



Legislation Details (With Text)

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Title: Actions pertaining to a lease agreement for hangar facility and ramp space at Fresno Chandler Executive Airport (FCH) (Council District 3) - Airports Department

1. Adopt a finding of Categorical Exemption pursuant to Article 19, Section 15301(a) and (d)/Class (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines to authorize Lease with William Newburn dba Pacific Coast Aero Marine Repair at FCH
2. Approve a lease between the City and William Newburn dba Pacific Coast Aero Marine Repair

Sponsors: Airports

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Attachments: 1. 7-17-14_Pac Coast Aero Marine_SitePlan_Attachmt, 2. 7-17-14_Pac Coast Aero Marine_Lease_Attachmt

Date	Ver.	Action By	Action	Result
7/17/2014	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

July 17, 2014

FROM: KEVIN R. MEIKLE, Director of Aviation
Airports Department

SUBJECT

Actions pertaining to a lease agreement for hangar facility and ramp space at Fresno Chandler Executive Airport (FCH) (**Council District 3**) - Airports Department

1. Adopt a finding of Categorical Exemption pursuant to Article 19, Section 15301(a) and (d)/Class (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines to authorize Lease with William Newburn dba Pacific Coast Aero Marine Repair at FCH
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RECOMMENDATIONS

Staff recommends Council adopt a finding of Categorical Exemption and approve a lease with

William Newburn dba Pacific Coast Aero Marine Repair at FCH.

EXECUTIVE SUMMARY

Mr. Newburn has been operating Pacific Aero Marine Repair, an aircraft and avionics repair business, at FCH, since 2002. The current five-year lease expired May 31, 2014 and has been in holdover since then. The new five year lease incorporates an updated annual fair market rent of \$31,200. This represents an increase of \$13,200 which gives it parity with other similar hangar leases at FCH.

The lease area consists of 38,251 square feet of land, including existing paved aircraft ramp (ramp) and a 12,600 square foot hangar facility.

BACKGROUND

William Newburn's business includes the sale, installation, calibration and repair of aircraft radios and electronic navigation and landing aids (avionics). The business has been conducted from this hangar and another adjacent hangar which is under a separate lease from the City.

Mr. Newburn's business is a valuable asset to the regional general aviation community and serves as a primary maintenance facility for numerous aircraft charter operations. His knowledge of rare and antique aircraft engines also allows him to serve a specialized market ranging across Central California. This lease has been reviewed and approved as to form by the City Attorney.

ENVIRONMENTAL FINDINGS

This lease falls within the Class 1 Categorical Exemptions set forth in California Environmental Quality Act (CEQA) Guidelines, Sections 15301(a) and (d) (Existing Facilities), as it involves minor or no alteration of existing leasehold structures with no expansion of use, and will not result in any significant negative effects relating to traffic, noise, air quality or water quality. None of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

The City's Local Preference Ordinance (FMC 4-108) does not apply because this action is not related to the procurement of materials, supplies or equipment.

FISCAL IMPACT

The revenue from this lease will be \$31,200 per year, and is subject to annual adjustments based on the Consumer Price Index (CPI). The total estimated revenue from this lease, assuming all five years, is \$156,000 plus CPI adjustments. All revenue will be deposited into the Airports Enterprise Fund and will contribute to the operation and maintenance of FCH. In addition, this business will continue to provide an economic benefit to the City and the airport through increased aviation activity, fuel purchases, and aircraft services provided by other tenants. There is no impact to the General Fund from this item.

Attachments:

- Site Plan
- Pacific Coast Aero Marine Agreement