

**CITY COUNCIL MEETING
TUESDAY, JUNE 27, 2017**

DOCUMENTS RECEIVED AT MEETING

PUBLIC COMMENTS

Council Member Márquez

Hayward Area Recreation and Park District

TENNYSON **FREE** ALL AMERICA FESTIVAL

Saturday, July 1, 2017
10:00am-2:00pm

Join us to celebrate the 241st birthday of our country and build pride in our Tennyson Community. Enjoy music, food, refreshments and activities for children, and learn about community resources!

Mt. Eden Mansion
2451 W. Tennyson Rd., Hayward

Cosponsored by Supervisor Richard Valle, Hayward City Councilmembers Elisa Marquez and Francisco Zermeño.



Information: (510) 881-6700 www.HaywardRec.org

Distrito de Recreación y Parques del Área de Hayward

FESTIVAL **GRATIS** USAMERICANO TENNYSON

Sábado, 1 de julio, 2017
10:00am-2:00pm

Acompáñenos a celebrar el 241^o cumpleaños de nuestro país y a crear orgullo en nuestra Comunidad Tennyson. ¡Disfrute de música, comida, refrescos y actividades para niños, y aprenda de recursos comunitarios!

Mansión Mt. Eden
2451 W. Tennyson Rd., Hayward

Copatrocinado por Richard Valle, Consejales de Hayward, y Elisa Marquez and Francisco Zermeño.



Más informes al (510) 881-6700 www.HaywardRec.org

PUBLIC COMMENTS

Kate Turney

Speech on FAA Directions to Subsidize General Aviation Rents

Hayward City Council Meeting, June 27, 2017

Kate Turney, Hangar D-12

Hayward City Council Meeting

June 27, 2017

Kate Turney, Hangar D-12

The Airport offers unparalleled low-overhead land lease deals to private businesses which in turn make millions of dollars for themselves. Articles about the airport tout a jet fuel tax of 3%, or over \$200,000 per year from one fixed based operator alone for public schools and city services.* Sounds good for the City. It may persuade the public that jet expansion will benefit public schools,, but it does not. It is not true. The FAA does not allow it. In 2015 the FAA ruled that all jet fuel tax revenue collected by states or local units of government must be spent on airports or aviation related programs, not on schools or other uses.** Hayward administrators, quoted in the article, did not correct this misinformation.

The FAA stipulates that airport business "surplus can be used to subsidize...aeronautical activities since it reduces the economic impact on aviation users and the aviation public...It is to the benefit of aviation and the...public, that aeronautical users be able to use the airport at rates and charges below the cost ...if these are

effectively subsidized by non aeronautical revenues." ***

It is clear that business surplus can be used to subsidize hangars, but the hangars are not to subsidize business. Surely the for-profit side of the airport and the public use purpose of the airport can coexist without one destroying the other.

According to the last airport study submitted March 29, 2017, "The hangars are in good condition." **** Managers reject that section of the report claiming instead that the hangars need yet another study to qualify them for costly repair or demolition, and that all the hangars need new, insulated roofs. No they don't. Tearing down hangars may provide opportunity for yet another for-profit business, but it is damaging to the private small plane owners of the airport community.

We have been the cash cow for the Airport for decades. We have met and exceeded our side of the bargain. Now it is your turn to protect us. Build all the for-profit businesses you want, but not at our expense.

*See source references, next page.

Speech on FAA Directions to Subsidize General Aviation Rents
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* "Hayward Airport Expands As
Business Booms," The East Bay
Times, Business Section , p.B1,
3-16-16

** FAA Update, 8-5-15

*** FAA 5190.6B, Ch 6

**** AVMC Study, Sect.VI, p. 9,
March 29, 2017

PUBLIC COMMENTS

Jerry Turney

PUBLIC COMMENTS June 27, 2017

The 206 Hangar Task Force

By Jerry Turney, HWD 1963 to present

Yesterday, we had conference with FAA's Glen Gathright at his Oakland Office. Your rent hike shocked him.

We were reminded of an FAA goal. Airports are **non-aeronautical** revenue in a way that supports the flying public such as our 206 hangar pilots.

The objective is to offer facilities and services below market value because that will promote long term general aviation growth (see attachment #1).

Hayward airport has *ten such non-aeronautical* sources of revenue. And that is exactly what the FAA is talking about.

Our non-aeronautical revenue created more than a million dollars last year. The 206 hangar pilots also created more than a million dollars last year also

Hayward is perfectly in sink with the long term FAA

objective of growing general aviation using non-aeronautical money.

Our hangar rates are lower than others by design. Our airport capitalized on the sale of land and the development of non-aeronautical revenue more than others. And, it is paying off.

Hayward was gifted this airport 75 years ago and that award continues to grow this year with large economic developments all making possible the **FAA's goal of providing aeronautical users rates below cost,**

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Mr. Lawson, as City Attorney, will you **embrace** or **ignore** the terms of 206 active airport leases with Hayward's pilots? This is not a trick question.

(No public reply is necessary.)

PUBLIC COMMENT June 27, 2017

The 206 Hangar Task Force

Jerry Turney HWD 1963-present

FAA OPINION 5190.6B

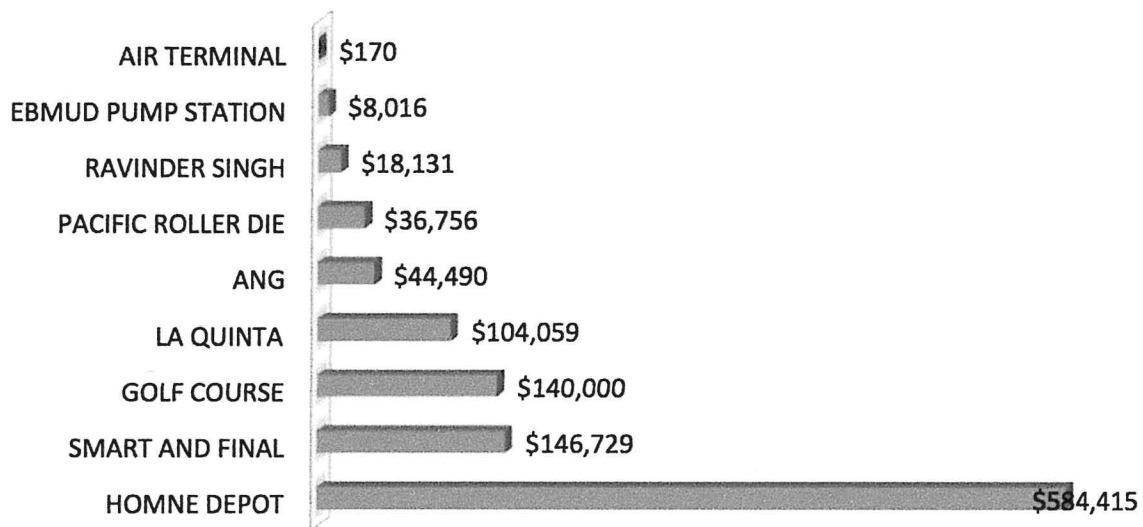
If market rent for nonaeronautical uses results in a surplus, that surplus can be used to subsidize aeronautical costs of the airport. It is to the benefit of aviation and the traveling public that aeronautical users be able to use the airport at rates and charges below the cost of providing the aviation facilities and services if these are effectively subsidized by nonaeronautical revenues. See, for example, *Bombardier Aerospace, et al. v. City of Santa Monica*, FAA Docket No. 16-03-11, January 3, 2004, (available online) where the FAA noted that it promotes the practice of using nonaviation revenues to subsidize aeronautical activities since it reduces the economic impact on aviation users and the aviation public.

PUBLIC COMMENT June 27, 2017

The 206 Hangar Task Force

Jerry Turney HWD 1963- present

NON-AERONAUTICAL SOURCES OF REVENUE 2016



+ONE MILLION DOLLARS, 2016

PUBLIC COMMENTS June 27, 2017

The 206 Hangar Task Force

Jerry Turney, HWD 1963 to present

NOTE: Adding one, or a dozen, additional market studies below will not change the fact that 2017 is not a market study year. According the PWD office, the first airport hangar market study was done in 2007. These studies may be done, according to the Master Fee Schedule, every four years. Unless four can be divided into ten evenly, the next possible market study is, 2019.

THUS WE OBJECT!

Staff is not recommending changes to the rates adopted in the FY 2018 Master Fee Schedule at this time. However, staff does support the notion of yet another study to ensure that rates established are in fact truly "market rates". Accordingly, in the fall of 2017, staff will engage a separate independent third-party consultant or appraiser to review and verify that assumptions used, airports selected for comparison, and the results provided in the market value study completed by Aviation Management Consulting Group are accurate. Also, as indicated at previous meetings with Council, staff will collect information to be able to report to Council the effects of the rental rate increase, including the impact to hangar waiting lists and vacancy rates.

The staff report to the CAC, April 13, 2017

PUBLIC COMMENTS, June 27, 2017

The 206 Hangar Task Force

Jerry Turney, HWD 1963-present

CITY OF HAYWARD FINANCIAL POLICY

“When the City makes statements or releases information relating to its finances to the public... the City is obligated to ensure that such statements and information are complete, true, and accurate in all material respects. “

Source, City Finance Director

PUBLIC COMMENTS

Sean Pan

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Promotion



Market available sports facilities.
 Advertise and cross-promote venue programming and events.

Additional Revenue



Increase revenues through bookings.
 Sustain existing community centers and develop additional programs.

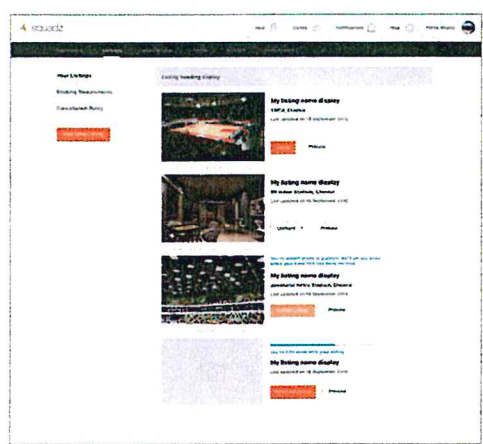
Track Usage



Understand formally how spaces are being used.
 Invest in spaces based on actionable data and feedback from the community.

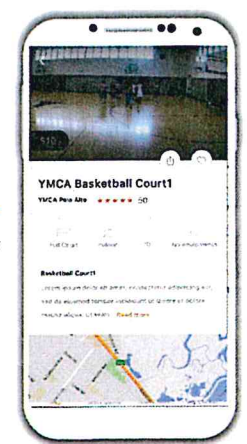
Streamline facility rentals, increase participation, and maximize utilization.

Easy-to-use, Web-based Venue Portal



Venue Listing Dashboard

- Schedule & Availability
- Prices
- Descriptions
- Reviews
- Events & Programs
- ...and more!



Mobile Listing View for Users

Free to use. Insurance provided. No IT or infrastructure changes needed.