

CALIFORNIA TRANSPORTATION COMMISSION AIRSPACE ADVISORY COMMITTEE MEETING

AGENDA

Wednesday, October 11, 2000
9:30 a.m. – 12:00 p.m.

Video Conference

District 12 Office Building
Building 3355-4th Floor, Suite 100
Irvine, CA 92612

AND

Wylie Greig
The RREEF Funds
101 California Street, 26th Floor
San Francisco, CA 94111

- | | | |
|----|---|-------------|
| 1. | Approval of June 2000 Minutes | Committee |
| 2. | Approval of New Airspace Policy
Leasing to Public Entities for
Mass Transit Facilities | G. Mattocks |
| 3. | Approval of New Terms and Conditions
Morvis Corvis Corporation
07-LAX-010-0070
07-LAX-110-0006 | B. Paris |
| 4. | Asset Management-Status of Projects | C. Crosby |
| 5. | Airspace/Excess Land Business Plans FY 2000/01 | G. Mattocks |
| 6. | Bi-Annual Airspace Report- FY 99/00 | B. Wilson |
| 7. | Discussion to Set Future Meeting Schedule | B. Wilson |

Meeting Contact:

California Transportation Commission
1120 "N" Street, MS 52
Sacramento, CA 95814
916/653-7665

CALIFORNIA TRANSPORTATION COMMISSION AIRSPACE ADVISORY COMMITTEE MEETING

Los Angeles International Airport
One World Way, Room 210
Los Angeles, California

Wednesday, June 7, 2000

MINUTES

PARTICIPANTS:

Committee Members: A. Auer, J. Glassmoyer, W. Greig, B. Hauf, G. Moss, R. Payne, M. Smith
Commission Member: R. Kozberg
Commission Staff: R. Gumz
Caltrans HQ Staff: S. Atkins, S. Ikeda, B. Wilson

PROCEEDINGS:

R. Kozberg welcomed the new members to the Committee and thanked the veterans for agreeing to serve another year on the Committee. He also reviewed some of the changes that have taken place within the California Transportation Commission (CTC) since the Committee last met. Commissioner Kozberg asked R. Gumz if he had discussed CTC staff changes with the Committee. Mr. Gumz informed the Committee that this would be his last Committee meeting because he was retiring from State service. The Committee thanked Mr. Gumz for his long service to the Committee and wished him well in the future. The Committee also recommended that the CTC should commend Mr. Gumz for his efforts.

1. Approval of Minutes

Minutes of the August 24, 1999, Committee meeting were approved unanimously.

2. Extension of Option Period Inter-Modul Transit Partners NR-SAC-051-0004

B. Oliver of Caltrans District 3 requested that the Committee recommend approval of a one-year extension of an existing three-year option to lease with Inter-Modul Transit Partners. Ms. Oliver explained that the subject property is located beneath and adjacent to the Fort Sutter Viaduct of State Route 51 in Sacramento. The property is 121,495± square feet and is bounded on the east by 30th Street on the west by 29th Street on the south by S Street and on the north by a Regional Transit Light Rail Station. Caltrans entered into a three-year option beginning June 20, 1997, at the rate of \$10,000 for the first two years and \$30,000 for the third year. The option will expire June 19, 2000. The optionee is requesting a one-year extension of the Option to Lease for the sum of \$50,000. The property would be used to provide parking for new Caltrans office space that the optionees are proposing to develop for

Caltrans. Ms. Oliver added that Caltrans believed the negotiated terms of the underlying lease still represented fair market return to the State.

B. Hauf asked why construction of the office building had been delayed. G. Ravel, of Inter-Modul, explained that there was no specific reason for the delay other than negotiations with the State were taking longer than originally expected.

Caltrans staff added that the State Department of General Services, as with all office space acquisitions, was acting as an intermediary between Caltrans and the developer, and this tends to slow down the negotiation process. Mr. Hauf asked if the delay was the fault of the developer, and he was told no.

J. Glassmoyer asked if the economics of the underlying lease had changed since 1997. B. Oliver responded that Caltrans had looked at 1999 appraisals of comparable properties and believed that the original economics were still valid.

W. Greig asked what would happen to the lease if the office building were to be sold. Ms. Oliver explained that the lease provided the only parking for the building. R. Payne asked what was the Caltrans policy for assumption of the lease. Ms. Oliver stated that there is a standard assumption clause in the lease, and she added that Caltrans legal staff was in the process of reviewing all standard lease clauses. R. Payne asked that the Committee be allowed to review and comment on the final draft of those clauses.

Action

R. Payne made a motion to approve the option extension with two stipulations:

1. The first rent adjustment to the lease shall occur four years after initiation of the lease instead of five.
2. The fair market value of the lease shall be verified by Caltrans prior to initiating the lease.

The motion was seconded by W. Greig and passed unanimously.

3. Request for Consent to Directly Negotiate Thrifty Car Rental - 11-SDX-005 0015

C. Carrillo, of Caltrans District 11, requested that the Committee approve direct negotiation with Thrifty Car Rental for a five-year lease with two five-year options to extend. He stated that it is in the state's best interest to directly negotiate this lease, because the property is landlocked.

Mr. Carrillo explained that Thrifty Car Rental is interested in creating a regional car rental center, which supports the San Diego Airport at Lindbergh Field. Thrifty is negotiating with the San Diego Port Authority to replace their current tenant, Ace Parking, who also is currently leasing the Caltrans property for \$712/month. The State property (17,500 sq. ft.) comprises a corner of a larger lot in a center "island" surrounded on all sides by Pacific Highway, a San Diego City Street. The State property is needed for plottage in the proposed rental car operation. The proposed operation would provide shuttle service from the airport, modular office building on the adjacent Port Authority property, minor maintenance facilities, and fleet parking.

Legal entry to the State property is impossible except across the adjacent Port Authority property (121,000 sq. ft.). Mr. Carrillo emphasized that the only practical use of the Caltrans property is as plottage to the Port Authority's property.

B. Hauf asked if any structures would be built on the Caltrans property. Mr. Carrillo responded that a Butler-type building for maintenance was planned. W. Greig expressed concerns about hazardous waste both from activities occurring on the Caltrans property and/or flowing from the adjacent property. Mr. Carrillo explained that only maintenance fluids would be allowed on Caltrans property and the building would be designed to contain those fluids. However, fueling facilities would be located on the adjacent port authority property. G. Moss asked if the State could be indemnified against hazardous waste. Mr. Carrillo stated that Caltrans tried to avoid introduction of hazardous waste in the first place.

M. Smith made a motion to approve direct negotiations. The motion was seconded by B. Hauf and passed unanimously.

4. Request for Time Extension on Performance Period - Bragg Crane Service - 11-SDX-805-0002

C. Carrillo, of Caltrans District 11, requested that the Committee extend the direct negotiations performance period with Bragg Crane Company for an additional year. Mr. Carrillo explained that Bragg Crane's proposal to use an undeveloped lot on the north side of Camino Del Rio North in San Diego for parking large cranes and support equipment is compatible with all other State leases in the vicinity but requires extensive accommodations to change the City of San Diego's zoning requirements and to obtain City approval of the proposal. City landscape design and environmental report requirements have caused unexpectedly long delays in the process. Mr. Bragg believes all requirements are now met for City approval, but the City will require two boards to convene over the next two months to review and actually approve his proposal. At that time, Mr. Bragg can bring his environmental report and City project approval to Caltrans for second step lease review.

R. Payne asked if the state would be indemnified for any damage to development that might occur as a result of being under the Caltrans structures. Both Mr. Carrillo and Mr. Bragg assured Ms. Payne of such indemnification.

B. Hauf asked if a lease could be initiated in less than a year. Mr. Bragg responded he was hopeful that could be done. R. Payne emphasized that, while the Committee did not intend to be obstructionist, there was no guarantee that the Committee would recommend approval of lease terms and conditions if and when the negotiated lease was brought to the Committee for review and approval recommendations. Mr. Bragg was aware of that possibility.

B. Hauf made a motion to approve the one-year extension. The motion was seconded by M. Smith and passed unanimously.

5. Approval of Direct Sale of Excess Property (over \$1.0 million) Caltrans District 8 Office Building

S. Ikeda, of Caltrans headquarters, asked the Committee to recommend approval of a proposed direct conveyance to the City of San Bernardino. Mr. Ikeda informed the Committee that the property to be conveyed consists of the former District 8 office building and grounds in San Bernardino, at 247 W. Third Street. The State is obligated by existing agreement to direct proceeds from the sale of this property to the City of San Bernardino to satisfy an outstanding debt, and the City has tendered an offer based on their approved appraisal in the form of a credit against that debt. The credit based on the City's appraised value exceeds Caltrans' appraised value. Furthermore, the real estate market in the vicinity of the property appears to have declined considerably since the date of those appraisals. The subject excess land parcel contains approximately 7.556 acres and is at the corner of Third and Arrowhead Streets in downtown San Bernardino. It is improved with a two-story concrete building with a full basement, a one-story auto repair facility, a one-story outbuilding, and a warehouse. The improvements are considered to be at the end of their economic lives and negatively affect the value of the property.

Mr. Ikeda explained that the City is willing to pay the higher value because, to the City, the Caltrans property represents an investment in the survival of their downtown. Other communities in the county have been attempting to attract the county courts, which are currently located in downtown San Bernardino. If San Bernardino cannot retain the court system presence in the downtown area, it stands to lose even more businesses, commerce, and tax base. An expanded court system would bolster the area significantly.

W. Greig asked if the City was aware of the Caltrans' appraisal. Mr. Ikeda assured him that the City was aware of it. R. Payne inquired about demolition costs and who was responsible for demolition. Mr. Ikeda stated that Caltrans was responsible for demolition, and that the Department's contractor was confident demolition would not be a major problem. R. Payne added that a title report from First American Title had been included in the package; and, since she was on the Board of Directors of First American Title, she would abstain from voting on this item.

G. Moss made a motion to recommend approval of the conveyance. The motion was seconded by M. Smith and passed 6-0 with R. Payne abstaining.

6. Excess Land-Director's Deed Review

At the request of California Transportation Commissioner Allen Lawrence, S. Ikeda asked the Committee to review three Director's Deeds that had been approved by the CTC at its May 2000 meeting. The intent of the review was to determine whether a policy change regarding the delegation of authority for certain Directors Deeds to Caltrans needed to be modified.

R. Payne asked why one of the properties had three different appraisal values. Mr. Ikeda explained that the first two valuations were not really based on appraisals, but rather they were public sale estimates designed to determine a point at which to start public bidding.

G. Moss asked why one of the properties was valued at such a low price (approximately \$5 per sq. ft.). Mr. Ikeda responded that the location in Inglewood would not justify a higher price. R. Payne emphasized that current appraisals for properties were critical. Mr. Ikeda explained that Caltrans policy is that appraisals should be no more than one year old. However, the excess land manager could ask for a more current one, if deemed necessary.

R. Payne made a motion that the current policy for excess property sales was adequate with the proviso that Caltrans staff must review and confirm the appropriateness of the appraisal. The motion was seconded by W. Greig and passed unanimously.

7. Discussion to Set Future Meeting Schedule

B. Wilson, of Caltrans headquarters, asked the Committee about the possibility of formally setting a Committee Meeting schedule rather than scheduling a single meeting when the number of agenda items warranted a meeting.

After a brief discussion, the Committee agreed to schedule meetings twice a year with the second meeting this year scheduled for October 11, 2000. It was anticipated that this meeting would be a video conference between the Caltrans' offices in Oakland and Irvine.

8. Asset Management Status of Projects

C. Crosby, of Caltrans headquarters, provided the Committee with information on eight major facilities that Caltrans has on the drawing board. Mr. Crosby then asked the Committee what kind of information they would like to receive on the projects in the future.

R. Gumz, of the CTC staff, explained the Committee's historical role of making recommendations to the CTC on asset management projects with a value of \$2 million or more or any special/unique project. Committee policy calls for their involvement at three stages:

1. preliminary financial plan,
2. conclusion of preliminary design planning, and
3. prior to construction.

R. Payne requested that, for the next Committee meeting, Caltrans prepare a presentation laying out financial cost estimates and completion schedules for the eight facilities. The intent being that the Committee and Caltrans could then have a conceptual discussion of how the eight projects could best be pursued. W. Greig added that the presentation should highlight those issues that Caltrans considered to be critical to successful completion of the projects. **Action**

9. Highest/Best Use vs. Current Use (Lease Reevaluations)

B. Wilson addressed the issue, raised by the Committee at its August 1999 meeting, of basing lease reevaluations on highest and best use and not just current use.

He explained that any change in use would require both the Airspace Advisory Committee and the CTC to approve the new use and the underlying economics generated by of the change in use.

The consensus of the Committee was that current reevaluation process was workable.

10. Bi-Annual Airspace Report - First Half FY 99/00

B. Wilson briefly summarized the report and stated that Caltrans was open to any further format changes the Committee might suggest.

A. Auer suggested that the Committee review the report and bring any suggested changes to their next meeting.

R. Payne pointed out that Caltrans is halfway through the year and many of the Department's stated goals are not anywhere near halfway to achievement.

11. Airspace Maps of Los Angeles

The maps were included in the agenda package as an information item.

12. The Meeting was Adjourned at 12:30 p.m.

Memorandum

To: CHAIR AND MEMBERS
Airspace Advisory Committee

Date: September 22, 2000

File: AIRSPACE
Airspace Advisory
Committee

From: **DEPARTMENT OF TRANSPORTATION**
RIGHT OF WAY
MAIL STATION 37

Subject: Leases of Airspace to Public Entities for Mass Transit Facilities

Recommendation

The Department of Transportation (Department) recommends that the Airspace Advisory Committee (AAC) consider and recommend for approval by the California Transportation Commission (CTC) the following described process for leasing airspace sites to public entities for mass transit facilities.

Background

Chapter 513 of the 1992 Statutes, effective January 1, 1993, added Section 104.12(b) to the Streets and Highways Code:

"Notwithstanding subdivision (a), in any case where sufficient land or airspace exists within the right-of-way of any highway, constructed in whole or in part with federal-aid highway funds, to accommodate needed passenger, commuter, or high-speed rail, magnetic levitation systems, and highway and nonhighway public mass transit facilities, the Department may make the land or airspace available, with or without charge, to a public entity for those purposes, subject to any reservations, restrictions, or conditions that it determines necessary to ensure adequate protection to the safety and adequacy of highway facilities and to abutting or adjacent land uses."

The above State legislation followed enactment of a nearly identical federal statute [23 United States Code Section 142(g)] as part of the 1991 Intermodal Surface Transportation Enhancement Act (ISTEA). Subsequent federal regulations [23 Code of Federal Regulations Sections 710.405 - 710.407 and 810.2, et seq.] elaborate on the process for implementing the federal statute.

Historically, the Department has allowed public mass transit agencies to place fixed guideways within State highway rights of way under encroachment permit, but has charged fair market rent for the lease of airspace for other mass transit facilities such as parking lots for patrons and the storage of buses. The above State statute does, however, give the Department broad discretion

regarding mass transit-related facility leases with or without charge to public entities. Therefore, in keeping with the Department's continuing and growing efforts to relieve congestion and improve mobility on the State highway system, we believe it is incumbent upon the Department to further encourage the development and usage of public mass transit systems by providing airspace sites for mass transit facilities at a nominal rental rate or a less than market rental rate.

Discussion

There are numerous types of mass transit facilities that could be placed within the right of way of any federal-aid highway pursuant to State and federal statutes and regulations. These facilities include, but are not limited to:

- fixed guideways
- park and ride lots for patrons of mass transit systems
- downtown commuter bus parking during the work day
- storage and/or parking of buses or rolling stock
- bus or rolling stock waiting facilities
- bus or rolling stock maintenance and/or rehabilitation yards
- bus or rail terminals, transit malls, centers, transfer facilities, and intermodal facilities with ancillary facilities such as ticket machines, wheelchair lifts, telephones, newsstands, vending machines, security cameras
- mass transit passenger shelters

The Department, upon the CTC's passage of the attached Resolution, proposes that a process be initiated, wherein a public entity will apply to use a specific airspace site for a specific mass transit use. The public entity's application will be reviewed by a departmental District Airspace Review Committee (DARC) in the same manner as the review of other proposed airspace uses. Those proposed mass transit facilities that can be safely accommodated within the airspace will be approved by the Department and submitted, where necessary, to the Federal Highway Administration for its review and concurrence.

A lease or other written agreement will be entered into between the Department and the applicant public entity as to approved facilities. Such written agreements will include any and all reservations, restrictions, or conditions that the Department determines necessary to ensure adequate protection of the Department's highway facilities and abutting or adjacent land uses. The rental rate charged by the Department will be as follows:

- The lease rate will be a nominal annual amount, sufficient to cover the Department's lease administration costs, for those proposed mass transit facilities which will result in direct and positive congestion relief, such as a new fixed guideway, a new bus route, a new or expanded park and ride lot for patrons of mass transit, or a downtown commuter bus parking facility.

- The lease rate will be 50 percent of appraised fair market rent for those proposed mass transit facilities which will result in indirect congestion relief but are a necessary part of the mass transit agency's overall operations, such as a bus storage yard or a maintenance and/or rehabilitation facility.

Summary

The Department requests that the AAC recommend for approval by the CTC the attached resolution which will enable the Department to proceed with implementation of the above-described procedures.

D. GENE MATTOCKS, Chief
Office of Real Property Services
Right of Way

Attachment

BWilson:lss
Oct2000AACBookItem104.12(b).doc
H:LSmith/Ctc

DRAFT

CALIFORNIA TRANSPORTATION COMMISSION

Procedure for Leasing Airspace to Public Entities

**Resolution G-00-__
Amending and Replacing Resolution G-6**

- 1.1 WHEREAS, Section 104.12(a) of the Streets and Highways Code authorizes the Department of Transportation to lease the use of airspace above or below State highways to public entities in accordance with procedures to be prescribed by the California Transportation Commission; and
- 1.2 **WHEREAS, Section 104.12(b) of the Streets and Highways Code authorizes the Department of Transportation to lease, with or without charge, the use of airspace above or below State highways to public entities for mass transit facilities; and**
- 1.3 WHEREAS, Section 14013 of the Government Code provides that the Director may lease airspace to local agencies for public purposes and may contribute toward the costs of developing local parks and other such recreational facilities on such areas;
- 2.1 NOW THEREFORE BE IT RESOLVED that the California Transportation Commission hereby authorizes the Department to enter Into leases with public agencies without specific California Transportation Commission approval for each airspace lease whenever the Department finds:
- That the lessee is a public entity as defined in the Government Code.
 - That the lease will fulfill a public purpose.
 - That the Department will receive fair market rent for the property **if the property is to be used for a public purpose other than for public mass transit facilities.**

- **That the Department will receive a nominal annual rental amount if the property is to be used for mass transit facilities that directly provide congestion relief.**
- **That the Department will receive fifty percent (50%) of fair market rent if the property is to be used for mass transit facilities that indirectly provide congestion relief.**

2.2 BE IT FURTHER RESOLVED that when it is determined that park or recreational use is appropriate, the Department may use as all or part of the consideration for a lease for park or recreational purposes any substantial benefits the Department derives from the local agency's maintenance or landscaping costs which would otherwise be the obligation of the Department whenever the Department finds:

- That the lessee is a municipality or other local agency as defined in the Government Code.
- That the use is for park or recreational purposes only.
- That the lessee agrees that whenever the leased land is needed for transportation purposes the lease shall terminate.

2.3 BE IT FURTHER RESOLVED that Resolution **G-6** is hereby replaced.

Memorandum

To: CHAIR AND MEMBERS
Airspace Advisory Committee

Date: September 22, 2000

From: **DEPARTMENT OF TRANSPORTATION**
RIGHT OF WAY
MAIL STATION 37

File: AIRSPACE
General
LAX-110-0006
LAX-010-0070

Subject: Airspace Leases to Morvis Corvis Corporation

RECOMMENDATION:

The Department of Transportation (Department) recommends that the Airspace Advisory Committee (AAC) consider and recommend for approval by the California Transportation Commission (CTC) two thirty (30) year leases, with option for ten (10) year extension, of airspace sites LAX-110-0006 and LAX-010-0070 to the proposed lessee, Morvis Corvis Corporation (H. Carlos Vignali, President).

The two lease areas are located in the City of Los Angeles, on the west side of the Harbor Freeway (Route 110) from Pico Boulevard to Twelfth Place and from Twelfth Place to Twelfth Street. The sites are not contiguous but are in close proximity to each other as both about Twelfth Place. The sites are located in a section of the City of Los Angeles that is not considered a prime location, as it is outside the downtown area.

The smaller site (LAX-110-0006) is a long narrow parcel of 5,000 square feet to be used by the proposed lessee as additional access to his nearby properties located on Twelfth Place. Due to its small size and undesirable shape, the site has been infrequently leased over the years and has been a continual maintenance problem. In addition, homeless persons have found the site attractive, as do individuals who have often dumped trash and other refuse on the site.

The other site (LAX-010-0070) is an irregularly shaped parcel of 16,800 square feet that will be used as parking and open storage. The site has been offered at auction by the Department numerous times over the years, but has never been leased for extended periods. When this site has been vacant for extended periods, it, too, has been a maintenance problem for the Department.

The appraisals of the sites indicate that the proposed uses are interim. Upon termination of the proposed term of the leases (a total of forty years), the improvements on the adjoining properties will have reached the end of their economic life. At that time, it is believed that the highest and best use of the airspace sites will be as plottage to the adjoining properties. The value of the airspace sites may be higher than their value as independent parcels.

Chair and Members

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September 22, 2000

Recent appraisals of the sites, based on market data including recent auctions of other sites by the Department, indicate a monthly lease rate of \$50 per month for the smaller site (LAX-110-0006), and \$600 per month for the larger site (LAX-010-0070), for a total of \$650 per month. The proposed lessee is currently renting both sites on a month-to-month basis for \$500 per month, and has improved the sites in the past few months with paving, striping, curbing, lighting and fencing.

Due to the sporadic public interest in both sites, it is believed to be in the best interest of the Department to lease the two sites directly to the proposed lessee. Leasing directly to the proposed lessee for a term of thirty (30) years, with an option to extend for another ten (10) years, gives the Department a fair and reasonable cash flow and provides the lessee additional access and parking for his nearby business, and an ability to amortize lessee's costs of improving the sites.

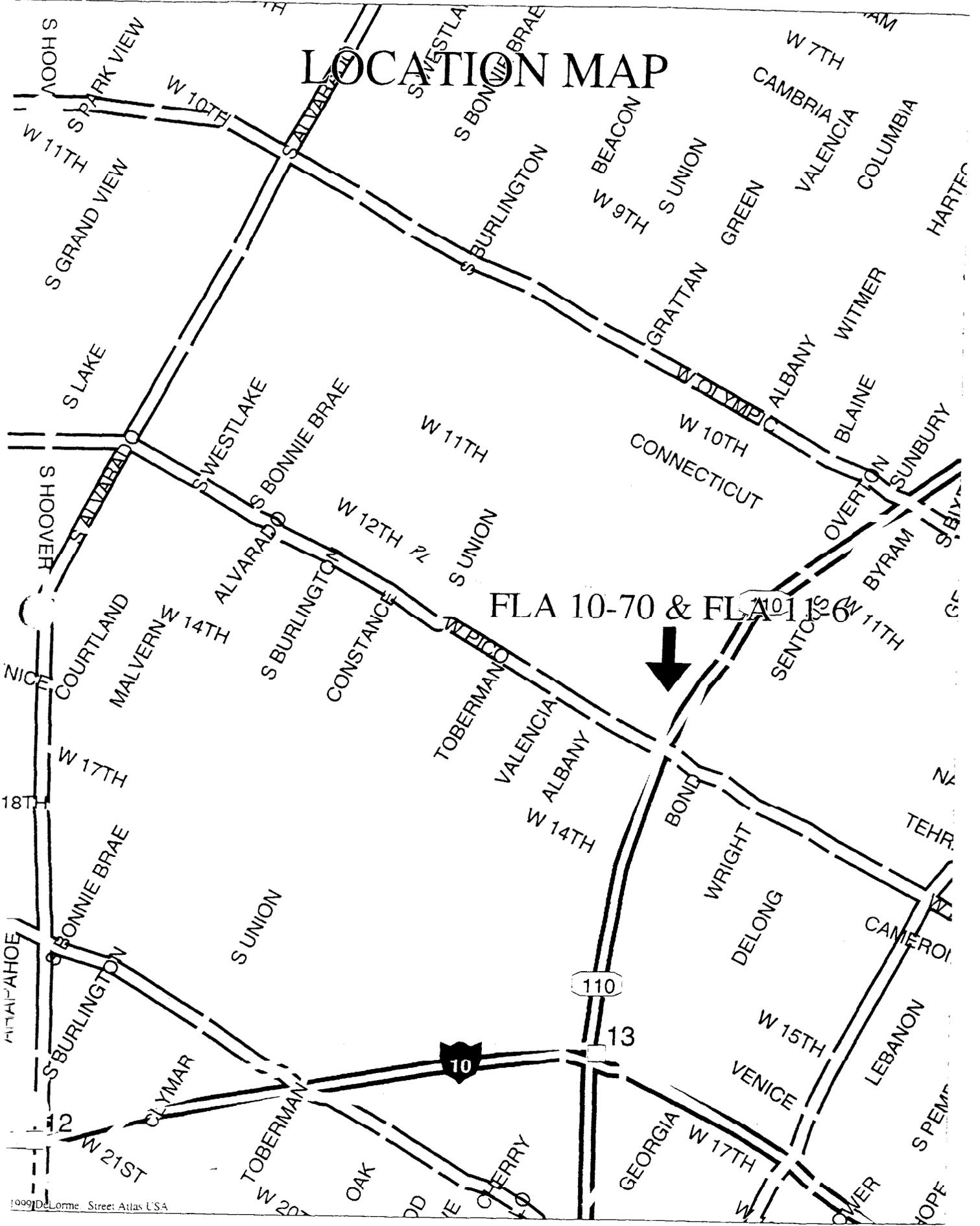
The proposed leases will contain standard terms and conditions, including reevaluation every five years and annual C.P.I. adjustments (2% minimum and 7% maximum.)

BRICE D. PARIS, Regional Manager
Southern Right of Way Region
Department of Transportation

Attachments

Vignali to October AAC.doc
H:LSmith/Ctc

LOCATION MAP

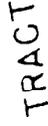


CITY of LOS ANGELES

DIST	COUNTY	RTE	PM
07	L.A.	11	R10

LOT 28

LOT 12



TRACT

CENTRE

BLOCK 6

LOT 29

LOT 13

MR 13-11

11-6

250' ±

LOT 30

LOT 14

LOT 7

90' ±

1787' 0"

45' ±

35' ±

27' ±

Wet Edge Imp. Overhead

Freeway Columns

Toe of Slope

TOTAL AREA: 3,787 S.F.

HARBOR

FWY-

STATE OF CALIFORNIA, DIVISION OF HIGHWAYS, RIGHT OF WAY DEPARTMENT

FREE WAY LEASE AREA 11-6

SCALE: 1" = 20'

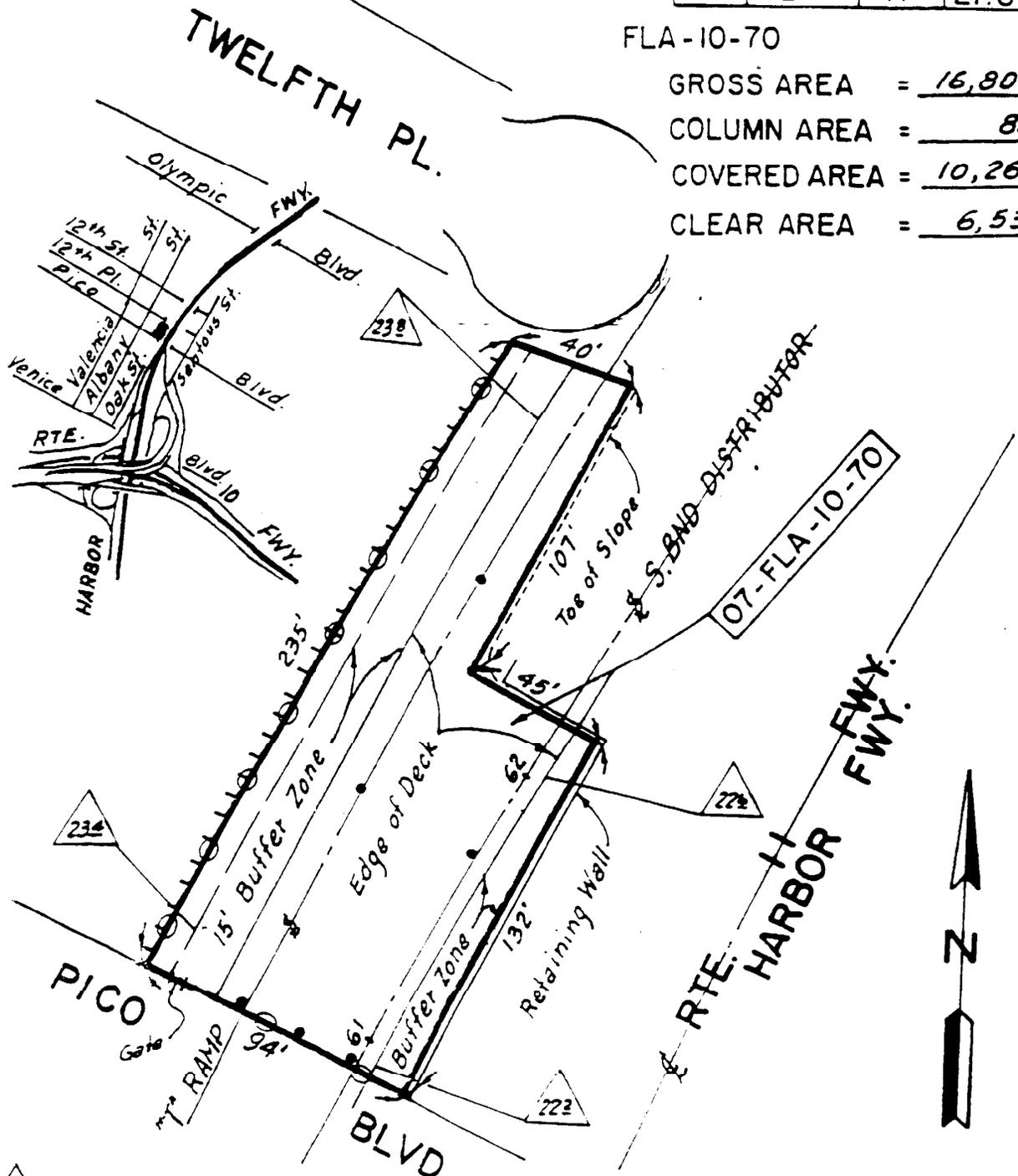
DRAWN: O.L.M.

DATE: 7-14-72

DIST.	COUNTY	RTE.	P.M.
07	LA	11	21.8

FLA-10-70

GROSS AREA = 16,800^{sq} ft
 COLUMN AREA = 88^{sq} ft
 COVERED AREA = 10,266^{sq} ft
 CLEAR AREA = 6,534^{sq} ft



- △ ELEVATION - GROUND TO SOFFIT
- 4' CIRCULAR COLUMNS
- ⊙ CHAIN LINK FENCE

UTILITIES SHOULD BE VERIFIED BY LESSEE

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION - DISTRICT 07

INVENTORY
FREEWAY LEASE AREA
07 - FLA - 10 - 70

SCALE: 1" = 50'
 DRWN: EM CHKD: SF
 DATE: 2-1-78
 25530-C

REF MAP: E1358, FLA APP. MAP NO. 25119-C

Memorandum

To: CHAIR AND MEMBERS
Airspace Advisory Committee

Date: September 22, 2000

File: ASSET MANAGEMENT
General

From: **DEPARTMENT OF TRANSPORTATION**
RIGHT OF WAY
MAIL STATION 37

Subject: Asset Management – Status of Projects

Attached for your information is a copy of Asset Management's Summary of Caltrans Major Building Projects. Chuck Crosby of Asset Management will attend your October 11, 2000, meeting to answer any questions you might have regarding the projects.

D. GENE MATTOCKS, Chief
Office of Real Property Services
Right of Way

Attachment

Asset Management Summary
H:LSmith/Ctc

DISTRICT 1 - Eureka

Basic Information

The District Office (DO) building was built in 1955 and an annex added in 1964. The facility consists of four stories, a full basement, contains approximately 55,000 square feet of space, and houses approximately 250 employees.

Issue

The DO is seismically unsafe. The Department of General Services designates the building a seismic Risk Level VI (“risk to life: extensive, but not imminent”). The seismic risk level definitions from the Division of State Architect are attached.

Project

A seismic retrofit solution is proposed for this building that will reclassify it to a Risk Level III.

Status

As of August 1, 2000: A Capital Outlay Budget Change Proposal (COBCP) was submitted for Preliminary Plans, Working Drawings, and construction for fiscal year 2001/2002.

DISTRICT 2 - Redding

Basic Information

The DO was built in 1953 and an annex added in 1959. The facility consists of two stories, a full basement, contains approximately 49,674 square feet, and houses approximately 225 employees.

Issue

The DO is seismically unsafe. The Department of General Services designates the building a seismic Risk Level VI.

Project

A seismic retrofit solution is proposed for this building that will reclassify it to a Risk Level III.

Status

The Department of Finance is reviewing Preliminary Plans. Construction documents are scheduled for late Spring 2001, with construction to follow in the fall.

DISTRICT 3 - Marysville

Basic Information

The DO was built in 1934 and an annex added in 1954. The facility contains approximately 48,015 square feet and houses 315 employees. Additionally, the District leases approximately 40,000 square feet in five different locations in the Marysville/Yuba City area.

Issue

The “main” building within the District Office is designated as a seismic Risk Level V (“substantial risk to life”). The District houses employees in five different locations in the Marysville/Yuba City area and also Sacramento.

Project

The District proposes to construct a 286,000 gross square foot DO in Marysville to house 776 employees.

Status

A Capital Outlay Budget Change Proposal requesting preliminary plan funding was submitted for the 2001/2002 Budget Cycle.

District 6 – Fresno*Basic Information*

The District houses staff at nine locations. The DO constructed in 1956 contains approximately 40,000 square feet and houses 186 employees. The District leases another 200,000 square feet of office space to house the remainder of the 1170 office staff.

Issue

The District wishes to consolidate staff at one location.

Project

Caltrans has committed to work with the City of Fresno and Fresno Redevelopment Agency to construct a new DO complex in the downtown area. The Department of General Services is preparing an economic analysis that compares the costs associated with six different housing alternatives.

Status

The District submitted a Space Program identifying 366,000 gross square feet of space needs to the Department of General Services. Caltrans plans to submit a Capital Outlay Budget Change Proposal requesting preliminary plan funding for a new DO for fiscal year 2001/2002.

District 7 – Los Angeles*Basic Information*

The District houses most of its 1,600 employees at the DO containing approximately 287,000 gross square feet. The building was built in 1949, an annex was added in 1962.

Issue

The DO is inadequate and exhibits Fire, Life, and Safety; seismic; and ADA deficiencies.

Project

District 7 proposes to locate staff in one 600,000 square foot building, to be constructed on Caltrans owned property located on Main Street, Downtown LA.

Status

Funding for Preliminary Plans was included in the 2000/2001 FY Budget Act. The Department of General Services is advertising for a master architect. Construction is scheduled to start May, 2002.

District 11 – San Diego

Basic Information

District 11 office building was constructed in 1954. The DO currently houses approximately 1,000 employees in 17 buildings, the DO provides approximately 112,500 square feet of the 214,500 square feet the district occupies.

Issue

The DO is inadequate and exhibits Fire, Life, and Safety; seismic; and ADA deficiencies.

Project

District 11 proposes to locate staff in one new 301,000 gross square feet building, on Caltrans owned property in Old Town San Diego.

Status

Working Drawings are programmed and scheduled to start July 2001. Construction is scheduled to start December

District 12 – Orange County

District 12 currently houses approximately 825 employees in 180,000 square feet of leased space located in Irvine.

Issue

The DO lease is cancelable February 2009 and expires February 2011.

Project

District 12 proposes to move into it's own office building in Central Orange County at the end of this lease term.

Status

A new DO is indicated in the long-term planning documents.

Memorandum

To: CHAIR AND MEMBERS
Airspace Advisory Committee

Date: September 21, 2000

File: AIRSPACE
General

From: DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY PROGRAM
Mail Station 37

Subject: 2000/01 Business Plan for Airspace and Excess Land

Attached for your information is a copy of the Airspace and Excess Land Business Plan for the 2000/01 fiscal year. The Business Plan is scheduled to be presented to the California Transportation Commission at its September 28-29, 2000 meeting, at the Commission's request.

Original Signed by

D. GENE MATTOCKS, Chief
Office of Real Property Services
Right of Way

Attachment

2000-01 BusPlanAir&Excess.doc
H:LSmith/Ctc

Prepared By:

CTC Meeting: September 28-29, 2000

Gary Horn
Acting Program Manager
Right of Way
(916) 654-5075

Agenda Item: 4.x

W.J. EVANS, Deputy Director
Finance
September 1, 2000

2000/2001 AIRSPACE AND EXCESS LAND BUSINESS PLANS

AIRSPACE OBJECTIVES

- Maximize public and private use of right of way in concert with community needs, congestion relief, and good land use planning.
- Maximize the utilization of property held for a transportation purpose, in compliance with Department goals and objectives.

EXCESS LAND OBJECTIVES

- Optimize the net return from sales of surplus properties, in compliance with Department goals and objectives.
- Reduce the inventory of surplus properties and return them to private ownership.

ORGANIZATIONAL STRUCTURE

- The Airspace and Excess Land functions are managed by Region/District offices and Headquarters Right of Way in Sacramento.
- Active Airspace programs exist in four of the 12 Districts within the State with limited programs in four additional Districts. Each Region/District has an Excess Land Program and has appointed an Excess Land Manager.
- The Airspace Advisory Committee (AAC) and the California Transportation Commission (CTC) assist the Department in administering these programs advising on policy issues, reviewing selected transactions, and providing guidance at the Department's request.

The role of the AAC is to:

- a. Review and evaluate proposed directly negotiated airspace leases with private parties. Proposed leases will be reviewed at two stages: approval to directly negotiate, and recommendation to the CTC for approval of terms and conditions.

- b. Review and evaluate direct sales of excess land parcels having a value of \$1 million or more.
- c. Review and evaluate changes to the Telecommunications Licensing component of the Airspace Program.
- d. Recommend action to the CTC.
- e. Monitor and evaluate the Airspace Program.
- f. Provide overall review and advice from the private enterprise viewpoint.
- g. Be proactive on discriminatory zoning.

The role of the CTC is to:

- a. Establish policy.
- b. Act upon directly negotiated leases with private parties recommended by the AAC.
- c. Review and approve excess land transactions.
- d. Review and approve changes to the Telecommunications Licensing component of the Airspace Program.
- e. Be proactive on discriminatory zoning.

**Right of Way Program's
AIRSPACE BUSINESS PLAN
Fiscal Year 2000/01**

2000/01 STRATEGIES:

Obtain operational efficiencies through improved processes.

Obtain cost efficiencies by allocating and monitoring resources assigned to the Regions/Districts per their workload plans.

Develop new policy and procedure for leasing property to public entities for mass transit facilities.

GOAL 1 - Develop and maintain a standardized and streamlined process for Regions/Districts to use in processing a lease agreement.

OBJECTIVE- Reduce the number and type of airspace leases to simplify the leasing process.

STRATEGY/ACTION

- 1) Update the lease agreement format and provide a standard format to each Region/District.
- 2) Update each lease agreement or format electronically so the latest information is always available to those who use them.

TIMELINE: 2000/01

GOAL 2 – Develop new policy and procedure for leasing property to public entities for mass transit facilities.

OBJECTIVE- Implement Streets and Highways Code Section 104.12(b) as part of the Department's congestion relief effort.

STRATEGY/ACTION

- 1) Develop appropriate policy and procedures.
- 2) Present modifications of Resolution G-6 to the CTC for approval.
- 3) Market and implement to appropriate public entities.

TIMELINE: 2000/01

**Right of Way Program's
EXCESS LAND BUSINESS PLAN
Fiscal Year 2000/01**

2000/01 STRATEGIES:

Obtain operational efficiencies through improved processes and procedures.

Improve cost effectiveness of the Excess Land Program through better management of resources allocated per Region/District forecasting plans.

Continue the Headquarters/Region/District work program, where Headquarters Right of Way will manage statewide and policy issues and Regions/Districts will be responsible for delivering quality products and services.

GOAL 1-Optimize Program Efficiency

OBJECTIVE- Deliver agreed upon sales targets and property inventory levels by maximizing use of resources allocated for inventory and sales activities.

STRATEGY/ACTION

- 3) Obtain commitments from Region/District Right of Way Managers for production and expenditures.
- 4) Monitor and adjust staffing and workload, adapting to changes in expectations and priorities.

TIMELINE: 2000/01

GOAL 2 – Maintain and improve an accurate database of inventory and sales for Regions/Districts to use to evaluate program.

OBJECTIVE- Maintain Regions/Districts' inventory and sales data in the Excess Land Management System.

STRATEGY/ACTION

- 4) Continuously review with Excess Land Managers the current status of their inventory and sales disposal plans.
- 5) Train Excess Land Managers and Region/District staff in the optimum use and management of the Excess Land Management System.

TIMELINE: 2000/01

**CALTRANS
RIGHT OF WAY PROGRAM
AIRSPACE & TELECOMMUNICATIONS**

**AIRSPACE ADVISORY COMMITTEE
BI-ANNUAL PROGRESS REPORT
Fiscal Year 1999/2000 ending June 30, 2000**

1999/2000 HIGHLIGHTS:

- **Excess Land Parcel at 160 Harrison Street, San Francisco sold for \$49.0 Million**
- **Excess Land Parcel, Rusty Pelican Restaurant, sold for \$2.05 Million**
- **New Public Parking Lot Lease process initiated**

AIRSPACE STATEWIDE PRODUCTION TOTALS

June 30, 2000

Airspace Lease Appraisals

(MSA 350)	'96-'97		'97-'98		'98-'99		'99-'00	
	TARGET	COMPLETE	TARGET	COMPLETE	TARGET	COMPLETE	TARGET	COMPLETE
<i>North Region</i>	5	1	4	0	2	0	3	0
<i>District 4</i>	10	1	17	7	20	2	14	9
<i>Central Region</i>	5	0	0	2	8	1	15	0
<i>South Region</i>	12	8	6	5	5	4	12	6
<i>District 11</i>	6	0	6	1	3	3	6	0
Totals	38	10	33	15	38	10	50	15

Airspace Property Management Activities

(MSA 641)	'96-'97		'97-'98		'98-'99		'99-'00	
	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL
<i>North Region</i>	58	75	90	60	60	75	70	69
<i>District 4</i>	260	172	221	180	220	206	181	219
<i>Central Region</i>	18	19	68	15	45	17	32	19
<i>South Region</i>	97	126	143	98	115	129	111	158
<i>District 11</i>	48	47	68	63	50	61	52	58
Totals	481	439	590	416	490	488	446	523

Short-Term Airspace Lease Production

(MSA 642)	'96-'97		'97-'98		'98-'99		'99-'00	
	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL
<i>North Region</i>	6	8	3	22	8	31	12	11
<i>District 4</i>	70	71	60	58	66	41	64	17
<i>Central Region</i>	3	0	3	2	10	0	0	0
<i>South Region</i>	17	20	17	18	20	18	22	29
<i>District 11</i>	25	14	6	10	5	7	5	3
Totals	121	113	89	110	109	97	103	60

Long-Term Airspace Lease Production

(MSA 643)	'96-'97		'97-'98		'98-'99		'99-'00	
	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL
<i>North Region</i>	5	8	3	9	10	4	8	3
<i>District 4</i>	42	18	5	33	63	10	10	3
<i>Central Region</i>	14	0	2	0	7	0	5	0
<i>South Region</i>	30	21	24	31	30	21	30	30
<i>District 11</i>	20	43	5	21	30	28	45	9
Totals	111	90	39	94	140	63	98	45

WIRELESS TELECOMMUNICATIONS PROGRAM

June 30, 2000

Telecommunications-Wireless Sites

(MSA 649)						
1999-00	TARGET***	COMPLETE	SITES CONSTRUCTED*		PROJECTED**	INCOME
			FY	TTD		
<i>North Region</i>	50	0	0	1	1	\$18,030
<i>District 4</i>	63	25	0	51	35	\$528,265
<i>Central Region</i>	85	0	0	4	1	\$81,866
<i>South Region</i>	240	49	33	14	10	\$422,184
<i>District 11</i>	35	13	1	4	3	\$62,558
Totals	473	87	34	74	50	\$1,112,903
1998-99	TARGET***	COMPLETE	SITES CONSTRUCTED*		PROJECTED**	INCOME
			FY	TTD		
<i>North Region</i>	35	0	1	1	7	\$0
<i>District 4</i>	230	58	33	45	46	\$751,602
<i>Central Region</i>	35	0	4	4	7	\$0
<i>South Region</i>	180	54	6	10	36	\$165,797
<i>District 11</i>	40	6	1	3	8	\$38,568
Totals	520	118	45	63	104	\$955,967
1997-98	TARGET***	COMPLETE	SITES CONSTRUCTED*		PROJECTED**	INCOME
			FY	TTD		
<i>North Region</i>	130	3	0	0	26	\$0
<i>District 4</i>	150	49	12	12	30	\$373,680
<i>Central Region</i>	100	0	0	0	20	\$0
<i>South Region</i>	180	153	4	4	36	\$17,500
<i>District 11</i>	100	9	2	2	20	\$62,508
Totals	660	214	18	18	132	\$453,688

NOTES:

* **SITES CONSTRUCTED** is a cumulative total and reflects actual operational wireless sites Statewide. The 12/31/99 Airspace Report showed 97 wireless sites constructed. During the fiscal year, 20 sites were transferred to Encroachments. They are no longer counted here and do not generate income.

** **PROJECTED** totals are the estimated number of operational wireless sites expected to be approved and constructed that particular year.

*** **TARGET** numbers reflect completed phases of the wireless approval process. Each completed site is a result of a five-part process. For instance, a target of 50 would translate into 10 completed wireless sites. Likewise, a target of 50 could also mean 25 partially approved sites each at stage 2 of the 5 part process. These 25 partially approved sites may never gain final approval.

AIRSPACE STATEWIDE TOTALS-INCOME/EXPENSES

June 30, 2000

	'93-'94	'94-'95	'95-'96	'96-'97	'97-'98	'98-'99	'99-'00
North Region							
<i>Income</i>	\$985,575	\$1,244,520	\$1,070,056	\$1,290,013	\$1,256,891	\$1,676,252	\$1,456,315
<i>Expenses</i>	\$109,000	\$93,542	\$145,799	\$94,466	\$98,097	\$104,811	\$119,707
<i>Net</i>	\$876,575	\$1,150,978	\$924,257	\$1,195,547	\$1,158,794	\$1,571,441	\$1,336,608
District 4							
<i>Income</i>	\$5,511,085	\$6,339,970	\$6,989,579	\$7,007,878	\$7,622,429	\$11,846,925	\$10,533,423
<i>Expenses</i>	\$335,080	\$319,931	\$445,391	\$450,156	\$459,824	\$483,344	\$527,903
<i>Net</i>	\$5,176,005	\$6,020,039	\$6,544,188	\$6,557,722	\$7,162,605	\$11,363,581	\$10,005,520
Central Region							
<i>Income</i>	\$140,654	\$144,115	\$146,681	\$150,362	\$153,900	\$191,313	\$218,062
<i>Expenses</i>	\$21,501	\$16,806	\$21,795	\$30,909	\$43,851	\$56,571	\$35,934
<i>Net</i>	\$119,153	\$127,309	\$124,886	\$181,271	\$110,049	\$134,742	\$182,128
Southern Region							
<i>Income</i>	\$2,865,327	\$2,874,430	\$3,093,264	\$2,760,694	\$2,994,830	\$3,963,324	\$3,637,093
<i>Expenses</i>	\$439,895	\$512,105	\$550,625	\$427,732	\$400,949	\$452,683	\$432,641
<i>Net</i>	\$2,425,432	\$2,362,325	\$2,542,639	\$2,332,962	\$2,593,881	\$3,510,641	\$3,204,452
District 11							
<i>Income</i>	\$1,728,789	\$1,336,205	\$1,075,548	\$890,340	\$975,470	\$1,301,755	\$1,067,848
<i>Expenses</i>	\$75,816	\$299,635	\$255,009	\$108,701	\$84,302	\$121,780	\$216,189
<i>Net</i>	\$1,652,973	\$1,036,570	\$820,539	\$781,639	\$891,168	\$1,179,975	\$851,659
Statewide*							
<i>Income*</i>	\$11,231,430	\$11,939,240	\$12,375,128	\$12,099,287	\$13,003,520	\$18,979,569	\$16,912,741
<i>Expenses**</i>	\$1,309,125	\$1,558,995	\$1,611,255	\$1,286,571	\$1,373,341	\$1,597,410	\$1,680,241
<i>Net</i>	\$9,922,305	\$10,380,245	\$10,763,873	\$10,812,716	\$11,630,179	\$17,382,159	\$15,232,500

NOTES:

*Statewide income was down across the State due to seismic work affecting larger, profitable airspace sites. Also, late in FY 1998-99, the Regions/Districts received large amounts of early lease payments that would normally be counted in the next fiscal year. Reported income in FY 98-99 was probably an aberration. Discounting FY 1998-99, income for FY 1999-00 shows a steady upward trend.

**Statewide expenses include HQ overhead for airspace activities.

DEVELOPMENT LEASES - ACTIVE and ONGOING

NO.	AIRSPACE SITE	PROPOSED TENANT	CURRENT STATUS	DATE LAST PRESENTED TO AAC
1.	11-SDX-005-0015	THRIFTY CAR RENTAL	DIRECT NEGOTIATIONS APPROVED	JUNE 2000
2.	12-ORA-005-0087	IRVINE SPECTRUM	NEGOTIATIONS CONTINUING	AUGUST 1999
3.	11-SDX-805-0002	BRAGG CRANE SERVICE	ONE YEAR EXTENSION APPROVED BY AAC	JUNE 2000
4.	04-SFX-101-0023	FOB TRADING CORP.	NEGOTIATIONS CONTINUING	APRIL 1998
5.	03-SAC-51-0004	INTER-MODUL TRANSIT PARTNERS	ONE YEAR EXTENSION APPROVED BY AAC	JUNE 2000 JANUARY 1997

DEVELOPMENT LEASES - WITHDRAWN OR INACTIVE

NO.	AIRSPACE SITE	PROPOSED TENANT	CURRENT STATUS	DATE LAST PRESENTED TO AAC
1.	04-ALA-880-0052,53	REYNOLDS AND BROWN	TRANSACTION WITHDRAWN - LESSEE DID NOT WANT TO PROCEED.	OCTOBER 1996
2.	07-LA-210-0031	HOLQUIST EQUITY	DEVELOPER WITHDREW.	OCTOBER 1996
3.	11-SD-76-0001	ARCO	ARCO DID NOT ACCEPT 5-YEAR LEASE TERM.	NOVEMBER 1995

**LEASES APPROVED BY CTC
AAC APPROVAL NOT REQUIRED**

NO.	AIRSPACE SITE	PROPOSED TENANT	CURRENT STATUS	DATE PRESENTED TO CTC
1.	07-LAX-010-0070 07-LAX-110-0006	MORVIS CORVIS CORPORATION	LEASE NOT EXECUTED BY LESSEE	JULY 2000

DEVELOPMENT LEASES - LEASE EXECUTED

NO.	AIRSPACE SITE	PROPOSED TENANT	DATE LAST PRESENTED TO AAC
1.	04-SFX-080-0014	SILICON VALLEY BANK	OCTOBER 1998
2.	11-IMP-086-0001	RIVERA WINERY	JULY 1998
3.	11-SDX-005-0001	PARK AND RIDE INC.	APRIL 1998
4.	07-LA-105-5	HORNET	JANUARY 1998
5.	11-SDX-005-0023	ISLANDS RESTAURANT	JANUARY 1998
6.	11-SDX-015-0011	PRESLEY HOMES	JANUARY 1998
7.	11-SDX-005-0017	AVENTINE OFFICE COMPLEX	OCTOBER 1997
8.	04-CC-880-01	POINT RICHMOND AND ASSOCIATES	JULY 1997
9.	12-ORA-005-086	DISCOVERY SCIENCE CENTER	MAY 1997
10.	03-SAC-51-04	INTER-MODUL TRANSIT PARTNERS	APRIL 1997
11.	04-SOL-80-2	TOYOTA OF VALLEJO	APRIL 1997
12.	04-SOL-780-01	ANASTASIOS	JANUARY 1997
13.	07-LA-121	GLOBE TIRE	OCTOBER 1997
14.	11-SD-78-3	MCCLEAN AUTOMOTIVE	OCTOBER 1997
15.	07-LA-5-21	A.T.S. NORTHEAST TOWING	JUNE 1996
16.	11-SD-5-40	ARAMARK	JUNE 1996
17.	11-SD-8-14	DREW FORD	JUNE 1996
18.	11-SD-163-4	VALLE DELA REINA	JUNE 1996
19.	11-SD-163-5	JOHN HANCOCK	JUNE 1996
20.	11-SD-5-7	PREBYS	APRIL 1996
21.	11-SD-76-19	MC BAIN	APRIL 1996
22.	07-LAX-405-0065, 66, 67	J.PAUL GETTY TRUST	JANUARY 1996
23.	07-LAX-005-0012, 13	LAWRY'S FOODS (CONOPCO)	JANUARY 1996

EXCESS LAND-MAJOR AND SENSITIVE TRANSACTIONS

NO.	DIST	DIRECTORS DEED	PROPERTY	CURRENT STATUS
1.	NR	DD00472801-01	65 TH /FOLSOM MAINTENANCE STATION - SACRAMENTO	SOLD AT PUBLIC AUCTION FOR \$875 THOUSAND TO 5 TH HIGHEST BIDDER, SCHEDULED FOR NOVEMBER CTC (4 HIGHER BIDDERS DEFAULTED)
2.	4	DD038890-01-01	160 HARRISON STREET	SOLD 3/2000, \$49.0 MILLION
3.	4	DD014880-01-01	FOSTER CITY	ENVIRONMENTAL HOLD AS POTENTIAL WETLANDS MITIGATION SITE.
4.	4	DD000115-01-02	SAN JOSE PARK AND RIDE	DISTRICT PROPOSES TO INCORPORATE INTO THE R/W TO EXPAND EXISTING PARK & RIDE LOT
5.	4	DD048604-01-01	WALNUT CREEK OFFICE BUILDING	NOW USED AS 680/24 IC CONSTRUCTION OFFICE. TO BE SOLD AT PUBLIC AUCTION UPON PROJECT COMPLETION
6.	CR	DD075100-01-01	CITY OF CLOVIS	NOT AVAILABLE FOR SALE UNTIL PROJECT COMPLETION (2/01). CITY HAS REQUESTED RIGHT TO BUY
7.	SR	DDB9750-01-01	RUSTY PELICAN	SOLD 11/99, \$2.05 MILLION
8.	SR	VARIOUS	SR 710-ROBERTI BILL PROPERTIES	ONGOING SALES
9.	SR	DDA01986-01-03	DISTRICT 8 OFFICE BUILDING - SAN BERNARDINO	UNDERGOING ENVIRONMENTAL REVIEW. SALE APPROVED IN JUNE 2000 BY AAC.
10.	11	DD022481-01-02	CITY OF POWAY	DIRECT SALE TO CITY REDEVELOPMENT AGENCY. SCHEDULED FOR NOVEMBER CTC