



**STAFF REPORT
HOLLISTER CITY COUNCIL
MEETING DATE: January 20, 2026
REPORT # City Manager-2026-07**

AGENDA ITEM: A RESOLUTION APPROVING A THREE-YEAR LEASE EXTENSION WITH HOLLISTER ELKS BUILDING ASSOCIATION FOR LEASE OF 351 ASTRO DRIVE AT THE HOLLISTER MUNICIPAL AIRPORT

DEPARTMENT: City Manager
DEPARTMENT HEAD: Jim Pia, Interim City Manager
STAFF CONTACT: Jeff Crechriou, Airport Director

RECOMMENDED ACTION: Adopt a resolution approving Lease Amendment No. 1 for a Three-Year Lease Extension with Hollister Elks Building Association for the lease of 351 Astro Drive at the Hollister Municipal Airport and authorizing the Interim City Manager to execute Lease Amendment No. 1.

DISCUSSION: The City of Hollister and the Hollister Elks Building Association entered into a fifty (50) year lease for use of the former officers' club building and outdoor space located at 351 Astro Drive at the Hollister Municipal Airport. The term of the lease commenced on July 1, 1977, and terminates on June 30, 2027. The premises are leased to the Elks for use as a benevolent, fraternal social club and for their uses, many of which benefit the Hollister community.

In November 2024, Elk's representatives met with the Airport Director and the City Manager to begin discussions about a new subsequent lease. These discussions have continued to date. Currently, however, it is clear to both the City and the Elks that more time is needed by both parties. This is due to the necessary strategic planning that must be done by both the City in terms of the airport uses, planning and footprint, but also the Elks in terms of their longer-term strategic planning. Consequently, both parties desire to amend the lease to extend the term, as this should allow enough time for both parties to complete necessary and significant strategic planning work.

Pursuant to the current lease (attached), Exhibit B section entitled Scope permits the City and tenant to amend, alter, or modify, by writing, the Lease. This First Amendment, therefore, is added to the Lease. The Term section of the original Lease is replaced with the following:

"Term: The term of this lease shall commence on July 1, 1977, and shall terminate on June 30, 2030."

All other provisions of the Lease shall remain, including rent, and the use of the Consumer Price Index (CPI) adjustment per the Periodic Cost-of-Living Rent Increase condition.

FISCAL IMPACT: The Lease Extension will provide additional Building Rent revenue to the Airport Enterprise Fund 601 of approximately \$19,000.

PREVIOUS COUNCIL OR COMMISSION ACTION: N/A

CEQA: N/A

ATTACHMENTS:

1. Resolution
2. Lease
3. Lease Amendment No. 1