

Our Park, Our Future!
Stop the Counterproductive Efforts to Prevent Airport Closure

March 23, 2024

Dear Mayor, City Council, City Manager, and Airport Commission:

I am writing to express my sincere concern that the City's rights and plan to close the airport are purposefully being diminished and that urgent action is required.

The return of our public land from SMO airport back to public park land is one of the most significant projects in the history of our City. However, undisclosed projects and counterproductive efforts have surfaced with only 4 years until closure. Greater attention and scrutiny of activities at SMO is essential. Please engage with appropriate City leaders to:

1. Determine if City Staff are taking ***“all actions necessary and proper to ensure that SMO will cease to operate as an airport and shall be closed to all aeronautical use forever effective as of midnight on December 31, 2028”*** per the City Council SMO Closure Resolution 11026 (“SMO Closure Policy”).
2. Eliminate all counterproductive efforts that will delay, diminish rights, or prevent airport closure.

It is clear that efforts of some City Staff over the last year are not in compliance with the SMO Closure Policy and are likely inconsistent with the Code of Ethics, Measure LC, SMO Consent Decree, and other standards. A determination is urgently needed to review, identify, and eliminate these efforts through a transparent reporting process that, if needed, engages unbiased outside experts.



Image: Illustrative concept of the infrastructure development project at SMO with Atlantic Aviation and Archer

Basis of Request

Here are 3 specific examples of questionable activities over the last year that demonstrate that some City Staff are actively working against and undermining the SMO Closure Policy:

1. Denial of the SMO Closure Policy at the January 2024 Airport Commission Meeting
2. Airport Infrastructure Development Project to Accommodate AirTaxi Networks
3. New Flight School with 40,000 Training Operations Using Uncertified Aircraft

1. Denial of the SMO Closure Policy at the January 2024 Airport Commission Meeting

City Staff made clear statements denying the SMO Closure Policy at the January 2024 Airport Commission Meeting. To be specific, 2 very disturbing discussions between Airport Commission members and City Staff took place where they disputed the closure of SMO.

First, City Staff emphatically stated that SMO is not scheduled to close, nor is it planning to close. This continued even after two different SMAC members directly cited the City Council SMO Closure Resolution 11026. Second, 34 minutes later in the same meeting, City Staff continued with similar comments when the topic came up about public reporting on the Airport Closure process. City Staff said they don't know how to close the airport. They don't know what has to be done to close it. They don't know the timing to close the airport. There is no school to teach or show how to close an airport. It is not in their responsibility to close the airport.

Anyone can listen to the audio clips of these 2 discussions at the SMAC meeting. The links are [here](https://youtu.be/0G7y-w1tZCI) (<https://youtu.be/0G7y-w1tZCI>) and [here](https://youtu.be/1upQ4lY7zwM) (<https://youtu.be/1upQ4lY7zwM>).

2. Airport Infrastructure Development to Accommodate AirTaxi Networks

City Staff have been actively working behind the scenes for over a year with corporate aviation industry interests (including Joby Aviation, Atlantic Aviation, Archer Aviation, and/or Beta Technologies) to develop airport infrastructure and entrench more aviation tenants, even though airport closure is only 4 years away. Please see the email records that follow. Also, please see the above illustrative concept that was promoted in nationwide press releases and the media. A link to a SMDP article is [here](#). This project begs the following questions.

- **Rationale**
Why is City Staff working on this project? Is the project consistent with the SMO Closure Policy? Is it required by the Consent Decree? What is the cost in terms of time, money, and other city and public resources? How does this square with the \$2+ million just committed to the Sasaki project? Is it experimental or is it already a proven commercially viable project? Is this project a public subsidy for a private aviation startup? What is the accident history of the experimental aircraft to be used? What is the forecasted operational count and impact on the City at scale in 10-15 years? What is the regulatory framework and standards at the local, state, and federal level?
- **Stakeholders**
Is Atlantic Aviation (a holdover tenant and litigant against the City), Joby, Archer, or Beta permitted to do this? Is there written approval and agreement among the private companies or with the City? Will this establish any "vested rights" for aviation interests at the Airport? Will it

violate the Leasing Policy, including the specific provisions about “no subleasing” and “no space sharing”? Who are the participants planning this venture? What are their financial interests?

- Timeline

When did City Staff first begin working on this project? When will the project be completed? How does this project align with the SMO Closure Policy and the date and time certain for SMO closure at midnight December 31, 2028? When will the experimental aircraft be type-certified for commercial use? When will the aircraft start being manufactured? When will commercial operations begin?

- Transparency

Why was the City Council first informed about this project only a few weeks ago on February 14, 2024? When was the City Manager first informed? When was the Airport Commission first informed? When was the public first informed?

3. *New Flight School with 40,000 Training Operations Using Uncertified Aircraft*

The City Staff is actively working with aviation interests to also entrench a new flight school at the airport, even though the City paid Justice Aviation Flight School \$450,000 in public funds to leave SMO. The new flight school is currently based at Torrance Airport and has been in litigation with the City of Torrance as a result of its significant negative impact on that city that includes about 40,000 pattern operations per year. This flight school is represented by a very familiar attorney named David Shaby who has repeatedly litigated against the City of Santa Monica costing it millions of dollars. This flight school builds, operates, and trains students using uncertified experimental aircraft that are kit-assembled with little-to-no regulation. Over 20+ accidents (including at least 8 in 2023) have been reported involving their aircraft over recent years. Additionally, the organization is funded with federal grants from the FAA, which may present additional conflicts including undetermined additional obligations by the City.

This effort to embed the new flight school raises many questions. Why is City Staff working on this project? Is this compliant with the SMO Closure Policy? Is it required by the SMO Consent Decree? Is this consistent with the City Staff taking “all actions necessary and proper to ensure that SMO will cease to operate as an airport and shall be closed to all aeronautical use forever”? Is City Staff aware of the litigation in Torrance? Is the City Staff conducting proper and sufficient due diligence?

The Need to Eliminate Counterproductive Efforts

Unnecessarily building out infrastructure and entrenching new aviation tenants into the Airport, while also closing the airport is an absolute waste of public resources. While Sasaki is starting on important and expensive work on what to do after the airport closes, there is zero effort among City Staff to execute the necessary pre-requisite step to close the airport in only 4 years. Moreover, the 2 aviation industry projects mentioned above are counterproductive efforts to keep the airport open indefinitely and to spur costly litigation.

All City Staff should be reminded of the SMO Closure Policy and instructed to cease any counterproductive efforts that may delay and diminish the right to closure. Perhaps some City Staff should be reassigned to take on different responsibilities. Any unwillingness to acknowledge or support the SMO Closure Policy is a clear betrayal of the public interest and the City’s democratic processes.

These efforts are wasteful of public money, time, and resources and the counterproductive efforts must be stopped.

The City Should Exercise its Proprietary Exclusive Rights

The City should now renew and execute its established “CITY OF SANTA MONICA POLICY FOR ESTABLISHING EXCLUSIVE PUBLIC PROPRIETARY ‘FIXED BASED OPERATIONS’ AND PROVIDING OTHER AERONAUTICAL SERVICES AT THE SANTA MONICA AIRPORT”. See the policy [here](#). These rights have been validated in the Consent Decree and exercising these rights now will clear the airfield of aviation litigants and ensure airport closure.

As history has demonstrated at least 2-3 times over the past 40 years, if no action is taken by our City leaders to correct these counterproductive efforts and to clear the airfield, there will undoubtedly be more public money, time, and resources wasted again. The 1981 closure policy came and passed after expensive litigation and settlement. The 2015 closure policy also came and passed after costly litigation and settlement. And now the midnight December 31, 2028 closure is only 4 years away, and it appears some City Staff are attempting to repeat this cycle.

Please take action. Thank you in advance for your attention and scrutiny of this important issue.

Sincerely,

SMO Future
www.SMOfuture.com

EMAILS RELATED TO THE AIRPORT INFRASTRUCTURE DEVELOPMENT PROJECT

Some City Staff are undermining the closure of SMO and the transition back to public park land.

February 2023

Airport Director and Joby began discussions back in December 2022.

From: Ryan Brodley <ryan.brodley@jobyaviation.com>
Sent: Wednesday, February 1, 2023 8:26 AM
To: Stelios Makrides <Stelios.Makrides@santamonica.gov>; Diana Hernandez <Diana.Hernandez@santamonica.gov>
Subject: Re: Joby space requirements

EXTERNAL

Hi Stelios,

Following up on our conversation in December about identifying space for Joby to charge its aircraft in the future at SMO. Can you think of any possibilities for us based on the 2,280 sq ft ramp space required?

Our goal here would be to engage Edison rather soon, to inquire about power availability for charger installation.

Please let me know if you have a few minutes to chat, or feel free to give me a call on [REDACTED]

Thanks,

Ryan

February 2023

Atlantic joined the discussions and planning in February 2023.

From: [Ryan Brodley](#)
To: [Stelios Makrides](#)
Cc: [Diana Hernandez](#)
Subject: Re: Joby space requirements
Date: Wednesday, February 1, 2023 8:56:22 AM
Attachments: [image001.png](#)

EXTERNAL

Thanks for taking a look at this, Stelios. I have met with Greg Wain and we will be exploring this further with him and the team at Atlantic.

If space becomes available, I would appreciate it if you could keep me in the loop so that we can pursue different options. We are hoping to showcase an aircraft in LA later this year so I'll keep you posted on this too.

Ryan

On Wed, Feb 1, 2023 at 8:49 AM Stelios Makrides <Stelios.Makrides@santamonica.gov> wrote:

The only place that we can think of it's Atlantic's ramp. We have nothing else available to allow for this type of operation at our Airport. I suggest you begin the conversation with Atlantic to see if this is a viable business opportunity for them.

BTW there address is 2828 Donald Douglas Loop North, Santa Monica, CA 90405.



Stelios Makrides
Public Works Department
Chief Operations Officer/Airport Director

September 2023

***Airport Director, Atlantic, and Joby furthered space-sharing plans
in violation of the SMO Leasing Policy by September 2023.***

From: [Stelios Makrides](#)
To: [Wain, Gregory](#)
Cc: [Jack Flores](#)
Subject: Re: Joby
Date: Friday, September 29, 2023 7:03:04 PM
Attachments: [image485775.png](#)
[image359438.png](#)
[image119422.png](#)
[image239639.png](#)
[image996910.png](#)

They did reach out to me as well. I'll have my staff set up a meeting to discuss.

From: Wain, Gregory <Gregory.Wain@atlanticaviation.com>
Sent: Friday, September 29, 2023 5:05:52 PM
To: Stelios Makrides <Stelios.Makrides@santamonica.gov>
Subject: Joby



EXTERNAL

Hey my friend, when convenient I would like to chat with you about the above mentioned. Atlantic has been in talks with the idea of Joby utilizing our ramp when in operation. I realize you have chatted with them too but they had some questions I need your assistance with. Send me an invite if easier. Shouldn't take more than ten to fifteen minutes. I'm available pretty much anytime next week. Enjoy your weekend.

Thanks.

Sent from my iPhone

Gregory S. Wain
General Manager - SMO

 T: 310 396-6770
 gregory.wain@atlanticaviation.com



December 2023

Airport Director, Atlantic, Joby, Archer and Beta broadened the plans by December 2023.

From: [Ryan Brodley](#)
To: [Stelios Makrides](#)
Subject: Re: Joby follow up
Date: Wednesday, December 13, 2023 3:14:03 PM
Attachments: [image001.png](#)

EXTERNAL

Hi Stelios,

Thanks. I will wait to hear from you on further conversations with Edison. Can you clarify when the EV project is planning to go ahead?

I've been hoping to connect with Ben Marcus given his close association to the industry. Good to hear lots of interest in supporting exhibitions at the airport next year.

Best,
Ryan

On Wed, Dec 13, 2023 at 10:01 AM Stelios Makrides <Stelios.Makrides@santamonica.gov> wrote:

Hey Ryan,

I don't believe I responded to you. I forwarded your email to your team to check with SCE. We will be getting back to you hopefully sometime early January.

I also met with Ben Marcus (UP Partners) about the event next year. We would be looking at the feasibility to bringing your company and other electric aircraft manufacturers in for the event. More to come soon.

Best,



Stelios Makrides

Public Works Department

February 2024

Airport Director lied to City Manager about past and ongoing planning in February 2024.

From: [David White](#)
To: [Stelios Makrides](#)
Cc: [Tati Simonian](#); [Lauren Howland](#); [Christopher Dishlip](#); [Susan Cline](#)
Subject: Re: SMPD Article RE: Air Taxi with electric aircraft at SMO
Date: Wednesday, February 14, 2024 7:59:15 AM
Attachments: [image001.png](#)

Ok, thanks - I'll send an email to council as a heads -up. Much appreciated!

Dave White
City Manager
City of Santa Monica

From: Stelios Makrides <Stelios.Makrides@santamonica.gov>
Sent: Wednesday, February 14, 2024 7:34:40 AM
To: David White <David.White@santamonica.gov>
Cc: Tati Simonian <Tati.Simonian@santamonica.gov>; Lauren Howland <Lauren.Howland@santamonica.gov>; Christopher Dishlip <Christopher.Dishlip@santamonica.gov>
Subject: SMPD Article RE: Air Taxi with electric aircraft at SMO

Just in case you receive any emails relating to this article.

<https://smdp.com/2024/02/14/air-taxi-start-up-to-operate-from-santa-monica-airport-and-expects-to-be-flying-by-2025/>

Neither Archer nor Atlantic has reached out to us. Joby, a competitor to Archer, has reached out and we are meeting with them today.

Because we have been in talks with a company to install EV aircraft chargers at the Airport, we know that the possibility to bring power to the ramp at SMO to support these types of operations is at least 2+ years away based on the time SCE takes to approve plans for power upgrades and lead times for equipment.



Stelios Makrides
Public Works Department
Chief Operations Officer/Airport Director
(310) 434-2693

February 2024

City Manager then misrepresented the broad existing plans to City Council in February 2024.

From: [David White](#)
To: [David White](#)
Cc: [Susan Cline](#); [Rick Valte](#); [Christopher Dishlip](#); [Stellos Makrides](#); [Lauren Howland](#)
Subject: SMPD Article Re Air Taxi
Date: Wednesday, February 14, 2024 12:11:37 PM

Dear Mayor, Vice Mayor, and City Council,

You may notice an article in the daily press regarding Archer's interest in the airport. The article is here below:

<https://smdp.com/2024/02/14/air-taxi-start-up-to-operate-from-santa-monica-airport-and-expects-to-be-flying-by-2025/>

Neither Archer nor Atlantic has reached out to the City. With that being said, we are talking to other companies in this space.

In addition, our staff at the airport have been in talks with a company to install EV aircraft chargers at the Airport and they believe that it is at least 2+ years away for the power to be there based on the time So Cal Edison takes to approve plans for power upgrades and lead times for equipment.



David White
City Manager

SMO Policy to Exercise Proprietary Exclusive Rights

**CITY OF SANTA MONICA
POLICY FOR ESTABLISHING EXCLUSIVE PUBLIC PROPRIETARY "FIXED
BASED OPERATIONS" AND PROVIDING OTHER AERONAUTICAL SERVICES AT
THE SANTA MONICA AIRPORT**

Pursuant to the findings, declarations, policies and directions of the **"RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MONICA MAKING FINDINGS REGARDING THE ADVERSE ENVIRONMENTAL, HEALTH AND SAFETY EFFECTS OF THE SANTA MONICA AIRPORT; DECLARING THE POLICY OF THE CITY TO CLOSE THE SANTA MONICA AIRPORT TO AVIATION USES AS SOON AS LEGALLY PERMITTED, AND DIRECTING THE CITY MANAGER TO IMPLEMENT ALL LAWFUL ADMINISTRATIVE MEASURES CONSISTENT WITH THESE FINDINGS AND DECLARATIONS"** the City Council now sets forth the following policies which shall govern the provision of Fixed Base Operations and related aeronautical services at the Airport as long as it remains open:

1. The City Manager shall replace all current private fixed base operators such as Atlantic Aviation and American Flyers, (each an "FBO" and collectively the "Airport FBOs") with fixed base operations provided by the City on an exclusive proprietary basis, on or before December 31, 2016, or as soon as practicable thereafter.

2. The City Manager, in order to ensure an orderly transition, shall initiate such legal action as are necessary and appropriate to cause the removal of the Airport FBOs (which currently occupy space at the Airport under expired leases), including any legally required "Notice to Vacate", by September 15, 2016, or as soon as practicable thereafter.

3. The City Manager is authorized and directed to take whatever steps he deems appropriate for the City to offer some or all of the same aeronautical services as were offered by the Airport FBOs. The aeronautical services offered shall include only those FBO services required by law, as may be determined by the City based upon written communications with the FAA, the California Department of Aeronautics, and other federal and state agencies.
4. The City shall use some or all physical assets owned by the City, including those which may currently be being used by the Airport FBOs, including real property, fuel tanks, hangars, tie-downs, tarmac areas and other City-owned physical assets. The City Manager is further authorized to engage City personnel and/or contractors to support the provision of such aeronautical services.
5. The City will also allow individual aircraft owners to hire aeronautical service providers located off the Airport premises to provide aeronautical services within the Airport, on fair and reasonable terms, but only to the extent legally required, as the same may be determined by the City Manager based upon written communications with the FAA, the California Department of Aeronautics, and other federal and state agencies.
6. This policy shall remain in effect through March 31, 2017. The City Manager is further directed to return to this City Council prior to March 31, 2017, to allow this City Council to renew, enhance or modify this policy.