



CALTRANS AIRPORT LOAN

General Services Department

City Council
November 14, 2023

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AIRPORT ENTERPRISE FUND

- As an enterprise fund, the Airport receives no contributions from the City general fund.
- The Airport generates operating revenues through hangar rents, ground leases, and concessions.
- The Airport expends operating funds for staff wages and supplies and equipment used in maintaining the safety and security of the airfield and airport buildings.



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AIRPORT BUDGET

- The Airport budget is designed as an operating budget with some funds available for emergency repairs to existing buildings and infrastructure.
- The Airport budget has little available for capital needs, including significant deferred maintenance needs.



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FAA FUNDING SOURCES

- Although the Airport Improvement Program (AIP) grant program, administered by the Federal Aviation Administration (FAA), is available for airports with capital development needs, the movement area (runways and taxiways) are generally prioritized.
- As Riverside Municipal Airport's movement area capital development needs exceed available FAA funding, using FAA funding for deferred building maintenance is not possible.



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ROOF ASSESSMENTS

- The Airport contracted with a roofing company to conduct assessments of all airport roofs, including numerous hangars and the main terminal building.
- The total cost estimate for roof replacements and rehabilitation airport-wide equal \$3,340,000-\$3,720,000. This includes roofs on 17 airport buildings. Additionally, the Airport intends to replace hangar doors on each of two original hangars on the airport, with cost estimate of \$189,000.



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AIRPORT DEFERRED MAINTENANCE NEEDS

RIVERSIDE MUNICIPAL AIRPORT	WORK TYPE	BUDGETS		CONCERNS & UNFORESEEN ITEMS
BUILDING Q. / FAA / FLAT ROOF	REROOF	\$ 400,000.00	\$ 450,000.00	Wood decking / asbestos / ponding
BUILDING Q. / FAA / TILE ROOF	REROOF	\$ 200,000.00	\$ 215,000.00	Wood decking / fascia / tile
HANGER E	REROOF	\$ 200,000.00	\$ 225,000.00	Wood decking / fascia / weight / ponding
CIVIL AIR PATROL / CAVU	RESTORATION	\$ 200,000.00	\$ 220,000.00	Rust / Skylights
MAIN BUILDING	RESTORATION	\$ 205,000.00	\$ 225,000.00	Wood decking / drainage
ATP HANGER	RESTORATION	\$ 110,000.00	\$ 120,000.00	
HANGER F - FLIGHT ACADEMY	REROOF	\$ 80,000.00	\$ 90,000.00	Wood decking / fascia / weight / ponding
HANGER F - HANGERS	REROOF	\$ 170,000.00	\$ 190,000.00	Wood decking / fascia / weight / ponding
AIRPORT OPS/MAINTENANCE	REROOF	\$ 80,000.00	\$ 100,000.00	Wood decking / asbestos / ponding
CAF	RESTORATION & REPAIRS	\$ 115,000.00	\$ 130,000.00	Rust / Skylights
BUILDING J. / RAS JETPORT	RESTORATION & REROOF	\$ 220,000.00	\$ 240,000.00	Rust / wood decking
HANGER L	RESTORATION	\$ 95,000.00	\$ 110,000.00	Rust
HANGER M	RESTORATION	\$ 90,000.00	\$ 100,000.00	
HANGER T	RESTORATION	\$ 145,000.00	\$ 160,000.00	Skylights
HANGER T1	RESTORATION	\$ 55,000.00	\$ 65,000.00	Skylights
HANGER W	RESTORATION	\$ 550,000.00	\$ 610,000.00	
HANGER V	RESTORATION	\$ 425,000.00	\$ 470,000.00	
		\$ 3,340,000.00	\$ 3,720,000.00	



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CALTRANS AIRPORT LOAN

- Terms up to 17 years at 5.00% interest.
- Annual debt service will total \$177,398.28, equating to \$14,783.19 per month.
- Without early paydown, total interest will equal \$1,015,770.82 over the 17-year life of the loan.



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AIRPORT COMMISSION SUPPORT

- At the November 9, 2023 Airport Commission meeting, the Airport Commission unanimously expressed support for this loan.



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STRATEGIC PLAN ALIGNMENT

Strategic Priority No. 5 – High Performing Government

Goal No. 5.3 – Enhance communication and collaboration with community members to improve transparency, build public trust, and encourage shared decision-making.



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



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RECOMMENDATIONS

That the City Council:

1. Adopt a Resolution to authorize application for, and potential award of, a \$2,000,000 loan from the California Department of Transportation Division of Aeronautics to the Riverside Municipal Airport Enterprise fund for extensive roof replacements and rehabilitation for buildings and hangars at the Riverside Municipal Airport;
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an increase of \$2,000,000 in revenue and appropriate expenditures in an equal amount in the Airport Enterprise Fund to be used towards roof rehabilitation/replacement as described herein;
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a corresponding appropriation for annual debt service payments in accordance with the debt amortization schedule to be paid from the Airport Enterprise Fund; and
4. Authorize the Chief Financial Officer and Airport Manager, or authorized designees, to execute all documents necessary to complete the financing transaction, including making minor and non-substantive changes.



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