



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: SEPTEMBER 16, 2025

FROM: AIRPORT WARD: 3

SUBJECT: RIVERSIDE MUNICIPAL AIRPORT LEASE WITH L&R CONSULTING, LLC FOR ESTIMATED REVENUE OF \$18,004.80 FOR A FIVE-YEAR TERM ENDING JULY 31, 2030

ISSUE:

Approve Riverside Municipal Airport Lease Agreement with L&R Consulting, LLC for a total estimated revenue amount of \$18,004.80 for a five-year term of August 1, 2025, through July 31, 2030, with the option to extend lease agreement for an additional five-year term.

RECOMMENDATIONS:

That the City Council:

1. Approve the Riverside Municipal Airport Lease Agreement with L&R Consulting, LLC for a total estimated revenue amount of \$18,004.80 to the Airport revenue account, for a five-year term commencing August 1, 2025, and ending July 31, 2030, with the option to extend the lease agreement for an additional five-year term; and
2. Authorize the City Manager, or his designee, to execute the lease agreement with L&R Consulting LLC, including making minor and non-substantive changes.

BACKGROUND:

On August 13, 2015, the City Council approved a ten (10) year lease agreement for 4,125 square feet of property located at 6803 Airport Drive, with a five (5) year option to extend the agreement, with California Aviation Services, Inc. (Lessee).

On October 7, 2015, the City Council approved an amendment to the agreement to increase the total leased property to 5,775 square feet.

On January 15, 2019, the City Council Approves an Assignment and Assumption Agreement for L&R Consulting, LLC at the Riverside Municipal Airport. The lease agreement conditions remained unchanged.

DISCUSSION:

L&R Consulting, LLC currently leases 5,775 square feet of land located at 6803 Airport Drive, Riverside, CA 92504. 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 August 1, 2025, and shall terminate on July 31, 2030. The City hereby grants Lessee an option to extend this Lease for an additional period of five (5) years following the expiration of the initial term as provided herein this paragraph. 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 Los Angeles-Anaheim-Riverside 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 fiscal impact of this action is estimated revenue of \$18,004.80, which is comprised of base rent of \$15,904.80 and utilities of \$2,100.00 for the five-year term. Monthly rent is \$265.08 and will be increased on an annual basis based off the Consumer Price Index for the Los Angeles-Anaheim-Riverside Area. 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:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney
Attachments:	Agreement