



City of Santa Barbara
Office of the City Attorney

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Via Email and U.S. Mail

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Scott W. Williams
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re: Channel City flyers Cease and Desist and Lease Termination Options

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Dear Mr. Williams:

I have reviewed your proposed Corrective Action Plan with my client and continue to have concerns with Channel City Flyers' (CCF) compliance with Federal Aviation Order No. 5190.6b. While the Santa Barbara Airport ("Airport") agrees that CCF may engage in flight instruction for its members, at issue is the degree to which CCF is currently engaged in flight instruction activity, and your indication that they would like to continue allowing up to 33% of its membership to be student pilots receiving instruction through the club's aircraft. This percentage continues to represent a disproportionate number of student flyers, and in effect results in CCF operating as a de facto flight school that is competing with commercial flight schools on the airfield. Furthermore, the Airport agrees that CCF may not prevent its designated Certified Flight Instructor (CFI) from advertising services for flight instruction; however, CCF is responsible for ensuring that its members, including its member CFI, are not directly advertising and recruiting members to the club for the purpose of learning how to fly.

The Airport believes there are opportunities for flying clubs and flight schools to operate and coexist, however, efforts by one that compromise the very existence of the others creates an unlevel playing field and potential economic discrimination. This violates the Airport's grant assurances and puts the Airport at risk of losing grant funding. As stated in previous letters to CCF, this has necessitated that the Airport engage in an audit of CCF and take steps to level the playing field and resolve any complaints. With that said, the Airport recognizes that this "level playing field" is not an easy fix, particularly in order to be fair and accommodate both commercial and non-commercial uses of the airfield. As such, in the coming months, Airport staff will pursue efforts to address the needs of both flying clubs and flight schools in a fair, reasonable, and equitable manner through the update of its Minimum Standards. This effort will require an initial study by a retained consultant (already underway) and another round of public outreach. The Airport will, of course, specifically engage the flying clubs and flight schools in order to garner a better understanding of their unique issues and objectives. We anticipate this work effort to take several months to accomplish.

Given the extent of the work required to update the Minimum Standards, and CCF's desire to continue operating its club in a manner compliant with FAA regulations, the Airport is willing to hold the Notice of Intent to Suspend and Cease and Desist in abeyance, only if CCF will agree to the following terms and restrictions:

- **Flying Club Moratorium**

Until such time as the above mentioned Minimum Standards have been adopted by City Council, CCF will not accept any additional student members into the club beyond those who existed on their membership list as of December 31, 2020. Those student members who existed as of December 31, 2020 may continue their membership and continue to receive flight instruction utilizing the club's aircraft.

- **Flight Instruction Advertising Restriction**

CCF will provide written notice to its members that advertising the club as a place to learn how to fly is contrary to the club's purpose and is prohibited. Proof of this notice will be provided to the Airport within 15 days of CCF's written agreement to the terms and restriction set forth in this letter.

In the event that CCF does not wish to agree to these terms, or agrees to these terms and subsequently becomes in violation, the Airport will immediately reinstate the Notice of Intent to Suspend and Cease and Desist, and Notice of Conditional Termination of T-Hanger and Tie-Down Licenses dated November 30, 2020. The above terms would remain in effect until adoption of the updated Minimum Standards by the Santa Barbara City Council. CCF's failure to agree with the above terms will result in the Airport exercising the current Notice of Intent to Suspend and Cease and Desist, and Notice of Conditional Termination of T-Hanger and Tie-Down Licenses effective January 31, 2021.

Please note that the Airport will not be issuing any City owned T-Hangar, Hangar, or Tie-Down Licenses to any flight club until adoption of the updated minimum standards. Additionally, the Airport will be reaching out to other active flight clubs to notify them of potential pending audits and requesting that the clubs do not accept any student pilots until the City has adopted its updated Minimum Standards.

Please respond to this offer no later than January 22, 2021. In the event I do not hear from you by January 22, 2021, the Airport will move forward with its intent to suspend the CCF's flight club permit and exercise the termination of the T-Hangar and Tie down Licenses.

Sincerely,



Tava Ostrenger
Assistant City Attorney

TO/ces

cc: Henry Thompson, Airport Director
Paul Casey, City Administrator
Ariel Pierre Calonne, City Attorney
Eric Friedman, Council Member