



City Council Memorandum

City of Arts & Innovation

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TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 24, 2026

FROM: CITY MANAGER - AIRPORT WARD: 3

**SUBJECT: SECOND AMENDMENT TO RIVERSIDE AIRPORT LEASE AGREEMENT WITH
COMMEMORATIVE AIR FORCE, A TEXAS NONPROFIT CORPORATION, FOR
ESTIMATED REVENUE OF \$60,402, TO EXTEND LEASE TERM FOR FIVE-
YEARS ENDING DECEMBER 31, 2030.**

ISSUE:

Approve Second Amendment to a Riverside Airport Lease Agreement with Commemorative Air Force, a Texas Nonprofit Corporation, for estimated revenue of \$60,402, to extend lease term for five-years commencing on January 1, 2026, and ending December 31, 2030.

RECOMMENDATIONS:

That the City Council:

1. Approve a Second Amendment Riverside Airport Lease Agreement with Commemorative Air Force, for estimated revenue of \$60,402 for a five-year term ending December 31, 2030; and
2. Authorize the City Manager, or his designee, to execute the Second Amendment Riverside Airport Lease Agreement with Commemorative Air Force, including making minor and non-substantive changes.

BACKGROUND:

On January 12, 2010, the City Council approved a ten (10) year lease agreement with Commemorative Air Force consisting of approximately 18,995 square feet located on Parcel 13- A at 6936 Flight Road, including a 7,225 square foot aircraft hangar/office building. The lease included two (2) options to extend the term by five (5) years each, subject to the approval of the City.

On December 15, 2020, the City Council approved the First Amendment Lease Agreement to exercise the first five-year term and optional extension through December 31, 2025.

The parties desire to amend the Lease to exercise the second five-year term optional extension to extend the term for five (5) years commencing on January 1, 2026, and expiring on December 31, 2030.

DISCUSSION:

Commemorative Air Force (CAF), a national organization, has over 80 locations across the country. The CAF is a history museum, dedicated to preserving historical aircraft in flying condition.

The Riverside Municipal Airport has been home to the CAF - Inland Empire Wing since 1995. The CAF Museum maintains several aircraft which are available for public display. One of these aircraft, a C-53 Skytrooper, nicknamed “D-Day Doll”, participates regularly in local air shows and is prominently displayed at public events held at the Riverside Airport.

CAF has requested to exercise the second five-year option to extend the lease to December 31, 2030. Rent for this five-year term begins at approximately \$1,006.70 per month, totaling approximately \$60,402 in lease revenue. This lease agreement will ensure that the Airport is in full capacity for leasing space and furthering the Airport’s sustainability as a self-supporting enterprise fund.

The term of this Lease shall commence January 1, 2026, and shall terminate on December 31, 2030. Any extension to this Lease shall be subject to approval by City and on the same terms and conditions contained herein, provided, however, the rental payments shall be subject to negotiation by the Parties.

Monthly rent shall be adjusted each year commencing with the rental payment due on August 1, 2026, to reflect the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Standard Metropolitan Statistical Area (“Index”) published by the Bureau of Labor Statistics of the United States Department of Labor for most recent 12-month published index, based upon the corresponding increase, if any, in the Index as it stands on May that year over the Index as it stood on May of the prior year.

FISCAL IMPACT:

The total fiscal impact of this action is \$12,080.40 in estimated revenue for the initial year of the lease plus an annual CPI increase based on the Riverside-San Bernardino-Ontario Consumer Price Index for the five-year term of the lease. The total minimum estimated revenue amounts to \$60,402, which is comprised of base rent for the five-year term. Revenue will be deposited in the Airport Fund, Airport Building & Ground Rental revenue account 0000530-346120.

Prepared by:	Daniel Prather, Airport Manager
Approved by:	Daniel Prather, Airport Manager
Certified as to availability of funds:	Julie Nemes, Interim Finance Director
Approved by:	Gilbert Hernandez, Interim Assistant City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachment: Agreement