

Regarding Item F5 on Board of Commissioners Agenda for November 14, 2006:

“Amendment to Article III of Chapter 6 of the Code of DeKalb County Concerning Airport Leases” (Faxed Draft of October 9, 2006)

Preliminary Comments: We support establishing formal guidelines regarding the management of leases at PDK Airport. Such guidelines, however, must be based on accurate information, must be clearly described, and must contribute to a free and open bidding process, in our opinion. We have problems in these areas with the following items:

1. Second WHEREAS on page 1 of Draft:

Although it is true that “PDK Airport is an enterprise fund department of DeKalb County, Georgia,” we question the factual accuracy of the further statement that PDK Airport, is “independent of the financial support from County taxes.”

On three successive years (2002, 2003, and 2004), according to the figures supplied by Dr. Michael Bell, more than \$100,000 of PDK Airport “Indirect Costs” each year were paid for by “adjustments” by the County (a total of \$410,655). Was the BOC aware of these “adjustments”? Did they vote on the “adjustments”? In any case, such regular “adjustments” to the tune of hundreds of thousands of dollars would not appear to constitute acting “*independent of the financial support from County taxes.*”

2. Sixth WHEREAS on the bottom of page 1 and first WHEREAS on the top of page 2 of Draft:

We question the advisability of not “necessarily” submitting major long-term leases to a competitive bidding process and the County using “certain objective criteria” (what are they?) in order “to renew its lease of such premises at PDK Airport to current tenants at fair market value, as opposed to submitting the re-lease of such premises through a competitive bid process, if, at the sole discretion of the governing authority, such is determined to be in the best interest of DeKalb County.” (Emphasis added)

It is our understanding that the County’s original intent had been to reconsider fully such long-term leases when they came to an end, opening up those leases at that time to competitive bidding once again, rather than bypassing such procedures. We feel that these two “Whereas” statements contribute to undercutting open disclosure or discussion and may well result in the County not making the maximum profit it can from valuable County-owned property. Even if these “Whereas” statements may not be legally in conflict with state open bidding requirements, we feel that giving such a high degree of discretionary power to the airport director alone and having such lack of open disclosure

or discussion may not contribute to insuring that the County obtains the best possible financial return from such leases.

3. Sect. 6-134 Consistency with Long-Range Master Plan.

“Airport property proposed to be leased shall be located in areas designated for the proposed uses according to the Airport master, or any airport land use or layout plans, and shall not constrain the County’s ability to achieve its long-range developmental plans.” (Emphasis added)

In our opinion, “or any airport land use” is too broad and should be struck from the statement, leaving it to read, instead, “according to the Airport master or layout plans.” Such wording would allow development outside the formal and approved Master Plan and associated Layout Plan, thereby circumventing the viability of the Master Plan itself.

Furthermore, “shall not constrain the County’s ability to achieve its long-range developmental plans” would appear to be unnecessary wording, assuming that the PDK Master and Layout Plans are part of the County’s long-range developmental plans. The PDK Master Plan and Layout plans should be adhered to, not circumvented at will, based on other criteria.

Major issues still remain to be determined with regard to the parameters of the new PDK Master Plan, being conducted at a cost of nearly one million dollars. To date, for example, according to Airport Director Lee Rimmel at the July 2006 Airport Advisory Board meeting, no decision has been made by the FAA as to whether or not it will require compliance with the County’s 66,000 lb. weight limit at PDK Airport. Rimmel indicated that no further development of the Master Plan will proceed until the FAA makes its decision on the weight limit and fleet mix at PDK Airport.

Under these circumstances, we question the wisdom of any approval of major development plans or contracts at PDK Airport that precede the FAA decision on such matters and the completion of the PDK Master planning and approval process.

4. Sec. 6-135 Requirement for Appraisal.

“ . . . the airport director shall obtain a professional airport-aviation related appraisal of the available leasehold interest in order to determine the current *and future* [emphasis in original] Fair Market Value (FMV) to be placed on such leasehold.”

Comment: We feel that one appraisal alone is not enough. Ideally there should be three.

5. Sec. 6-136 Requirement for Renewal of Leases.

(c) “. . . Lease terms shall not exceed five years, unless substantial tenant investment in leasehold improvements warrants a longer term. In no case shall the term of any lease exceed 20 years, unless it is determined by the Governing Authority that substantial benefit would inure to the public.” (Emphasis added)

Comment: The term “substantial benefit” needs to be defined clearly.

6. Sec. 6-136 Requirements for Renewal of Leases.

(e) “. . . the County, [sic] shall perform its due diligence in deciding whether to extend the current lease” “(6) whether the overall proposal adds value or benefit to the surrounding airport community, and/ or the County” (Emphasis added)

Comment: What does the term “surrounding airport community” mean? We suggest “community surrounding the airport,” instead. What is defined as value or benefit to the surrounding business and residential community? What considerations are being given to the negative impacts on the community? Do they include air, noise, and water pollution?

7. Sec. 6-139 Prohibited Activities

“Airport land or improvements shall not be occupied or used for any activity that is contrary to the safe and efficient operation of the airport, including, but not limited to, any activity that jeopardizes the safety of the public, aircraft, or property located at the airport, . . .”

Comment: What is the definition of safety? What about the negative impacts on surrounding property? What about the property rights of businesses or residences outside the airport border?

These are just a few of the concerns expressed by PDK Watch Inc. about this proposed ordinance, based on having less than a week during which we could review review the document.

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