

HAYWARD CITY COUNCIL

RESOLUTION NO. 23-___

Introduced by Council Member _____

RESOLUTION AMENDING THE MASTER FEE SCHEDULE AND
APPROVING AIRPORT RATES AND CHARGES

WHEREAS, Section 15273 of the California Environmental Quality Act Guidelines states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares and other charges by public agencies which the public agency finds are for the purpose of:

1. Meeting operating expenses, including employee wage rates and fringe benefits,
2. Purchasing or leasing supplies, equipment or materials,
3. Meeting financial reserve needs and requirements, or
4. Obtaining funds for capital projects necessary to maintain service within existing service areas.

WHEREAS, the City Council finds and determines that this action is exempt from CEQA based on the foregoing provisions; and

WHEREAS, a study conducted in 2017 indicated that rental rates for Airport-owned standard-sized hangars were below market rate by up to 51%; and

WHEREAS, the same study conducted in 2017 indicated that rental rates for Airport - owned hangars other than standard sized were below market rate by between 10% and 26%; and

WHEREAS, on January 15, 2019 the City Council approved a series of 2.5% to 5% annual rate increases for FY 2019 through FY 2022; and

WHEREAS, considerations of future rent increases in order to keep pace with inflation commenced in early to mid-FY 2023; and

WHEREAS, City staff focused on employing increases tied to the Consumer Price Index (CPI), which is utilized by other general aviation airports throughout the Bay Area; and

WHEREAS, the change in CPI between October 2021 and October 2022 was 6%; and

WHEREAS, the change in CPI between February 2022 and February 2023 was 5.3%; and

WHEREAS, City staff met with airport tenants in February and March 2023 to arrive at an equitable and fair resolution to address the rent increase; and

WHEREAS, the City developed a rate structure that lessens the impact of the increases on the tenants, while allowing for the Airport to meet its rents-funded annual operating expenses, including needed capital improvements; and

WHEREAS, no rent increase was collected for FY 2023; and

WHEREAS, rates would be increased for FY 2024 by 75% of the change in CPI for both FY 2023 and FY 2024; and

WHEREAS, the total, one-time increase to the rate for FY 2024 would be 8.5% instead of the full CPI change for both FY 2023 and FY 2024, which would have been 11.3%; and

WHEREAS, this increase will be applied to all hangar sizes at the Airport for FY 2024; and

WHEREAS, the new rate will become effective on July 1, 2023.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby amends the Master Fee Schedule, and approves the Airport rates and charges as shown in the attached Exhibit "A", effective July 1, 2023.

BE IT FURTHER RESOLVED that the monthly FY 2024 rental rates, for all hangar types, are as shown:

Hangar Type	<u>FY 2024</u>
Row "A" T-Hangars	\$319
Standard T-Hangars	\$494
Large T-Hangars	\$614
Executive	\$1,065
Executive I Hangars	\$1,475
Executive II Hangars	\$1,609

BE IT FURTHER RESOLVED that the monthly FY 2024 rental rates for hangar storage rooms, office spaces, and tie down spaces, are as shown:

	<u>FY 2024</u>
Small Storage Room	\$79
Medium Storage Room	\$110
Large Storage Room	\$213
Extra Large Storage Room	\$271
Office Spaces	\$705
Tie Down Spaces	\$65

BE IT FURTHER RESOLVED that all language pertaining to CPI and market adjustments as noted under Airport Services, Sections A.1.f and A.1.g of the FY 2019 Master Fee Schedule, continue to be rescinded through FY 2024.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2023

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

Exhibit A

Engineering and Transportation Services

A. AIRPORT SERVICES

1 Monthly and Daily Fees for Aircraft Parking and Storage.

Aircraft Hangar Waiting List Application Refundable Deposit of \$150.00

	<u>Monthly Charges</u>
a. Hangar Space	
(1) Row "A" T-Hangars	\$319.00
(2) Standard T-Hangars	\$494.00
(3) Large T-Hangars	\$614.00
(4) Exec	\$1,065.00
(5) Executive I Hangars	\$1,475.00
(6) Executive II Hangars	\$1,609.00
b. Hangar Storage Rooms	
(1) Small	\$79.00
(2) Medium	\$110.00
(3) Large	\$213.00
(4) Extra Large	\$271.00
(5) Office Spaces	\$705.00
c. Tie Downs (Aircraft Gross Weight/Wing Span)	
(1) Single Engine 3,500 lb and Single Engine Helicopters	\$65.00
(2) Twin Engine 12,500 lb. less than 50 ft and Twin Engine Helicopters	\$75.00
(3) 12,501 - 25,000 lb. more than 50 ft	\$108.00
(4) 25,001 - 75,000 lb	\$161.00
(5) Excess of 75,000 lbs	\$216.00
d. Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)	
First Four (4) Hours Free	
	<u>Daily Charge</u>
(1) Single Engine 3,500 lb. less than 40 ft	\$6.00
(2) Twin Engine 12,500 lb. less than 50 ft and all Helicopters	\$8.00
(3) 12,501 - 25,000 lb. more than 50 ft	\$12.00
(4) 25,001 - 75,000 lb	\$23.00
(5) Excess of 75,000 lbs	\$29.00

(6) Lighter-than air Airships \$20.00

- e. Effective July 1, 1997 a late charge of \$15.00 or 5% of the monthly rent per month, whichever is greater, shall be assessed if rent is not paid within ten (10) days of its due date (does not apply to daily rent).
- f. ~~Beginning July 1, 1999 and continuing every other year (biennially) on odd numbered years (e.g., July 2001, July 2003), all aircraft parking and storage charges, (excluding outside tiedowns), for the ensuing twenty four (24) month period shall be adjusted proportionally upward seventy five percent (75%) of the percentage increase in the All Urban Consumers Price Index (CPI) for the San Francisco-Oakland-San Jose area of the United States Department of Labor, Bureau of Labor Statistics, from December to two (2) years prior to December of the applicable year. The computed adjusted rates shall be rounded to the nearest dollar.~~
- g. ~~Every four (4) years, staff will conduct a market analysis to ensure that hangar rents are consistent with the prevailing market rates. If analysis demonstrates that hangar rents require modification, such shall be accomplished during the next hangar adjustment period. Such rates shall be charged unless otherwise directed by Council.~~
- h. Effective July 1, 1997, if the service of a member firm of the California Association of Photocopies and Process Servers must be utilized, a \$50 fee shall be charged to the individual or business necessitating said process service.
- i. The City shall charge a fee equal to the sum of the following: Five cents for each gallon of petroleum products delivered during the previous calendar month from the Leased Premises, or an amount equal to a 3 percent of the gross receipts (including fuel and gasoline taxes for which Lessee sold fuel products during the previous calendar month on or from the Airport, whichever amount is greater.
- j. All month-to-month Airport leases shall include a security deposit equal to one month's rent.

2 Permits

- a. Airport Annual Business Permit Annual
\$120.00
- b. Taxiway Access Permit \$786.00

3	Airport Land Values Airport Land Value is on file in the Airport Administration Office and available for review.			
4	Gate Access Cards			
	Initial Issue for Airport Tenants			Free
	Initial Issue for non-direct Airport Tenants			\$35.00
	Replacement			\$25.00
5	Hangar Padlock Keys			
	Duplicate Key			\$5.00
	Re-key Padlocks			\$35.00
6	Chocks and Chains Replacement			\$60.00
7	Landing Fee Commercial aircraft operations (shall include landings of all non-based general aviation aircraft that conduct air taxi, charter or cargo operations under FAR Part 121 or Part 135) based on maximum certificated gross landing weight:			
		Per Landing	Daily	Monthly
	0 - 3,500 pounds	\$2	\$5	\$13
	3,501 - 6,250 pounds	\$4	\$10	\$26
	6,251 - 12,500 pounds	\$8	\$20	\$52
	12,501 - 25,000 pounds	\$16	\$40	\$104
	25,001 - 50,000 pounds	\$32	\$80	\$208
	50,001 pounds and above	\$64	\$160	\$416
8	Hangar Exchange Administration Fee for Exchange between Tenants (each Tenant)			\$85.00/tenant
	Administration Fee for Exchange into Vacant Hangar			\$85.00
9	Tie-Down Exchange Administration Fee to Exchange tie-down spaces			\$50.00

ATTACHMENT II

10	Vacated Hangar Cleanup	
	Cleanup and disposal of items, minimum charge of 2 hours	\$150.00
	Additional hours, hourly rate	\$75.00
11	Ramp Sweeping Services, hourly rate	\$125.00
12	Maintenance Staff Service Charge per hour	\$75.00 plus materials
13	Airport Administration Building Meeting Room	
	Non-profit Aviation organization charging no fee to the public	No Charge
	For-profit Aviation organization charging a fee to the public	\$200.00 /day
14	Airport Project Administration Fee	\$5,000