



REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: January 6, 2009

SUBJECT: Extension of the Regional Park Lease for the Woodland-Davis
Aeromodelers

Report in Brief

The City Council authorized the City Manager to enter into a limited lease agreement with the Woodland-Davis Aeromodelers on June 5, 2007. The terms of the lease required the Aeromodelers to pay the City \$1,000 (one thousand dollars) per month during the 18-month term which ended on November 30, 2008. The City is required to refund to the Aeromodelers all payments made during the lease term if the organization cleans the site and removes all improvements within sixty (60) days after expiration of the agreement. The final date for the Aeromodelers removal of their improvements and clean up of the site is January 31, 2009.

The vice president of the Aeromodelers, Forrest Barton, has requested that the City extend the term of the lease for one full year to November 30, 2009 with removal of site improvements and clean up completed by January 31, 2010. This request was generated by complications associated with the Aeromodelers efforts to purchase a permanent site for their activity. The organization is in the process of finalizing the purchase of a site in Yolo County between Woodland and Davis. This purchase has been delayed to the point that the Aeromodelers would not be able to have it prepared for their 2009 flying season. Therefore, the organization has requested a lease extension in order to provide the necessary time to complete their site purchase and related improvements.

Staff recommends that the City Council direct and authorize the City Manager to amend the lease agreement between the City of Woodland and the Woodland-Davis Aeromodelers to extend the lease term for one year to November 30, 2009 with the time period for the clean-up and removal of their improvements on the leased property to January 31, 2010 subject to additional terms and conditions as described herein.

Background

In September 1995 the City of Woodland entered into an agreement with the Woodland-Davis Aeromodelers for use of a 30 acre portion of the Regional Park site at County Road 102 near County Road 25A. The Aeromodelers utilized the site to provide model airplane flying activities, including meets wherein similar clubs are invited to participate, flying instruction for adults and children and

general use by members of the organization during designated operating hours. When the Aeromodelers began their flying activities on the property, there were few homes in the area and little opportunity for use conflicts.

With the development of the Spring Lake Specific Plan Area, conflicts with residential use would eventually become an issue for the Aeromodelers and Los Caporales de Woodland, a Hispanic non-profit equestrian organization that also used the Regional Park site. In recognition of this conflict, the City Council extended a limited term lease agreement with Los Caporales for 24 months at a monthly rent of \$1,000. The term of the lease agreement began on October 3, 2006 and ended on September 30, 2008. Los Caporales then had sixty (60) days following the expiration of the lease to remove their improvements from the leased premises to the satisfaction of the Director of Parks & Recreation. If the improvements were removed in accordance with this condition, Los Caporales would receive a refund of the monthly lease payments paid during the lease term of \$24,000 plus accumulated interest.

In June 2007, similar conditions were approved by the City Council for the Aeromodelers. The Aeromodelers agreement also provided for monthly rent of \$1,000 which would be refundable if the site was cleaned up and improvements were removed to the City's satisfaction. The lease term was slightly different; the Aeromodelers use of the site began on June 5, 2007 and ended on November 30, 2008 with site clean up and removal of improvements completed sixty days thereafter by January 31, 2009. If these conditions were met, the Aeromodelers would receive a refund of their monthly lease payments of \$18,000 with interest.

In December 2008, staff received a letter from Mr. Barton requesting that the lease be extended for an additional year to November 30, 2009 with site clean up and removal of improvements completed by January 31, 2010. Mr. Barton's request was based on the Aeromodelers "good faith" efforts to secure a site to continue their flying activities. These efforts led them to the purchase of a 40 acre site in the vicinity of County Road 28H and County Road 104 near the Yolo County Landfill. The purchase is being completed in collaboration with the City of Davis and Yolo County from Lewis Homes. For various reasons, the purchase, which was initiated in July 2008, has taken longer than expected to complete. The Aeromodelers expect the purchase to be completed by the end of March 2009 and then will work to complete improvements so that the new site is ready for the 2010 flying season.

The Aeromodelers request was also based on the impacts to the organization should a site not be available for the 2009 flying season. If a site is not secured, the Aeromodelers would likely lose members to other flying clubs. In addition, events that the organization has hosted at the Regional Park site would be lost to other venues in Northern California. The members were very concerned that the organization would be impacted to the point that it would take years for the Aeromodelers to return to their current level of membership and viability. The Aeromodelers were formed in 1970 and have been flying at the Regional Park site since 1983.

While understanding of the Aeromodelers issues, staff was concerned with the Aeromodelers request to extend the term of the lease for two reasons. First, paragraph 2 of the current lease with the Aeromodelers includes a statement relating to the term that clearly expresses the City Council's intent to not renew or extend their use. Second, while development of the Spring Lake Specific Plan

Area has lagged behind original projections, residents of the Heritage Park area are certainly aware of activity on the regional park site and many have anticipated the end of the current lease agreements as a positive development.

Given the Aeromodelers long term use of the site, staff anticipated that their request should be considered by the City Council. Staff met with Aeromodelers representatives following receipt of the December 6 letter to review the status of their purchase and discuss potential modified conditions for a one year extension. The conditions summarized in the following section were developed through the discussion with the Aeromodelers.

Discussion

If the City Council supports the extension of the Aeromodelers use for an additional year, staff would develop an amendment to the current lease that would include modified conditions. These conditions are intended to minimize noise and other nuisance impacts to Spring Lake residents and provide some additional community benefit for the extended use of City property. The specific conditions discussed by staff and the Aeromodelers representatives include the following:

- Limit the hours of flying operations to 9AM – 5PM Monday through Friday and 8AM – Dusk Saturday, Sundays, Holidays and scheduled event days. For the months of July-October, the hours on **Thursdays** would be 9AM – Dusk to accommodate instructional activity. The hours of operation are not specified in the current lease although Parks & Recreation staff have periodically worked with the Aeromodelers to set hours for special events and in response to complaints from residents.
- Jets and larger model aircraft will fly a more northeast pattern in order to reduce noise impacts on residents.
- The Aeromodelers will contribute \$1,000 to the Annual Woodland 4th of July event.
- The Aeromodelers will continue the practice of having all special events reviewed by the City's special events committee coordinated by the Parks & Recreation Department.
- The Aeromodelers lease term will end on November 30, 2009 with clean up and removal of site improvements completed by January 31, 2010 unless the new site is ready sooner; if the new site is ready sooner, the Aeromodelers lease term will end when the new site becomes usable and clean up and removal of their improvements from the regional park site would be completed sixty days later.
- The Aeromodelers will provide monthly progress reports on the purchase and development of the new site to the City Manager.

All other terms and conditions of the existing lease will remain in effect.

If the City Council decides not to extend the lease term as described herein, it may be appropriate to allow the Aeromodelers extra time in order to complete the site clean up and removal of their

improvements. Such consideration was extended to the Los Caporales organization on November 18, 2008. The Aeromodelers may need the additional time since site clean up and removal of improvements has been slowed by inclement weather. If such an extension is considered, staff believes a specific condition to prevent flying activity during this period should be included.

It is also important for the City Council to note how staff proposes to utilize the regional park property in the future. As stated in previous staff reports to the City Council regarding surplus property (January 8, 2008), update on strategies to address the City's unfunded OPEB liability (February 26, 2008) and summary of the FY 2008-09 operating budget (May 13, 2008), this property is one of two parcels that hold significant future value. In order to generate the resources necessary to establish an irrevocable trust fund that would enable the City to address its currently unfunded future retiree medical obligation with minimal impact on operating expenses, staff has proposed that the regional park property be reserved for sale for development purposes. The exact land use is unclear at this point and staff has suggested that the General Plan update should be completed in order to consider the use of the property in the context of the entire City. However, the value of the approximate 150 acre property could be significant under certain land use designations when the economy improves and land values increase. Therefore, it is important to keep the property in tact and prepare for its future sale. It is impossible to state a timetable for the sale although it is unlikely that it would occur within three years.

Fiscal Impact

There is no fiscal impact associated with the City Council's approval of the lease term described herein with the exception of the contribution for the 4th of July event that would be received by the Woodland Recreation Foundation.

Public Contact

Posting of the City Council agenda. A copy of the agenda and report was provided to Aeromodelers vice president Forrest Barton. Staff also sent letters to residents of the Heritage Park area regarding the City Council's consideration of the Aeromodelers lease extension.

Alternative Courses of Action

1. Direct and authorize the City Manager to amend the lease agreement between the City of Woodland and the Woodland-Davis Aeromodelers to extend the lease term for one year to November 30, 2009 with the time period for the clean-up and removal of their improvements on the leased property to January 31, 2010 subject to additional terms and conditions as described herein.
2. Direct staff to make specific changes to the lease extension terms described herein.
3. Cease further consideration of an amendment to the lease agreement and direct staff to continue implementation of the current agreement.

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4. Direct and authorize the City Manager to amend the lease agreement to extend the time period for clean up and removal of the Aeromodelers improvements on the leased property to March 31, 2009 with no additional flying activity.

Recommendation for Action

Staff recommends that the City Council approve Alternative No. 1.

Mark G. Deven
City Manager

Attachments: Letter and documents submitted by Aeromodelers Vice President Forrest Barton
Aeromodelers Lease Agreement