



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**File #:** CONS 23-416, **Version:** 1

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**DATE:** June 27, 2023

**TO:** Mayor and City Council

**FROM:** Director of Public Works

### **SUBJECT**

Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Second Amendment to the Ground Lease with HWD AAS Hangar, LLC (dba APP Jet Center)

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute a Second Amendment to the ground lease with HWD AAS Hangar, LLC (dba APP Jet Center).

### **SUMMARY**

On February 27, 2018, Council approved an agreement with Briggs Resources for the leasehold previously held by American Aircraft Sales. This lease was assigned to GBHWD, LLC, (a subsidiary of Briggs Resources) in February 2019. Earlier this year, GBHWD, LLC agreed to assign the interest in this leasehold to HWD AAS Hangar, LLC (dba "APP Jet Center" or "APP"). This item was discussed with the Council Airport Committee (CAC) on April 27, 2023 and approved by Council on May 23, 2023.

In conjunction with the assignment, there are several key amendments to the lease that are requested by APP at this time:

- Updated specifics on size of the new hangar and office
- Change in schedule to build new hangar and office building
- Automatic extension of term if construction is completed in a timely manner
- Change to period of time for implementation of reduced rent while hangar is under construction
- Clarification to grace or cure period prior to default

### Council Airport Committee Consideration

This item was discussed with the Council Airport Committee (CAC) on June 21, 2023 and unanimously recommended the item be presented to Council for approval.

### **ATTACHMENTS**

Attachment I Staff Report

Attachment II Resolution