



Legislation Details (With Text)

File #: ID 23-693 **Version:** 1 **Name:**

Type: Action Item **Status:** Passed

File created: 4/24/2023 **In control:** City Council

On agenda: 5/11/2023 **Final action:** 5/11/2023

Title: Actions related to the Lease Agreement with New Vision Aviation, Inc., a 501(C)3 Non-Profit Charitable Organization, that runs a training center for careers in aviation for residents and youth from disadvantaged communities at Fresno Chandler Executive Airport (FCH). (Council District 3)

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines.
2. Approve the Lease Agreement (Lease) with New Vision Aviation, Inc., a 501(C)3 Non-Profit Charitable Organization, to continue operating a training center for careers in aviation for residents and youth from disadvantaged communities at FCH for a term of three (3) years. The amount of potential revenue generated by this Lease is \$27,000.00, annually. Total anticipated revenue during the full term of the contract is approximately \$81,000 plus annual CPI adjustments. (Council District 3)

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. 23-693 Lease Agreement for New Vision Aviation Inc., at FCH.pdf

Date	Ver.	Action By	Action	Result
5/11/2023	1	City Council	APPROVED	Pass

REPORT TO THE CITY COUNCIL

FROM: HENRY THOMPSON, Director of Aviation
Airports Department

BY: MELISSA GARZA-PERRY, Airports Properties Manager
Airports Department

THROUGH: BRITTNEY VERROS, Airports Properties Supervisor
Airports Department

SUBJECT

Actions related to the Lease Agreement with New Vision Aviation, Inc., a 501(C)3 Non-Profit Charitable Organization, that runs a training center for careers in aviation for residents and youth from disadvantaged communities at Fresno Chandler Executive Airport (FCH). (Council District 3)

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines.
2. Approve the Lease Agreement (Lease) with New Vision Aviation, Inc., a 501(C)3 Non-Profit Charitable Organization, to continue operating a training center for careers in aviation for

residents and youth from disadvantaged communities at FCH for a term of three (3) years. The amount of potential revenue generated by this Lease is \$27,000.00, annually. Total anticipated revenue during the full term of the contract is approximately \$81,000 plus annual CPI adjustments. (Council District 3)

RECOMMENDATION

Staff recommends that City Council adopt a finding of Categorical Exemption, pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines, and authorize the Director of Aviation, or designee, to execute this Lease with New Vision Aviation, Inc., a 501(C)3 Non-Profit Charitable Organization, to continue operating on FCH's airfield for a term of three (3) years. The amount of potential revenue generated by this Lease is \$27,000.00 for the first year, plus an annual CPI adjustment.

EXECUTIVE SUMMARY

New Vision Aviation has been on the airfield at FCH through a relationship with the City of Reedley & Reedley College since 2018. Due to operating requirements, New Vision Aviation opted to enter into their own agreement and move from the former Buchner Hangar to the School of Aeronautics Building located at 540 West Kearney Boulevard. New Vision Aviation has been operating under a Temporary Use Permit (TUP) since December 13, 2022. That TUP will sunset upon its expiration date of June 13, 2023. This Lease will allow New Vision Aviation to continue running their training program at FCH's airfield through June 13, 2026.

BACKGROUND

Joseph Oldham, President and CEO of New Vision Aviation, has helped bring positive attention to FCH through his work with electric planes and now his training program. Mr. Oldham originally started on the airfield with the City of Reedley and Reedley College, assisting with training for their aviation program. He then helped found the 501(C)3 organization, New Vision Aviation in March 2018. New Vision Aviation is dedicated to providing residents and youth from disadvantaged communities in the San Joaquin Valley with the opportunity to experience flight and begin training for careers in aviation. New Vision Aviation began leasing the current location of 540 West Kearney Boulevard (Leasehold) on December 13, 2022 under a TUP. The Leasehold consists of approximately a 22,243 square foot parcel, which includes a 5,095 square foot hangar with office space. The starting monthly rent of \$2,250.00 per month is based on an appraisal completed by AGI Valuations in June 2020. The rent will be adjusted annually based on the Consumer Price Index (CPI), beginning June 14, 2024.

The City Attorney has reviewed and approved this Lease as to form.

ENVIRONMENTAL FINDINGS

This Agreement falls within the Class 1 Categorical Exemption for Existing Facilities set forth in the CEQA Guidelines, Section 15301 for existing facilities, as it involves no alteration of existing facilities, with no expansion of use, and will not result in any significant negative effects relating to traffic, noise, air quality or water quality. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference was not implemented because this item is regarding an existing tenant that desires to continue operating at FCH.

FISCAL IMPACT

The potential revenue generated by this Lease will be \$81,000.00, plus annual CPI adjustments. All revenue will be deposited into the Airports Enterprise Fund and will contribute to the operation and maintenance of FCH. There is no impact to the General Fund or ratepayers of the City of Fresno from this item.

Attachments:

- Lease Agreement for New Vision Aviation, Inc., at FCH.