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Title: Approve a Lease Agreement between the City of Fresno and Henry Wang, an individual d/b/a. The Flight Line, for a restaurant at Fresno Chandler Executive Airport (Council District 3)

Sponsors: Airports Department

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Attachments: 1. 06-23-16 FCH Restaurant Lease FINAL- Flight Line, Henry Wang.pdf, 2. 06-23-16 FCH Restaurant Lease Site map.pdf

Date	Ver.	Action By	Action	Result
6/23/2016	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

June 23, 2016

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

SUBJECT

Approve a Lease Agreement between the City of Fresno and Henry Wang, an individual d/b/a. The Flight Line, for a restaurant at Fresno Chandler Executive Airport (Council District 3)

RECOMMENDATION

Staff recommends Council approve a Lease Agreement between the City of Fresno and Henry Wang, an individual d/b/a The Flight Line, ("Flight Line") to lease the restaurant at Fresno Chandler Executive Airport ("FCH") for five years.

EXECUTIVE SUMMARY

The restaurant located at FCH has been a staple of the Central Valley aviation community for many decades. The previous restaurateur went out of business approximately 18 months ago and the space has remained vacant since. This leasehold totals 1,396 square feet of restaurant and

basement storage space within the historic Airport Administration Building at FCH. The term of the lease will be for five years at a rental rate of 10% of Flight Line's gross revenue. The lessee, Mr. Henry Wang, has owned and operated restaurants in the downtown area and was most recently displaced due to the high-speed rail construction. The restaurant will be open a minimum of six days per week for breakfast and lunch.

BACKGROUND

Historically, the restaurant in the FCH Administration building has been an attractive destination for pilots throughout California and businesses from the Downtown Fresno area. During the recent vacancy, Airports upgraded and refreshed the restaurant, including installing new flooring, counters, finishes in the kitchen area, and modernized plumbing and mechanical systems.

Through a competitive solicitation process, the Department invited interested parties to submit proposals and statements of qualifications to operate the restaurant at FCH. Airports received three responses, each of which included operating plans, relevant experience and financial background information. The submittals were evaluated by Airport Properties, Finance and Senior Management staff. Of the three proposals, it has been determined by the Department that Mr. Wang is the most qualified to operate the restaurant at FCH.

Mr. Wang's experience, established clientele, and commitment to serving Fresno's downtown area, including previously operating the FCH restaurant between 1993 and 2000, provide a great opportunity for success at FCH. Mr. Wang had his formal culinary training under the tutelage of Chef FAN NING in the People's Republic of China and has earned his American Citizenship.

The lease agreement has been reviewed and approved as to form by the City Attorney's office.

ENVIRONMENTAL FINDINGS

This is not a "project" pursuant to CEQA Guidelines Section 15378.

LOCAL PREFERENCE

The City's Local Preference Ordinance (FMC 4-108) does not apply as this is not a purchase of services, materials, supplies or equipment, or a competitive bidding solicitation.

FISCAL IMPACT

The annual revenue from this lease (a concession of 10% of gross revenues) is estimated to be \$12,000. Total revenue for the five-year term is estimated to be approximately \$60,000. All revenues will be deposited into the Airports Enterprise Fund and will contribute to the operation and maintenance of FCH. In addition, the restaurant operation will provide an economic benefit to the City and the airport by supporting aviation services, employment, and local sales tax revenues. There is no impact to the General Fund from this item.

Attachments:
Lease Agreement

Site Map