SUBJECT: Airport Lease – Lot 47

SOURCE: Fire Department / Airport Division

COMMENT: Dr. Westel Creager currently owns a hangar on lot 47 at the Porterville Municipal Airport. He has extended a purchase option of his private hangar to James Costa. Mr. Costa is requesting Council authorization to assume the existing lease between the City of Porterville and Dr. Westel Creager dated August 1, 2001.

RECOMMENDATION:

That the City Council approve the assigning of the lease agreement between the City of Porterville and Dr. Westel Creager to James Costa.

Attachment: 1) Locator Map  
2) Assignment of Lease Agreement  
3) Lessor’s Consent to Assignment of Lease Agreement  
4) Request to Transfer Letter from Dr. Creager  
5) Request to Transfer Letter from Mr. Costa.
ASSIGNMENT OF LEASE  
(PORTERVILLE MUNICIPAL AIRPORT)

THIS AGREEMENT, made this 21st day of June, 2005, by and between Dr. Westel Creager, 33232 Tule Oak Drive, Springville, California, owner of the hangar on lot 47 at the Porterville Municipal Airport, as the Assignor, and James Costa, 18250 Road 152, Tulare, California, as the Assignee.

In consideration of the mutual covenants herein contained, each act to be performed hereunder, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Effective June 21, 2005, Assignor hereby assigns, transfers and conveys to Assignee all of their right, title, and interest as Lessee, in, to and under a certain Lease Agreement dated August 1, 2001 (hereinafter "Lease"), executed by and between the City of Porterville, as Lessor, and James Costa, as Lessee, providing for the letting of certain premises located at the Porterville Municipal Airport, Porterville, California, being more particularly described as follows:

   An airport hangar known as No. 47, and containing a total area of approximately 6,271.4 square feet, and establishing an original Lease terminating July 31, 2011.

2. Effective June 21, 2005, Assignee hereby accepts and assumes all of the obligations, responsibilities and liabilities of Assignor under said Lease, and agrees to perform said Lease Agreement according to its terms, covenants and conditions, without exception, and Assignee understands and agrees that Landlord makes no warranty or representation that either Assignor or Assignee would be given an exclusive use in the Porterville Municipal Airport for the use thereof by Assignor and/or Assignee, except as provided in the Lease.

3. Upon execution of this Assignment of Lease and Landlord's consent hereto, Assignee's Noticed Address and Assignee's Billing Address shall be as set forth herein above.

4. Assignor hereby covenants said Lease as valid and existing and Landlord is not default as of the date of this Assignment.

5. This Assignment shall be binding upon and shall inure to the benefit of the respective parties, their successors and assigns.

6. There is a $150 transfer/assumption fee.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment of Lease as of the date first above written.

ASSIGNOR:  
BY: ____________________________
Dr. Westel Creager

ASSIGNEE:  
BY: ____________________________
James Costa
LESSOR’S CONSENT TO ASSIGNMENT OF LEASE AGREEMENT  
(PORTERVILLE MUNICIPAL AIRPORT)

The City of Porterville, a municipal corporation of the State of California, being the Landlord under the Lease described in the foregoing Assignment, hereby consents to the foregoing Assignment of Lease upon the expressed condition, however, that there shall be no further assignment without the prior written consent of the Landlord.

Dated this 21st day of June 2005.

City of Porterville

By: _______________________________________
    Kelly E. West
    Mayor, City of Porterville

“LESSOR”

Attest: _____________________________________
    John Longley, City Clerk

Approved as to Form:

By: _______________________________________
    Julia Lew, City Attorney
June 1, 2003

Mr. Frank Guyton
Porterville Airport Manager
40 West Cleveland Avenue
Porterville, Ca. 93257

Dear Frank,

I am in the process of selling my hanger on Lot 47 at the Porterville Airport.

The new owner and his address is,

James Costa
18250 Road 152
Tulare, Ca. 93274

He will be assuming my lease with the Council’s approval at the next regular meeting.

Thank you,

Sincerely,

Wes Creager, M.D.
Frank Guyton  
Porterville Airport Manager 
Porterville, Ca. 93265 

Dear Frank, 

I have purchased the Hanger on Lot 47 at Porterville Airport. As per the Lease Agreement I would like to assume the land lease between the City of Porterville, and Dr. Wes Creager. Please put this on the next Council Agenda. 

Thank you.  

James Costa