

Location Map

0 75 150 300 Feet NORTH

REQUEST FOR PROPOSALS FOR:

2.5 Acre Development and Long-Term Ground Lease at the Riverside Municipal Airport

Hotel and Commercial Development Opportunity

Issued by: City of Riverside, General Services (Airport)

Issue Date: (XX)
Proposal Due Date: (XX)

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CITY OF RIVERSIDE

Incorporated in 1883, Riverside is a Charter City with a unique blend of historic charm and modern city features. While rich in history, Riverside has invested billions of dollars in infrastructure improvements to serve residents and businesses well into the future. The uniqueness of Riverside comes from its people, "Riversiders", and the strong collaborative partnerships that exist among civic, cultural, educational, and business leaders.

The award-winning City of Riverside is located approximately 60 miles (97 km) east of Los Angeles. The City is ranked #1 among all Inland Southern California cities in virtually every economic indicator; including number of jobs, number of businesses and assessed valuation. With a population of 327,728 people, the City is ranked the 59th largest city in the United States. It is the 12th largest city in California, the 6th in Southern California, and the largest city in the Inland Riverside-San Bernardino-Ontario metropolitan area of Southern California. The City continues to be recognized for its ongoing achievements and has received numerous awards.



Some of the recent awards and recognitions that Riverside has received include: 20th Best Performing Large City by the Milken Institute (2017); 4th Place—Top Cities for Minority Entrepreneurs by Enrepreneur.com (2017); 10th Place—Top Small Business Cities in the US by Biz2Credit.com (2017); Ranked 22nd in yearly report of Top 100 Metro Areas for Growth by the Brookings Institute (2017); Ranked 38th in Growth Entrepreneurship and 13th in Startup Activity by the Kaufman Index (2017); 1st Place—Where It Pays Most to be a Teacher in the US by Indeed.com (2017); 8th Place—Large Metros at Retaining College Graduates (2– and 4-year institutions) and 2nd Place—Large Metros at Retaining College Graduates (four-year institutions) by Citylab (2016).

Riverside has seen tremendous investment over the last 10 years resulting in an increasingly affluent and educated population and diversified industry clusters; all vital qualities for economic stability and long-term prosperity. As an important financial and professional center, Riverside offers the support of many legal, accounting, brokerage, architectural, engineering and technology firms as well as banking institutions.

Riverside is home to four internationally recognized universities and colleges which support an estimated 50,000+ students. The University of California, Riverside, California Baptist University, La Sierra University, and Riverside Community College, offer specialized training, research partnerships, and a high-technology environment to support emerging and innovative companies. Businesses in Riverside benefit from excellent freeway and rail access, high-speed fiber optic telecommunications, reasonable land and building costs, City owned electrical and water systems and a large general aviation airport.

Riverside enjoys a rich heritage which is reflected in the City's architecture, cuisine, culture, and civic life. Riverside has evolved from a quiet agricultural colony into a dynamic, active city and is a hub for higher education, technology, commerce, law, finance and culture. Riversiders enjoy many artistic venues from excellent film, dance and symphony to art, museums, and theater which add a layer of depth to the city experience.

Airport
Neighborhood Description



The Subject Property is located in the Airport Neighborhood, which as the name implies, encompasses the Riverside Municipal Airport, which has existed on its current site since the 1920s. In 1952 the City purchased the airport, which it has operated as a municipal airport since that time. The airport fulfills an important role in providing general aviation services, and is utilized by private flying enthusiasts, business jets, air taxis and the Riverside Police Department's Aviation Unit.

The Airport neighborhood consists of a combination of residential, commercial and industrial uses. A majority of the single-family residences are situated to the east of the airport with residential neighborhoods in the Ramona neighborhood to the south of Arlington Avenue and the airport. The houses are mostly modest single-family tract and ranch-style homes. Pockets of commercial uses are located along the major streets like Arlington Avenue and Van Buren Boulevard with some light industrial, including airport serving uses, located along the north side of Arlington Avenue. The remainder of the neighborhood consists mostly of industrial uses concentrated north of Central Avenue.

The Airport neighborhood is proudly served by many public facilities, such as the Airport Fire Station No. 5 located at the corner of Arlington and Hillside Avenues. The fire station includes a recent addition of a sculpture known as the "Tripod" which was transferred from City Hall to its current street corner location. The artist who sculpted "Tripod" for the City, the late James Rosati, also sculpted "Ideogram," a stainless steel sculpture that stood on the plaza between the twin towers of the World Trade Center. "Ideogram" was destroyed in the 9/11 terrorist attacks. The placement and re-dedication of the sculpture serves to commemorate the 9/11 attacks and honor the 29 Riverside firefighters who assisted in the rescue efforts.

Riverside Municipal Airport



About the Riverside Municipal Airport

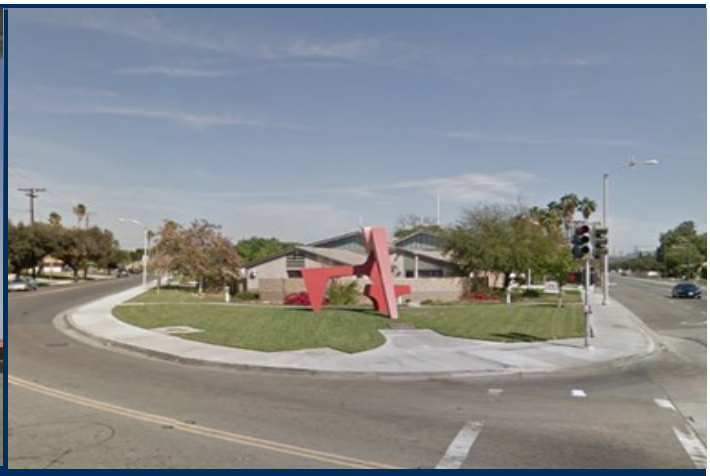
For 2019, Riverside Municipal Airport is ranked the 24th busiest airport (out of 224 airports) in the country that has a FAA contract tower. Even better, we are the 137th busiest airport in the country, out of all 520 airports regulated by the FAA.

Riverside Airport (KRAL) is an aeronautical education hub providing the Inland Empire and surrounding counties with the largest selection of educational programs in flight, mechanical, and aviation degree programs. Meeting the aviation needs of the Inland Empire, Riverside Airport facilitates pilots' needs with a full service FBO, manned FAA control tower, and offers competitive leasing rates on a 140 airport hangars.

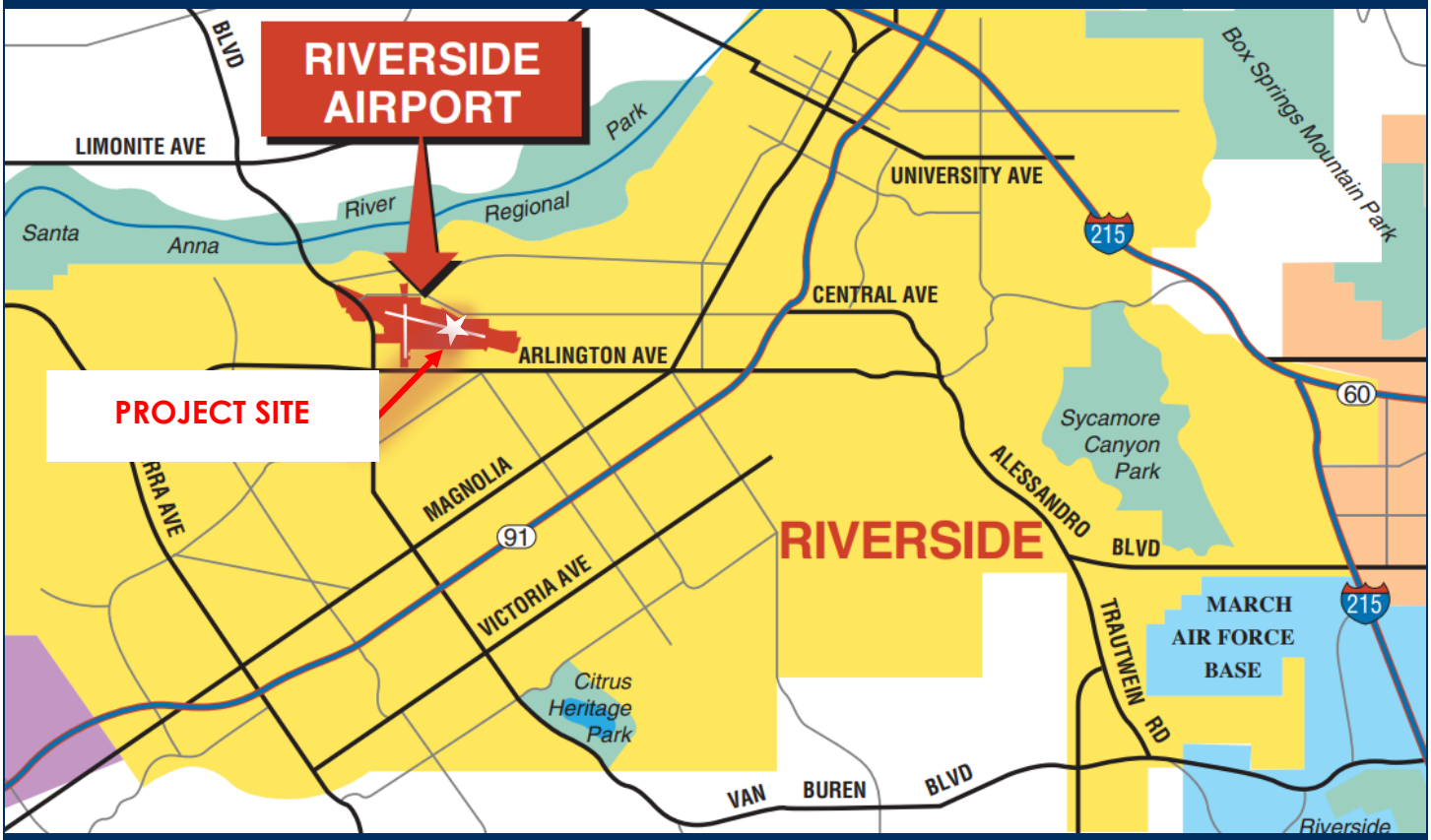
KRAL remains cutting edge hosting 105,000 annual operations, annual special events, and is outfitted with an ILS (Instrument Landing System) and VOR (VHF Omnidirectional Radio).



Riverside Airport

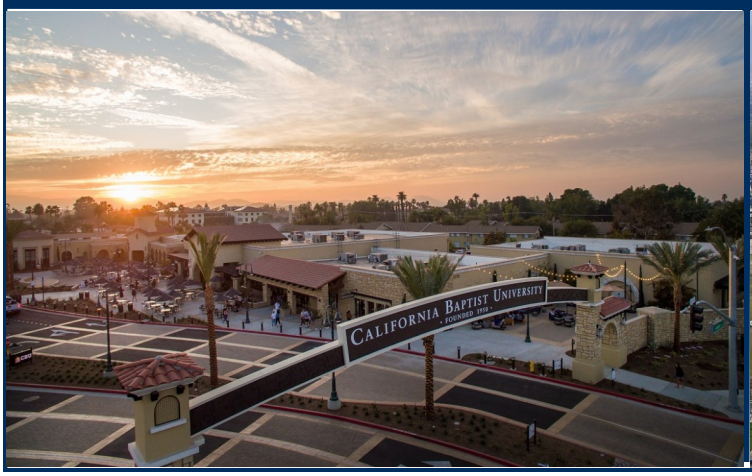


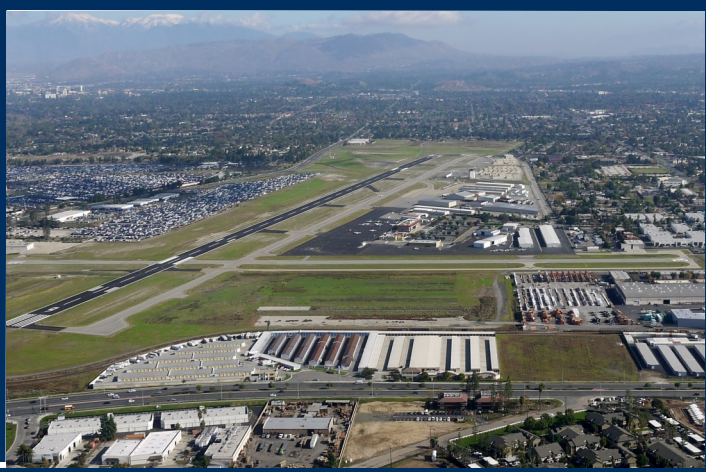
Fire Station No. 5 / Tripod



California Baptist University

Riverside Airport











Demographic Information (Source – ESRI)

Radius	3 Mile	5 Mile
Population		
2024 Projected Population:	140,003	305,959
2020 Population:	1,801,552	296,887
2020 Median Age:	34	34
Housing		
2024 Projected Households:	41,148	88,653
2020 Households	40,096	85,969
2020 Avg. Household Size:	3.3	3.4
2020 Owner Occupied Units:	56%	58%
2020 Renter Occupied Units:	44%	42%
Income		
2020 Med. Household Income:	$59,252	$64,016

The Opportunity



The City of Riverside, through the General Services (Airport) Department is soliciting proposals for a **Hotel and Commercial Development at the Riverside Municipal Airport.** This request for proposals ("RFP") will result in the award of a concession privilege for the construction, maintenance, and operation of, at a minimum standard of quality, a nationally branded hotel and commercial development ("commercial opportunity") serving the Riverside Municipal Airport ("Airport"), as well as the local Airport community and its visitors. The successful Respondent will enter into a long-term Ground Lease with the City of Riverside.

The development concept is to be sufficiently presented and substantiated to provide the City sufficient information as to the experience, qualifications, and financial capability of the Respondent for the proposed project, the quality, and conformity of the proposed project, the potential of the project for success, the anticipated revenue to the City, and the timeline for construction and stabilization of the proposed project.

The City intends to select amongst the qualified Respondents to enter into a long-term reoccurring Ground Lease ("Lease") for the Subject Property that will ultimately result in the development of a well-designed, high-quality project on the site, which will bring annual revenue to the City.

Subject Property Description & Location Details

The City owns approximately 2.5 acres of vacant land located at 6951 Flight Road, on the north side of the airfield (as shown on Exhibit "A". The project is part of 25 acres that are currently used as temporary parking for vehicles for sale by a national used vehicle business.

The 2.5 acres that are available for lease is comprised of two parcels identified as Assessor Parcel Numbers 189-210-005 and 189-210-004. The General Plan is Public Facilities/ Institutions (PF) and Zoning Airport Zone (R106). Please note, commercial development will require a design review, which would be the responsibility of the selected proposer.

Moreover, the proposed project will need to comply with all requirements of the Federal Aviation Administration ("FAA"), including compliance with 14 CFR Part 77 and an FAA Form 7460-1, "Notice of Proposed Construction or Alteration", which approval may impose height restrictions on some or all of the Premises. The successful Respondent must obtain the City's written approval of its application to the FAA (including the FAA Form 7460), prior to submitting to the FAA.





Preferred Development

The City of Riverside desires a high quality hotel and commercial development project, which will increase retail opportunities, enhance the surrounding neighborhood and provide job opportunities for local residents.

As previously noted, the subject property is located within the Riverside Municipal Airport. The Riverside Municipal Airport is home to approximately 200 based aircraft, six (6) flight schools, and a training facility for advanced aircraft mechanic federal certification. Two (2) of the flight schools and the training facility host foreign and domestic students that currently use temporary lodging throughout the City of Riverside during the course of their training. The Airport is also home to a Fixed Based Operator (FBO) providing services to corporate aircraft owners.

The website link below provides additional information regarding the City's Zoning Code and General Plan. Each proposer is encouraged to review the City's Zoning Code and General Plan requirements and consult with the Planning Division to discuss proposed uses prior to submission of a proposal.

RiversideCA.gov/planning

Submittal Requirements



The following summarizes requirements for the submittals in response to this Request for Proposals ("RFP"). Responses to the RFP must be sufficiently detailed and descriptive according to the City's sole discretion to permit the City to assess the viability of the proposal. Responses must include:

Structure and Management of the Legal Entity Submitting the Proposal:

Provide the legal name, address, and telephone/e-mail information of the entity submitting a response to this RFP. Describe the composition, organizational structure, and legal form of the entity. Identify the responsibilities and relevant experience of key individuals, both "in-house" staff and consultants for the entity.

Relevant Experience:

a. Provide examples or descriptions of relevant project experience. Information should include the following: (a) name, location, and dates of the project(s); (b) project(s) detailed descriptions and c) references for the cited project(s).

b. Provide a description of the proposers and team's experience, qualifications, and capabilities specifically related to: (a) development experience; (b) design and planning experience; (c) financing (debt and equity) experience; (d) construction and project management experience

c. Provide a description of the proposer's experience developing, managing, and operating similar projects. Provide a description, if any, of the proposer's experience developing projects in a municipal airport setting.

d. List any lawsuit or litigation and the result of that action resulting from (a) any public project undertaken by proposer or by its subcontractors where litigation is still pending or has occurred within the last 5 years or (b) any type of project where claims or settlements were paid by the proposer or its insurers within the last 5 year.

Submittal Requirements Cont.



Financial Capacity & Ability to Finance Project

a. Provide a description and evidence of the financial capability of the entity submitting the response to this RFP including the ability to: (1) provide the necessary capital to fund predevelopment activities; (2) provide required equity either directly or with capital partners; and (4) provide funding for ongoing operations (including maintenance, reserves, etc.)

b. Provide information on financial roles, responsibility, and strength of members of the legal entity.

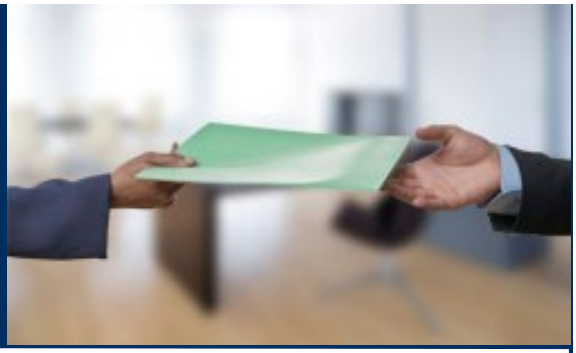
c. Provide a description of examples of financing sources (with no City subsidies), structures or mechanisms for projects completed by the proposer similar to the type of financing envisioned by the proposer for the proposed project.

d. Provide a description of the current relationship with lending or financial institutions or equity sources that have demonstrated interest in providing financing for the proposed project.

e. Five year pro-forma operating statement for the hotel and restaurant, including proposed rental and occupancy rates and cash flow from room rents and all other sources. Include underlying assumptions and any additional documentation supporting this pro-forma operating statement

f. Proposed rental structure, including a minimum annual guaranteed (MAG) rent, percentage of sales payable to the City as rent, and any fixed increases during the term of the concession opportunity.

Submittal Requirements Cont.



Development Narrative:

The proposer shall provide a preliminary development narrative for the Project, which shall include, but not be limited to, a proposed layout including a site plan and conceptual elevations, a pro-forma, project phasing (if necessary), an anticipated investment amount, community benefit including estimated annual sales and transient occupancy tax revenue and number of jobs to be generated, and projected occupancy dates, and a long-term investment strategy.

Hotel Operating Plan:

The proposer shall provide a detailed business plan to operate, maintain, staff and market the hotel. As a component of the business plan, please also provide a proposed management structure to include local management and staffing. Include a description of the experience and capability of the hotel operator. Proposers may also include any proposed amenities that will enhance the customer experience

Preferred Development:

The proposer shall indicate whether its proposed development concept is compliant with the City's preferred development (as detailed on page no. 7) and if not, the proposer should indicate why its proposed development concept is better suited for the site. Prospective proposers should note, the Subject Property site must be developed concurrently and cannot be constructed, rehabilitated, or developed independently.



Developer Conditions

Upon City Council approval, the following conditions will be imposed as a part of a Leaser Agreement.

1. Proposed Use: The proposed project must be compliant with all local, state, and federal codes, laws and regulations.

2. Restricted Uses: The following uses are restricted:

   a. Adult-oriented business or adult entertainment establishment;

   b. "Off-premises" sale of alcohol. The sale of "on-premises" alcohol may be permitted by the City via a Minor Conditional Use Permit (MCUP) and approval by the State of California - Department of Alcoholic Beverage Control (ABC);

   c. Personal services (i.e. tattoo parlor, vape store, etc.) subject to staff discretion;

   d. Sale of weapons; and

   e. Sale of marijuana or marijuana -related products.

3. Site Maintenance: The selected proposer will, at his or her sole cost and expense, maintain the appearance and safety of the Subject Property; remove all graffiti within 72 hours of its appearance; and promptly remove and replace all dead and diseased landscaping material. In addition, the proposer must provide perimeter fencing that ensures the security of airport property.

Selection Process



The City will conduct the selection process. During the selection process, the City reserves the right to request clarification or additional information from individual proposers and to request some or all proposers to make presentations to City staff or others.

1. Selection Criteria: At a minimum, all proposals will be evaluated and scored cars based on the following selection criteria as previously described on pages 9-12:

Proposal Responsiveness	Pass/Fail
Respondent's Minimum Qualifications	Pass/Fail
Development Narrative and Timeline	35%
Annual Return to City's & Support for Estimate	25%
Financial Capacity & Ability to Finance Project	15%
Relevant Experience	10%
Hotel Operating Plan	10%
Compliance with the City's preferred Development	5%

2. Interviews: The City may choose to interview the top two responsive proposers at a minimum. After the interviews, the City will re-score the interviewee's proposal using the aforementioned scoring criteria. The subsequent re-scoring of proposals shall be the basis for the selection of a proposer and a recommendation to the Development Committee and City Council.

3. City Council Approval: Staff is required to present the selected proposer Lease to the City Council for approval.

All proposals submitted in response to this RFP become the property of the City of Riverside and under the Public Records Act (Government Code § 6250 et. seq.) are public records. As such, all proposals may be subject to public review at least ten (10) days before selection and award. If a proposer claims a privilege against public disclosure for trade secret or other proprietary information, such information must be clearly identified in the proposal. Personal information should be labeled as confidential and will remain so. Please note that under California law, a price proposal to a public agency is not a trade secret.

Inquiries



All requests for clarifications, changes, exceptions, deviations to the terms and conditions set forth in this RFP should be submitted in writing to:

Kim Ellis, Airport Manager
kellis@riversideca.gov

The receipt of questions from the proposer shall be received by the City before 5 PM on enter date. To ensure fairness and avoid misunderstandings, **all communications must be in written format** and addressed **only** to the individual set forth above. Any verbal communications will not be considered or responded to. All questions received by the due date will be logged and reviewed and, if required, a response will be provided via an addendum to the RFP. **Any communications, whether written or verbal, with the Mayor, any City Councilmember or City staff other than the individual indicated above (specific to this Request for Proposals), prior to award of a contract by City Council, is strictly prohibited and the proposer shall be disqualified from consideration.**

Please note: The City shall not be liable for any expenses, which may include, but are not limited to, preparation of the proposal or related information in response to this RFP; negotiations with the City on any matter related to this RFP; and costs associated with interviews, meetings, travel or presentations incurred by any proposer in relation to the preparation or submittal of the proposal. Additionally, the City shall not be liable for expenses incurred as a result of the City's rejection of any proposals made in response to this RFP.

Instructions & Schedule



All proposals are due by or before 5:00 PM on ENTER DATE. This time and date is fixed and extensions may not be granted. The City does not recognize the United States Postal Service, its postmarks or any other organization as its agent for purposes of dating the proposal. All proposals received after the deadline shown will be rejected, returned to sender and will not receive further consideration.

Questions may be submitted to kellis@riversideca.gov by ENTER DATE at 5:00 PM and will be answered and posted to www.riversideca.gov/cdd/rfp.asp by ENTER DATE.

Mail (or hand-deliver) six (6) hard copies and one (1) electronic file of the proposal to:

City of Riverside
General Services (Airport)
Attn: Kim Ellis
6951 Flight Road
Riverside, CA 92504
Kellis@riversideca.gov

Please note: The City reserves the right to amend, extend, withdraw or cancel this RFP. The City also reserves the right to reject all responses to this RFP at any time prior to an agreement being executed. Furthermore, the City reserves the right to request or obtain additional information about any and all submittals.

Exhibit A– Site Plan



on Map

0 75 150 300
Feet