



**CITY OF SALINAS  
AIRPORT COMMISSION STAFF REPORT**

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**DATE:** APRIL 25, 2024  
**DEPARTMENT:** PUBLIC WORKS, AIRPORT DIVISION  
**FROM:** MATT NELSON, AIRPORT MANAGER, C.M., ATP.  
**TITLE:** ACCEPTANCE OF SALE OF JET WEST INC. TO IMPERIAL AVIATION, LLC dba GATE ONE

**RECOMMENDED MOTION:**

It is recommended that the Airport Commission recommend the City Council approve a resolution accepting the stock sale of Jet West LLC to Imperial Aviation, LLC, dba Gate One and consenting to the assignment of the Lease Agreement and related permits and agreements from Jet West LLC to Imperial Aviation, LLC dba Gate One.

**BACKGROUND:**

The City of Salinas (“City”) and Jet West, Inc. (“Jet West”) entered into a Lease Agreement effective October 1, 2009, for a forty-year term, pursuant to which the City granted Jet West the right to use certain parts of the Salinas Municipal Airport (“Airport”) for certain permitted uses including the use of office space, hangar space, and aircraft parking areas. Jet West has been a successful tenant of the Airport since coming to Salinas and continues to be an asset to the Airport. More specific Lease Agreement terms are provided below for the Commission’s reference.

Jet West has informed the Airport Manager that they intend to sell their operations to Imperial Aviation, LLC dba Gate One and has requested the City to consent to the assignment of the Lease Agreement and all related permits and agreements to Gate One so that Gate One may commence operations at the Airport and take over the space currently occupied by Jet West. The Lease Agreement allows Jet West to assign its interest in the Lease Agreement subject to the City’s prior consent.

***Use of Leased Premises***

- A. The permitted uses include the following:
1. Aircraft maintenance and repair services including sales of parts and accessories;
  2. Operation of a fully accredited pilot training school;
  3. Operation of an air taxi service;
  4. Aircraft rental;
  5. Aircraft leasing and/or sales;

6. Sales of pilot supplies and reference materials;
7. Sale of aircraft petroleum products;
8. Temporary or long-term storage of aircraft; and
9. Operation of a rental car service or facilitation of such service through a car rental operator.

B. Fuel Facility. Lessee leases a fuel facility on the Airport owned by the Lessor, as more particularly shown and described on Exhibit A (CCA Fuel Lease) for the purposes of operating a fuel facility.

### ***Term of Leased Premises***

A. Term: All space other than fuel facility. The term of this Lease for the Leased Premises, with the exception of the fuel Facility portion, shall be for a period of forty (40) years commencing on October 1, 2009 (Commencement Date) and ending on September 31, 2049 ("Termination Date") unless extended or sooner terminated in the manner and under the conditions herein provided (the "Original Term"). Lessor grants to Lessee an option to extend this Lease for a period of ten (10) years.

B. Term: Fuel Facility. The term of this Lease for the Fuel Facility portion of the Leased Premises shall be a period of 20 years commencing on December 12, 2006 and ending on December 11, 2026. With an option to renew for a period of 10 years.

### **CEQA/NEPA CONSIDERATION:**

#### ***CEQA:***

The City of Salinas has determined that the proposed action is not a project and, therefore, exempt as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

### **STRATEGIC PLAN INITIATIVE:**

This action supports the City Council's Goals of Effective, Sustainable Government, and Economic Diversity and Prosperity.

### **DEPARTMENTAL COORDINATION:**

The process of administering these projects involve the following departments: Public Works, Finance, and Legal. Public Works Department oversees the development of the project's plans, specifications, and estimates. The Finance Department administers the proper appropriation of funds. The Legal Department reviews pertinent documents/contracts to ensure the City is in compliance with applicable laws and regulations.

### **FISCAL AND SUSTAINABILITY IMPACT:**

There is no impact to the City's General Fund.

ATTACHMENTS:

Original Lease between the City of Salinas and Jet West, Inc.

CCA Fuel Lease

Resume of Buyer