



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 9, 2021

FROM: GENERAL SERVICES DEPARTMENT WARD: 3

SUBJECT: REQUEST FOR PROPOSALS SEEKING HOTEL AND COMMERCIAL DEVELOPMENT OF 2.5 ACRES OF AIRPORT PROPERTY LOCATED AT 6951 FLIGHT ROAD, IDENTIFIED AS ASSESSOR PARCEL NUMBERS 189-210-005 AND 189-210-004

ISSUE:

Approve the issuance of a Request for Proposals seeking hotel and commercial development of 2.5 acres of Airport property located at 6951 Flight Road, on the north side of the airfield, identified as assessor parcel numbers 189-210-005 and 189-210-004.

RECOMMENDATION:

That City Council approve the issuance of a Request for Proposals seeking hotel and commercial development of 2.5 acres of Airport property located at 6951 Flight Road, on the north side of the airfield, identified as assessor parcel numbers 189-210-005 and 189-210-004.

AIRPORT COMMISSION RECOMMENDATION:

On January 14, 2021, the Airport Commission reviewed and unanimously recommended that the City Council approve the issuance of a Request for Proposals seeking hotel and commercial development of 2.5 acres of Airport property located at 6951 Flight Road, on the north side of the airfield, identified as assessor parcel numbers 189-210-005 and 189-210-004.

BACKGROUND:

In December 2019, the Riverside Municipal Airport (Airport) and the Community & Economic Development Department (CEDD) evaluated approximately 2.5 acres of Airport property located on the north side of the airport with the goal of issuing a Request for Proposals (RFP). The scope of the project is focused on the development of a hotel and potentially a supporting commercial development such as a small service station/convenience store.

In February 2020, the Airport submitted a formal request to the Federal Aviation Administration

(FAA) seeking approval to re-designate the airport parcels from aviation use to non-aviation use. The re-designation request included a formal land valuation and historical search to determine whether or not federal funds were used to purchase the land.

On October 1, 2020, the FAA granted the request under the determination parcel numbers 189-210-005 and 189-210-004 were not purchased with federal funding and the re-designation would not impact the safe and efficient operation of aircraft.

DISCUSSION:

The proposed project site is part of 25 acres used as temporary automobile parking as permitted in the Riverside County Airport Land Use Compatibility Plan (ALUC). The 2.5 acres re-designated for non-aeronautical purposes identified in the RFP are only a portion of the two parcels located on the north side of the airfield. The remaining portion of the parcels will maintain the aeronautical use designation.

Through the addition of a high-quality hotel and commercial development project the Airport anticipates an increase in retail opportunities, enhancement of the surrounding neighborhood and job opportunities for local residents. The developer of the 2.5 acres will enter into a ground lease agreement with all lease revenue deposited into the Airport lease revenue account.

Staff requests the City Council approve this recommendation as it is in the best interest of the City and neighborhoods surrounding the Airport.

The Community & Economic Development Department has reviewed this report and concurs with the recommendation.

FISCAL IMPACT:

All lease revenue will be deposited into the Airport Fund lease revenue account 0000530-346120 and used for ongoing maintenance and other improvements at the Airport. The development of the property will also present a positive fiscal impact to the City through transient occupancy taxes (paid by hotels), business license tax, and sales taxes generated by the commercial property.

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: Kristi J. Smith, Interim City Attorney:

Attachments:

1. Request For Proposals
2. Site Plan