



Council Agenda Report

From: Dick McKinley, Public Works Director

Subject: Approval of Airport Lease Assignment and Assumption for Culver Brothers, LLC.

Date: October 4, 2016

Facts

1. The City entered into a long-term lease agreement with Milton C. Culver and Donald L. Culver on Parcel 52 of the Airport Industrial park dated September 1, 1987.
2. The City approved a First Amendment to Lease dated February 28, 2007, which provided for changes in the ownership structure of the lessee.
3. The lessee requests approval of an Assignment and Assumption Agreement in order to accommodate new changes in the lessee's ownership.
4. The lease remains in full compliance and effect according to the provisions of the adopted agreement.

Options

1. Approve the request as presented.
2. Modify the stated terms of the amendment document.
3. Reject the request.
4. Take no action.

Analysis and Conclusions

Each airport lease agreement experiences the occasional need to revise or amend the provisions of the document in order to accommodate changes in the corporate or partnership composition of the lessee. This proposed assignment is consistent with the terms of the agreement and with City's policies and past practices. The approval of this action provides for the lease agreement to accurately reflect the current lessee makeup.

Fiscal Impact

There will be no impact to the Airport Operating budget and the agreed rental rate continues unchanged.

Recommendation

Approve the Assignment and Assumption of Municipal Airport Property lease on Parcel 52 of the Airport Industrial park for Culver Brothers, LLC.

Attachments

1. Assignment and Assumption Agreement

Recording Requested by and
When Recorded Return to:

**City of Paso Robles
Department of Public Works
1000 Spring Street
Paso Robles, CA 93446**

For Recorders Use Only

**ASSIGNMENT AND ASSUMPTION OF MUNICIPAL AIRPORT PROPERTY LEASE
(Parcel 52, PRAL 80-53)**

This Assignment and Assumption of Municipal Airport Property Lease ("Assignment") is made as of August ____, 2015, by and between **MILTON C. CULVER, an individual** ("Milton Culver"), **CULVER BROTHERS ENTERPRISES, LLC, a California limited liability company** ("Culver Brothers LLC"), **MONA C. CULVER, Trustee of the Donald L. Culver Exemption Trust, and MONA C. CULVER, Trustee of the Donald L. Culver Marital Deduction Trust** (collectively, "Mona Culver"), **MITCHELL G. CULVER, an individual** ("Mitchell Culver"), and **WILLIAM B. CULVER, an individual** ("William Culver"), and is consented and agreed to by the **City of El Paso de Robles** ("City" or "Lessor"), a municipal corporation.

RECITALS

- A. City entered into that certain Municipal Airport Property Lease, dated September 1, 1987 ("Original Lease") with Milton Culver and Donald L. Culver (collectively, the "Original Lessees") wherein Original Lessees leased from City the real property known as Parcel 52 of Parcel Map PRAL 80-53.
- B. Following the death of Donald L. Culver, the City entered into a First Amendment to Lease, dated as of February 29, 2007 ("First Amendment", and hereinafter the Original Lease and First Amendment are collectively referred to as the "Lease"), with Milton Culver, as "Original Lessee," and Culver Brothers LLC, Mona Culver, Mitchell Culver and William Culver (collectively, the "Additional Lessees") whereby the Additional Lessees were joined with the Original Lessee, all jointly and severally, as the "Lessee" under the Lease. A Memorandum of Lease Amendment was recorded in the Office of the County Recorder of San Luis Obispo County on August 23, 2007, as Document No. 2007057618.
- C. The parties now desire to further modify the Lease to provide for the assignment by Milton Culver, Mitchell Culver and William Culver (collectively, "Assignors") of all their rights and obligations under the Lease to Culver Brothers LLC (collectively, "Assignee"), and Assignee desire to accept such assignment from Assignors and assume the rights and obligations of Assignors under the Lease.

Therefore, Assignors and Assignees agree as follows:

AGREEMENT

1. Assignors hereby assign to Assignees all of Assignors' rights, title, and interest in the Lease. Assignees hereby accept and assume from Assignors all of Assignors' rights, title, and interest in the Lease.
2. Assignees assume and agree to perform and fulfill all the terms, covenants, conditions, and obligations required to be performed and fulfilled by Assignors under the Lease, on a joint and several basis, including without limitation the making of all rent and other payments due and payable on behalf of Assignors under the Lease as they become due and payable. Assignee and Mona Culver further acknowledge and agree for the benefit of City that they are aware and have copies of the Lease, are aware of the Assignors' current obligations under the Lease and that they shall be bound, jointly and severally, by the covenants and conditions of the Lease.
3. City hereby acknowledges and consents to Assignors' assignment of their rights and obligations under the Lease to Assignees. City also acknowledges and consents to Assignees' assumption of Assignors' rights and obligations under the Lease.
4. The Lease, as assigned as set forth herein, shall remain in full force and effect pursuant to its terms.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be fully executed as of the date first stated above.

ASSIGNORS:

MILTON C. CULVER, an individual

Milton C. Culver

MITCHELL G. CULVER, an individual

Mitchell G. Culver

WILLIAM B. CULVER, an individual

William B. Culver

ASSIGNEES:

CULVER BROTHERS ENTERPRISES, LLC,
A California limited liability company

By: _____
Mitchell G. Culver, Manager

MONA C. CULVER, Trustee of the Donald L.
Culver Exemption Trust

By: _____
Mona C. Culver, Trustee

MONA C. CULVER, Trustee of the Donald L.
Culver Marital Deduction Trust

By: _____
Mona C. Culver, Trustee

CONSENTED AND AGREED TO BY:
City of El Paso de Robles

By: _____
Thomas Frutchey, City Manager

ATTEST:

APPROVED AS TO FORM:

By: _____
Kristen L. Buxkemper, Deputy City Clerk

By: _____
Iris P. Yang, City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public,
personally appeared _____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf
of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

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