



CITY OF
HAYWARD
HEART OF THE BAY

COUNCIL AIRPORT COMMITTEE

DECEMBER 12, 2011

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**CITY COUNCIL AIRPORT COMMITTEE MEETING
SPECIAL MEETING
Monday, December 12, 2011
Conference Room 2A
5:30 PM**

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS: *(The Public Comment section provides an opportunity to address the City Council Committee on items not listed on the agenda. The Committee welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Committee is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.)*

1. Approval of October 27, 2011 Summary Minutes
[Minutes 10-27-11](#)
2. Update on Airport Southside Business Development
[Update on Airport Southside Business Development](#)
[Attachment I - Field Aviation Site Map](#)
[Attachment II - HAD Site Map](#)

COMMITTEE MEMBER ANNOUNCEMENTS AND REFERRALS

ADJOURNMENT

NEXT REGULAR MEETING – 5:30 PM, THURSDAY, JANUARY 26, 2012

****Materials related to an item on the agenda submitted to the Council Committee after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website.*

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DECEMBER 12, 2011





DATE: December 12, 2011
TO: Council Airport Committee
FROM: Robert Bauman, Director of Public Works
SUBJECT: Summary Minutes for October 27, 2011

CALL MEETING TO ORDER

Council Member Henson called the meeting to order at 5:33 p.m. with both Council Member Quirk and Council Member Halliday present.

City staff: Robert A. Bauman, Director of Public Works
Morad Fakhrai, Deputy Director of Public Works
Doug McNeeley, Airport Manager
Brendan O'Reilly, Airport Operations Manager
Noemi Dostal, Airport Administrative Analyst II
Courtney Moreland, Airport Noise Analyst
Amy Maloon, Airport Secretary
David Rizk, Development Services Director

Members of the public present:

Gary Briggs	Ben Henderson	Charles Sherrer
Paul Buenrostro	Joe Ilmberger	Kenny Vyetake
Ernie Delli Gatti	Phil Johnson	Andy Wilson
Christopher Hambleton	Darrin Perdue	
Genevieve Hazle	Greg Scott	

PUBLIC COMMENTS:

Andy Wilson, Director-at-Large of Cal Pilots, read part of a report on “Investigating Safety Impacts of Energy Technologies on Airports and Aviation” by the Transportation Research Board’s Airport Cooperative Research Program (ACRP). The report was about the impacts of gas turbines, thermal plumes, visible plumes, solar energy, and wind generators on airports. It mentions the new Russell City Energy Center (RCEC) power plant under construction in Hayward. A digital copy of the report was sent to Council members via email before the meeting.

1. Approval of Summary Minutes – July 28, 2011

The Summary Minutes were approved with one change in wording. On page 6, last paragraph, third sentence, it will be changed to read, “Surprisingly, there were a number of customers that were *not* paying any rent.”

2. Informational Update on the Alameda County Airport Land Use Commission’s Draft Hayward Airport Land Use Compatibility Plan

Mr. Doug McNeeley, Airport Manager, presented an overview of Airport Land Use Commission’s (ALUC) requirements, policies, and changes to the Airport Land Use Compatibility Plan (ALUCP) since the last CAC meeting presentation on October 28, 2010.

Since 2002, the ALUC has been working to create individual Land Use Compatibility Plans for each of the airports (Hayward, Livermore, and Oakland) within Alameda County. ALUC has no authority to override decisions made by local governments, over Hayward Executive Airport (HEA) operations, or existing land uses, but it does determine how HEA conforms to California state policies.

Changes in the ALUCP include:

- Hayward Executive Airport’s classification from B-II to C-II
- California Building Code categories in Table 3-2 have been removed and replaced with more logical land use groupings
- Schools and Hospitals in Safety Zone 6 have been reclassified to “conditional” to allow for new buildings
- High Capacity Indoor Assembly Rooms and Large Outdoor Assembly Areas in Safety Zone 6 have been changed back to “incompatible” because large groups of people would be directly under the airport traffic pattern
- Community Gardens have been added to the ALUCP to support City of Hayward’s Climate Action Plan

City of Hayward staff has requested the opportunity to review the ALUCP for the Oakland International Airport, but its plan will be amended after the plans for Hayward and Livermore airports are completed. Hayward staff has requested the ALUC to inform Oakland Airport of the intent to make all ALUCPs consistent. A Planning Commission work session to review the Hayward Executive Airport’s ALUCP is tentatively scheduled for December 1, 2011.

Council Member Quirk asked what area Zone 6 covers, and why schools cannot be built in this zone. Mr. Robert Bauman, Director of Public Works, responded that Zone 6 is the majority of Hayward. The school buildings within Zone 6 have been reclassified to “conditional” instead of “incompatible” because Hayward Unified School District needs to modify and update its school buildings. Mr. Quirk stated that he would close the airport before he would vote to close schools. He also questioned the large assembly area restrictions because of the hotel and possible convention center that is slated to be built at the old Centennial Hall; and what is considered “large” for an assembly area. Mr. Bauman answered that the plans for a hotel would not be a problem because the concern was around Southland Mall, which is in the Zone 6 area. He said that the size of large assembly areas would depend on what the ALUC says.

David Rizk, Development Services Director, commented on the concern regarding the large assembly areas specifically the former Marie Callender's building at Southland Mall. He hopes to get answers from ALUC in mid-November as to whether they can infill or redevelop the site.

Council Member Halliday questioned the implications of the ALUCP's large assembly area restrictions. She stated that these areas already exist around the airport and throughout the City, and this seems like an absurd level of regulation on the part of the ALUC. Mr. Rizk responded that his department has the same thoughts. He will try to get approval for re-use or a re-build of the same size in the Marie Callender's location. Mr. Rizk will find out how much flexibility there is in the ALUCP if a company wanted to redevelop the location with a larger building than the current footprint.

Council Member Halliday followed with a question regarding the other jurisdictions, such as Oakland. She wanted to know how the plan would affect their large assembly areas such as the Coliseum and Arena with Zone 6 area coverage. Mr. Rizk replied that Zone 6 is an oval shape over the airport and does not cover the entire city. Zone 7 is the influence area that extends to Mission Boulevard and down to Tennyson Road. He hopes that the revised language of the document will state that the density of development cannot be more than what is currently in the "incompatible" zones. Mr. Bauman added that Oakland International Airport has less "incompatible" areas around it because it currently follows the old plan. If the new regulations apply to Hayward, they should also apply to Oakland.

Council Member Halliday commented that airports are a part of life and everyone lives with the risk. The ALUCP can stop development in urbanized areas. Mr. Rizk believes that the revised ALUCP will have a more reasonable approach to its zones. The new version will be available December 1, 2011, and Hayward will have 45 days to review the plan. Mr. Bauman reminded the Council members that the plan would go to the Planning Commission before it goes to the ALUC for approval. The City of Hayward does not approve this plan, however, it can offer insight.

Council Member Henson commented that the ALUC wants to move with these plans very quickly. He said that Ale Flint, Airport Director at Oakland International Airport, is concerned with consistency of the plans of the three airports. The language of the current version of the ALUCP will cause a detrimental and serious effect on Hayward because Hayward would not be able to expand on sites such as the former Marie Callender's site. Council Member Halliday expressed that this was an unacceptable situation. Mr. Henson agreed and asked if the large assembly areas in Hayward and other development in the area could be "grandfathered," because projects such as the airport connector from BART to the Oakland International Airport would not be allowed. Mr. Rizk reminded everyone that the new draft would be available the same time the ALUC members receive it in December. At that time, Hayward staff will review it with the City Attorney.

Council Members Henson and Halliday restated their positions and asked about the proposed developments, such as a grocery store at Southland Mall or an additional movie theater. Mr. Rizk responded with while it is very unlikely the ALUCP would allow construction of a new movie theater in Zone 6, a redevelopment of the Marie Callender site is a possibility. He also reminded everyone that the purpose of the ALUCP is not to hinder economic growth but to have reasonable development near the airport.

PUBLIC COMMENTS

Andy Wilson commented on an article, “Nevada County Airport Land Use Commission Does Its Job,” by Trina Kleist from *The Nevada City Union*. He said it was relevant to this meeting because it presented a similar situation in Nevada County, CA as we might experience with Alameda County ALUC and the new development restrictions. The City of Grass Valley and the developer of the Loma Rica Ranch project filed a lawsuit against that county’s ALUC because of the stricter rules for development that would halt a 10-year development project. Mr. Wilson gave a paper copy of the article to Airport staff for their review.

Council Member Quirk asked if Mr. Wilson had any opinions, from a pilot’s perspective, about the draft ALUCP. Mr. Wilson said the regulations seem excessive at this time because California Department of Transportation Aeronautics Division and the FAA have regulations that overlap. For example, he knew of a situation in Napa County where the airport wanted to expand a storage unit and the FAA would not let it happen. He said that if the FAA has funds to buy obstacles and buildings that are in the safety areas, then they should do so in the beginning instead of after the plans, rules, and regulations are enacted.

Ernie Della Gatti, San Lorenzo resident, commented that San Lorenzo has safety and development issues too, because it is located in the middle, between the airports. He asked whether San Lorenzo concerns are addressed in the ALUC and wanted to make sure the officials are informed. Mr. Bauman replied that San Lorenzo is unincorporated and under Alameda County jurisdiction and hopes that the County has considered the effects of the ALUCP on its own property.

Council Member Henson asked if San Lorenzo has any retail plans that would be affected by the newer development restrictions. Mr. Della Gatti replied affirmatively. Mr. Bauman added that the same people who are bringing the ALUCP forward are the same people who are San Lorenzo’s planners.

Council Member Henson stated that staff will continue to work on this topic, and Mr. Bauman will keep the City Council informed about the fast approaching changes to the ALUCP. Mr. Bauman mentioned the slow progression of the ALUCP process, as it has been in the works since 2002, and the only quick part of the process is the time given to review the final version of the plan. Mr. Henson agreed as he is a member of the ALUC and he senses the new members’ desire to move quickly on the ALUCPs. He suggested that if the language of the plan is not to our liking, we should be able to debate it. For example, some of the development within Hayward should be “grandfathered” into the plan.

Council Member Quirk pointed out that Council Member Henson is on many Alameda County committees, and he thanked him for all this hard work. Council Member Halliday also thanked Councilman Henson for his service on the committees and for the early warning given to City Council of the changes the new ALUCP will bring. She does not want the land use decisions taken away from the City of Hayward.

Council Member Henson thanked everyone for the positive feedback and asked that Airport staff do what they can to get the ALUC agendas out sooner than 24-hr just before the meeting.

3. Update Regarding the Retail Price of Aviation Fuel Sold by APP Jet Center at Hayward Executive Airport

Mr. McNeeley revisited the last fuel survey used at the July 28, 2011 CAC meeting. In order to keep the CAC informed, Airport staff conducted an additional survey; a 25-airport, telephone survey of the two types of fuel (Jet A and 100LL) from August 1 to October 3, 2011. This new survey included fifteen airports in California and ten airports in the Western United States (Colorado, Arizona, and Nevada). All the airports are similar to, or larger than, the Hayward Executive Airport, have comparable facilities, and have regular operations of turbine-powered aircraft. For airports with more than one FBO, the FBO with the lowest fuel price was used in the survey. Large hub airports such as San Francisco International Airport and Oakland International Airport were not included in the survey because they are air carrier airports with different costs and revenue structures. In comparison to APP Jet Center's retail gas prices, the results are as follows:

- APP's avgas (100LL) was \$0.12/gallon higher than other Bay Area airports
- APP's avgas (100LL) was \$0.30/gallon higher than other California airports
- APP's avgas (100LL) was \$0.40/gallon higher than other Western US airports
- APP's Jet A fuel was \$0.21/gallon higher than other Bay Area airports
- APP's Jet A fuel was \$0.54/gallon higher than other California airports
- APP's Jet A fuel was \$0.89/gallon higher than other Western US airports

Throughout the period of the survey, APP Jet Center continued to offer the self-service pricing for avgas until the new self-serve station is open. The self-serve price to customers is at \$0.70 less than the retail price. Unfortunately, not many of the pilots know of this offer. Mr. McNeeley recommended that APP Jet Center make this offer better known to tenants and other customers.

Council Members Quirk and Halliday wanted to hear from pilots regarding the self-serve discount and if they are happy with the price at APP.

Council Member Henson questioned the real reason why APP's gas prices are so high.

Chris Hambleton, Vice President of APP Jet Center, responded to the Council member's questions. He said he cannot speak about the pricing presented, but wondered why Oakland International Airport was not included in the survey as APP competes with its clients and pricing. The reason why the self-serve pricing discount is not heavily advertised is that APP is not making money with the discounted price. APP has this discount because self-service is not yet available and it has a requirement to install self-service avgas.

Council Member Halliday asked why APP's price for fuel did not change from August 15, 2011 through September 5, 2011 when the rest of the airports in the survey changed their prices (based on market fluctuations). Genevieve Hazle, General Manager at APP Jet Center, said the fuel prices change weekly, dependent upon when the company buys a load of fuel. APP adjusts the price based on its costs. Mr. Hambleton added that APP is being very transparent and the employees talk to the pilots and try to provide customer satisfaction.

PUBLIC COMMENTS

Greg Scott, pilot with an aircraft based at Hayward Airport, commented that he rarely buys fuel at APP because of the cost. Mr. Scott said that he could save \$1 per gallon if he flies to Tracy to buy fuel. By his estimates, based on the current price, a single engine aircraft could save about \$60 and a twin-engine aircraft about \$100. He said many pilots in general aviation do the same thing and he wishes that he could afford to purchase fuel at his home airport.

Council Member Halliday asked Mr. Scott about the feasibility of flying all the way to Tracy to buy fuel, as she would not do the same thing for gasoline for her car because of the time and use of gas to go somewhere further for lower gas prices. Mr. Scott replied that flying an aircraft to Tracy only takes a few minutes with small gas consumption. Council Member Halliday acknowledged that fuel costs more in different areas,

Ernie Della Gatti asked if the survey would be more accurate if Airport staff tracked the volume of gallons used. Mr. Bauman disagreed because Airport staff was trying to compare prices only. He continued to say that City of Hayward could not dictate what the FBO should charge for fuel and only the market can influence the fuel price. The City only wants APP Jet Center to be aware of people's concern about the fuel prices. Mr. Hambleton said that he saw the survey just before the start of CAC meeting so he cannot respond to all the points included in the survey. He said that he would like to discuss the survey with Mr. McNeeley in the next few weeks. Mr. Bauman replied that the report containing the survey was available and posted last week.

Mr. Hambleton explained that there are other costs included in the fuel pricing, and APP Jet Center is not trying to chase away customers. Council Member Henson advised APP staff that they need to listen to their customers and work with Airport staff.

Paul Buenrostro, a pilot with aircraft based in Hayward, said that he has done price comparisons with APP's fuel pricing with other airports like Tracy, Byron and Rio Vista. He stated that he has not been happy with the fuel prices in Hayward since APP took over for Atlantic and removed its previous self-serve station.

4. Informational Update on the California Air National Guard Site

Mr. McNeeley presented a brief outline of milestones:

- The California Air National Guard (CANG) has leased 27-acres since 1949; lease to expire 2014
- 24-acres of land have been unused since 2008
- City Council Resolution on October 18, 2011 authorized the City Manager to execute the agreement to return the 24-acres to the City of Hayward
- There will be a Right-of-Entry to do an environmental clean-up until 2015 In 2009, Hayward Development LLC was selected to do a phased-development of the CANG site; starting with Phase 1 (including the CANG hangar)
- Tuskegee Airmen Museum is part of the Phase 1 development
- Phase 1 development will begin once the lease is signed, hopefully by the end of 2011

Councilman Quirk asked for start and end dates for the Phase 1 development. Mr. Bauman said that it would depend on the economy and the time it takes for environmental clean up. When the multi-phase lease is complete, there will be a defined timeline. Currently, Phase 1 is waiting on

the execution of the lease with the developers, and this would probably be completed within months, as they are very anxious to start the lease.

Council Member Henson asked if the three remaining acres is for continued military presence. Mr. Bauman replied that the Army National Guard would use the three remaining acres. This lease will expire in 2014 and the ANG has indicated that it would like to extend the lease.

PUBLIC COMMENTS

Mr. Wilson questioned the property transfer from the military to the City of Hayward, and if the existing buildings be demolished or modified and historically preserved. Mr. Bauman said that the CANG hangar has historical significance, but it is not a designated historical building. The developers will be responsible for the clean up of the buildings. The City will not remove any of the buildings.

Gary Briggs, Ascend Development Manager, wanted to know if the City of Hayward would be charging Hayward Development, LLC market rent for the CANG hangar and the land included in the Phase 1 lease. Mr. Bauman replied that the rental amount was discussed previously and the final number will be presented to City Council. Council Member Quirk added that this topic was discussed at previous CAC meetings, and as a reminder, the rental amount for the CANG hangar and the land will be a different rate than the private sector because it will take a large sum of money to restore the facility.

Joe Ilmberger, owner of Suburban Air Corporation, had a question regarding historical significance of the CANG buildings. He wanted to know what would happen to the glass building that used to be the control tower cab. It has been taken down and it sits on the ground next to the CANG hangar. He wanted to know if it could be saved and restored for historical value. He also asked about the possibility of a viewing area somewhere on the airport. Council Member Henson directed the question to the Airport staff. Mr. Doug McNeeley said that plans for the old control tower cab would depend upon the structure's safety. If it were savable, he would support the action. As for the viewing area for the public, Mr. McNeeley supports the idea, too. Both Councilman Henson and Council Member Halliday support the creation of a public viewing area as long as Homeland Security issues are addressed.

Darrin Perdue, President and CEO of SP Aviation, stated his intent to preserve the CANG hangar and to make a public viewing area. There is also a plan to incorporate the museum. He is open to suggestions as long as requirements by the American with Disabilities Act and the Transportation Safety Administration are met.

5. Future Agenda Items

- Update on California Air National Guard site
- Update on the Oakland Noise Forum

ADJOURNMENT

The meeting adjourned at 7:10 p.m.

DATE: December 12, 2011
TO: Council Airport Committee
FROM: Director of Public Works
SUBJECT: Update on Airport Southside Business Development

RECOMMENDATION

That the Committee accepts this report as information only; no action is necessary.

BACKGROUND

The purpose of this meeting is to provide updated information regarding a change in the planned Field Aviation, LLC development project on the southside of the airport, and how this change will affect the planned redevelopment of the Air National Guard (ANG) site by Hayward Airport Development, LLC.

Field Aviation LLC currently occupies the leasehold at 22005 Skywest Drive and provides aircraft storage, service, repair, and maintenance services. In conformance with the Airport Master Plan approved in 2002, the company proposed the establishment of a leasehold on the south side of the airport to provide the services of a Fixed Base Operator (FBO) and made presentations to the Council Airport Committee (CAC) in October 2006 and June 2007. At the meeting of June 28, 2007, the CAC accepted the staff recommendation to approve the Field development.

Mr. Bud Field, owner of Field Aviation LLC, passed away in February 2010. A trustee was then appointed to continue operation of the company. The trustee informed staff that the company remained interested in developing a site containing 15.6 acres in two phases for use as a FBO, with interest in constructing additional phases if there was sufficient demand (Attachment I). On January 13, 2010, the FAA approved a new Airport Layout Plan that depicted the proposed Field Aviation development, as required. Staff negotiated a lease with Field Aviation, and Council approved the lease on March 8, 2011. The lease was conditioned upon a minimum investment of \$4 million by Field Aviation for utility improvements to the leasehold and a contribution of \$100,000 to offset ARFF expenses.

DISCUSSION

City staff contacted the Field Aviation trustee after the new Airport Manager assumed his duties on March 28, 2011. The trustee identified two items in the lease that required further research and negotiation, including minimum insurance requirements and the specific location of the proposed infrastructure improvements. Over time, these two issues were discussed and finally resolved.

However, at a meeting on November 14, 2011, the trustee unexpectedly informed staff the Field Aviation project would not be moving forward. Due to the loss of several potential hangar tenants and current economic conditions, he explained that bank financing for the project above the \$4 million set aside in the estate is not readily available. The Field organization had also anticipated that Atlantic Aviation would manage the FBO, but, with the departure of Atlantic from the airport in April 2011, it has been unable to generate interest in the project with any other FBO. According to the trustee, to date, Field Aviation has incurred costs of \$750,000, and it is reluctant to abandon the project. Nevertheless, it appears the decision is final.

As reported at the October 27, 2011 CAC meeting, staff has been in lease negotiations with Hayward Airport Development LLC (HAD) regarding Phase I of the CANG site. The CANG Request for Proposals stipulated that the successful applicant may provide self-fueling services. During negotiations with HAD, City staff anticipated that self-fueling authorization would not be required but rather a cooperative agreement would be negotiated for the delivery of fuel between Field Aviation as the designated FBO and HAD. However, in the absence of Field Aviation, HAD has requested permission to install a jet fuel storage tank on its leasehold for self-fueling, and staff now supports this request. The design and installation of fuel storage tanks on the airport are subject to review and approval by the Hayward Fire Department (HFD). The HFD has not yet reviewed or approved the installation of fuel storage tanks on Phase I of the HAD leasehold, but a process is in place to do so based on previous proposed installations at the airport.

Approval of the HAD Phase I lease is on the Council agenda for December 20, 2011. At this point in time, it is not possible to enter into a lease for the entire Air National Guard (ANG) site released to the City because of the remaining cleanup required. The original proposal had anticipated five phases to the development. The first phase includes the large ANG hanger along with sufficient ground area for operations and access to the existing Taxiway (see Attachment II). The Phase I lease will be five years with two five year extensions. Rent for Phase I will be based on \$.52/sf for building space and the standard \$.30/sf for ground rent. Total rent per year will be \$44,877.60. In order to occupy Phase I, HAD has indicated an estimated initial investment of \$1.5 million, which will cover renovation and improvements to the ANG hangar, as well as new utility extensions and necessary pavement repairs to the access apron. As part of Phase I, ANG is also providing about 2000 sf of rent-free office space in the hangar to use for a Tuskegee Airmen Museum. Consistent with the original RFP, HAD will be entering into an option agreement with the City, based on \$.075/sf for the remainder of the land that incorporates Phases II-V of the ANG site. As part of the option agreement, a proposed master lease for the remaining Phases II-V has been developed with an anticipated time frame for each phase predicated on completion of the cleanup work by the Air Force. Phase V, which will be the commercial development along Winton Ave, will have a higher ground rent of \$.50/sf, while the remaining area will follow the standard ground rent rate, which is presently \$.30/sf, subject to the customary rental increases over time.

FISCAL IMPACT

The revenue impact of the Field Aviation development would have been significant. The lease called for payments for each phase, with reduced rents during construction, as follows:

Phase I: Ground rent of \$8,939 per month, based on a rate of \$0.30 sq. ft. and subject to the City's standard rent adjustments. Rent was calculated at 50 percent of the ground lease rate during Phase I construction.

Phase II: Ground rent of \$8,061 per month, based on a rate of \$0.30 sq. ft. and subject to the City's standard rent adjustments. Rent was calculated at 50 percent of the ground lease rate during Phase II construction.

After completion of both phases, the leasehold was estimated to contribute an annual total of \$205,000 to the Airport Operating Fund.

The revenue impact for the HAD development will also be significant. The proposed lease calls for payments of each phase, with reduced rent during construction, as follows:

Phase I: Ground rent of \$3,393 per month, based on a rate of \$0.52 per sq. ft. for Hangar Premises, Out Building Premises, and Museum Premises, and \$0.30 per sq. ft. for Aircraft Apron Premises, subject to the City's standard rent adjustments. Rent is calculated at 50 percent of the ground lease rate during Phase I construction.

Phase II: Ground rent of \$2,130 per month, based on a rate of \$0.30 per sq. ft. with option payments calculated at 25 percent of the ground lease rate, and rent calculated at 50 percent of the ground lease rate during Phase II construction.

Phase III: Ground rent of \$2,643 per month, based on a rate of \$0.30 per sq. ft. with option payments calculated at 25 percent of the ground rent rate, and rent calculated at 50 percent of the ground lease rate during Phase III construction.

Phase IV: Ground rent of \$6,166 per month, based on a rate of \$0.30 per sq. ft. with option payments calculated at 25 percent of the ground rent rate, and rent calculated at 50 percent of the ground lease rate during Phase IV construction.

Phase V: Ground rent of \$4,344 per month, based on a rate of \$0.30 per sq. ft. with option payments calculated at 25 percent of the ground lease rate, and rent calculated at 50 percent of the ground lease rate during Phase V construction.

After completion of all phases, the HAD leasehold will contribute an annual total of \$224,112 to the Airport Operating Fund

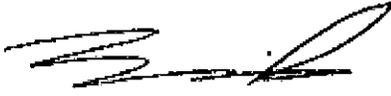
NEXT STEPS

Council will be asked to approve the HAD Phase I Lease and Option Agreement for Phases II-V at the December 20, 2011 Council meeting. With the Field Aviation proposal for a Southside development as a FBO no longer being viable, at some point in the future, the City may elect to issue a Request for Proposal for the Field Aviation site. However, given current economic conditions, staff recommends postponing a decision until a later date when demand can be demonstrated for development and a second FBO on the airport.

Prepared by: Douglas McNeeley, Airport Manager

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:



Fran David, City Manager

Attachments: Attachment I: Field Aviation Site Location Map
Attachment II: HAD Site Location Map



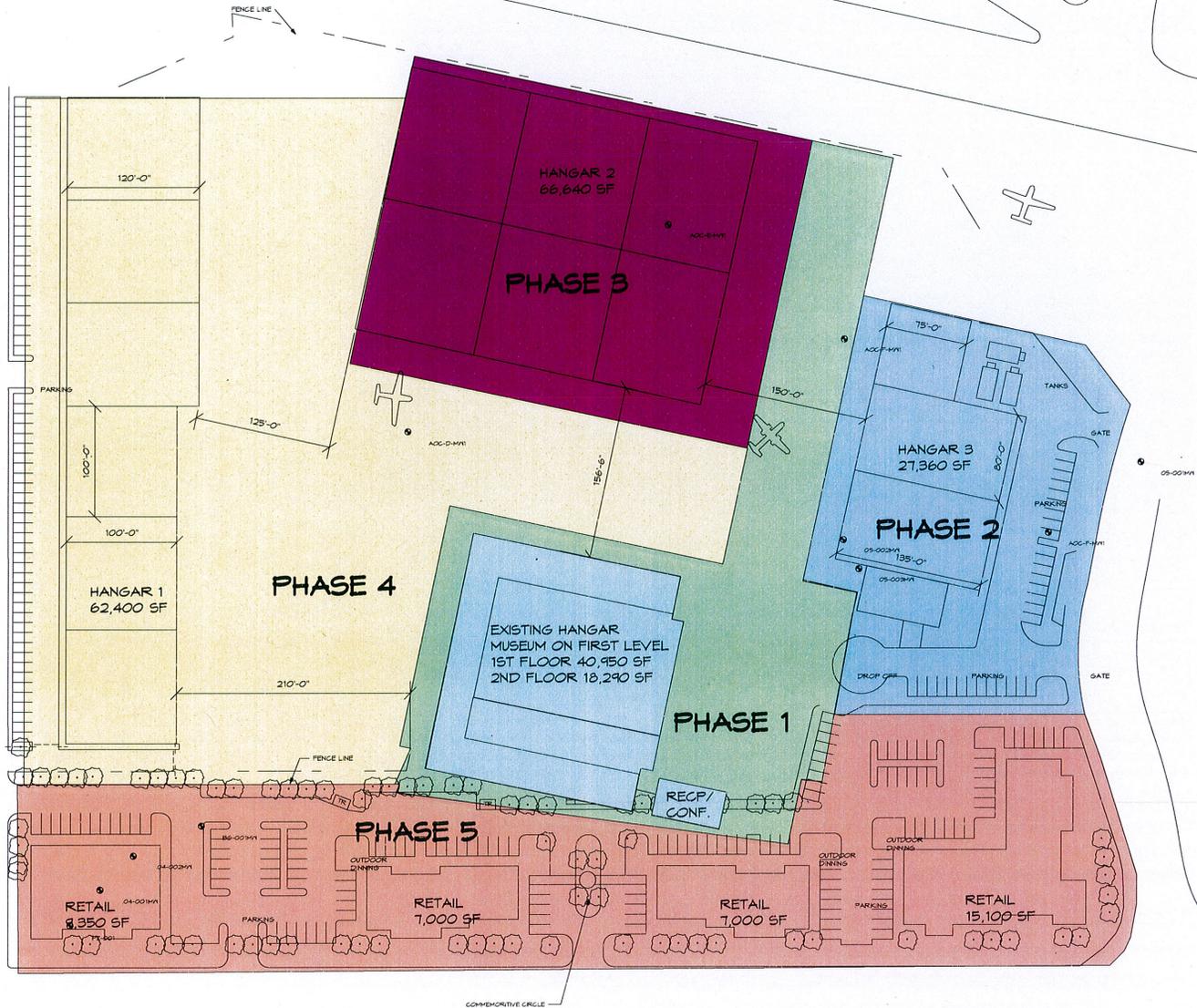
FIELD AVIATION SITE

HAYWARD HANGAR/SP AVIATION



LAND USE PER PHASE

PHASE 1 (INCL. TAXIWAY)	123,652 SQ. FT. / 2.84 ACRES
PHASE 2	89,213 SQ. FT. / 1.95 ACRES
PHASE 3	108,103 SQ. FT. / 2.43 ACRES
PHASE 4	246,652 SQ. FT. / 5.66 ACRES
PHASE 5	19,184 SQ. FT. / 0.44 ACRES
TOTAL	587,294 SQ. FT. / 13.32 ACRES



GENERAL NOTES:
 CONTRACTOR SHALL FIELD VERIFY ALL JOB CONDITIONS AND DIMENSIONS. VARIATIONS THEREOF FROM THE DRAWINGS MUST BE REPORTED TO THE ARCHITECT.
 DETAILS SPECIFIED ON THE ORIGINAL USE SUPERSEDE ALL AND TYPICAL. ALL ATTACHMENTS AND CONNECTIONS SHALL CONFORM TO BEST PRACTICE AND SHALL BE THE CONTRACTOR'S RESPONSIBILITY.
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REVISIONS

NO.	DATE	DESCRIPTION	BY

PROPOSED MASTER SITE PLAN

JOB NO. 09-304	SHEET NO.
DATE: 11/03/11	A1.0
DRAWN: BKW	
CHECKED: SLV	
ISSUE:	
	OF SHEETS

1 SITE PLAN TRUE NORTH
 1" = 40'-0"