

**DATE:** June 7, 2022

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an

Assignment/Assumption of Lease with Savage Aviation, Inc., for Property

Located at 21593 Skywest Drive

## RECOMMENDATION

That the City Council adopts **a r**esolution (Attachment II) authorizing the City Manager to negotiate and execute an Assignment/Assumption of Lease to Savage Aviation, Inc.

#### **SUMMARY**

Jerry Hoffman, the owner of Aviation Training, Inc., (Aviation Training) entered into a lease with the City of Hayward in 1975 for the leasehold located at 21593 Skywest Drive. The lease expired in 2015 and was extended to 2047 shortly thereafter. At this time, Mr. Hoffman has requested that leasehold rights be conveyed from Aviation Training to Savage Aviation, Inc., whose principal is Daniel Umanzor. The subject property is depicted in Attachment III.

#### Council Airport Committee Review

This item was presented to the Council Airport Committee during their April 28, 2022 meeting and was unanimously recommended for Council approval.

#### BACKGROUND AND DISCUSSION

Jerry Hoffman entered into a 40-year commercial lease agreement with the Hayward Executive Airport (Airport) on September 1, 1975, for the parcel located at 21593 Skywest Drive (Attachment III). The lease expired on August 31, 2015, and was subsequently renewed in 2016. The leased area contains 50,018 square feet of space, and a hangar building with an attached office area.

Jerry Hoffman proposes to sell his leasehold interest to Savage Aviation, Inc., as outlined in the attached information (Attachment IV). All other terms of the lease will remain unchanged.

### **ECONOMIC IMPACT**

No economic impact is associated with this administrative change to the lease.

#### FISCAL IMPACT

No fiscal impact is associated with this action above and beyond the existing rent amount, of approximately \$22,000 annually.

### STRATEGIC ROADMAP

This agenda item pertains to development at the airport and does not directly relate to the Council's Strategic Roadmap.

## **SUSTAINABILITY FEATURES**

No sustainability features are associated with this report.

# **PUBLIC CONTACT**

The agenda and staff report for this item have been posted on the City's website and distributed to interested parties.

#### **NEXT STEPS**

If approved, Airport staff will circulate the Assignment, Assumption, and Consent Agreement for execution by the City Manager.

Prepared by: Doug McNeeley, Airport Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:

Kelly McAdoo, City Manager

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