

# **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, October 22, 2020**

**5:30 PM**

**Remote Participation**

**Council Airport Committee**

**COVID-19 Notice: Consistent with State of California Executive Order No. 29-20 dated March 17, 2020, and Alameda County Health Officer Order No. 20-10 dated April 29, 2020, the Commission will be participating in public meetings via phone/video conferencing.**

**Please note that we are now using the Zoom Webinar platform to conduct meetings and receive live public comment.**

How to submit written Public Comment:

Send an email to Amy.Toste@hayward-ca.gov by 3:00 p.m. the day of the meeting. Please identify the Agenda Item Number in the subject line of your email. Emails will be compiled into one file, distributed to the Committee Members and City staff, and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda. Written comments received after 3:00 p.m. that address an item on the agenda will still be included as part of the record.

How to provide live Public Comments during the meeting:

Click this link below to join the webinar:

<https://hayward.zoom.us/j/97927019246?pwd=eC8zUnlnMzBUZW5ueE05NWZ0VEwrdz09>

Password: Mn#kV7h@v3

OR

Telephone:

+1 669 900 6833, or +1 253 215 8782, or +1 346 248 7799, or +1 312 626 6799,  
or +1 929 205 6099, or +1 301 715 8592

Meeting ID: 979 2701 9246

Participant ID: just press #

Passcode: 4605143975

A Guide to attend virtual meetings is provided at this link: <https://bit.ly/3jmaUxa>

**CALL TO ORDER**

**Pledge of Allegiance: Council Member Zermeño**

**ROLL CALL**

**PUBLIC COMMENTS**

**APPROVAL OF MINUTES**

1. [MIN 20-104](#) Approve Minutes from Council Airport Committee (CAC)  
Meeting on July 23, 2020

**Attachments:** [Attachment I CAC Minutes for 07-23-20](#)

**REPORTS/ACTION ITEMS**

2. [RPT 20-108](#) Receive Hotel Construction Update

**Attachments:** [Attachment I Staff Report](#)

3. [RPT 20-109](#) Review and Comment on Proposed Set Jet Charter Service

**Attachments:** [Attachment I Staff Report](#)

**FUTURE AGENDA ITEMS**

4. [RPT 20-110](#) Review and Comment on Updated 2021 Agenda Planning  
Calendar

**Attachments:** [Attachment I 2021 Agenda Planning Calendar](#)

**COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS****ADJOURNMENT**

**NEXT REGULAR MEETING - 5:30 P.M., THURSDAY, JANUARY 28, 2021**



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**File #:** MIN 20-104

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**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT**

Approve Minutes from Council Airport Committee (CAC) Meeting on July 23, 2020

**RECOMMENDATION**

That the Council Airport Committee reviews and approves the July 23, 2020 Council Airport Committee meeting minutes.

**SUMMARY**

The July 23, 2020 Council Airport Committee meeting minutes are presented for the Committee's review and approval.

**ATTACHMENTS**

Attachment I      July 23, 2020 Council Airport Committee (CAC) Meeting Minutes



**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT:** Approve Minutes of the Council Airport Committee (CAC) Meeting held on July 23, 2020

### **CALL MEETING TO ORDER**

Council Member (CM) Salinas called the meeting to order at 5:30 p.m. with CM Wahab. CM Zermeño was excused.

**City staff:** Alex Ameri, Director of Public Works  
Doug McNeeley, Airport Manager  
Pamela Svrclin, Airport Operations Supervisor  
Todd Strojny, Airport Business Supervisor  
Ara Balian, Airport Operations Specialist  
Amy Toste, Senior Secretary

### **Members of the public present:**

Bob Hamilton

### **PUBLIC COMMENTS**

None.

### **REPORTS/ACTION ITEMS**

#### **1. Approval of Minutes for January 23, 2020**

A motion was made by Council Member Wahab and seconded by CM Salinas. The motion passed unanimously with Council Member Zermeño absent; minutes approved as submitted.

#### **2. The Effect of COVID-19 on Airport Operations and Financial Performance.**

Airport Manager Doug McNeeley presented the report, which demonstrated the impact of COVID-19 on operations and finances for general aviation.

Council Member Salinas queried as to who is at the airport during the Shelter in Place. Mr. McNeeley responded that the airport is open as it was deemed an “essential business”. Both the Air Traffic Controllers and City of Hayward staff are working on a limited basis, and the control tower has reduced their operating hours.

### **Public Comments**

None.

### **3. Consideration of Hangar Rent Increase for Fiscal Year 2021**

Airport Manager McNeeley presented the report which included three options regarding fiscal year 2021 rent increases for council members to consider.

There was a discussion about what the deferment of rent means to the tenants, the Airport budget, and the possible continued impacts of the COVID-19 pandemic.

Council Member Salinas asked, in terms of City staff and operations, what actions would be necessary for the Airport to be back at 100%. Mr. McNeeley answered that a change to the Alameda County Public Health Officer’s order is needed for City staff to cease working from home and return to the Airport full-time. As for airport operations, staff is already seeing a rebound after the initial Shelter in Place order from March 2020.

*A motion was made by Council Member Wahab and seconded by CM Salinas to defer the rent increase to October 1, 2020 and recommended this item to City Council. The motion passed.*

### **Public Comments**

None.

### **4. Cancellation of Airport Open House for 2020**

Mr. McNeeley presented the report describing impacts of the COVID-19 pandemic to Airport Open House 2020. Staff recommended that the 2020 Airport Open House be canceled.

*A motion was made by Council Member Wahab and seconded by CM Salinas to cancel Airport Open House 2020. The motion passed.*

### **Public Comments**

None.

### **5. Oral Presentation of the Sulphur Creek Mitigation Design Project**

Airport Manager McNeeley presented an update on the design phase of the Sulphur Creek Mitigation project. In July, Airport Staff was informed by the FAA that due to the uncertainty

surrounding the timing of the project, funding for the Sulphur Creek Mitigation Project will not happen in FY2021 and it will be deferred to FY2022.

Council Member Wahab asked if the Friends of the San Lorenzo Creek know about the updated status of the project. Mr. McNeeley answered that they know about the agencies and the mitigation opinions but not about the recent change of the FAA Grant.

Council Member Salinas asked if a mitigation project could be done at either Skywest Golf Course or on the other end of Sulphur Creek. Airport Manager McNeeley responded negatively. The mitigation cannot be done on the golf course due to the proximity of the Airport. FAA regulations state that wildlife attractants cannot be in a 10,000 ft radius of the runways. Kimley-Horn & Associates' consultant Bob Hamilton said that he examined the 18 sites which Friends of San Lorenzo Creek suggested for mitigation, and many sites do not have 1,200 linear feet of restorable area to compensate for the Airport's project. The SoHay development is the only space of this size and, unfortunately, this site is not likely to be approved by all three agencies.

### **Public Comments**

None.

## **6. Oral Presentation of the Annual Evaluation of Airport Noise Program**

Airport Operations Specialist Ara Balian presented the report. He provided charts that illustrated: 1) Total Complaints vs Exceedances, 2) Total Operations vs. Total Complaints, 3) Total Operations vs. Exceedances, and 4) Total Complaints by Household.

The committee discussed the amount of complaints and process of notifying pilots of exceedances of the Noise Ordinance. Mr. Balian invited the committee to the Airport's Noise Office to see the equipment used and the procedures he follows when responding to noise complaints.

CM Salinas suggested that the Airport host a meeting with homeowners and realtors to educate people on the existence of the airport and the types of community services the airport provides.

### **Public Comments**

None.

## **7. 2020 Agenda Planning Calendar**

Mr. McNeeley presented the informational report with the following upcoming items:

1. Hotel Construction Update (October 2020)
2. Taxiways Zulu & Foxtrot – Project Update (October 2020)

3. Hangar Repair Project – Construction Update (January 2021)
4. Hangar Condition Assessment – Project Update (January 2021)
5. Report on Summer Activities for Teens at other General Aviation Airport (unscheduled)

The following item was added by the Committee: further discussion about aircraft noise in the community.

### **Public Comments**

None.

### **Committee Member/Staff Announcements and Referrals**

Airport Manager McNeeley announced that San Lorenzo resident Howard Beckman passed away in June 2020. He was a community activist who worked with airport staff regarding environmental and aircraft noise concerns. The attendees of the meeting observed a moment of silence.

### **ADJOURNMENT**

The meeting adjourned at 6:59 p.m.

### **Meeting Attendance**

	Present 7/23/20 Meeting	Present to Date This Calendar Year	Excused to Date This Calendar Year	Absent to Date This Calendar Year
Mark Salinas	✓	1	0	1
Aisha Wahab	✓	2	0	0
Francisco Zermeño	no	1	0	1





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**File #:** RPT 20-108

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**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT**

Receive Hotel Construction Update

**RECOMMENDATION**

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

**SUMMARY**

In November 2017, the City entered into a lease agreement with a developer to build two new hotels on vacant airport parcels. The first hotel, which is a Home2Suites property, will be built on the parcel located on Hesperian Boulevard.

Within the past year, the following items have taken place and have allowed the project to commence construction:

- Preparation and approval of plans and specifications.
- FAA determinations that the proposed structures were not a hazard to air navigation
- FAA verification that the leasehold had been released for non-aeronautical use
- Issuance of building permits and payment of fees
- Installation of perimeter fencing, and
- Commencement of grading at site

Due to the nature of this project, which utilizes prefabricated rooms built off-site, construction should be completed within just one year, with completion in the Fall of 2021.

**ATTACHMENTS**

Attachment I      Staff Report



**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT:** Receive Hotel Construction Update

### **RECOMMENDATION**

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

### **SUMMARY**

In November 2017, the City entered into a lease agreement with a developer to build two new hotels on vacant airport parcels. The first hotel, which is a Home2Suites property, will be built on the parcel located on Hesperian Boulevard.

Within the past year, the following items have taken place and have allowed the project to commence construction:

- Preparation and approval of plans and specifications.
- FAA determinations that the proposed structures were not a hazard to air navigation
- FAA verification that the leasehold had been released for non-aeronautical use
- Issuance of building permits and payment of fees
- Installation of perimeter fencing, and
- Commencement of grading at site

Due to the nature of this project, which utilizes prefabricated rooms built off-site, construction should be completed within just one year, with completion in the Fall of 2021.

### **BACKGROUND**

Over the past several years, staff developed a plan to market non-aeronautical parcels on Airport property. A developer expressed interest in three parcels for the potential development of two hotels. This interest culminated in an agreement between the two parties, and on November 14, 2017, Council approved ground lease agreements between the City and both Ramesta Hospitality, LLC (for the Home2Suites hotel on Hesperian Boulevard),

and Mahabal Hospitality, LLC (for the Hyatt Place hotel at the corner of West A Street and Skywest Drive). In October 2018, a First Amendment was approved by Council to finalize financing requirements with the developer's lender for each lease. In October 2019, a Second Amendment was approved by Council that extended the Hyatt Place construction period from November 2019 to November 2020.

## **DISCUSSION**

Since the last update approximately one year ago, the following actions have taken place:

- The developer prepared plans and specifications for the first hotel, which will be a Home2Suites on Hesperian Boulevard near the corner of Skywest Drive. The plans were subsequently approved by the City.
- The FAA determined the proposed structures were not a hazard to air navigation, thereby officially allowing construction to occur.
- The FAA verified that the leasehold had been released for non-aeronautical use.
- The building permits were issued, and all applicable fees were paid by the developer.
- Perimeter fencing has been placed around both the Home2Suites site and the Hyatt Place site (located on the corner of Skywest Drive and West A Street).
- Grading has commenced at the site.

Construction has now commenced and will take approximately one year, with completion anticipated in the Fall of 2021. After grading is completed and a slab is poured on the site, the prefabricated rooms will be installed. This process can save the developer some construction time, thereby allowing the hotel to be built in about one year versus up to two years for a more traditional "stick built" design.

As noted in prior reports, each leasehold is approximately 160,000 square feet and will contain the following features and amenities:

- 120 rooms;
- One banquet facility that seats approximately 150 persons, and can be subdivided into smaller rooms;
- A swimming pool;
- A nationally branded, stand-alone restaurant at the Hyatt that is approximately 6,000 square feet in size; and
- A small, ancillary retail store at Home2Suites

## **ECONOMIC IMPACT**

The hotel developments will generate work for skilled and unskilled tradespeople during the construction phase, and retail/service sector jobs after the hotels are built.

## **FISCAL IMPACT**

Once the hotels are operational, the Airport Operating Fund will realize a revenue increase of approximately \$210,000 per year from each hotel, or an annual total of \$420,000. Additional annual economic impact from transient occupancy tax, sales tax, and property tax will be approximately \$500,000 per site, which will benefit the City's General Fund.

## **STRATEGIC ROADMAP**

The construction of the Home2Suites Hotel indirectly supports one of the goals contained in the Strategic Roadmap, which is Improve Organizational Health (Fiscal Sustainability). Furthermore, the project promotes beneficial economic development in this portion of the City.

## **SUSTAINABILITY FEATURES**

The Airport is strongly committed to developing projects that are environmentally responsible. Therefore, staff ensured that the approved plans incorporate features that are in line with the City's sustainability guidelines.

## **PUBLIC CONTACT**

This topic was discussed at the Council Airport Committee meeting of October 12, 2017, with unanimous support expressed for the project. Furthermore, the projects were approved by Council on November 14, 2017. The First Amendment for both developments was reviewed and approved by Council on October 16, 2018. The Second Amendment was reviewed and approved by Council on October 1, 2019.

## **NEXT STEPS**

Airport staff will keep the Committee updated and apprised of the construction progress over the next year.

*Prepared by:* Doug McNeeley, Airport Manager

*Recommended by:* Alex Ameri, Director of Public Works

*Approved by:*



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Kelly McAdoo, City Manager



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**File #:** RPT 20-109

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**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT**

Review and Comment on Proposed Set Jet Charter Service

**RECOMMENDATION**

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

**SUMMARY**

Aviation company Set Jet has proposed charter flights serving the Bay Area from the Hayward Executive Airport. The airport is designated as a “national” general aviation airport by the Federal Aviation Administration, and this service will bring additional travel options for the public flying throughout the west.

**ATTACHMENTS**

Attachment I      Staff Report



**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Director of Public Works

**SUBJECT:** Review and Comment on Proposed Set Jet Charter Service

### **RECOMMENDATION**

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

### **SUMMARY**

Aviation company Set Jet has proposed charter flights serving the Bay Area from the Hayward Executive Airport. The airport is designated as a “national” general aviation airport by the Federal Aviation Administration, and this service will bring additional travel options for the public flying throughout the west.

### **BACKGROUND**

Based Commercial Tenant APP Jet Center (APP) was approached several months ago by Set Jet, a privately held aviation company based in Scottsdale, Arizona, about the availability of space and support services for the commencement of charter services at the Hayward Executive Airport. A commercial aviation sublease was executed by both parties at the conclusion of negotiations and Set Jet anticipates the beginning of service on January 5, 2021. Prior to initiation of service, Set Jet will apply for the appropriate City and airport permits.

### **DISCUSSION**

According to the corporate website [www.setjet.com](http://www.setjet.com), Set Jet is a membership based private jet charter program, available for security pre-screened and approved members. A limited number of memberships are available in each city that it serves. Charges include a one-time security check fee of \$99.95, a monthly membership fee of \$99.95, and one-way fares averaging \$450. Set Jet uses existing FAA Part 135 charter operators to crew and manage the aircraft in their fleet. Set Jet is not a regularly scheduled FAA Part 121 air carrier like United or Southwest Airlines. They currently serve the Bay Area from San Francisco International

Airport, but APP is anticipating that Set Jet will relocate from SFO. Set Jet currently serves destinations in the west such as Los Angeles, Las Vegas, San Diego, and Denver.

Set Jet proposes up to three daily flights from Hayward, initially using a Challenger 850 aircraft. This is a familiar regional jet with the airline interior replaced with a 15-seat executive interior comparable to other corporate jets. A freight version of this aircraft has operated at Hayward with no issues. In the summer of 2021, Set Jet proposes the use of an Embraer Lineage 1000 jet, essentially the proven Embraer 195 regional jet. This aircraft is a newer design incorporating features that allow it to operate from general aviation airports with shorter runways.

Service is tentatively planned to begin on January 5, 2021. Set Jet's initial publicity will include appearances on local television channels.

### **ECONOMIC IMPACT**

This new service will generate work for those in the aviation industry, such as pilots and ground crews.

### **FISCAL IMPACT**

The Airport's commission from fuel sales is five cents per gallon of products delivered or an amount equal to 3% of the gross receipts, whichever amount is greater. This new charter service will generate up to an additional 1 million gallons per year in sales, which is estimated to increase annual fuel flow revenues by \$50,000. This revenue will be dedicated to the Airport Fund and help make the airport more financially self-sufficient.

### **STRATEGIC ROADMAP**

Due to the increase in fuel flow revenue, this service indirectly supports one of the goals contained in the Strategic Roadmap, which is Improve Organizational Health (Fiscal Sustainability).

### **SUSTAINABILITY FEATURES**

This report is informational in nature and does not pertain to any sustainability features.

### **PUBLIC CONTACT**

The agenda and staff report for this item have been posted on the City's website and distributed to interested parties.

## **NEXT STEPS**

CAC members have raised the desirability of additional travel options from the airport, and this new charter service will provide such an option. Staff will continue to work with APP Jet Center to facilitate the new service.

*Prepared by:* Doug McNeeley, Airport Manager

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is written over a horizontal line.

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Kelly McAdoo, City Manager





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**File #:** RPT 20-110

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**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Airport Manager

**SUBJECT**

Review and Comment on Updated 2021 Agenda Planning Calendar

**RECOMMENDATION**

That the Council Airport Committee reviews and comments on this report.

**SUMMARY**

This report presents the proposed 2021 Agenda Planning Calendar for the Committee's review and comment.

**ATTACHMENTS**

Attachment I      Staff Report



**DATE:** October 22, 2020

**TO:** Council Airport Committee

**FROM:** Airport Manager

**SUBJECT:** Review and Comment on Updated 2021 Agenda Planning Calendar

### **RECOMMENDATION**

That the Council Airport Committee reviews and comments on this report.

### **DISCUSSION**

For the Council Airport Committee's (CAC) consideration, staff has prepared this updated 2020 Agenda Planning Calendar with topics and anticipated discussion dates listed below.

<b>JANUARY 28, 2021</b>	
1.	Taxiways Zulu and Foxtrot – Project Update
2.	Hangar Repair Project – Construction Update
<b>APRIL 22, 2021</b>	
1.	Hangar Condition Assessment – Project Update
2.	Hotel Construction Update
<b>UNSCHEDULED</b>	
1.	Report on Summer Activities for Teens at Other General Aviation Airports
2.	Discussion About Aircraft Noise in Community
3.	Update on Sulphur Creek Improvements Project
4.	Partnerships with Small Commercial Flight Operators

### **NEXT STEPS**

Upon consideration and approval from the Committee, staff will schedule items accordingly for future CAC meetings.

*Prepared by:* Douglas McNeeley, Airport Manager

*Recommended by:* Alex Ameri, Director of Public Works

*Approved by:*

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

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Kelly McAdoo, City Manager