

RESOLUTION NUMBER R- 310431

DATE OF FINAL PASSAGE MAY 23 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE FLAT-RATE LEASE TO CROWNAIR HOLDINGS, INC. AT MONTGOMERY-GIBBS EXECUTIVE AIRPORT.

WHEREAS, in 1996, the City entered into a twenty-year flat rate lease (1996 Lease) with Crownair Holdings, Inc., a California corporation, dba Crownair Aviation (whose parent is MI Aviation Holdings, LLC) (Crownair) as a full-service fixed base operator (FBO). CrownAir has been an anchor tenant at Montgomery-Gibbs Executive Airport since 1951; and

WHEREAS, Crownair exercised its option for a ten-year extension of the 1996 Lease, but the parties were unable to mutually agree on the terms and conditions for such ten-year extension; and

WHEREAS, the 1996 Lease expires on May 31, 2016; and

WHEREAS, Crownair requested a new lease to provide for the development of a new facility within the existing FBO; and

WHEREAS, as compensation for the City's deferral of the exercise of its reversionary interest in all the improvements existing on the premises as of May 31, 2016, Crownair shall pay City the amount of \$624,441; and

WHEREAS, as appraised by an independent fee appraiser, the market value of the real estate is \$6,762,155; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor, or his designee, is authorized and directed to execute that certain City of San Diego Flat Rate Lease

(Lease) with Crownair Holdings, Inc., a California corporation, dba CrownAir Aviation (whose parent is MI Aviation Holdings, LLC), on file in the Office of the City Clerk as Document No. RR- 310431, for certain real property at Montgomery-Gibbs Executive Airport, under the terms and conditions set forth in the Lease.

BE IT FURTHER RESOLVED, the Chief Financial Officer is authorized to deposit rent revenue, including the amount of \$624,441 for the deferral of the City's exercise of its reversionary interest in the improvements, into Fund 700033.

APPROVED: JAN I. GOLDSMITH, City Attorney

By Hilda R. Mendoza  
Hilda R. Mendoza  
Deputy City Attorney

HRM:meb:  
May 2, 2016  
Or.Dept:READ  
Doc. No.: 1277837

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAY 17 2016.

ELIZABETH S. MALAND  
City Clerk

By Stacy Reed  
Deputy City Clerk

Approved: 5/20/16  
(date)

Kevin L. Faulconer  
KEVIN L. FAULCONER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAY 17 2016, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAY 23 2016.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER  
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

(Seal)

By *Hy B...*, Deputy

Office of the City Clerk, San Diego, California

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