



REPORT TO THE CITY COUNCIL

AGENDA ITEM NO.	1 H
COUNCIL MEETING	02/04/10
APPROVED BY	<i>[Signature]</i>
DEPARTMENT DIRECTOR	
CITY MANAGER	

February 4, 2010

FROM: RUSSELL C. WIDMAR, AAE
Director of Aviation

SUBJECT: ADOPT CEQA CATEGORICAL EXEMPTIONS PURSUANT TO GUIDELINES SECTION 15301 (EXISTING FACILITIES), 15303 (NEW CONSTRUCTION OF SMALL STRUCTURES), AND 15332 (INFILL DEVELOPMENT)

1. AUTHORIZE NEGOTIATION AND ENTRY OF MUTUAL LEASES OF LAND AT FRESNO CHANDLER EXECUTIVE AIRPORT TO ENHANCE RUNWAY SAFETY (PROPERTY VICINITY WHITESBRIDGE/WEST AMADOR AND WHITESBRIDGE/ROEDING DRIVE) [COUNCIL DISTRICT "3 "]

RECOMMENDATION

That the Council:

(1) Adopt CEQA categorical exemptions pursuant to guidelines 15301 (l) Existing Facilities, 15303 (c) New Construction of Small Structures, and 15332 Infill Development.

(2) Authorize the Airports Director to negotiate and enter a thirty-year lease from the City's Airports Department (Department) of the 3.03 acre parcel of unimproved land (Parcel A) at the Fresno Chandler Executive Airport (Chandler), shown outlined in green on the attached aerial photo/exhibit to New Image Pool Interiors, Inc, (New Image) for their development as a retail pool finishing business/showroom, and in exchange, take a thirty-year lease from New Image of the 2.6 acre parcel with an unoccupied residence building near Chandler outlined in red on the same exhibit (Parcel B) for demolition and preservation as runway clear zone. It is anticipated that the leases will include conditional mutual purchase options, conditioned upon required approvals and releases from both the Chandler family (Chandlers) and the Federal Aviation Administration (FAA). All documents/instruments involved in the transaction will be subject to City Attorney approval as to form.

EXECUTIVE SUMMARY AND BACKGROUND

One hundred acres of the land that comprises Chandler was donated to the City in 1929 by then State Senator and Mrs. Wilber F. Chandler for development as a public-use airport – with a provision that title would revert to them or their heirs if the property ever ceased being used for municipal purposes, including use as an airport. Chandler Field, as it was then called, was dedicated in November of that year in front of a crowd of 10,000 Frenans. In 1963, CALTRANS condemned a portion of Chandler to construct W. Amador Street (shown on attached exhibit), cutting off Parcel A from the rest of Chandler, making it practically useless for airport purposes but legally still part of the Airport.

Parcel B was occupied as a residence until the owner died three years ago. At that time, Department staff made a contingent offer to purchase Parcel B from the decedent's out-of-town heirs at the rate of eighty cents (\$0.80) per square foot, the same rate that the Department had contemporaneously paid to CALTRANS for the nearby properties shown in white diagonal hatching and numbered 1, 2 and 3 on the attached exhibit – but the offer was not accepted. [Property number 4 was acquired earlier from another source: the property outlined in blue, a temporary ponding basin, was just acquired from CALTRANS for a nominal \$2,000.] It was the Department's intention to raze the residence and keep Parcel B undeveloped to create an extended runway safety zone on the northwest end of Chandler to enhance aircraft and public safety. As can be seen from the exhibit, Airport-owned land now abuts Parcel B on three sides, with the fourth side being a public street, Whites Bridge Road. Once all the properties were/are under the Department's control, the fences between the

properties would/will be removed to create the runway safety zone.

One of the principals of New Image purchased Parcel B for \$350,000 or \$3.09 per square foot with the intention of locating New Image's swimming pool finishing business and showroom there from smaller quarters in Clovis. However, because of the property's proximity to Chandler, this has not proven practical and New Image has been making substantial mortgage payments without any benefits. The Department believes Parcel B would be more suitable for airport purposes and approached New Image about mutual leases, with equivalent and offsetting rental credits (i.e., no rent payments due from either party), and mutual purchase options, subject to the Department's obtaining required approvals. The FAA has already indicated to the Department its approval of the lease portion of the proposed transaction, and two patriarchs of the Chandler family have indicated their support of the whole transaction, including the exchange of titles. The proposed purchase options will require formal Chandler family and FAA consents and releases that have not yet been achieved, and so any purchase options will be conditioned on these approvals. Title to the Parcels will not be exchanged unless and until appropriate approvals and releases are obtained.

Once New Image has a leasehold interest in Parcel A, New Image can proceed to plan its project, seek permits/entitlements, obtain construction financing, begin and complete the construction, and eventually occupy and profitably use the then-developed property, consistent with the lease. The Department's lease of Parcel B will allow removal of the residence building and the interstitial fences as mentioned above.

The properties are appropriately zoned (Parcel A is zoned M1 for industrial uses; Parcel B is zoned RA for residential/agricultural uses) and the proposed uses are consistent with the 2025 General Plan and the Fresno Chandler Downtown Airport Master and Environs Plan. The proposed leases are not subject to Airport Land Use Commission review. Because the Department operates as a self-supporting Enterprise, there would be no impact to the General Fund from the recommended actions.

BACKGROUND

Keeping the identified Parcel B level and clear of obstacles will enhance aircraft safety for pilots, passengers and people on the ground in the event of an engine failure on departure from Runway 30 (the most-used runway at Chandler) or any landing short of Runway 12 (the preferred, low visibility instrument runway) In the past five years, at least two aircraft have gone through the airport fence and come to rest – extensively damaged, but safely [fortunately] for their occupants and the public – in the area of the future runway safety zone including Parcel B. If the zone had been established, there would have been significantly less damage and risk to the occupants of both aircraft.

Safety is a top priority of the Federal Aviation Administration – so the Department feels comfortable about eventual FAA approval for the exchange of ownership of Parcels A and B.

CEQA EXEMPTION

The lease of Parcel B by New Image to the City is exempt under CEQA Guideline 15301 Class 1, which provides exemption for the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing private structure and facilities, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Class 1 includes demolition and removal of individual small structures including up to three single family residences, and accessory structures including garages. The lease of Parcel B is within the Class 1 exemption because it involves anticipated removal of several existing residential and accessory structures and preservation of the cleared property as runway safety zone.

The lease of Parcel A by the City to New Image is exempt under CEQA Guidelines 15303, Class 3, which provides exemption for construction and location of limited numbers of new, small facilities or structures. Class 3 covers new construction and installation including, in urbanized areas, up to four commercial buildings not exceeding 10,000 sq. ft. in floor area on sites zoned for such use and not involving the use of significant

amounts of hazardous substances where all necessary public services and facilities are available, the surrounding area is not environmentally sensitive, and includes water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction. The lease of Parcel A is within the Class 3 exemption because it involves anticipated construction of a commercial building of less than 10,000 sq. ft. in an appropriately zoned area, not anticipated to involve the use of significant amounts of hazardous substances, where all necessary public services and facilities are available, the surrounding area is not environmentally sensitive.

The lease of Parcel A by the City to New Image is also exempt under CEQA Guidelines 15332, Class 32, which provides exemption for in-fill development, where the project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations, is within City limits on a site of no more than 5 acres substantially surrounded by urban uses, the site has no value as habitat for endangered, rare or threatened species, approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality, and the site can be adequately served by all required utilities and public services. The lease of Parcel A is within the Class 32 exemption because it involves anticipated construction of a commercial building consistent with the applicable general plan designation and zoning, is within City limits on a site of no more than 5 acres substantially surrounded by urban uses, and has no value as habitat for endangered, rare or threatened species, is not anticipated to result in any significant effects relating to traffic, noise, air quality, or water quality, and it is anticipated that the site can be adequately served by all required utilities and public services.

The above exemptions are not precluded by Guideline 15300.1, which prevents use of categorical exemptions for wholly ministerial projects. The lease projects are not wholly ministerial. Nor are the above exemptions precluded by Guideline 15300.2, which prevents the use of categorical exemptions for projects where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances, or where a project may cause a substantial adverse change in the significance of a historical resource. The lease projects are not anticipated to have a significant effect on the environment due to unusual circumstances, nor cause a substantial adverse change in the significance of a historical resource.

FISCAL IMPACT

There would be no impact to the General Fund from this action.

Attachments: Exhibit "A" Marked-up aerial photo/exhibit

Route 180 Fwy. Extension

Whites Bridge Rd.

3.03 Acres

EXHIBIT A

West Ave.

2.6 Acres

Roeding Drive

RUNWAY 12-30

Chandler Ave

FREN 121.0

FRESTO CHANDLER

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