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8/5/99

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

429



FROM: COUNTY EXECUTIVE OFFICE

SUBMITTAL DATE: July 13, 1999

SUBJECT: **Response to Grand Jury Report:  
Economic Development Agency (Airports)**

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve, with or without modifications, the attached response to the Grand Jury's recommendations regarding the Economic Development Agency (Airports); and
- 2) Direct the Clerk of the Board to immediately forward the Board's finalized response to the Grand Jury, to the Presiding Judge, and to the County Clerk-Recorder (for mandatory filing with the State).

BACKGROUND: On May 4, the Board directed staff to prepare a draft of the Board's response to the Grand Jury's report regarding the Economic Development Agency.

Section 933 of the Penal Code requires that the Board of Supervisors comment on the Grand Jury's recommendations pertaining to matters under the control of the Board, and that a response be provided to the Presiding Judge of Superior Court within 90 days after the report was issued.

THE FOREGOING IS A FULL, TRUE AND  
CORRECT COPY OF A MINUTE ORDER OF  
THE BOARD OF SUPERVISORS ENTERED  
ON \_\_\_\_\_, 19\_\_\_\_

Dated: 8/4/99  
GERALD A. MALONEY, Clerk of the Board of  
Supervisors, County of Riverside, California

FINANCIAL DATA  
CURRENT YEAR COST \$ \_\_\_\_\_  
NET COUNTY COST \$ \_\_\_\_\_  
By: [Signature], Deputy

[Signature]

THOMAS M. DeSANTIS  
Deputy County Executive Officer

ANNUAL COST \$ \_\_\_\_\_  
IN CURRENT YEAR BUDGET: \_\_\_\_\_  
BUDGET ADJUSTMENT: \_\_\_\_\_ FOR FY: \_\_\_\_\_

SOURCE OF FUNDS:

C.E.O. RECOMMENDATION: APPROVE

County Executive Officer Signature [Signature]

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Mullen, seconded by Supervisor Wilson and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Venable, Wilson and Mullen

Noes: None

Absent: None

Date: July 13, 1999

xc: E.O., EDA, Grand Jury, Presiding Judge-Superior Ct., Recorder

Prev. Agn. ref. 3.2, 5/4/99 Dist.

Gerald A. Maloney  
Clerk of the Board

By: [Signature]  
Deputy

AGENDA NO.

3.3

Policy

Consent

Dep. ment Recommendation:  
Per Executive Office:

## **SPECIFIC FINDINGS AND RECOMMENDATIONS**

### **ENVIRONMENTAL AND DEVELOPMENT**

#### **ECONOMIC DEVELOPMENT AGENCY (Riverside County Airports)**

#### **RECOMMENDATION:**

1. *Establish a separate cost center for each airport so it is clear which facilities are self-supporting.*

#### **RESPONSE:**

It is not cost effective to have separate accounting systems for each airport. Some costs, such as insurance, maintenance costs under the COMARCO contract and EDA oversight of the COMARCO contract, cannot be separated by airport. In addition, regardless of whether a facility is self-supporting, the County is still obligated in its FAA grant agreements and FAA surplus property agreements to operate all six airports for airport purposes. Furthermore, the FAA requires that all airport revenues be used for airport purposes, so any profits generated by the airport system on an individual or system-wide basis must be reinvested in the airport system. The County's accounting system does allow revenues to be tracked for each airport and it is clear from that information that Hemet Ryan and Chiriaco Summit are self-supporting, while French Valley, Desert Resorts and Desert Center are not. However, new leases being negotiated for Desert Resorts Regional Airport will increase revenues and should move that airport into a break-even operating position.

With regard to marketing, the EDA does have an airport marketing plan (attached) which was prepared in June, 1998. EDA is in the process of implementing that plan. To date, brochures have been designed for Desert Resorts Regional Airport and French Valley Airport, and the brochure for Hemet Ryan Airport is nearing completion. The brochures are designed to provide information for both visiting pilots and potential businesses. The brochures will be printed altogether in order to take advantage of economies of scale. It is anticipated that this will occur in the summer of 1999.

#### **RECOMMENDATION:**

2. *Implement an intense marketing effort and provide accessible ground transportation to attract more private and corporate air traffic at French Valley Airport.*

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**RESPONSE:**

In order to accommodate corporate air traffic at French Valley on a year round basis, the runway must be lengthened. The County is currently in escrow for purchase of the land for this extension, and is preparing the environmental assessment for the runway construction grant. EDA is also preparing a Request for Proposals to market the vacant land at the airport for development with aviation-related uses.

With regard to the ground transportation, the Fixed Base Operator at French Valley Airport (American Valet Air) is contractually required to provide automobile leasing and has contracted with Enterprise Rent-a-Car for this service.

The airport terminal at French Valley is fully leased with the exception of the restaurant and public spaces such as the lobby, conference room and restrooms. On March 16, 1999, the Board of Supervisors authorized the EDA to contract with a real estate broker for marketing of the restaurant, and a local broker submitted a restaurant proposal to EDA on April 30, 1999. County staff are currently conducting a due diligence review of that proposal and will be submitting a recommendation to the Board of Supervisors within the next several weeks.

**RECOMMENDATION:**

3. *Establish at the Desert Resorts Regional Airport an expanded ground and communication link for guest convenience to local golf centers or resorts. Update the drainage system as soon as possible. Resurface one runway as needed.*

**RESPONSE:**

Desert Resorts Regional Airport is located approximately 3 ½ miles from PGA West, a large and well-known desert resort. In addition, a large number of corporate and executive aircraft utilize Desert Resorts Regional Airport to fly visitors into the valley to visit the various resorts. The new name was intended to capitalize on this trend and reflect the airport's future orientation.

It is unclear what the Grand Jury intended by its statement "Establish at Desert Resorts Regional Airport an expanded ground and communication link for guest convenience to local golf centers or resorts." The Fixed Base Operator at Desert Resorts Regional Airport (La Quinta Aviation) is contractually required to provide automobile leasing. In addition, La Quinta Aviation has an established shuttle system for airport patrons.

## Response to the 1999 Grand Jury Report

It is also unclear why the Grand Jury recommended that the airport drainage system be updated. A Master Drainage Plan was prepared for the Airport in 1995 and the last two airport capital improvement projects have included extensive drainage improvements, including construction of drainage ditches and a large retention basin. Additional drainage improvements will be constructed in conjunction with the runway extension.

Finally, the Grand Jury recommended "Resurface one runway as needed." Both runways at the airport are in good condition and staff believes that the Grand Jury was actually referring to Taxiway "C". Taxiway "C" is in fair condition, however it is seldom used since construction of the new Taxiway "F" last year. The Airport Capital Improvement Plan which was submitted to the FAA in January, 1999 has programmed reconstruction of Taxiway "C" for the year 2001.

### **RECOMMENDATION:**

- 4. Enforce clean up at Hemet/Ryan. This includes landscape, garbage, trash collection and general housekeeping. Act as a catalyst to the City of Hemet to cooperate in a major appearance upgrade around the airport facilities and industrial park.***

### **RESPONSE:**

EDA is aggressively implementing a strategy to revitalize Hemet Ryan Airport. Hangars 1 and 5 were reroofed this Spring. In addition, \$700,000 in Community Development Block Grant funds has been programmed for FY 99/00 to provide streetscape improvements, signage and fencing on Walden Weaver Road, and infrastructure upgrades.

Engineering and landscape architecture plans are in process for this effort. The County also anticipates receiving a FAA grant in the Fall of 1999 to update the Airport Master Plan. A Steering Committee is being formed to guide this effort, and will consist of city, county and tenant representatives.

The County has also directed the airport management contractor, COMARCO, to address issues of illegal storage of vehicles, including RV's, weed abatement, and general clean up at the airport. The County will also work with the City in addressing code enforcement issues in the airport industrial park.

### **RECOMMENDATION:**

- 5. Establish a due date for a decision on the Chiriaco Summit facilities.***

**RESPONSE:**

EDA's Report to the Board of Supervisors on December 1, 1998 documented that Chiriaco Summit was an essential part of the County's aviation system, particularly with the planned closure of Desert Center Airport. The Board of Supervisors approved this recommendation and EDA has proceeded with implementation. Current activities at Chiriaco Summit include working with the adjacent property owner to bring water and electricity to the airport, and negotiating two leases for non-aviation portions of the airport. Also, the County has secured a state grant to construct turnarounds at each end of the runway, which will enhance airport safety. Construction is scheduled to occur in later October or early November, 1999.

**RECOMMENDATION:**

6. *Enter negotiations to remove Desert Center from the California Aviation Systems Plan (CASP), to enable the County to divest itself of this airport.*

**RESPONSE:**

EDA submitted an application to the FAA in January, 1999 to release Desert Center Airport from its FAA obligations and to allow the property to be sold. The FAA has indicated that their review is in process and typically takes six months. A letter was submitted to the State of California on March 23, 1999 requesting that the airport be removed from the California Aviation System Plan. EDA is also compiling a list of persons interested in purchasing the airport and upon receipt of the federal and state approvals will market the airport for sale on a competitive basis.

**Riverside County  
Economic Development Agency  
(EDA)**



**Aviation Marketing Plan  
1998-1999**

Economic Development Agency  
3525 Fourteenth Street  
Riverside, CA 92501  
phone 909/ 955-1182  
fax 909/ 955-6686

*June 2, 1998*

## **Background**

The Marketing Plan set forth below follows the mission of the EDA Aviation Division to stimulate awareness, use and development of the six airports and their surrounding property.

The six airports are:

- ▶ **Blythe Airport** is located on 3,900 acres just west of the City of Blythe and north of Interstate 10. The Blythe Airport is owned by the County of Riverside and is under lease to the City of Blythe, which operates this airport.
- ▶ **Chiriaco Summit Airport** is located in the eastern part of the County approximately 35 miles east of Indio. The airport encompasses 570 acres north of Interstate 10. The airport has a 4,600 foot long, 50 foot wide runway with an elevation of 1713 MSL. Other activity within the area include the General Patton Museum, a mini-market, service station and some residences (trailers). The Chiriaco Summit Airport is owned by the County of Riverside and is operated by COMARCO pursuant to an agreement with the county. The Riverside County Economic Development Agency is responsible for marketing and promotion of non-aviation uses on airport land.
- ▶ **Desert Center Airport** is located in the eastern part of the county and encompasses 1,129 acres southeast of State Highway 177 (Desert Center - Rice Road). The airport includes a 4,200 foot long runway that is 50 feet wide, a pilot lounge and a storage building. The Desert Center Airport is owned by the County of Riverside and is operated by COMARCO pursuant to an agreement with the County. The Riverside County Economic Development Agency is responsible for marketing and promotion of non-aviation uses on airport land.
- ▶ **French Valley Airport** is located in southwest Riverside County just west of State Highway 79 (Winchester Road) north of the City of Temecula and east of the City of Murrieta. The 265 acre airport site is a general aviation facility including a 4,600 foot long, 75 foot wide runway, a 11,500 square foot terminal building, a fixed base operator, hangars and tie downs. Approximately 5,650 square feet of space within the terminal is available for restaurant, and additional terminal space is available for office uses. Additional office pads are available near the terminal, and commercial and industrial land is located adjacent to the airport along

Winchester Road. The French Valley Airport is owned by the County of Riverside and is operated by COMARCO pursuant to an agreement with the county. The Riverside County Economic Development Agency is responsible for marketing and promotion of non-aviation uses on airport land.

- ▶ **Hemet Ryan Airport** is located just west of the City of Hemet and south of State Highway 74. Hemet Ryan is part of a project area which includes 428 acres of airport and industrial land. The airport has two runways and associated taxiways, hangars, tie-downs and fixed base operators. A large tenant is Sailplane Enterprises, which utilizes the northerly runway. The airport includes a developed industrial park in the southeast portion of the airport and industrial zoned land along the northwestern edge of the airport. The Hemet Ryan Airport is owned by the County of Riverside and is operated by COMARCO pursuant to an agreement with the county. The Riverside County Economic Development Agency is responsible for marketing and promotion of non-aviation uses on airport land.
- ▶ **Thermal Airport** is located within Project Area No. 4 and shares many of the attributes of the Airports Project Area. The Thermal Airport is located south of the City of Coachella just west of the unincorporated community of Thermal on approximately 1,753 acres. The airport has two runways, six taxiways, a terminal/FBO building, hangars and associated facilities. The Thermal Airport is owned by the County of Riverside and is operated by COMARCO pursuant to an agreement with the county. The Riverside County Economic Development Agency is responsible for marketing and promotion of non-aviation uses on airport land. The Redevelopment Agency also owns 610 acres adjacent to Thermal Airport and is investigating development opportunities for this property.

All of the above mentioned airports are part of redevelopment project areas. Five of the six airports are managed by COMARCO. Aviation related marketing has been handled through this entity. The current marketing efforts consist of classified advertising space in the Desert Sun, Californian and the Press Enterprise, semi-annual conferences and marketing material from the early 1990's. The Blythe Airport is under lease by the City of Blythe, which operates this airport. As management of the Aviation Division has recently come under the Economic Development Agency a cohesive marketing plan is in need.



The following plan outlines the marketing effort necessary to move forward with awareness, use and development of the aviation division.

### **Target Audience**

The Agency has identified the following groups as the target audience:

- ▶ Aviation Related Businesses
- ▶ Developers
- ▶ Film Industry
- ▶ Tourism/Recreation

### **Goals and Objectives**

Implement the marketing strategy to generate interest, use and economic development at the six county airports through:

- ▶ Publicity
- ▶ Advertising
- ▶ Trade Shows

Strategy, once executed, will allow for quantifying it's effectiveness. Results from this years plan will drive further goals and objectives.

### **Implementation of Goals and Objectives**

#### **Publicity**

1. Single sheet brochures for each airport - This piece will have an aerial photograph of the airport and it's surrounding area, ground photos, list of incentives, and any other information specific to that airport. This material will be distributed through various economic development organizations and mailed to leads generated by trade shows and/or any inquiry for available land. Recommend 5,000 copies for each airport
2. Folder brochure to hold all six single sheet brochures - This piece will be used to hold the single sheets when presenting the airports as a package. Recommend 3,000 folders.
3. Tri-fold for filming purposes - The focus of this piece is the rich diversity our airports offer for both the film and tourism industry. Materials will used for trade shows, chambers and mailings. Recommend 3,000 tri-folds
4. Large photographs - For the exhibit booth.

5. **Press Releases** - A press release will be generated regarding airport improvements, activities and development connected to any of the six airports. Press releases are used to generate publicity and awareness of the airports in our system.

## **Advertising**

### **Magazines**

- ▶ **Airport Business**  
Circulation - 21,000 Print - 17,500
- ▶ **Airport Magazine**  
Circulation - 25,000 Print - 16,000
- ▶ **Area Development**  
Circulation - 90,000 Printed - 45,500
- ▶ **Business Facilities**  
Circulation - 40,503 100% qualified Print - 22,000
- ▶ **Development**  
Circulation - 25,000 Print - 10,000
- ▶ **US Sites**  
Circulation - 47,500 Print - 15,000

Note: All circulation and print numbers are as reported by the respective publication

### **Newspapers - Classified /general ads**

#### **General Public:**

- ▶ **Californian**
- ▶ **Desert Sun**
- ▶ **Press Enterprise**

#### **Industry Specific:**

- ▶ **In Flight USA**  
Circulation - 120,000
- ▶ **Pacific Flyer**  
Circulation - 100,000

## **Trade Shows**

At least 4 trade shows or conferences should be attended annually. Shows should relate not only to aviation but to general economic development, the film industry and tourism. One way to extend that number of shows and therefore exposure would be to have a presence at trade shows EDA attends on behalf of other divisions.

**Services** - The list below are the tools to developing the various marketing materials.

- ▶ **Design** - The design/advertising firm selected to do general advertising for EDA should be approached regarding the aviation materials. If that particular firm isn't able to assist with aviation an RFP should go out.
- ▶ **Photography** - As aerial photographs are currently handled through the aviation division time and dollars are not needed in that area. However, photographs of the airport facilities and surrounding grounds are needed for promotion. An RFP will go out to handle this need.

# Time Line

Project	Jan 1998	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	January 1999
Brochure	RFP for design				photography/design			Photo- Design	Approve	Print	Distribute		
Single Sheet	RFP for design				photography/design			Photo- Design	Approve	Print	Distribute	Reprint	as needed
Magazine	Select				design/finalize placement								
Advertising*					InFlight				Pacific Flyer	InFlight			Pacific Flyer
Trade Show									WESCON				MDM
Press Releases	O N				G O I			N I G	O	N	G O	I N	G

## Time Line - Cont.

Project	Feb.	March	April	May	June	July	August	September
Brochure					reprint	as needed		
Single Sheet			reprint	as needed				
Magazine								
Advertising**		InFlight	Pacific Flyer	InFlight		Pacific Flyer		
Trade Show		WESTEC						WESTPACK
Press Releases	O N	G O	I N G		O N	G O	I N G	

\* Advertising calendar subject to change depending on publication's editorial calendar.