



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** April 30, 2024

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Airport Department

**SUBJECT:** General Western Aero Hangars Restoration Analysis Study, Environmental Review, and Proposed Public Outreach

**RECOMMENDATION:** That Council:

- A. Receive a presentation on the General Western Aero Hangars project analysis study, environmental review, and proposed public outreach; and
- B. Provide staff with direction on the next steps regarding public outreach for potential private funding for General Western Aero Hangars.

### **EXECUTIVE SUMMARY:**

Santa Barbara Airport (SBA) staff will provide an update to the Council on the history, environmental review, funding, and possible path forward for the future of the General Western Aero Hangars (Hangars). This report includes four options for the Hangars which were analyzed in an updated Conditions and Further Use Analysis Study (Analysis Study) that was commissioned by the Airport in 2022. These options are: 1) document and demolish; 2) restore and reuse; 3) relocate, restore and reuse; and 4) deconstruct/partially demolish (or combine two into one). In the environmental review required by the California Environmental Quality Act (CEQA), Option 1 and Option 4 of the Analysis Study were found to have a Class 1 Significant Impact and would also require Findings of Overriding Consideration to the 2017 Master Plan Environmental Impact Report (EIR) from the Council if selected for development. Options 2 and 3 were found to have Class II Less than Significant Impacts in the 2017 EIR. Funding for any of the options has not been identified and regardless of which proposed option is selected, grant funding from the FAA would not be an option. Staff is requesting that Council review comments from the Airport Commission meeting held on April 17, 2023, and provide a recommendation on the four options in the Analysis Study and proposed public outreach approach.

### **DISCUSSION:**

#### *Plan Background*

The Hangars are located on SBA property near the intersection of Fairview Avenue and Hollister Avenue (Buildings 248 and 249). See Attachment A - Vicinity Map. The

structures, constructed in 1931, reside in a regulatory floodway near San Pedro Creek. Per a prior Historic Structure Report, Buildings 248 and 249 are eligible for listing on the National Register of Historic Places and are also listed on the City of Santa Barbara's (City) History Resources Inventory as eligible for designation but are not currently designated as historic Structures of Merit or Landmarks.

A prior conditions and use analysis of the Hangars was completed by LMA Architects (LMA) in 2002. The 2002 analysis included feasibility information to demolish, relocate, or restore the Hangars. No action was taken on the Hangars since that report was completed due to a lack of funding.

In 2014 a Historic Structures Report for eight buildings at SBA was prepared, including the Hangars. This report found the Hangars to be eligible for inclusion in the National Register of Historic Places and for their association with events that have made a significant contribution to the broad patterns of aviation history and that they were eligible for listing as City Landmarks. Therefore, the Hangars are historical resources for the purposes of CEQA.

The 2017 EIR was prepared for the SBA Master Plan and adopted by the Council. The Master Plan and 2017 EIR considered four options for hangar reuse or rehabilitation, which are summarized in Table 1 below. The Options included: 1) no action; 2) leave in place (mothball); 3) relocation; and 4) document and demolish. While Options 1 (No Action) and 4 (Document and Demolish) were found to have a Class 1 Significant Impact, Council did not make Findings of Overriding Consideration for these Options at the time of the 2017 EIR adoption. Options 2 and 3 were found to have Class II Less than Significant Impacts.

An Analysis Study was commissioned in 2022 with LMA Architects and was completed in Fall of 2023 (Attachment B). The Analysis Study investigated four possible options for rehabilitation for consistency with the Secretary of the Interior's Standards (SOI Standards) for the treatment of historic properties. The options included: 1) document and demolish; 2) restore and reuse; 3) relocate, restore and reuse; and 4) deconstruct/partially demolish (or combine two into one).

In the Analysis Study, Option 4 is considered as a new option that has not been previously evaluated. Option 4 consists of two sub-options. Sub-option 4(a) considered deconstruction of Hangar 248 and use of salvaged historic materials to rehabilitate Hangar 249 at the current location; or sub-option 4(b) considered deconstruction of Hangar 248 and use of salvaged historic materials to rehabilitate Hangar 249 at a new location on the Airport property outside of the floodplain. While Option 4 would require the deconstruction of one of the Hangars, the preservation of the second Hangar ensures the continued preservation of this building type at SBA. Repurposing salvaged historic materials from the demolished Hangar to rehabilitate the remaining Hangar would ensure compliance with the SOI Standard. While repair is always the preferred treatment, implementing Option 4 would result in replacements made using in-kind materials. This salvage approach guarantees the retention of important character-defining features such

as sliding aircraft doors, redwood trusses, windows, galvanized sheet metal siding, and corrugated sheet metal roofs. Further, this approach would reduce material costs to render the project more economically feasible.

*Summary of Options and Environmental Impacts*

Shortly after the 2023 Analysis Study was prepared, the City prepared an addendum to the 2017 EIR as required per CEQA to analyze the potential impacts of the new Option 4 from the Analysis Study (Attachment C). The Addendum analyzed the environmental effects of the additional Option 4 (deconstruct/partially demolish (or combine two into one)) and found that it would have a Class 1 Significant Impact.

In accordance with CEQA Guidelines Section 15164, the EIR Addendum identified that the 2023 Analysis Study Option 4 project changes do involve new significant severity of impact not previously identified in the certified 2017 EIR regarding Historic Resources and Land Use and Planning. Additionally, there have been changes under which the proposed Project is undertaken and there is new information of substantial importance that shows the project would have significant effects not discussed in the previous 2017 EIR or that significant effects previously examined would be more severe than previously identified. New mitigation measures are required to address impacts associated with Historic Resources and Land Use and Planning. In accordance with State CEQA Guidelines Sections 15162 and 15163, no Subsequent or Supplements to the EIR is required for current project actions.

Option 1 (document and demolish) and Option 4 (deconstruct/partially demolish) of the Analysis Study were found to have a Class 1 Significant Impact and would also require Findings of Overriding Consideration to the 2017 EIR from the City Council if selected for development. The four project options considered in the 2023 Analysis Study are summarized in Table 1 below:	<b>2017 EIR</b>	<b>2023 Analysis Study</b>
<b>Option 1</b>	No Action (Class I, Significant Impact) <i>needs Statement of Overriding Considerations</i>	Document and Demolish (Class I Significant Impact) <i>needs Statement of Overriding Considerations</i>
<b>Option 2</b>	Leave in Place – Mothball (Class II, Less Than Significant with Mitigation)	Restore and Reuse (CEQA Exempt)
<b>Option 3</b>	Relocate (Class II, Less Than Significant with Mitigation)	Relocate, Restore, and Reuse (Class II, Less Than Significant with Mitigation, further analysis required)
<b>Option 4</b>	Document and Demolish (Class I, Significant Impact) <i>needs Statement of Overriding Considerations</i>	Deconstruction/Demolition and Rehabilitation (Class 1, Significant Impact) Required an Addendum to the 2017 EIR and <i>needs Statement of Overriding Considerations</i>

Table 1: Summary of Options from 2017 EIR and 2023 Analysis Study

Recommendation and Next Steps:

Staff presented the Analysis Study, Environmental Review, and Proposed approach to the Airport Commission in April 2024. Staff proposes that Council review comments from the Airport Commission and direct staff to proceed with public outreach and alternative selection. Staff recommends that the options be presented to the public in a workshop format to determine which alternative is most appropriate and gather information on public funding opportunities for the various options. Staff could proceed with the public workshop series as soon as directed. After staff receives direction from Council, the Analysis Study will be presented to the Historic Landmarks Commission for technical review. Staff would return to Airport Commission after the public outreach to provide an update on alternative preference and funding opportunities.

**BUDGET/FINANCIAL INFORMATION:**

The Analysis Study provided initial cost estimates for the four proposed options, as summarized below in Table 2. A more detailed cost estimate is included in Attachment D.

*\*amounts have been rounded to the nearest thousand*

	<b>Option 1 Document and Demolish</b>	<b>Option 2 Restore in Place</b>	<b>Option 3 Relocate and Restore</b>	<b>Option 4 Consolidate in Place</b>
Design Costs	\$41,000	\$261,000	\$815,000	\$228,000
Construction Costs	\$352,000	\$1,858,000	\$4,968,000	\$1,458,000
<b>Total Project Cost</b>	<b>\$393,000</b>	<b>\$2,119,000</b>	<b>\$5,783,000</b>	<b>\$1,686,000</b>

*Table 2: Summary of Options and Estimated Project Costs*

Regardless of which proposed option is selected, grant funding from the FAA will not be available as this Project is not eligible under the Airport Improvement Program.

Table 3 below provides estimated revenues and payback periods that the Airport could anticipate after implementing one of the four proposed options. The 'Document and Demolish' Option 1 assumes the area to be leased would be unimproved aircraft apron space. Option 2 'Restore (aviation)' assumes the Hangars will be used for aviation purposes and command the estimated lease rate of \$1.20 per square foot. Option 4 'Consolidate in Place (non-aviation)' assumes the Hangar would be outside the airfield security fence and therefore publicly accessible. Additional restrictions that may affect redevelopment efforts are that the project site is within a regulatory floodway and the current zoning is airport industrial and airport facilities, which limits land uses outside of those that are aviation related.

	<b>Option 1 Document and Demolish</b>	<b>Option 2 Restore (aviation)</b>	<b>Option 3 Restore (non- aviation)</b>	<b>Option 4 Consolidate in Place (non- aviation)</b>
Estimated Lease Rate	\$0.08/SF	\$1.20/SF	\$1.40/SF	\$1.40/SF
Estimated Monthly Revenue	\$1,408	\$11,520	\$13,440	\$6,720
Estimated Payback Period	23.3 Years	15.4 Years	35.9 Years	31.2 Years
Estimated Net Present Value after 25 Years	(\$120,400)	\$69,000	(\$3,103,000)	(\$1,187,000)

*Table 3: Summary of Options and Estimated Revenues and Payback Periods*

The 2024-2028 Airport Capital Improvement Program identified an unfunded need of \$500,000 for the General Western Aero Hangars in Fiscal Year 2025 and an unfunded Future Need of \$4,100,000. However, due to budgetary constraints, the more refined 2024-2025 Airport Capital Budget did not include funding for the Hangars. To fund this project, the Airport would need to consider alternative funding, such as public and private donations or development plans, and General Fund support in addition to providing Airport funds. If given direction, staff would pursue possible funding opportunities during the public workshop series.

**SUSTAINABILITY IMPACT:**

The Santa Barbara General Plan focuses on a stated mission statement of “Living within Our Resources” and stresses sustainability for development (City of Santa Barbara 2011). Options 2 and 3 from the Analysis Study would salvage the historic hangars, which is sustainable and preserves resources. Option 4 would repurpose salvaged historic materials from the demolished Hangar to rehabilitate the remaining Hangar. A careful and methodological salvage promotes preservation as it can give a “second life” to historic materials that would otherwise become construction waste. Options 2, 3, and 4 are each sustainable.

**ENVIRONMENTAL REVIEW:**

The projects and alternatives identified in the 2017 Airport Master Plan were included in the adopted 2017 EIR. The City prepared an Addendum to the 2017 Airport Master Plan EIR, which evaluated a new project option that was found to have a Class 1 Significant Environmental Impact. If Options 1 (Document and Demolish) or Option 4 (Consolidate

in Place) are selected as the alternative from the Analysis Study for development, the Council must consider the impacts and make Findings of Overriding Considerations pursuant to CEQA.

**PREPARED BY:** Sara Iza, AICP, Airport Land Development Manager/mg

**SUBMITTED BY:** Chris Hastert, CM, Airport Director

**APPROVED BY:** City Administrator's Office

**ATTACHMENTS:**

1. Vicinity Map
2. Conditions and Further Use Analysis Study for the General Western Aero Hangars, Buildings 248 & 249 (*LMA Architects, 2023*).
3. Addendum to the 2017 EIR, November 28, 2023 (*City of Santa Barbara, State Clearinghouse No. 2014061096*).
4. Detailed Cost Estimate (*LMA Architects, 2023*).