



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Ralph G. Tonseth
Director of Aviation

**SUBJECT: AMENDMENT TO EXTEND
LEASE FOR A. P. ENTERPRISES**

DATE: June 1, 2004

Approved

Date

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Approval of an amendment to extend the term of the Lease Agreement between the City of San Jose and A. P. Enterprises, a Division of ADSD, INC. on a month-to-month basis from May 31, 2004 through May 31, 2009 with annual revenue of \$2,682.36.

BACKGROUND

A. P. Enterprises, a Division of ADSD, INC. ("A. P. Enterprises") currently occupies 387 square feet of hangar space at 1311 Airport Boulevard at Norman Y Mineta San Jose International Airport pursuant to a lease with the City. This lease is in support of A. P. Enterprises operation providing ground support and maintenance services to various airlines under a Commercial Operating Permit with the City.

On June 24, 1997, the Director of Aviation, pursuant to Municipal Code Section 25.08.1340 executed a lease agreement between the City and A. P. Enterprises for a period of three years. On May 18, 1999 the City Council approved an amendment that extended the term to May 31, 2004.

As a result of a delay in receiving the executed amendment from A. P. Enterprises, this extension will be effective retroactively to June 1, 2004.

ANALYSIS

Staff has negotiated an amendment that extends the term to May 31, 2009. Should Council approve this lease A. P. Enterprises will continue to occupy office space at Hangar 1311. Either

party can terminate this agreement upon thirty days written notice. Municipal Code Section 25.08.1340 requires that City Council approve extensions of an existing lease agreement at the Airport.

PUBLIC OUTREACH

Not Applicable.

COORDINATION

This memo has been coordinated with the City Attorney's Office.

CEQA

Resolution Nos. 67380, PP-04-04-106.

RALPH G. TONSETH
Director of Aviation
Airport Department