



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: AUGUST 18, 2020

FROM: GENERAL SERVICES DEPARTMENT WARD: 3

SUBJECT: RIVERSIDE MUNICIPAL AIRPORT GROUND LEASE AGREEMENT WITH KENNETH HERSHENSON, DOING BUSINESS AS AVTECH EXAMS FOR A FIVE-YEAR TERM WITH TWO ADDITIONAL FIVE-YEAR OPTIONS TO EXTEND

ISSUES:

Approve the Riverside Municipal Airport Ground Lease Agreement with Kenneth Hershenson, doing business as AvTech Exams, for a five-year term with two additional five-year options to extend.

RECOMMENDATIONS:

That the City Council:

1. Approve the Riverside Municipal Airport Ground Lease Agreement with Kenneth Hershenson, dba AvTech Exams, for a five-year term with two additional five-year options to extend; and
2. Authorize the City Manager, or his designee, to execute the Riverside Municipal Airport Ground Lease Agreement with Kenneth Hershenson, dba AvTech Exams, including making minor and non-substantive changes and the optional contract extensions.

BACKGROUND:

Kenneth Hershenson, dba AvTech Exams (AvTech), has been a tenant of Riverside Municipal Airport (Airport) since April 2012. AvTech is a federally approved test site for aircraft mechanics seeking higher classifications in the field. AvTech currently leases several office spaces in the Airport's Terminal building and two aircraft hangars.

DISCUSSION:

AvTech's business has been consistently expanding and they have requested a small ground lease for storage of material associated with their business.

The Ground Lease will consist of approximately 2,550 square feet (51' X 50') of undeveloped land. Rent during the initial five-year term of the agreement will be approximately \$69 per month, totaling approximately \$4,140, plus annual CPI(U) adjustments.

FISCAL IMPACT:

The fiscal impact of this action is approximately \$4,140 in lease revenue, which will be deposited into the Airport revenue account 0000530-346120 and used for ongoing maintenance and other improvements at the Airport.

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

Attachment:	Agreement
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