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Title: Actions related to the Lease Agreement for Restaurant Facility inside the Administration/Terminal Building with Henry Wang, an individual, d.b.a. The Flight Line Café, 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 for Restaurant Facility (Lease) inside the Administration/Terminal Building with Henry Wang, an individual, d.b.a. The Flight Line Café, at FCH for a term of three (3) years. The amount of potential revenue generated by this Lease Agreement is \$21,600. (Council District 3)

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. 06-23-2022 Lease Agreement for Restaurant Facility at FCH (Wang).pdf

Date	Ver.	Action By	Action	Result
6/23/2022	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: MICHAEL VASQUEZ, Airports Properties Supervisor
Airports Department

SUBJECT

Actions related to the Lease Agreement for Restaurant Facility inside the Administration/Terminal Building with Henry Wang, an individual, d.b.a. The Flight Line Café, 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
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at FCH for a term of three (3) years. The amount of potential revenue generated by this Lease Agreement is \$21,600. (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 the Lease with Henry Wang, and individual, d.b.a. The Flight Line Café, to continue operating inside FCH's Administration/Terminal Building for a term of three (3) years. The amount of potential revenue generated by this Lease is \$21,600.

EXECUTIVE SUMMARY

Henry Wang, an individual (Mr. Wang), is currently operating The Flight Line Café (Café) inside FCH's Administration/Terminal Building as a month-to-month holdover. Mr. Wang's original agreement expired on June 30, 2021. Mr. Wang had to close the Café at the beginning of the COVID-19 pandemic. When the City issued Emergency Order 2020-17 (To Promote Public Health and the Economic Recovery of Fresno), Mr. Wang was able to re-open the Café for takeout orders and dine-in service on May 27, 2020. Since that time, the Café has continued its operations, providing the only food option to FCH's patrons six days a week (Mondays - Saturdays, from 6:30am to 2:00pm). This Lease will allow Mr. Wang to continue operating the Café inside FCH's Administration/Terminal Building until May 31, 2025.

BACKGROUND

Historically, FCH's restaurant facility, which is approximately 1,556 square feet including restaurant space (1,396 square feet) and basement storage space (160 square feet), has been a staple of the Central Valley's general aviation community. Prior to Mr. Wang's current operation, the restaurant facility was run by another restaurateur. In 2014, that restaurateur went out of business and the restaurant facility remained vacant for approximately eighteen (18) months. Since 2016, when Mr. Wang opened the Café inside FCH's Administration/Terminal Building, the restaurant became an attractive destination for downtown Fresno businesses and pilots throughout the United States. Mr. Wang received formal culinary training under the tutelage of Chef Fan Ning in the People's Republic of China. Mr. Wang previously operated a similar restaurant facility at FCH between 1993 and 2000. During the time that Mr. Wang was away from FCH, he owned and operated various restaurants in the downtown area, with high-speed rail construction displacing his last downtown restaurant. Under Mr. Wang's expired five-year agreement, the Café's monthly rental structure was an amount equivalent to ten percent (10%) of the prior month's Gross Receipts from all sales. Under this proposed Lease, the Café's monthly rental structure would be \$500 (\$6,000 annually) during Year 1, \$600 (\$7,200 annually) during Year 2, and \$700 (\$8,400 annually) during Year 3. This proposed rental structure, which is reasonable given FCH has not fully recovered from the pandemic, would allow Mr. Wang to continue operating the Café without there being any disruption in food services to FCH's patrons.

The City Attorney has reviewed and approved the 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.

FISCAL IMPACT

The potential revenue generated by this Lease will be \$21,600. 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 Restaurant Facility at FCH.