



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL**      **DATE: OCTOBER 22, 2019**

**FROM: GENERAL SERVICES DEPARTMENT**      **WARD: 3**

**SUBJECT: RIVERSIDE MUNICIPAL AIRPORT LEASE AGREEMENT WITH ATP CA, INC., DOING BUSINESS AS ATP TRAINING, FOR A FIVE-YEAR TERM ENDING DECEMBER 31, 2024, WITH TWO ADDITIONAL FIVE-YEAR OPTIONS TO EXTEND**

## **ISSUE:**

Approve a Riverside Municipal Airport Lease Agreement with ATP CA, Inc., doing business as ATP Training for a five-year term ending December 31, 2024, with two additional five-year options to extend.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve a Riverside Municipal Airport Lease Agreement with ATP CA, Inc., doing business as ATP Training for a five-year term ending December 31, 2024, with two additional five-year options to extend; and
2. Authorize the City Manager, or designee, to execute the Riverside Municipal Airport Lease Agreement with ATP CA Inc., doing business as ATP Training, including two additional five-year options to extend, and making minor and non-substantive changes.

## **BACKGROUND:**

Since 2000, ATP CA, Inc., doing business as ATP Training (ATP) has been in a month-to-month lease agreement with Riverside Municipal Airport, operating as a Limited Fixed-Base Operator providing flight-training services. During its long tenancy at the Airport, ATP has proven to be a positive asset to the local aviation community and provides professional flight training to approximately 40 students per year. ATP has eight aircraft based at the Airport, which provides a source of revenue for local fuel providers.

In 2012, Riverside Municipal Airport began converting commercial month-to-month lease agreements to long-term lease agreements, to promote commercial investment such as tenant building improvements and program expansion.

**DISCUSSION:**

Approval of this Lease Agreement with ATP will support the efforts of the Riverside Municipal Airport (Airport) to convert month-to-month lease agreements to long-term lease agreements.

Rent during the initial five-year term of the agreement, ending December 31, 2024, will be approximately \$3,100 per month, totaling \$186,000, not including annual CPI(U) adjustments.

**FISCAL IMPACT:**

The fiscal impact of this action is \$186,000 in estimated lease revenue to General Services Department Airport Building & Ground Rental account 0000530-346120 for the initial five-year term ending December 31, 2024.

Prepared by:	Carl Carey, General Services Director
Certified as to	
Availability of funds:	Edward Enriquez, Chief Financial Officer/Treasurer
Approved by:	Moises Lopez, Deputy City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment:	Riverside Municipal Airport Lease Agreement
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