (2,020 1/16")

Brian Walachy
 Truss Arch Specialist

1395 John Fitch Blvd, South Windsor, CT 06074

Exhibit A





PARKING COUNT

PHASE 1
4 ACCESSIBLE SPACES
30 ELECTRIC VEHICLE SPACES
201 REGULAR VEHICLE SPACES
309 TOTAL SPACES
PHASE 2
4 ACCESSIBLE SPACES
30 ELECTRIC VEHICLE SPACES
204 REGULAR VEHICLE SPACES
308 TOTAL SPACES
TOTAL
10 ACCESSIBLE SPACES
60 ELECTRIC VEHICLE SPACES
365 REGULAR VEHICLE SPACES
477 TOTAL SPACES

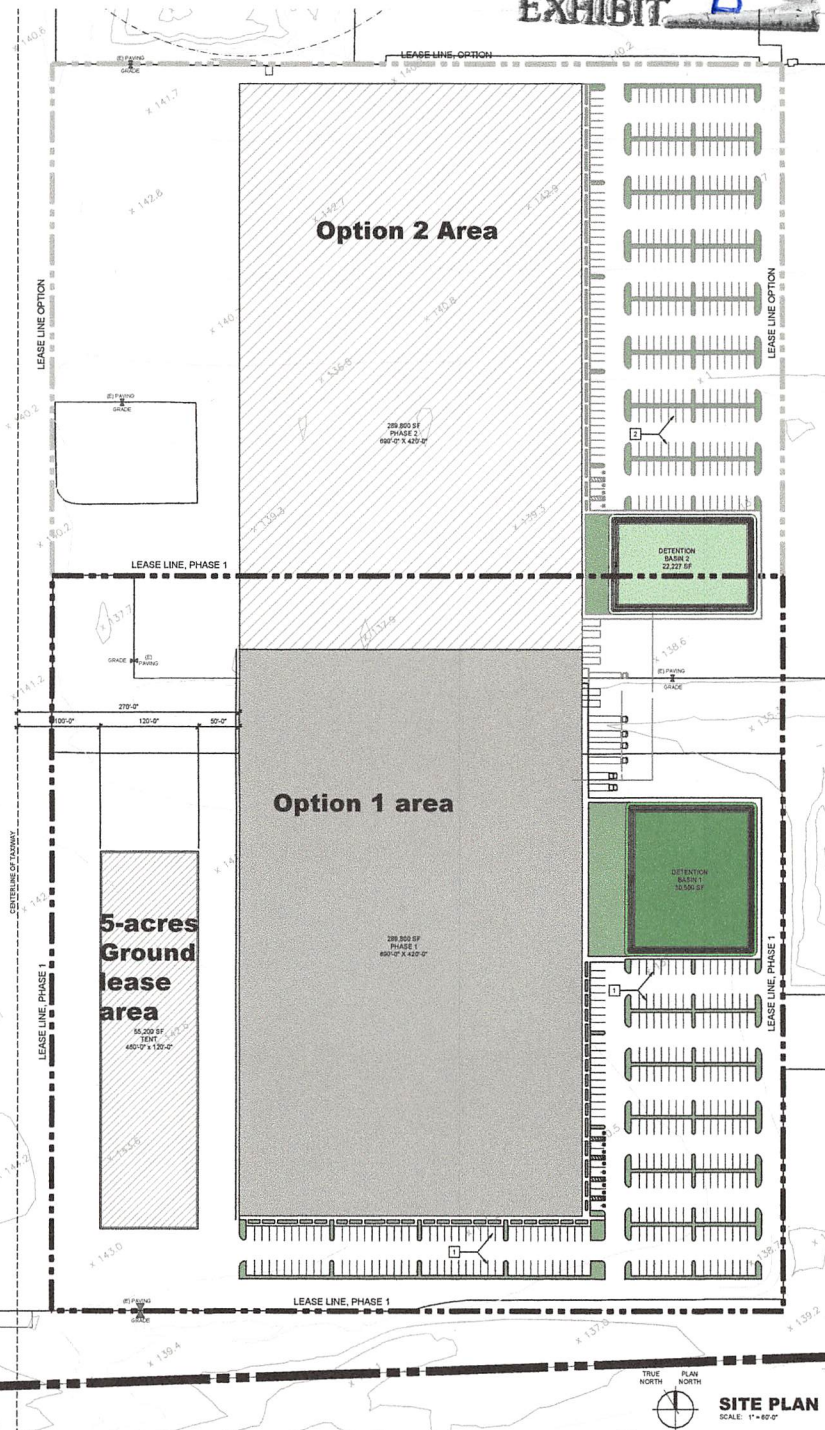
KEY NOTES

THE KEY NOTES THAT FOLLOW APPLY TO THE DRAWINGS ON THIS SHEET ONLY. REFER TO FOLLOWING SHEETS FOR NOTES THAT ARE APPLICABLE TO THOSE DRAWINGS.

- 1 PHASE ONE PARKING
- 2 PHASE TWO PARKING SHOWN GREY
- 3 DETENTION BASIN

EXHIBIT

B



SITE PLAN

SCALE: 1" = 60'-0"



WARD RICHARDS & DOUGLAS ARCHITECTS LLP
 2345 GARDEN ROAD, SUITE 100
 MONTEREY, CALIFORNIA 93940
 PHONE: 831.645.4542
 FAX: 831.645.3530
 WWW.WR&D.COM

The staff of the Planning and Public Works Department of the City of Monterey has reviewed the information submitted in this application and has determined that the information is complete and accurate. The City of Monterey is not responsible for the accuracy of the information submitted in this application. The City of Monterey is not responsible for the accuracy of the information submitted in this application. The City of Monterey is not responsible for the accuracy of the information submitted in this application.

JOB AVIATION SITE PACKAGE

JOB NO: 18068
 PRINT DATE: 6.16.2019
 DRAWN BY:
 CHECKED BY:
 SET BY:

SHEET NAME:
 ELARGED SITE PLAN
 SHEET NO:

A101

FILE NAME: 18068.dwg

EXHIBIT B

Honorable Mayor and Members
of the Marina City Council/Airport Commission

City Council Meeting
of December 17, 2019

**CITY COUNCIL/AIRPORT COMMISSION CONSIDER ADOPTING
RESOLUTION NO. 2019- , APPROVING A GROUND LEASE AGREEMENT
BETWEEN THE CITY OF MARINA AND JOBY AERO, INC FOR A FIVE-
ACRE PORTION OF THE DEVELOPED SOUTH TARMAC WITH TWO
OPTIONS TOTALING 25-ACRES LOCATED AT 3200-C IMJIN ROAD,
AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY
ACCOUNTING AND BUDGETARY ENTRIES, AND AUTHORIZING CITY
MANAGER/AIRPORT MANAGER TO MAKE MNOR ADMINISTRATIVE
MODIFICATIONS AND 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/Airport Commission consider:

1. Adopting Resolution No. 2019- , approving Ground Lease Agreement between City of Marina and Joby Aero, Inc. for a five-acre portion of the developed south tarmac, along with two options totaling 25-acres, located at 3200-C Imjin Road; and
2. Authorizing Finance Director to make necessary accounting and budgetary entries; and
3. Authorizing City Manager to make minor administrative modifications and execute the Ground Lease Agreement on behalf of the City, subject to final review and approval by City Attorney.

BACKGROUND:

The south tarmac of the Marina Municipal Airport is graded and improved with concrete surfaces. On May 23, 2019, the City of Marina Planning Commission approved a Site and Architectural Design Review application submitted by Joby Aero, Inc. for the construction of a 55,200 square foot fabric covered industrial structure to be located on a five-acre developed portion of the south tarmac on the Marina Municipal Airport (**“EXHIBIT A”**). The structure is proposed to be pre-fabricated offsite and assembled on the proposed leased premises. The structure is proposed to be used for Airport purposes to conduct aeronautical activities associated with manufacturing and assembly of aircraft.

ANALYSIS:

The proposed Ground Lease Agreement includes a 217,800 square feet ($\pm$ 5 gross acres) lease area for the construction of a 55,200 square foot fabric covered industrial structure. Also included within the proposed Ground Lease are two Options (**“EXHIBIT B”**).

- Option Area No. 1. an additional 566,280 square feet ($\pm$ 13 acres). Option Area No. 2. an additional 522,720 square feet ($\pm$ 12 acres).

Use of the proposed structures will include: Aeronautical use in connection with the business of developing, designing, engineering, tooling, testing, manufacturing and the sale of aircraft and aircraft components and at all times for the storage of active/airworthy aircraft or performing

final assembly of aircraft under construction, or for repairing and storing tools and materials used for aircraft or for any one of the “aeronautical uses” established by the Federal Aviation Administration.

Joby Aero, Inc. has submitted a Site and Architectural Design Review application for two 280,000 square foot buildings to the Planning Division. Exercising either Option No. 1 or Option No. 2 will require completion of an environmental clearance document and adoption of the document by the City. An Amendment to the Ground Lease will also be necessary before the Options can be fully exercised.

The attached “**EXHIBIT C**” includes the proposed Ground Lease Agreement. Notable terms of the Lease include:

- 30-year term with a 10-year extension for each Option (totaling 50-years if both options exercised)
- Option 1 must be exercised within 36 months of the Commencement Date and Option 2 must be exercised within 60 months of the Commencement Date.
- The initial Base Rent for the 5-Acre Premises: \$ 6,534 per month
The Rent for Option Area No. 1: \$16,988 per month
The Rent for Option Area No. 2: \$ 2,248 per month for the first year
\$ 25,770 per month for the first year
- Rent increases every three years based on the cumulative change in the CPI

The proposed Ground Lease will allow for significant capital improvements at the Marina Municipal Airport, up to 600 new high paying jobs, and significant rent revenues beginning at \$309,240 for year one and totaling approximately \$681,800 at year 10 and once options are exercised. This growth in rent revenue will assist with financing improvements at the airport such as building new hangars, extending the runway or capital replacement costs. It is also more likely that a large new employer would be a catalyst to attracting addition new employers.

COUNCIL PRIORITIES

At the March 2019 City Council retreat, the council identified a number of priorities. This item addresses one of the established priorities.

FISCAL IMPACT:

Should the City Council approve this request, anticipated annual rent revenue to the airport will be \$309,240 for year one and approximately \$681,800 at year 10 and once options are exercised. Building lease rent revenue is recorded to FY 2018-19 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/Airport Commission consideration and approval.

Respectfully submitted,

Matt Mogensen
Assistant City Manager
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager/Airport Manager
City of Marina