



Legislation Details (With Text)

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Title: Actions related to the First Amendment to the Airport Lease Agreement with William Newburn:
1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines.
2. Approve the First Amendment to the Hangar Facility Lease Agreement between the City of Fresno and William Newburn, at Fresno Chandler Executive Airport. (Council District 3)

Sponsors: Airports Department

Indexes:

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Attachments: 1. 04-25-19 First Amendment to the Hangar Facility Lease Agreement.pdf

Date	Ver.	Action By	Action	Result
4/25/2019	1	City Council	approved	

REPORT TO THE CITY COUNCIL

April 25, 2019

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

SUBJECT

Actions related to the First Amendment to the Airport Lease Agreement with William Newburn:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines.
2. Approve the First Amendment to the Hangar Facility Lease Agreement between the City of Fresno and William Newburn, at Fresno Chandler Executive Airport. (Council District 3)

RECOMMENDATION

Staff recommends that City Council adopt a finding of Class 1 Categorical Exemption, pursuant to Section 15301 of the CEQA Guidelines, and authorize the Director of Aviation to execute the First Amendment to the existing airport lease and agreement (Lease) with William Newburn at Fresno Chandler Executive Airport (FCH), to extend the term of the agreement by an additional five years.

EXECUTIVE SUMMARY

William Newburn is an individual operating aircraft and avionics repair businesses at FCH. The current Lease is set to terminate on May 31, 2019 and only lists one of Mr. Newburn's DBAs, Pacific Coast Aero Marine. The First Amendment will extend the term of the Lease to April 30, 2024 and add two DBAs, Pacific Coast Avionics and Aero Fresno, subject to the terms of the Lease.

BACKGROUND

William Newburn entered into a five year lease with the City of Fresno in June 2014. The leasehold consists of 38,251 square feet, which includes a 12,600 square foot hangar facility and 25,651 square feet of paved aircraft ramp. Mr. Newburn provides sale, installation, calibration, and repair of aircraft radios, electronic navigation, and landing aids ("avionics").

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.

Mr. Newburn desires to continue operating at FCH under a five year extension at a monthly rent of \$2,721.52, which is in accordance with the Lease terms. The rent is subject to annual Consumer Price Index (CPI) adjustments. The First Amendment also incorporates Mr. Newburn's two additional d.b.a. entities into the Lease. All other Lease provisions shall remain in place as part of the original agreement.

The City Attorney has reviewed and approved the First Amendment as to form.

ENVIRONMENTAL FINDINGS

This agreement falls within the Class 1 Categorical Exemption for Existing Facilities set forth in California Environmental Quality Act (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 is not applicable because this is an amendment to an existing agreement.

FISCAL IMPACT

The revenue for next five years will be \$163,291.20 plus annual CPI adjustments. Total revenue received since the Agreement was executed in 2014, and from this First Amendment, will be estimated to be \$322,465.92 plus future 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 from this item.

Attachments:

- First Amendment to the Hangar Facility Lease Agreement