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CIVIC INFRASTRUCTURE ADVISORY BRIEF: RESOLUTION 2026-148

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ISSUED BY: The Southern California Aviation United Working Group (SCAUWG.ORG)
DATE: October 24, 2026
DISTRIBUTION: Elizabeth Gibbs, City Manager; Art Vela, Public Works Director; and Honorable Members of the Banning City Council

SUBJECT: Independent Civic Advisory: Fiduciary, Public Safety, and Quality-of-Life Clarifications Regarding Proposed Resolution 2026-148 (Banning Municipal Airport Property)

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Dear City Manager Gibbs, Public Works Director Vela, and Members of the City Council,

The Southern California Aviation United Working Group (SCAUWG.ORG), operates as an independent voluntary non-commercial regional aviation safety and advocacy platform drawing over 64,000 verified unique visitor logins last quarter, is submitting this formal correspondence for inclusion into the public record regarding **Resolution 2026-148** on your October 27, 2026, agenda.

As SCAUWG.org is confident that the Council only wants to act if you are positive you have all the available facts, and that you can best protect the City from a less than optimum path forward, we offer this polite opinion. It is submitted with the sincere desire to ensure that the Council has an opportunity to give these highly technical infrastructure, fiscal, and community health points full consideration, with the shared motivation to move forward with the most sustainable method for Banning's future.

While staff's report frames the proposed 55-year ground lease as an essential component to address the General Fund's long-term fiscal sustainability, we respectfully submit that the following five parameters introduce significant structural risks that warrant closer evaluation before the City enters into a binding pre-development agreement:

1. Uncalculated Fair Market Value Repayment Caps under Section 756:

2. Staff correctly notes that the FAA Reauthorization Act of 2024 provides a conditional pathway for federal release. However, Section 756 strictly mandates that before a release is granted, the City must repay the Fair Market Value of the specific 20 acres acquired under the 1983 FAA grant.

3. Because the City is actively processing entitlements to rezone this 232-acre property for a 3.2-million-square-foot industrial warehouse layout, the FAA might possibly legally appraise those 20 acres at their "Highest and Best Use" as high-value industrial land—artificially inflating the city's upfront cash repayment penalties before a single brick is laid.

4. Proceeding without locked-in, independent FAA appraisal numbers expose the General Fund to an unaudited capital liability.

5. The Net-Zero Mechanics of the Public Benefit Fee: The term sheet features a $6 million Public Benefit Fee paid upon the initial lease takedown. However, the text explicitly details that this fee is completely offset by the costs incurred to close the airport, including the mandatory FAA closure repayments. This structure might represent a net-zero mechanism. This is because the initial developer fee could be entirely exhausted by clearing federal regulatory debt incurred by liquidating the runway, rather than injecting new, flexible capital into the city's current operating budget.

6. The Permanent Forfeiture of Non-Reimbursable Federal Safety Grants: Moving to decommission the airport permanently terminates Banning's statutory access to regular federal AIP (Airport Improvement Program) funding and the massive infrastructure allocations under the BIL (Bipartisan Infrastructure Law). Rather than leveraging these guaranteed, non-reimbursable federal dollars to neutralize the Airport Fund's negative $561,023 structural variance, closing the runway forces local taxpayers to carry the long-term maintenance costs of the resulting industrial infrastructure out of a General Fund already managing multi-year operating pressures.

7. Long-Term Option and Inflation Risk Exposure: Locking in a terminal purchase option floor of $33.625 million based on current 2026 un-escalated land values fix a static land price 55 years into the future, removing any hedge against inflation and capping the generational appreciation of a massive 232-acre municipal asset. Furthermore, the proposed $0.30 per square foot rental discount for the first five years of each phase represents a significant near-term revenue deferral during the exact window the City faces its most acute fiscal strain.

8. The Surrender of the Airspace Safety Shield: Maintaining an active runway legally hard-codes FAA instrument approach and departure flight path height restrictions over the surrounding San Gorgonio Pass corridors. Eliminating this asset permanently strips these safety buffers, allowing high-density, massive industrial vertical footprints to encroach closer to residential boundaries without federal protection, possibly creating an unaudited infrastructure, traffic, and diesel-emission strain on surrounding neighborhoods during an already severe regional El Niño weather cycle.

9. Documented Consequences of Pass-Area Logistics Over-Development: In evaluating the potential community benefit of a 3.2-million-square-foot warehouse expansion, this Council might possibly look closely at the real-world operational backlash occurring now across the San Gorgonio Pass. In neighboring Beaumont, aggressive logistical zoning has triggered reported severe community strain, resulting in documented diesel truck gridlock along the Interstate 10 corridor, accelerating localized road surface deterioration, and eroding the quiet enjoyment of residential zones. This regional friction has grown so acute

that local planning commissions have actively begun issuing opposition votes against further warehouse projects due to the unmitigated cumulative impact on local air quality and quality of life. Furthermore, eliminating an active runway does not merely change the use of the 232 acres; it systematically removes the federal safety height caps that protect the wider community. Without the FAA instrument buffers, should multi-story industrial footprints expand vertically without federal aviation oversight, the resulting visual walling of the Pass, coupled with continuous heavy-freight traffic congestion, risks permanently depressing surrounding residential property values and creating structural traffic delays for Banning's families.

10. We volunteer these observations to assist this body in performing its essential due diligence, that we know it cares to be respected for. We urge you to pause this vote until these critical public safety and quality-of-life impacts can be evaluated through a transparent, independent, and comprehensive regional study.

Respectfully submitted,

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