

# **CITY OF HAYWARD**

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)



CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **Agenda**

**Thursday, April 13, 2017**

**5:30 PM**

**Airport Administration Building Meeting Room 20301 Skywest Drive,  
Hayward**

## **Council Airport Committee**

**CALL TO ORDER**

Pledge of Allegiance: Council Member Zermeño

**ROLL CALL****PUBLIC COMMENTS:**

(The Public Comment section provides an opportunity to address the City Council Committee on items not listed on the agenda as well as items 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, any comments on items not on the agenda will be taken under consideration without Committee discussion and may be referred to staff.)

**APPROVAL OF MINUTES**

1. [MIN 17-048](#) Approval of Minutes of the Council Airport Committee Meeting on January 12, 2017

**Attachments:** [Attachment I - Draft Minutes](#)

**REPORTS/ACTION ITEMS**

2. [RPT 17-051](#) Airport Budget Review

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Airport Operating Fund - Fund 620 Operating Budget](#)  
[Attachment III Airport Land Parcels](#)  
[Attachment IV Proposed Airport Capital Improvement Budget \(CIP\)](#)  
[Attachment V Proposed FY18 Hangar Rates](#)

3. [RPT 17-052](#) Evaluation of Airport Noise Program

**FUTURE AGENDA ITEMS**

**COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS**

**ADJOURNMENT**

**NEXT REGULAR MEETING**

5:30, THURSDAY, JULY13, 2017



# CITY OF HAYWARD

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**File #:** MIN 17-048

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**DATE:** April 13, 2017

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT**

Approval of Minutes of the Council Airport Committee Meeting on January 12, 2017

**RECOMMENDATION**

That the Committee reviews and approves the minutes from the Council Airport Committee meeting on January 12, 2017

**ATTACHMENTS**

Attachment I      Staff Report



DATE: April 13, 2017

TO: Council Airport Committee

FROM: Director of Public Works

SUBJECT

Approval of Minutes of the Council Airport Committee Meeting on January 12, 2017

#### CALL MEETING TO ORDER

Council Member (CM) Zermeño called the meeting to order at 5:30 p.m. with CM Márquez and CM Mendall present.

City staff: Morad Fakhrai, Director of Public Works  
Doug McNeeley, Airport Manager  
David Decoteau, Airport Operations Supervisor  
Noemi Dostal, Management Analyst II  
Jimmy Vasquez, Airport Operations Specialist  
Qiana London, Administrative Secretary

#### Members of the public present:

David Cunningham  
Ben Henderson  
Greg Johnson  
Carlos Rodriguez  
Scott Briggs  
Gary Briggs  
Mary Anne Drummond

#### PUBLIC COMMENTS

None.

#### 1. Approval of Minutes for October 13, 2016

Minutes approved as submitted.

## 2. Airport Budget Review

Public Works Director, Morad Fakhrai, provided an overview of the staff report. He explained the Airport is a division of the Public Works department and operates under an enterprise fund and does not receive any support from the general fund.

CM Zermeño inquired about Federal Aviation Administration (FAA) budget guidelines. Mr. Fakhrai stated the FAA requires the Airport to be financially self-sufficient and that revenue generated at the Airport must be spent at the Airport.

Mr. Fakhrai indicated the Airport generates tax revenue that benefits the general fund. A fund balance is maintained in the operating budget and a separate emergency fund is available for uses approved by Council.

Revenue is generated by the rental of hangars and outdoor parking spaces owned by the Airport. These rental rates are adjusted periodically by reference to the Consumer Price Index (CPI) and a study of rates at other airports. Revenue is also generated by long-term leases for commercial development. Commercial rates are \$0.32 per square foot, per year for aviation use, and between \$1.20 and \$1.40 per square foot, per year for non-aviation projects. The Airport receives a commission on the sale of fuel of \$0.05 per gallon or 3% of the gross revenue, whichever is more. The Airport also generates revenue through commissions from the Skywest Golf Course and through maintenance services provided to tenants by staff.

Mr. Fakhrai indicated that a primary goal is to increase revenue to provide improved facilities and better service for tenants and customers. This can be accomplished through the renegotiation of long-term leases. For example, one such lease currently generates \$160 in revenue per year, but has the potential to generate \$30,000 to 40,000 per year after renegotiation. In response to a question from CM Marquez, Mr. Fakhrai said he would provide more information regarding the number of long-term leases at the next CAC meeting.

Mr. Fakhrai indicated that another way to increase revenue for the airport is by developing vacant land. The airport has been working diligently with the Economic Development team to attract both aviation and non-aviation potential developers. Prospective opportunities will be presented at a future meeting. The lease negotiated with Meridian Hayward is producing additional revenue, and commissions from fuel sales will continue to increase. Revenue from the golf course varies based on weather conditions, but on average yields approximately \$120,000 to \$140,000 per year. The former California Air National Guard site represents another opportunity for future development and additional revenue.

Mr. Fakhrai provided information regarding expenditures and indicated that the largest single expense is staff salaries, which is consistent throughout the City. There are also internal charges for vehicle and equipment procurement, and maintenance. Another significant expense is cost allocation for services provided by the City Attorney's Office, Finance Department, Police, Fire, and Human Resources. The Finance Department recently hired an outside consultant that completed a cost allocation study and determined that the airport's impact to the general fund for services rendered is substantial. The use of cost allocation is

consistent with other airports and is approved by the FAA. In response to questions, Mr. Fakhrai stated that all City departments are impacted by cost allocation, and that the Airport pays \$162,000 annually in cost allocation fees.

Mr. Fakhrai discussed a loan to the Airport from the Water Fund to construct various capital improvements that requires an annual payment of approximately \$150,000 to \$160,000. The loan will be paid off in 2024 and this will positively affect the Airport's financial condition.

Mr. Fakhrai explained that the airport transfers funds into the CIP budget so that projects that are not fully funded can be completed. The airport strives to obtain funding from the FAA or other state agencies, but when the funding is unavailable then funds are brought in from the operating budget to the CIP airport budget.

Mr. Fakhrai provided further overview of the airport's revenues and expenditures over the past few years as well as projections for the future. He indicated that the airport has had a surplus in past years. In 2015, the City switched financial systems resulting in accounting errors. As a result, a double payment was made in 2015. When the two payments are averaged, the budget shows that the airport is \$150,000 to \$160,000 in the positive. However, going forward in FY18 and FY19, the budget shows a shortage by the same amount. The airport thought there would be a shortage in FY17, but between some savings and additional revenue that has been generated, airport staff projects that the budget will be \$109,000 in the positive, which is consistent with prior years. Airport staff has done a good job of managing expenditures and more revenue is being received than expected from lease and fuel sales. Additionally, there is a fund balance of \$3 million that can be used should the projected shortfall occur.

CM Márquez inquired whether the fund balance was separate from the reserve fund.

Mr. Fakhrai clarified the fund balance is separate and that each year the fund balance has increased. He also stated that in FY 2024 the debt service loan will no longer apply and that amount is approximately the same as the projected shortfall. Once the loan is paid the budget will become balanced.

Mr. Fakhrai clarified that land rent will not increase after FY 2018 for the time being, but will eventually increase. For now, it is not being increased because there are varying leases that mature at different times.

CM Márquez asked for clarification on what the interest refers to.

Mr. Fakhrai clarified that he is referring to interest on the fund balance and that the amount is minimal.

CM Zermeño inquired if the numbers shown included the \$5 million in the reserve fund.

Mr. Fakhrai responded that the numbers do not include the reserve fund. The reserve fund has only been used thus far for the shortfall of building the airport administration building, which was approved by Council and is only to be used in similar types of circumstances. CM Zermeño indicated that he still does not understand the minuses reflected in the budget. He asked for further elaboration for the projected shortfall of \$150,000 to \$170,000 reflected from FY18 through FY21.

Mr. Fakhrai explained that expenses continue to increase and that the revenue forecast has been prepared conservatively. For example, airport staff forecast a shortfall for FY 2014 through FY 2016, but ultimately did better than projected by limiting expenditures and generating additional revenue. Staff anticipates that revenue will continue to increase.

CM Zermeño asked if the FAA pays rent to the City for the control tower building. Mr. Fakhrai stated that the FAA does pay rent and that they may be interested in leasing additional space on the first and second floors, subject to approval.

Mr. Fakhrai outlined ways that the airport directly and indirectly benefits the City. There was an analysis done several years ago by the state for several airports throughout California. Through the study, it was determined that the Hayward Executive Airport generates approximately 300 jobs in our community and yields approximately \$300 million of additional economic impact. Also, the airport contributes property taxes on aircraft based at the airport. The amount received fluctuates based on the number of aircraft, from \$400,000 to \$1 million, but over the last ten years it has averaged \$600,000 annually for the City. This revenue goes to the general fund.

Airport Manager, Doug McNeeley, further clarified that the money is dispersed to the public-school system, general fund, and parks. Mr. Fakhrai reiterated that the \$600,000 is what goes to the City.

CM Márquez recommended that going forward the property tax amount be separated from the general fund so that there is a clear distinction of what the value is. She also expressed appreciation for depicting the \$5 million revenue amount, but also recommended that the amount be kept separate so that it is clear what amount is in reserves. She also inquired if Council's policy is to maintain the reserve amount at \$5 million dollars because an amount previously mentioned was \$7 million.

Mr. Fakhrai clarified that there is no minimum or maximum amount. He reiterated that the policy states that the funds be used in the event of an emergency or for specific projects. The airport has the fund balance that assists with ongoing operations, but the reserve fund is set aside for certain projects.

CM Márquez asked about the Water Fund loan balance, and Mr. Fakhrai stated it was approximately \$2 million, that the loan was requested ten years ago, and that it would be paid off in 2024.



CM Márquez indicated there were previous concerns regarding costs associated with the runway repaving project. She expressed concern for why tenants would be asked to share in the cost of the project. Mr. Fakhrai clarified that tenants were not asked to share the costs of the repaving project. The project was 90% funded by grants from the state and the FAA.

CM Márquez inquired if it is common practice at other airports for capital projects to be subsidized, and Mr. McNeeley responded there is no subsidization, and that proper notice of the project had been provided to tenants.

CM Mendall expressed his dissatisfaction with the staff report and presentation. He had anticipated a more detailed explanation to better understand the long-term financial picture for the airport. In addition, he expressed a desire for more historical context. This information is necessary to set policy guidelines going forward.

CM Mendall asked why there were deficits in some years and not others. He asked if there was a pattern attributable to certain occurrences.

Mr. Fakhrai responded that there is no pattern, and explained that in 2015 the debt service for the Water Department was counted twice, an accounting error.

CM Mendall stated that there is no underlying cause for the alternating pattern and that it's only a coincidence for the one year.

Mr. Fakhrai indicated that the alternation only occurred one year and that he does not see a pattern of surplus and deficits. The actuals have been consistently in surplus, and budget forecasts indicate a consistent shortfall. However, airport staff should be able to do a better job of closing the gap.

CM Mendall indicated that he would like to provide specifics of what he would like to see when the information is presented again assuming his colleagues agree and want it as well. He would like to see what the budget looks like going back five to ten years. Ideally, he would like information for the last ten years because that way long-term patterns can be identified.

Mr. Fakhrai clarified that all the details may not be provided as the financial system changed during that time, and specific details may not be available.

CM Mendall indicated that there should be a policy on what the size of the general fund reserve should be as well as the emergency reserve since there is no policy guidance in place. He stressed the importance of seeing the separate CIP budget to determine the CIP expenses at the airport over the years and what percentage are being funded by outside sources versus the airport fund versus the City's CIP budget subsidizing them for the last ten years.

Mr. Fakhrai clarified that the City's CIP budget does not support the airport. He further elaborated that the airport CIP is fully funded by either the airport or grants received and he added that nothing comes from the general fund.

CM Mendall thanked Mr. Fakhrai for the clarification and reiterated that he would like to see the numbers over the years. He also indicated that he would like to get an understanding on the impact of new leases at the airport on revenues. He would like to know the total cost benefit associated with the leases. He acknowledged that providing the information may be difficult, but suggested that estimations be used to provide a sense of the impact. This way, the policy makers can make informed decisions and gain an understanding of what becomes possible as more tenants are acquired. CM Mendall further clarified that he would like to know the balance of the loan to the Water Department and the annual payment amount.

CM Mendall requested clarification on the information that was presented, but was not included in the staff report and asked to have additional time to review the material to assess what other questions may arise. Additionally, he indicated that as a policymaker he is trying to figure out what resources are available to grow, expand or improve the airport long-term. Likewise, what levers are available that can potentially increase revenues. On the other hand, he is trying to determine what the CIP needs are that become possible if revenue increases. However, right now, the information is unclear. But, once the information is provided, the policymakers can better determine the direction to move in.

Mr. Fakhrai indicated that staff would do the best they could to provide the requested information. CM Mendall thanked Mr. Fakhrai for the efforts and stated that he was not clear on what he was looking for and is happy to provide additional clarification as needed before the next meeting.

Mr. Fakhrai clarified that the next CAC meeting is in April and the mid-year budget review will take place in March.

CM Márquez indicated that a lot was asked of the airport staff and hopes that the request can be aligned with the mid-year review so that it is simultaneously worked into the existing workflow. Mr. Fakhrai indicated that staff is currently working on the City CIP so staff will be coming back with work sessions and presentations for the Budget and Finance committee, etc.

CM Márquez suggested that the committee review the CIP portion that is specific to the airport before it goes to Council. She clarified that she is making the recommendation to streamline the processes since a lot was asked of the airport staff.

Mr. Fakhrai responded that staff would work on a schedule and determine what can be done by April because the process of getting the CIP together requires several entities. It may be necessary to arrange a special meeting in the event the April meeting cannot be accommodated.

Mr. Fakhrai clarified that it will take some time to gather the information. Additionally, he clarified the information presented by the next meeting will be limited based on the information that can be put together. Furthermore, the CIP information may not be readily available for the next meeting and, if not, there are other opportunities outside of this committee for input to be provided.

CM Zermeño specified that there will be a full day budget workshop on May 22 and indicated that the information should be reviewed prior to that meeting.

CM Márquez clarified that the workshop is for the general fund only and the committee mainly focuses on the enterprise funds.

Mr. Fakhrai explained that for the last couple of years Public Works has been moved to a regular session because that is where the CIP is done. He is unclear the way it will work this time. However, he will try to determine a way to bring the information to the committee.

CM Zermeño indicated that he would also like to know how much of the general fund has been impacted by what the airport gives to the general fund. He would like to see this information in May. Specifically, how much money does the airport give to the general fund. Furthermore, he asked to see interest and tower rent separated out of the budget.

CM Zermeño agreed with CM Mendall and explained that it is important to be as clear as possible because the committee needs to set policies, and to do so, they need to understand the information perfectly as much as they can. He also reiterated CM Márquez's point about separating the CIP and Mr. Fakhrai confirmed this could be done.

CM Zermeño requested clarification on the \$5 million in reserves. He also indicated that he would like to add a line item that shows how many other old leases exist at the airport.

Mr. McNeeley explained that there are a handful of old commercial leases. He reminded everyone that the leases were written in the 1970s with terms and conditions that would not be common today.

CM Zermeño explained that he would like to know how the new leases will affect the budget once they are reconfigured. Specifically, he would like to see how the airport will grow.

Mr. Fakhrai indicated that staff does not have this information. However, staff will work with experts to determine the conditions of the assets the airport currently has and what they should look like in five to ten years from now, particularly they will determine what should be done with the vacant land at the airport. Hopefully, these questions will be answered once the study is done and will be useful when developing a master plan.

CM Mendall explained the information mentioned by Mr. Fakhrai is what he is looking for and hopes the information gets relayed back to the committee.

CM Zermeño indicated that an example that could impact the budget nicely is the introduction of U.S. Customs service at the airport to handle international arrivals.

Mr. McNeeley responded that research has been done and there is demand from existing tenants, but customs has changed the way business is done within the last ten years. Previously, they would come out when needed and provide a service for individual calls, but now they require the construction of a facility and have a list of necessities that would cost

approximately \$2 million to \$3 million. Airport staff would need to consider the cost benefit and determine if it makes sense to have the facility and whether funding can be obtained another way. While it is a possibility in the future, it isn't a certainty.

Mr. McNeeley further explained that airport staff has been extremely conservative with the budget. Staff is actively working on opportunities that will generate more revenue for the airport. However, unless opposed by the committee, he would rather not include budget line items that may or may not come to pass.

CM Zermeño confirmed that he expects administrators to be conservative with the budget. He also confirmed staff has the information needed to move forward with obtaining the requested information.

CM Márquez indicated the committee was segueing into a different agenda item which deals with vision and strategic planning.

Mr. Fakhrai explained that vision and strategic planning is more long-term and will more than likely be discussed further a year from now.

CM Zermeño suggested the item be placed on the agenda.

Mr. Fakhrai agreed and mentioned that staff will come back with updates and questions.

## PUBLIC COMMENTS

Mr. Briggs explained that he had several comments and questions because of reading the staff report. However, since there will be a more comprehensive report in the future, he decided to wait until that time except for one point. He indicated that he would like to understand how the subject of transfers out fits into the budget. He asked Mr. Fakhrai to clarify the amount of money that the airport reimburses to other City departments for services used. He mentioned that the City budget transfers out line averages about \$1.2 million annually and does not understand why and requested additional information be included in the more comprehensive report.

Mr. Fakhrai clarified that the transfers out line item is not solely for general fund services, it includes debt service for the Water Department and CIP. Additionally, he reiterated the general fund services are approximately \$160,000 per year.

Mr. Briggs asked for clarification on the interest amount on the loan for the water improvement.

Mr. Fakhrai indicated that the interest amount on the loan was between \$150,000 and \$160,000.

Mr. Briggs stated that the reimbursed City services and debt service combined is approximately \$300,000. He further indicated that if the total transfer out amount is \$1.2

million, there is still approximately \$900,000 per year that is not broken out separately in the report.

Mr. Fakhrai explained the transfers out that will happen in the next couple of year total approximately \$900,000. These transfers will be to CIP and other projects.

Mr. Briggs inquired whether the transfers to the CIP would increase the budget by a rate of \$800,000 to \$900,000 each year.

Mr. Fakhrai responded that would be the case if no projects were completed.

Mr. Briggs indicated that he would like to see additional detail regarding the CIP budget. He also stated that his interest is in the airport becoming solidly in the black and remaining that way in the future for the health and preservation of the airport.

### **3. Evaluation of Airport Noise Program**

Regarding this presentation, Mr. McNeeley explained staff has organized the information differently and included new data to show Hayward Executive Airport in comparison to other Bay Area airports. He requested input from the committee on this new approach.

Airport Operations Specialist, Jimmy Vasquez, provided an overview of the airport noise program. He indicated that noise complaints over the last five years show a consistent pattern. On average, the complaints vary between 500 to 600 with San Lorenzo accounting for 80%. At the end of 2016, there were approximately 630 complaints, an increase in comparison with 2015. He attributed this increase primarily to the operation of a particular aircraft being tested for the Reno Air Races, and the operation of a freight aircraft in the overnight hours.

Mr. McNeeley commented that these numbers are considerably lower than they were ten years ago. Previously, the airport averaged approximately 1,200 complaints per year. He attributed the reduction to more prompt attention to complaints and proper follow-up.

Mr. Vasquez further elaborated on the amount of noise complaints in comparison to operations. An analysis from September through December indicated that there was a higher number of complaints due to heavy activity in September, and the number gradually decreased later in the year.

CM Zermeño asked for clarification on why operations decreased in December, and Mr. Vasquez indicated that summer is the most active time of the year due to good flying conditions.

Mr. Vasquez stated that an exceedance of the airport noise ordinance occurs when the allowable decibel level is surpassed. Staff contacts the aircraft owner to prevent further occurrences, but there are progressive penalties for repeat offenders. Mr. McNeeley added

that he recently levied a monetary fine on a jet that has repeatedly violated the noise standards.

Mr. Vasquez reviewed a chart that compared Bay Area airports regarding annual aircraft operations and the number of annual noise complaints. He noted that the number of complaints received was relatively modest in comparison with many other airports.

Mr. Vasquez also noted that most complaints received stem from only three homes. If those homes were removed from the analysis, the number of complaints would be significantly lower. Mr. McNeeley noted a similar pattern at many other airports.

## PUBLIC COMMENTS

Mr. Briggs inquired about the aircraft that was just fined by staff, and indicated that while the aircraft is not based at Hayward, it is associated with one of his current tenants. There was a discussion about the equipment onboard the aircraft and the nature of the violation.

Mr. Briggs requested that if action is going to be taken against an operator or a fine levied that advanced notification be given to the FBO in an effort for the hangar operator to get involved with the customer and resolve the matter before it gets to that point. Mr. McNeeley indicated that multiple discussions were had with APP Jet Center as well as pilots flying the aircraft, but because the customer continued to exceed the ordinance airport staff felt the fine was their obligation to the community. This was the first fine levied in five and a half years. He stated the fine was \$250.

CM Mendall expressed his appreciation for Mr. Briggs' comments, but expressed his support for monetary fines in appropriate cases.

## 4. Future Agenda Items

CM Mendall suggested that each item be addressed separately.

- Detailed airport budget, which hopefully will occur this budget season
- CIP budget and long-term budget, which is long-term and will not come right away
- Long-term planning and vision, which will occur sometime next year

## Committee Member/Staff Announcements and Referrals

CM Márquez stated that she has another commission meeting next Wednesday so she will not be able to attend the noise forum at the Oakland Airport at 5:30 p.m.

Mr. McNeeley announced that in the latest addition of the airport newsletter an aerial shot is provided of the completed pavement project. He also congratulated Meridian on their grand

opening. Finally, he noted that APP Jet Center is scheduled to complete construction on their new facility on March 1.

CM Zermeño inquired if there will be a tour. Mr. McNeeley responded that APP Jet Center will have a grand opening and at that time there should be a tour of the entire facility.

Next CAC meeting is proposed for April 13, 2017.

#### ADJOURNMENT

The meeting adjourned at 6:50 p.m.



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**File #:** RPT 17-051

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**DATE:** April 13, 2017

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT**

Airport Budget Review

**RECOMMENDATION**

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

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Airport Operating Fund - Fund 620 Operating Budget
Attachment III	Airport Land Parcels
Attachment IV	Proposed Airport Capital Improvement Budget (CIP)
Attachment V	Proposed FY18 Hangar Rates





DATE: April 13, 2017

TO: Council Airport Committee

FROM: Director of Public Works

SUBJECT: Airport Budget Review

## RECOMMENDATION

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

## BACKGROUND

This report provides additional information requested by members of the Council Airport Committee (CAC) at the meeting on January 12, 2017. Hayward Executive Airport is a division under the Public Works Department and operates as a financially independent enterprise fund. Through the administration of user fees and charges and federal and state grants, the airport finances all its operations including transfers to fund a Capital Improvement Program (CIP). Federal Aviation Administration (FAA) policy requires airports to take steps to achieve financial self-sufficiency.

## DISCUSSION

An enterprise fund establishes a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. Accordingly, the airport produces all the revenue needed for daily operation and for capital improvement projects. While the City's general fund does not support airport operations, airport operations indirectly provide financial support to the general fund, such as through sales tax and property tax.

### Operating Budget

#### Revenues:

The airport receives revenue from ten different sources, but primarily from the rental of space. Those sources are specified in Attachment II. At the request of Committee members, Attachment II now also provides operating budget information for the past ten fiscal years. For example, the airport owns and operates 206 T-hangars that are rented to individuals and companies with aircraft, and it rents outdoor parking spaces for aircraft, office space, and both improved and unimproved land for use by commercial operators. The airport also receives commissions from the sale of aviation gas and jet fuel, and it generates revenue from services performed for airport tenants, such as pavement sweeping, weed abatement, and hangar

clean-up. Revenue from fuels sales is calculated based on \$0.05 per gallon or 3%, whichever is more.

Rent rates for City-owned hangars and outdoor parking spaces are approved by Council and published in the City's Master Fee Schedule. Periodic rent increases for City-owned hangars and parking spaces are based upon 75% of the Bay Area Consumer Price Index (CPI) increases and Fair Market Value (FMV) appraisals alternating every two years. The FMV rent study for hangars owned and operated by the Airport due in FY 2017 has just been completed. Based on a survey of comparable airports in the San Francisco Bay Area and throughout the United States, the findings represent a significant increase in hangar rates. Monthly rental rate increases vary based on the type of hangar and the square footage, but in the latest study the increases range from 5% to 51%, with an average increase of 27.6%. See Attachment V for results of the study showing current hangar rates, market rates and proposed FY 2018 rates. In the past, by direction of Council, market rates have been reduced to make recreational flying more affordable, and Council could opt to make a similar adjustment in FY 2017. The total increase could also be implemented in steps. As such, staff recommend the increases be implemented at a not to exceed rate of 10% annually. The schedule and methodology for rent increases has been in place for more than a decade and is familiar to most airport tenants. After approval by Council, the rental rates for hangars and other facilities operated by the City at the airport are incorporated into the City's Master Fee Schedule. This schedule is posted on the City's website. Airport staff sends a letter to each tenant notifying them of the revised rental rate thirty days or more in advance of implementation. Each tenant in City facilities also receives a quarterly statement that specifies the current rental rate. With the latest market rate adjustment, staff will also post the new rates on the airport webpage.

Rent and periodic rent increases for commercial operators are individually negotiated, but more recently include rent increases based on CPI and FMV similar to above. Some of the older agreements used outdated methods to determine annual rent. Staff does renegotiate old leases to reflect current practices.

Staff is making good progress in generating new revenue. The recent opening of the Meridian Hayward Fixed Base Operation will result in new annual lease income of \$126,552 for Phase I of the project. Annual lease income will increase once all phases of the project are completed in 2028. In addition, Meridian will provide revenue from fuel sales. APP Jet Center is expected to generate additional revenue from fuel sales now that their new FBO facility is completed. The projected revenue from space rental has been conservatively calculated and is incorporated into the budget projections.

Because the large commercial leaseholders at the airport are private corporations, information regarding financial results and projections are proprietary in nature and not readily available. However, thanks to Mr. Briggs of Ascend Development, we have a benchmark for the financial contributions of his company under three separate ground leases. The total annual contribution is \$549,236, including the payment of ground rent of \$182,000 to the City and property taxes paid for buildings and land of \$67,236. That total amount also includes property taxes in the amount of \$264,000 for based aircraft paid by his tenants as

well as estimated fuel flowage fees paid of \$36,000. Given that Ascend Development is an established business with approximately fifty tenants, staff recommends that a more conservative annual contribution of \$300,000 be used to estimate the annual impact of other, newer commercial tenants on the airport.

Attachment III depicts parcels currently leased, renewal date, and current rent. Staff is also working diligently to lease additional space dedicated to both aeronautical and non-aeronautical use. For example, Attachment III depicts three larger parcels available for future non-aeronautical development. The parcel on A Street (Parcel No. 28) totals approximately 164,000 square feet. The parcels on Hesperian Ave. (Parcel No. 27) total approximately 161,000 square feet. At the current average rent for non-aviation of approximately \$1.10 per square foot, per year, this will generate the equivalent of \$357,500 annually when all three available parcels are developed. The former California Air National Guard (CANG) site (Parcel No. 2) has approximately 20 acres available for aeronautical, or potentially non-aeronautical development. The current aeronautical rate of \$0.32 per square foot, per year yields annual income of \$278,700 for the CANG site. A non-aeronautical rate of \$1.10 per square foot, per year produces annual income of \$958,320.

The re-negotiation of below-market commercial leases represents an additional source of revenue. A lease with Air Plaza West for an office building on Hesperian Ave., and a lease with Pacific Roller Die for an office building on West Winton Ave. will each expire within the next five years. At the current non-aeronautical rate of \$1.10 per square foot, per year, these leases have the potential to generate \$124,000 in additional revenue. The lease for the 126-acre Skywest Golf Course that is operated by the Hayward Area Recreational District is also due to expire in 2019, but due to the specialized use of the parcel, more research is necessary before an estimate of revenue potential can be provided.

#### Expenditures:

The major groupings of expenditures in the airport budget are also shown in Attachment II. These include items such as various personnel costs, facility maintenance, utilities, supplies, insurance, and staff training. Expenses include internal charges for items such as vehicle and equipment maintenance and replacement. They also include cost allocation for services provided by the City such as financial accounting, human resources, and legal counsel.

Operating revenues exceeded operating expenditures in FY 2014 and FY 2016 through the careful monitoring of expenses and other measures by staff. An operating budget surplus of \$95,117 is projected in FY 2017.

In FY 2017 the adopted Airport Fund balance was \$3,040,797. This balance is sufficient to cover anticipated operating expenditures for a period of approximately ten months. Based on discussion with Finance staff, a prudent operating balance should include between three to six months of operational costs. The airport also maintains an Emergency Reserve Fund of \$5,343,800 that by direction of Council is available for use in the event of unforeseen circumstances or for special projects, which are evaluated on a case-by-case basis. For

example, after recommendation by staff, Council authorized the use of \$2,272,000 from the Reserve Fund for the construction of the Airport Administration Building in 2013.

The budget includes debt service for an inter fund loan in the amount of \$2.5 million for the construction of various capital improvements at the airport. This loan from the Water System Improvement Project in 2001 requires a total annual payment of approximately \$165,000 (interest and principal). The Finance Department recently refinanced this debt for an earlier payoff in 2024. The remaining balance of this loan is currently \$1,312,933.

### Capital Improvement Plan (CIP) Budget

Capital improvements are necessary to maintain existing infrastructure and to construct new facilities to enhance airport safety and increase capacity. Such projects are outlined in the CIP budget that, in turn, is funded by the airport's operational budget. Capital projects are also funded through monetary grants from Caltrans and the (FAA). Major items are reflected in the CIP budget. A summary of proposed FY 2018 CIP projects is shown in Attachment IV.

Existing infrastructure is closely monitored. Airport staff inspects the airfield twice daily. The airport receives an annual inspection by Caltrans on behalf of the FAA. The airport pavement receives a special inspection by a third-party consultant every two years as part of the Airport Pavement Maintenance Plan. Staff also invites inspections by the airport's insurance underwriter. The condition of airside and landside lights, signs, markings, pavement, obstruction lights, and other items is noted, and these records reveal trends and the requirement for maintenance or replacement.

Future airport development is generally guided by the Airport Layout Plan (ALP). The ALP was conducted in January 1999 and presents demand forecasts, facility requirements, development alternatives, and plans. An extensive ALP update was completed in 2011. This planning document was similar in content and depth to a full master plan study. In addition, in FY 2018, a third-party consultant will complete an Infrastructure Improvement plan. This two-part study will evaluate the condition of structures at the airport owned and operated by the City, including nineteen hangar buildings and the control tower building. After the evaluation, a forecast will be made of future aviation demand, including the anticipated type and number of based aircraft. The study will conclude with a determination of the best and highest use of current airport assets, and whether those structures should be maintained, renovated, or replaced. If replacement is indicated, the study will offer suggestions for future development based on the demand forecast. The Infrastructure Improvement plan will also include recommendations of development for undeveloped parcels on the airport.

As detailed in Attachment IV, the CIP fund balance remains positive throughout the ten-year forecast period. Staff will provide additional information about individual projects as requested.

Staff has been successful in applying for and receiving grants from the FAA and Caltrans for capital projects. In FY 2016, the airport was awarded grants in the amount of \$1.6 million to rehabilitate the pavement on Runway 10R-28L.

### Other Considerations

A few based tenants have inquired about the availability of a Customs facility at the airport. Staff has held discussions with U.S. Customs and Border Protection, and current construction standards for an airport facility require a minimum of 5,000 square feet building with other very specific features. Funding for one customs officer with annual salary and benefits totaling between \$175,000 and \$200,000 is also required. Staff was informed that Hayward's existing, vacant airport offices are inadequate, even if renovated. Other general aviation airports have invested between \$2.5 and \$3.0 million to construct a new customs facility to the current standards, with construction costs recouped through a user fee per transaction. However, it's unlikely that periodic use of such a facility by a limited number of based tenants would support such an expenditure by the City. Funding of the project by the users themselves or Hayward's two fixed base operators could be explored. In addition, the possibility of a fee-for-service arrangement with U.S. Customs could be investigated. At one time, customs agents would service general aviation airports by prior arrangement, but this practice has been largely discontinued. Staff anticipates the reinstitution of fee-for-service would require Congressional assistance.

It should also be noted that the airport provides other financial benefits to the City, including 300 jobs and \$300 million in annual economic impact, and it provides valuable public services including emergency medical, law enforcement, media, and humanitarian flights. The City realizes revenue from aircraft property tax that averages \$621,500 annually. The tax is collected by Alameda County, and the City's share is calculated from the assessed value of aircraft based at Hayward Executive Airport. This revenue also supports Alameda County, the Hayward Public School District, and HARD.

### **SUSTAINABILITY FEATURES**

Staff ensures all projects and developments proposed at Hayward Executive Airport meet or exceed the sustainability requirements of the City.

### **PUBLIC CONTACT**

The airport operating and capital improvement budgets are reviewed by Council in public session each year. Discussions regarding the budget for individual capital projects as well as overall budget discussions are held at meetings of the Council Airport Committee (CAC).

Prepared by: Douglas McNeeley, Airport Manager

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written in a cursive style.

---

Kelly McAdoo, City Manager

Airport Fund 621										
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted
Beginning Fund Balance	2,793,805	2,734,070	2,904,566	3,019,429	2,850,809	2,535,009	2,152,166	2,809,434	2,767,983	3,040,797
Program Revenues										
Interest & Various Rents	582,650	398,903	158,964	98,182	94,181	89,953	59,761	1,251,437	160,861	182,683
Land Rent	1,272,039	1,409,848	1,445,645	1,423,466	1,483,188	1,517,065	2,493,443	921,984	1,733,467	1,656,699
Hangar Rent	963,287	996,660	1,017,882	969,228	1,021,602	977,668	817,310	546,588	1,070,624	1,008,800
Fees & Service Charges	5,330	4,795	4,533	3,582	6,466	7,130	11,736	5,159	7,854	6,000
Other Revenues	374,386	377,920	317,393	387,864	354,049	343,991	334,103	273,251	304,697	350,000
Golf Course	149,952	205,489	143,003	147,230	109,619	144,683	137,017	128,646	137,061	137,193
Fuel Flowage	219,952	169,477	158,913	156,605	159,617	165,619	189,003	144,605	157,229	208,807
Transfer From Reserve							2,272,000			
Total Revenues	3,197,692	3,188,126	2,944,417	2,882,322	3,228,722	2,935,807	5,988,353	2,998,419	3,277,503	3,204,182
Expenditures										
Personnel	951,059	1,009,229	1,124,720	1,222,828	1,350,498	1,225,415	1,177,859	1,354,520	1,471,357	1,676,469
Non-Personnel/Supplies & Services										
Maintenance & Utilities	199,222	167,502	190,082	207,478	200,256	181,525	181,755	195,683	203,907	223,865
Supplies and Services	317,033	430,435	278,858	286,559	295,239	268,875	183,947	173,175	181,610	187,254
Other -Project Expenses Etc	131,898	139,503						168,735		
Internal Service Fees	72,153									
IT		51,019	57,450	57,850	52,170	42,450	42,800	45,612	55,557	61,362
Fleet		118,443	134,106	209,356	192,283	194,700	194,700	168,982	141,730	141,730
Facilites		503	573	599	718	732	659	667	664	667
Transfers Out										
Water Debt*	192,636	194,519	196,318	192,019	193,119	191,119	100,995	161,075	161,443	161,786
Cost Allocations	190,962	163,106	65,686	110,855	114,181	114,181	114,181	117,606	117,606	162,611
CIP	600,000	700,000	700,000	700,000	1,000,000	1,300,000	3,272,000	600,000	600,000	700,000
Liability Insurance	52,464	43,371	53,340	63,398	66,568	66,568	62,189	53,815	53,815	70,689
Other	550,000		28,421			26,000		17,000		
Total Expenditures	3,257,427	3,017,630	2,829,554	3,050,942	3,465,032	3,611,565	5,331,085	3,039,870	3,004,689	3,386,433
Annual Surplus/(Shortfall)	(59,735)	170,496	114,863	(168,620)	(315,800)	(382,843)	657,268	(41,451)	272,814	(182,251)
Ending Fund Balance	2,734,070	2,904,566	3,019,429	2,850,809	2,535,009	2,152,166	2,809,434	2,767,983	3,040,797	2,858,546

**Other Revenues:** Golf course commissions, and fuel flowage, tie-down fees

**Non-personnel:** Supplies, utilities and maintenance costs

**Cost Allocations:** Charges for use of other City departments such as Finance, Accounts Payable and Receivable, City Attorney, etc.

**Internal Service Fees:** Computer maintenance and replacement, vehicle repair and replacement, facility maintenance

\*Water loan was approximately 2.5 million in FY 2000-FY 2001 and ends in FY 2024.The outstanding balance for the loan as of 3/1/17 was \$1,234,051.65.

Note - Beginning and ending fund balances may be different than indicated in prior years of the operating budget. This is due to the audit process, more current information and changes in the financial system.

Airport Fund 621											
	FY 2017 Estimated	FY 2018 Proposed	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected
Beginning Fund Balance	3,040,797	3,135,914	3,018,213	3,016,075	3,047,269	3,059,205	3,149,426	3,247,279	3,514,022	3,921,448	4,363,885
Program Revenues											
Interest & Various Rents	167,425	170,865	172,574	174,299	176,042	177,803	179,581	181,377	183,190	185,022	186,873
Land Rent	1,760,599	1,753,903	1,876,676	1,876,676	1,876,676	1,876,676	1,902,716	2,035,906	2,035,906	2,035,906	2,035,906
Hangar Rent	1,192,555	1,253,376	1,253,376	1,303,511	1,303,511	1,355,651	1,355,651	1,409,877	1,409,877	1,466,272	1,466,272
Fees & Service Charges	9,699	10,206	10,308	10,411	10,515	10,620	10,727	10,834	10,942	11,052	11,162
Other Revenues	350,000	350,000	353,500	357,035	360,605	364,211	367,854	371,532	375,247	379,000	382,790
Golf Course	137,229	138,395	139,779	141,177	142,589	144,014	145,455	146,909	148,378	149,862	151,361
Fuel Flowage	167,229	170,448	177,266	184,356	191,730	199,400	207,376	215,671	224,298	233,269	242,600
Transfer From Reserve											
Total Revenues	3,480,278	3,538,350	3,666,434	3,721,933	3,727,350	3,784,962	3,816,528	4,009,526	4,015,163	4,077,252	4,083,003
Expenditures											
Personnel	1,384,259	1,669,150	1,685,842	1,702,700	1,719,727	1,736,924	1,754,293	1,771,836	1,789,555	1,807,450	1,825,525
Non-Personnel/Supplies & Services											
Maintenance & Utilities	209,565	223,865	226,104	228,365	230,648	232,955	235,284	237,637	240,014	242,414	244,838
Supplies and Services	232,394	195,754	197,712	199,689	201,686	203,702	205,739	207,797	209,875	211,974	214,093
Other -Project Expenses Etc											
Internal Service Fees											
IT	61,362	61,976	62,595	63,221	63,854	64,492	65,137	65,788	66,446	67,111	67,782
Fleet	141,730	143,147	144,579	146,025	147,485	148,960	150,449	151,954	153,473	155,008	156,558
Facilites	667	674	680	687	694	701	708	715	722	729	737
Transfers Out											
Water Debt*	161,786	165,185	165,427	164,419	163,332	166,638	164,290	161,855			
Cost Allocations	162,611	162,612	164,238	164,237	165,879	167,538	169,214	170,906	172,615	174,341	176,084
CIP	950,000	950,000	950,000	950,000	950,000	900,000	900,000	900,000	900,000	900,000	900,000
Liability Insurance	80,787	70,689	71,396	71,396	72,110	72,831	73,559	74,295	75,038	75,788	76,546
Other		13,000									
Total Expenditures	3,385,161	3,656,051	3,668,572	3,690,738	3,715,414	3,694,741	3,718,674	3,742,783	3,607,737	3,634,815	3,662,163
Annual Surplus/(Shortfall)	95,117	(117,701)	(2,138)	31,195	11,936	90,221	97,854	266,743	407,426	442,437	420,840
Ending Fund Balance	3,135,914	3,018,213	3,016,075	3,047,269	3,059,205	3,149,426	3,247,279	3,514,022	3,921,448	4,363,885	4,784,724

Other Revenues: Golf course

Non-personnel: Supplies, utilities and ma

Cost Allocations: Charges for use of other City departments such as Finance, Accounts Payable and Receivable, City Attorney, etc.

Internal Service Fees: Computer maintenance and replacement, vehicle repair and replacement, facility maintenance

\*Water loan was approximately 2.5 million in FY 2000-FY 2001 and ends in FY 2024.The outstanding balance for the loan as of 3/1/17 was \$1,234,051.65.

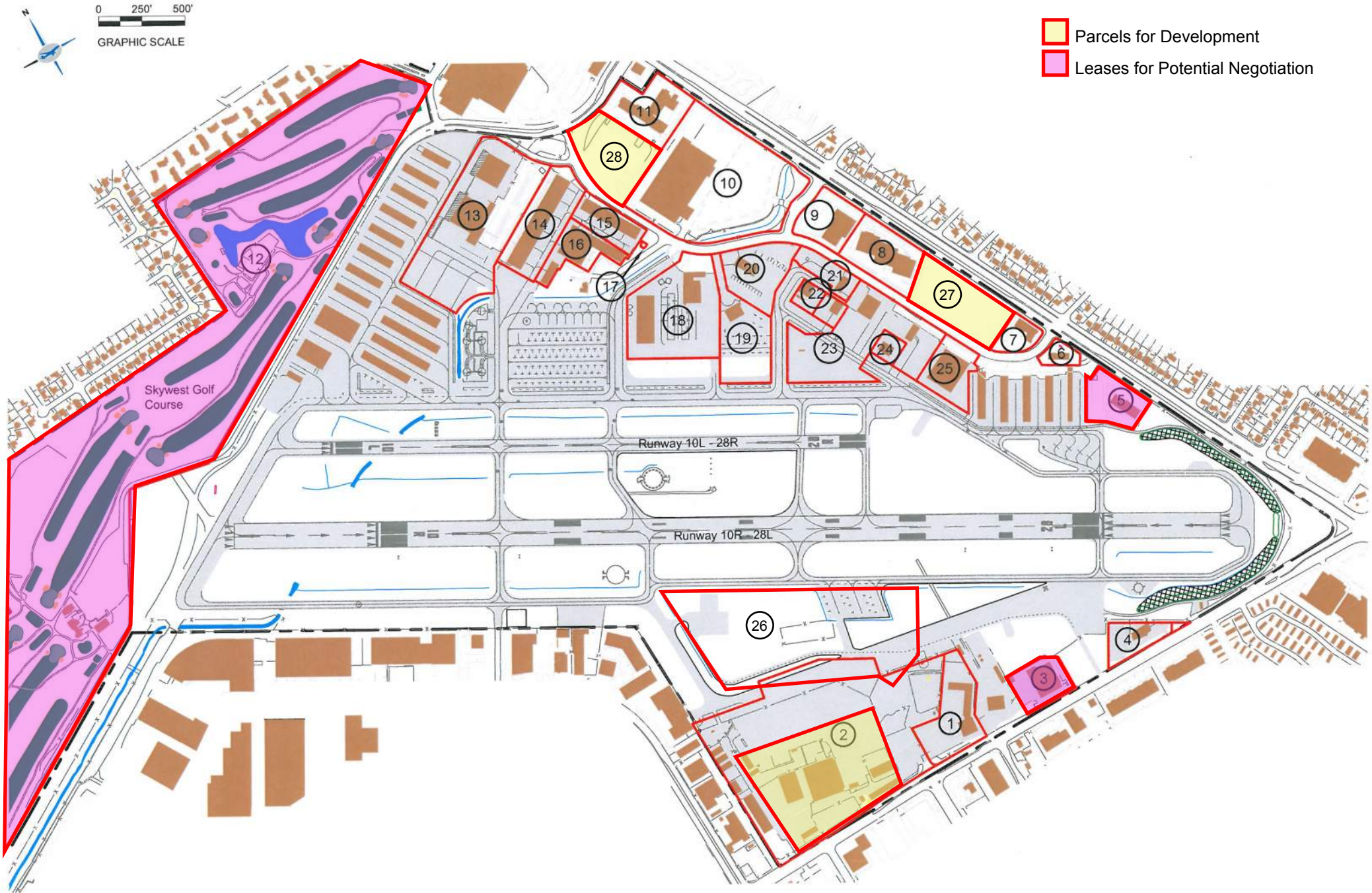
Note - Beginning and ending fund balances may be different than indicated in prior years of the operating budget. This is due to the audit process, more current information and changes in the financial system.



Hayward Executive Airport  
Existing Leasehold

NO.	PREMISES LEASED	LESSEE	TERM END DATE	RENT (ANNUAL)
1	3 Acres (138,603 sq ft)	Army National Guard	June 30, 2025	\$44,490
2	19.8 Acres (182488 sq ft)	CANG Site		Potential Rent at 32 cent/sq ft \$275,996
3	76,565 sq ft	Pacific Roller Die	6/30/2020	\$36,756
4	60,400 sq ft	Makhan Bains & Ravinder Singh	1/31/2023	\$18,131
5	Total: 84,347 sq ft 52,320 sq ft – bldg 32,027 sq ft – tiedown space	Chavez Management Group, Air Plaza West	7/31/2020	\$169.52
6	24,974 sq ft	EBMUD-SFPUC Pump Station	12/31/2054	\$8,016
7	Parcel 1- 40,107 sq ft	Hayward Associates #1-Virovek, Inc	10/10/2038	\$16,040
8	Parcel 4 – 125,482 sq ft	Hayward Associates #4- Velo II LLC	10/10/2038	\$50,192
9	90,017 sq ft	Browman Development-Smart & Final	3/21/2026	\$146,729
10	10.2 acres	Home Depot	Initial: 12/12/2020 Option to extend: 1/12/2055	\$584,415
11	Parcel 6 – 116,235 sq ft	Hayward Associates #6- La Quinta	10/10/2038	\$104,059
12	126 acres	HARD - Golf Course	9/30/2019	Commission Average \$140,000
13	425,708 sq ft- lease 44,000 sq ft-taxiway	Hayward FBO, APP Jet Center (Formerly Macquarie-Atlantic Aviation)	12/31/2048	\$122,528
14	Parcel 1- 158,663 sq ft	Ascend Development LLC	12/31/2051	\$50,931
15	Parcel 2A- 73,091 sq ft	Ascend Development LLC	12/31/2054	\$23,462
16	Parcel 2B- 82,482 sq ft	Ascend Development LLC	12/31/2054	\$26,476
17	878 sq ft	Verizon- Antenna	10/1/2026	\$23,805
18	Parcel A- 179,708 sq ft Parcel B – 90,895 sq ft Parcel C – 58,312 sq ft	ParkAvion (Formerly Epic)	12/31/2054	\$57,686 \$17,535 \$5,803
19	Plot A & B 43,666 sq ft Plot H- 105,486 sq ft	Hayward Hangars, LLC	12/31/2048	\$7,008 \$33,781
20	119,159 sq ft	Formerly American Aircraft	12/31/2045	Potential Rent \$38,130.88
21	Plot F – 50,018 sq ft	Formerly Aviation Training	TBD	\$57,000
22	Plot 3 & 4 – 42,050 sq ft	Hayward FBO, APP Jet Center (Formerly Bendor)	2/28/2047	\$18,502
23	Plot B- 288,743 sq ft	Hayward FBO, APP Jet Center (Volo)	12/31/2053	\$84,800
24	Plot 6 – 29,850 sq ft	AVCON	12/31/2017	\$73,132
25	Plot A- 87,482 sq ft	Bud Field Aviation, LLC	12/31/2048	\$28,081
26	656,208 sq ft	Meridian Aviation	12/30/2064	\$126,556
27	163,957 sq ft	Parcel on Hesperian, next to Velo II		Potential Rent at \$1.10/sq ft \$180,353
28	160,547 sq ft	Parcel on Skywest Dr, behind La Quinta		Potential Rent at \$1.10/sq ft \$176,601.70

Revised: February 27, 2017



## AIRPORT CAPITAL - FUND 62 1

Page 1

PROJ. NO.	PROJECT DESCRIPTION	PROJ. TOTAL	PRIOR YEARS	EST FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
06895	Intersection Landscaping & Noise Berm Improvments	56	40	16										
06814	Sulphur Creek Mitigation - Design + Construction	2,500	63		300	2,137								
	<i>(AIP 20) FAA</i>	2,193			270	1,923								
	<i>(State Matching Grant of 5%)</i>	107				107								
06820	Airport Striping Maintenance (Runways 28L/10R)	49	39	10										
06816	Sulphur Creek 10-Year Monitoring	178	109	23	23	23								
06805	Project Predesign Services	331	N/A	31	30	30	30	30	30	30	30	30	30	30
06806	Consultant Predesign Services	111	N/A	11	10	10	10	10	10	10	10	10	10	10
06891	Miscellaneous Pavement/Building/Grounds Repairs	575	N/A	75	50	50	50	50	50	50	50	50	50	50
06898	Noise Monitoring	1,117	622	45	45	45	45	45	45	45	45	45	45	45
06818	Airport Pavement Management Program Update	242	43	24		35		35		35		35		35
06819	Taxiway Alpha and Foxtrot Pavement Rehabilitation	1,075	87	30	479	479								
06826	-T-Hangar Foam Re-roofing	520		20	50	50	400							
06823	Perimeter Fence Replacement	122	62	10	10	10	10	10	10					
06822	South Side Access Road and Perimeter Road Improvements	800	296	504										
06824	Pavement Rehabilitation - Runways 28L/10R	2,238	72	2,166										
	<i>State AND</i>	440		440										
	<i>AIP - FAA</i>	1,162		1,162										
06825	Electrical Services for South Side of Airport	425		425										
06828	Tower Exterior Renovation	80		30	50									
	<i>FAA Reimbursement for HVAC</i>				7									
TBD	EMAS Runway Safety Area Improvements Design/Construction	8,833						500	8,333					
	<i>(AIP 22) FAA</i>	7,950						450	7,500					
	<i>State Matching Grant of 5%</i>	417							417					
TBD	Pavement Rehabilitation of TWY Alpha & TWY Delta Intersections Design/Construction	603								64	539			
	<i>(AIP 24) FAA</i>	543								58	485			
	<i>State Matching Grant of 5%</i>	27									27			
TBD	Golf Course Modifications/Road Relocation Design/Construction	3,369					360	3,009						
	<i>(AIP 23) FAA</i>	3,032					324	2,708						
	<i>State Matching Grant of 5%</i>	150						150						
TBD	Realignment of Taxiway Zulu Design/Construction	2,744				300	2,444							
	<i>(AIP 21) FAA</i>	2,470				270	2,200							
	<i>State Matching Grant of 5%</i>	122					122							
TBD	View Park	90					90							
TBD	Airport Pavement Management Program	4,750					75	600	400	725	725	725	750	750
TBD	LED Lighting Retrofit	70			70									
NEW	Infrastructure Improvement Plan	110			110									
NEW	CCTV Upgrade	60				60								
	TOTAL PROJECT COSTS			3,420	1,227	3,229	3,514	4,289	8,878	959	1,399	895	885	920
	TOTAL EXPENDITURES			3,420	1,227	3,229	3,514	4,289	8,878	959	1,399	895	885	920

## AIRPORT CAPITAL - FUND 621

Page 2

PROJ. NO.	PROJECT DESCRIPTION	PROJ. TOTAL	PRIOR YEARS	EST	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
				FY17										
								</						

# Proposed FY 2018 Hangar Rates

ATTACHMENT V

HANGARS	IDENTIFICATION	SIZE SF	CURRENT RATE	MARKET RATE 2017	CHANGE (+ -)%	PROPOSED RATE FOR FY18
Small T-Hangar	Row A	810	\$242	\$330	+36	\$266
Standard T-Hangar	Rows B-P	912	\$340	\$515	+51	\$374
Large T-Hangar	Row Q	1,058	\$466	\$575	+23	\$513
Small Executive		2,401	\$848	\$890	+5	\$890
Standard Executive		3,300	\$1,119	\$1,465	+31	\$1,231
Large Executive		3,600	\$1,221	\$1,465	+20	\$1,343

HANGAR STORAGE ROOM	IDENTIFICATION	SIZE SF	CURRENT RATE	MARKET RATE 2017	CHANGE (+ -)%	PROPOSED RATE FOR FY18
Small, Man Door	Bldg A	195	\$71	\$71	+0	\$71
Medium, Man-door		265	\$90	\$104	+16	\$99
Large, Man-door		530	\$174	\$210	+21	\$191
Large, Man-door w/Sliding Door	Bldgs N, O, P	530	\$174	\$210	+21	\$191
Extra Large, Man-door w/Sliding Door	Bldg Q	645	\$222	\$255	+15	\$244
Office Spaces		450	\$647	\$650	+0.005	\$650



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** RPT 17-052

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**DATE:** April 13, 2017

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT**

Evaluation of Airport Noise Program

**RECOMMENDATION**

There is no staff report at this time. Staff will make an oral presentation during CAC meeting.

**ATTACHMENTS**

None