



# City Council Memorandum

*City of Arts & Innovation*

.....

**TO: HONORABLE MAYOR AND CITY COUNCIL                      DATE: MAY 5, 2026**

**FROM: CITY MANAGER - AIRPORT                                      WARD: 3**

**SUBJECT: FIRST AMENDMENT RIVERSIDE AIRPORT LEASE AGREEMENT WITH WAYPOINT AVIATION SERVICES FOR ESTIMATED REVENUE OF \$600,000 FOR A TEN-YEAR TERM ENDING NOVEMBER 30, 2035, WITH ONE ADDITIONAL TEN-YEAR OPTION TO EXTEND.**

**ISSUE:**

Approve a First Amendment Riverside Airport Lease Agreement with Waypoint Aviation Services, for a ten-year term ending November 30, 2035, with one additional ten-year option to extend.

**RECOMMENDATIONS:**

That the City Council:

1. Approve a First Amendment to Riverside Airport Lease Agreement with Waypoint Aviation Services, for estimated revenue of \$600,000 for a ten-year term ending November 30, 2035, with one additional ten-year option to extend; and
2. Authorize the City Manager, or his designee, to execute the First Amendment Riverside Airport Lease Agreement with Waypoint Aviation Services, including making minor and non-substantive changes.

**BACKGROUND:**

On January 12, 2016, the City Council approved a ten (10) year lease agreement for 9,794.4 square foot hangar and office building located at 6873 Flight Road (also known as "Hangar N"); 8840.2 square feet of land ("Ramp 1") located at 6873 Flight Road; 23,576 square feet of land ("Ramp 2"); 9,7119.9 square feet of land ("Ramp 3") on the west side of the hangar/building with a ten (10) year option to extend the agreement, with Waypoint Aviation Services (Lessee).

The City and Lessee desire to amend the Premises Leased to reflect reduction in square footage of Ramp 3 from 9,711.9 square feet of land to 7511.0 square feet of land on the west side of the hangar/building, and to amend the monthly rental amount from \$5,457.91 to \$5,000.

**DISCUSSION:**

Waypoint Aviation Services currently leases 9,794.4 square foot hangar and office building located at 6873 Flight Road (also known as “Hangar N”); 8840.2 square feet of land (“Ramp 1”) located at 6873 Flight Road; 23,576 square feet of land (“Ramp 2”); 7,511.0 square feet of land (“Ramp 3”) on the west side of the hangar/building. This lease agreement will ensure that the Airport is in full capacity for leasing space and furthering the Airport’s sustainability as a self-supporting enterprise fund.

The term of this Lease shall commence December 1, 2025, and shall terminate on November 30, 2035. The City hereby grants Lessee an option to extend this Lease for an additional period of ten (10) years following the expiration of the initial term as provided herein this paragraph. Any extension to this Lease shall be subject to approval by City and on the same terms and conditions contained herein, provided, however, the rental payments shall be subject to negotiation by the Parties.

Monthly rent shall be adjusted each year commencing with the rental payment due on August 1, 2026, to reflect the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles-Anaheim-Riverside Standard Metropolitan Statistical Area (“Index”) published by the Bureau of Labor Statistics of the United States Department of Labor for most recent 12-month published index, based upon the corresponding increase, if any, in the Index as it stands on May that year over the Index as it stood on May of the prior year.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$60,000 in revenue for the initial year of the rent plus an annual CPI increase based on the Riverside-San Bernardino-Ontario Consumer Price Index (CPI) for all subsequent years. The term of the lease is ten years and this agreement would result in a minimum estimated revenue of \$600,000 plus CPI over the ten years. Revenue will be deposited in the Airport Fund, Airport Building & Ground Rental revenue account 0000530-346120.

Prepared by:	Daniel Prather, Airport Manager
Approved by:	Daniel Prather, Airport Manager
Certified as to availability of funds:	Julie Nemes, Interim Finance Director
Approved by:	Gilbert Hernandez, Interim Assistant City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments: Agreement