



# City Council Report

City Council Meeting: February 22, 2011

Agenda Item: 8-B

To: Mayor and City Council  
From: Rod Gould, City Manager  
Subject: Proposed Phase I Visioning Process of Future of Santa Monica Airport

## Recommended Action

### Staff Recommends that the City Council:

1. Authorize the City Manager to negotiate and execute a professional services agreement with HR&A Advisors Inc., a California-based company, in an amount not to exceed \$79,750.00, to analyze the general economic and fiscal impacts of the current operation and activity at Santa Monica Airport.
2. Authorize staff to proceed with Phase I of a proposed comprehensive three-phased process to facilitate the visioning of the future role of Santa Monica Airport within the community post 2015.

## Executive Summary

The future of the Airport is one of the most important decisions facing the City. This report proposes a course of action that will lead to the development of an inclusive public process to facilitate the visioning of the Airport's role within the community. Staff proposes a comprehensive three-phased process for the development of the essential data and public dialogue to accomplish this goal. The Phase I work plan will include an analysis of best practices regarding general aviation facilities and sites in relationship to local communities and corresponding potential alternative designs or uses. It will include a financial analysis of the Airport's economic impact. It will also feature stakeholder interviews and the development of the format and materials for a comprehensive public process of workshops that will constitute Phase II. In Phase III, the studies from Phase I and the results of the public dialogue from Phase II will be presented to the City Council for consideration of potential policies and actions regarding the future of the Airport.

On December 14, 2010, City Council authorized the City Manager to negotiate and execute professional services agreements with The Rand Corporation and PointC to formulate and manage an extensive community process regarding the full range of possibilities for the future of the Airport. A key component of the process is the understanding of the Airport's economic impact on the local and regional economy.

HR&A Advisors was identified to analyze the general economic and fiscal impacts of the current operation of Santa Monica Airport because of its extensive experience providing economic and fiscal analysis of large and complex development projects, as well as other city planning initiatives and policies. The firm's body of work includes the regional and local economic impacts analysis of alternatives to redevelop Los Angeles International Airport. The firm also conducted similar analysis for the O'Hare Modernization Program in Chicago and on existing and alternative future operation of San Diego International Airport. The estimated

cost of the proposed work is \$79,750.00.

Staff anticipates that, with the aid of Rand, PointC, and HR&A Advisors, the initial Phase I of the visioning process will take eight months to complete, after which the public meeting workshops would begin. The reports developed by the consultants will provide baseline data and analysis necessary to inform the public dialogue that is fundamental to the road-map of the visioning process. Phase II will include a comprehensive, transparent and open public dialogue process with the ultimate goal of formulating, discussing, assessing and recommending potential policies and actions moving into the Phase III deliberative planning process for the future of the Airport.

## Background

The City acquired the Santa Monica Airport in 1926 and has operated it continuously since then, except during World War II, when it was operated by the US Government. In earlier times the airport had been home to the City's then largest employer, Douglas Aircraft and much of the Sunset Park neighborhood was built to house that workforce. The advent of jet aircraft and attendant increased impacts upon residents living in close proximity brought controversy, resulting in litigation about the City's ability to limit Airport usage. In 1984, the City and the federal government in response to court actions resolved their differences through adoption of the 1984 Agreement, governing Airport operations and establishing the current noise restrictions. That Agreement will expire in 2015.

The City Council at its December 14, 2010 meeting directed staff to proceed with a comprehensive public process regarding the future of Santa Monica Airport. This included authorizing the City Manager to negotiate and execute professional service agreements with the Rand Corporation to study airport and non-airport concepts and PointC to formulate a community process.

## Discussion

### Proposed Phases of the Visioning Process

#### *Phase I - February to September 2011*

This phase will involve study and research of possible scenarios for the Airport while gaining information as to the impact and benefits of these options for the community, their work, and quality of life.

- HR&A will prepare a study of Airport's economic impact.
- RAND will prepare a report and analysis on general aviation airport best practices, potential alternative layouts, operational configurations and uses.
- PointC's work for the City on this project will entail:
  - Formulating and managing an extensive community process for identifying and assessing the spectrum of possibilities for the Airport's future;
  - Developing a program to engage the full range of potential stakeholders in the public process;
  - Developing a body of representative input from a broad range

of stakeholders as resource materials;

- Developing a format and multimedia materials (including Information from HR&A and RAND) for interactive public workshops to be conducted throughout the community during the Phase II period.

During the 8 months of research and analysis by RAND and HR&A, PointC will involve a broad range of stakeholders and community partners in conversation about the range of options for the future of the Airport. The idea is to facilitate a dialogue about possible uses and operational scenarios for the Airport in order to develop alternatives.

### *Phase II - October 2011 to January 2012*

During this phase an extensive program of public workshops would be conducted throughout the community. The City has successfully used workshops formats that allow focused breakout “face to face” work groups as part of several other City planning efforts. They provide the public the necessary time, resources and fullest opportunity to participate productively in an informed and focused dialogue with the objective of making specific recommendations. These meetings would encourage a broad range of participants to fully engage in the public dialogue by seeking to include in the mix neighborhood, community and civic groups, interested organizations and groups, the business community, and members of City Boards and Commissions.

Meetings would be scheduled throughout this period to ensure all interested members of the public would have the opportunity to participate. Each workshop session would be encouraged to develop prioritized recommendations that would become part of the public dialogue report.

### *Phase III – February to June 2012*

City Council would begin this deliberative phase with presentations from RAND and HR&A on their reports and a full review and discussion of the comments and recommendations from the Phase II public dialogues. City Council would proceed to consider appropriate policies and actions.

### Consultant Selection

The City Manager has exercised his authority to identify firms that are uniquely qualified to assist the City with the unique and crucial task of providing meaningful analysis on the Airport and its relationship to the community. HR&A will undertake the comprehensive analysis of the general economic and fiscal impacts of the operation of Santa Monica Airport. Since the late 1980s, HR&A has provided analysis to the City on a wide range of urban policy, housing policy, land use policy, fiscal, financial feasibility and other issues, across a range of departments, including the Office of the City Attorney. The firm has experience in providing similar economic studies on other airports such Chicago’s O’Hare and San Diego International.

HR&A is a full-service, national economic development, real estate and public policy consulting firm with more than 30 years of experience. HR&A staff includes professionals with backgrounds in economics, finance, policy analysis, real estate, city planning and law. HR&A practice lines include local and regional

economic analysis, economic development program formulation and analysis, fiscal impact analysis, land use policy analysis, general plan updates, and strategic analysis of opportunities for developments to enhance environmental sustainability. The cost for HR&A study will be \$79,500.

### Financial Impacts and Budget Actions

The Contract to be awarded to HR&A is \$79,500. Funds are included in the FY10-11 budget at account 33203.555060.

Prepared by: Robert D. Trimborn, Airport Director

Approved: \_\_\_\_\_

Forwarded to Council: \_\_\_\_\_

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