



City of La Quinta

MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Frank J. Spevacek, City Manager

DATE: October 7, 2014

SUBJECT: BERMUDA DUNES AIRPORT DISCUSSIONS

In July 2014, Supervisor Benoit contacted the City regarding the disposition of the Bermuda Dunes Airport. The airport is owned by a private partnership and the partnership desires to sell both the operations and the property. Since airports are a unique asset in urban communities, the County contacted the Cities of Rancho Mirage, Palm Desert, Indio, Coachella and La Quinta to discuss the potential of establishing a joint powers authority to purchase the airport property and operations. The County of Riverside has a history of operating airports; the County operates five airports – Chiriaco Summit, French Valley, Hemet-Ryan, Jacqueline Cochran and Blythe.

Supervisor Benoit and representatives of the aforementioned cities met on September 28, 2014. At this meeting, the owners' representative reviewed the:

- property and facilities that comprise Bermuda Dune Airport (94 acres),
- air traffic volume,
- operating expenses and revenues,
- reasons the airport is for sale.

A general discussion followed regarding operations and the composition of a joint powers authority if some or all of the cities and the County elected to purchase and operate the Airport.

The County has retained an appraiser to value the airport. The appraisal will identify a value based upon replacing the land and facilities, and a value based upon the income, after expenses, from current operations. The appraiser was retained on September 26, 2014 and should have the appraisal complete by December. The County will then convene a meeting involving the cities and the current owners to review the findings and discuss next steps. This will occur in January 2015.

