



DATE: September 30, 2021
TO: Council Airport Committee
FROM: Director of Public Works
SUBJECT: Skywest Property Update – Review of Draft Concept Map and Community Input

RECOMMENDATION

That the Council Airport Committee (CAC) reviews this report and provides comments.

SUMMARY

After the Hayward Area Recreation and Park District (HARD) ceased operations at the Skywest golf course on September 30, 2020, Airport staff assumed maintenance of the property and initiated a process to guide future development of the site.

Three virtual public workshops were held during July and August, culminating in a draft site plan attached to this report (Attachment II).

The draft concept map incorporates the following features:

- 21 acres for parks/recreational use;
- 47 acres for business development;
- A trail connecting Kennedy Park to San Lorenzo Park;
- 16-17 acres for aeronautical development, which includes a 200-foot buffer between the residents of San Lorenzo Village and the new aeronautical development; and
- 36 acres dedicated for protection of the Runway Safety Area.

This draft concept map attempts to balance the needs of the public and the Airport, while adhering to Federal Aviation Administration (FAA) regulations and policies. A total of 430 members of the public provided comments through the website and another 291 comments and questions were submitted during the public workshops.

BACKGROUND

Construction of the Skywest Golf Course was completed in October 1963. The golf course was located on the property of Hayward Executive Airport and operated under a long-term ground lease agreement. The ground lease was assigned to HARD in January 1975. The lease has been amended on four occasions, with the latest amendment allowing HARD to evaluate whether continued operation of the golf course was financially viable. HARD elected to cease operations and the 126-acre leasehold was returned to the City in September 2020.

DISCUSSION

Since the last report to the CAC on July 15, 2021, the Airport has assumed responsibility for maintenance of the property, as well as developing a plan for future development (Attachment II).

The process to determine the future development of the Skywest property was collaborative between City staff and the community, providing multiple opportunities for the community to comment on the future plans for the property. The future development of the former Skywest property also has the potential to financially assist the Airport by providing an additional source of lease revenue.

Since July, Kimley-Horn has worked with City staff to receive feedback from the community through a series of three workshop meetings and soliciting feedback through a dedicated project page on the City's website (<https://www.hayward-ca.gov/airport/doing-business-with-us/projects>).

Public Meeting Process

Virtual meetings were held on July 27, August 10, and August 12. The meetings were publicized through the following mediums:

- City and Airport social media
- City of Hayward's electronic distribution
- Hard copy fliers at the Airport, City Hall, and libraries
- Direct outreach to adjacent homeowner's associations
- Postcards mailed to 13,800 residents
- Public website for project (translation of materials available directly through website)
- Posted to City and Airport websites
- Two rounds of public comment periods (each lasting for 2 weeks)

A significant number of comments were received, including 430 comments on the project website. The first workshop on July 27 drew approximately 111 participants and generated 138 questions and comments. The two workshops in August drew 225 attendees and approximately 153 comments and suggestions. In total, over 720 comments were received from both the website and the workshops. This feedback included comments on recreational development, future aeronautical development, and future non-aeronautical development.

Recreational Development

Portions of the far east segment of the property are proposed for recreational use. The public voiced the most support for the following specific uses:

- Community garden
- Dog Park
- Trail linking Kennedy Park with San Lorenzo Park
- Walking/bike paths

- Disc golf
- Open space

While trails were highly supported, it was suggested that a security fence be installed between the homes and the new trail throughout the length of the connection.

Future Aeronautical Development

There was interest in a buffer between new hangar development and the housing adjacent to the site due to noise concerns.

Future Non-Aeronautical Development

Suggestions were submitted to create a buffer between the adjacent homes and any new business developments in this area.

Some comments suggested that the City evaluate the possibility of facilities for unhoused individuals, such as “tiny homes” and restrooms.

Constraints on Use

Due to the location of the proposed development on airport property, there are constraints on its use that should be noted:

- ***Fair Market Value***

The FAA requires the use of Fair Market Value (FMV) when leasing airport land. FMV is defined as the most probable price that a property should bring in a competitive and open market under all conditions.

The Airport operates as an enterprise fund and relies only on revenues generated from its operations. It does not receive subsidies from the City’s General Fund. The FAA requires the airport to be financially self-sustaining. Currently, the airport has a backlog of over \$18 million in paving needs, as well as another \$10 million in infrastructure improvements, such as new hangar roofing and hangar doors. Therefore, any new development will be leased at the current price per square for either aeronautical use (\$0.33 per square foot, per year) or non-aeronautical use (\$1.10 per square foot, per year). These values were set several years ago and are subject to change based on future appraisals.

- ***Safety Requirements***

Runway Protection Zone

The FAA requires a Runway Protection Zone (RPZ) at the end of each runway, and a RPZ for each of the runways adjacent to the Skywest property already exists. The proposed site plan depicts the RPZ and stipulates that development cannot take place within the RPZ.

Runway Safety Area

The runway safety area (RSA) is defined as a surface surrounding the runway prepared or suitable for reducing the risk of damage to aircraft in the event of an

undershoot, overshoot, or excursion from the runway. The RSA must be free of all objects, except objects that need to be located in the RSA because of their function (i.e., lighting and drainage, etc.).

- ***Height Obstructions***

The limitation of an object height is based on the object's location in relation to FAA Part 77 surfaces. Height restrictions will vary throughout the project site and objects shall be individually evaluated. General heights allowed in this area range from the surface near the runway ends to 30' above ground level along the northern Skywest property limits.

- ***Wildlife Hazards***

Wildlife is typically incompatible with aviation uses. Landscaping on the development property shall not include features such as wildlife refuges, open water sources, mitigation banks, wetlands, and other uses that provide habitat or food sources that will attract or sustain hazardous wildlife.

- ***Noise Compatibility***

Council adopted a noise ordinance for the airport in 1992. The airport strives to reduce noise impact in the surrounding residential communities, and residential use within the 126-acre parcel would be considered incompatible by the FAA and Caltrans.

Draft Concept Plan

After considering input from the public and recommendations from City staff, the attached concept plan has been developed, which is included as Attachment II to this report or can be accessed via the web through the following link at <https://www.hayward-ca.gov/airport/doing-business-with-us/projects>. It presents a balanced plan that takes into account suggestions from the public for recreational amenities, while supporting safety and allowing the Airport to generate additional revenue and attract jobs.

- ***Parks/Recreational Development (21 acres)***



The far west corner of the plan includes an 8-acre pocket park that will connect with the existing 30-acre San Lorenzo Park. This park will incorporate one of the ponds from the previous golf course into its design. The second recreational area is located to the far east portion of the site and is designated for potential uses such as dog parks, community gardens, and other similar uses. It will also include a 200-foot buffer between the homes and the proposed aeronautical development to reduce noise impact.

Proposed recreational development must be maintained and funding must be identified for that purpose.

- ***Trails***

A walking trail is also included in the site plan that would link Kennedy Park to San Lorenzo Park. Security fencing will be installed along the trail to separate homes along the path from the community. Parking is anticipated at either Kennedy Park or San Lorenzo Park.



- ***Aeronautical Development***

Comprised of 16-17 acres, this area will be used to develop shade or fully enclosed t-hangars for general aviation aircraft, primarily single engine propeller aircraft.



- ***Runway Safety Area/Runway Protection Zone***

To enhance safety, a 36-acre portion of the site is to be set aside as open space as part of this area. Per FAA regulations, no uses or development are allowed in this area and it will be devoid of any hazards to aircraft, such as trees or other obstructions.



- ***Future Business Development***

This 47-acre portion of the site will be developed for use as a business park. Emergency and vehicle access to and from the site must be included; currently, the draft concept plan shows an ingress/egress point via a bridge over Sulphur Creek that will connect the new development with the existing business park to the west of the airport.



ECONOMIC IMPACT

Future development of this site would generate work for skilled and unskilled tradespeople during the construction phase, and office and other jobs after the development is completed.

FISCAL IMPACT

The fiscal impact to the Airport will be significant. Kimley-Horn will provide an estimate as part of this process, but it is thought to be at least \$1 million annually. Furthermore, the City's General Fund could potentially benefit from additional business license fees and sales tax.

STRATEGIC ROADMAP

By allowing for additional airport-specific revenue, development on this site would directly support the Strategic Priority of Improve Infrastructure. Specifically, this item relates to the implementation of the following projects:

Project 11a: Rehabilitate the Pavement in Phases

Project 11d: Design and Construct Capital Improvements to Airport Hangars

SUSTAINABILITY FEATURES

The action taken for this report will not result in physical development, purchase, or service, or a new policy of legislation. Any physical work will depend on future Council action. The Airport is strongly committed to developing projects that are environmentally responsible. Therefore, staff will ensure that all plans proposed by the developer incorporate features that are in line with the City's sustainability guidelines.

PUBLIC CONTACT

As noted earlier in this report, there has been extensive outreach for this project and numerous residents and interested parties have provided input that has shaped the final draft plan. In addition, the agenda and staff report for this item have been posted on the City's website and distributed to interested parties.

NEXT STEPS

After this special CAC meeting, the plan will be further refined and submitted to the Council for their review at a work session on October 19. The draft concept plan is then scheduled for final consideration and approval by Council on November 2.

Prepared by: Doug McNeeley, Airport Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager