

Item # 60

**City of Carson City
Agenda Report**

Date Submitted: 11/21/2008

Agenda Date Requested: 12/4/2008

Time Requested: 3 minutes

To: Mayor and Board of Supervisors

From: Carson City Airport Authority

Subject Title: Action to amend the Cooperative Agreement between Carson City and the Carson City Airport Authority to clarify the Airport Authority's leasing authority.

Staff Summary: To clarify that the City has given the Airport Authority the authority to act as landlord on Airport leases between the Airport Authority and third parties. Carson City remains as property owner of the Airport property under the 1990 Cooperative Agreement between Carson City and the Carson City Airport Authority. The Airport Authority has listed itself as landlord on such leases and title companies have requested the amendment to the Agreement to clarify authority to lease as landlord. The Airport Authority will continue to bring all Airport leases to the Board of Supervisors for approval pursuant to NRS 844.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Airport Authority Action: Approved and adopted by the Airport Authority on November 19, 2008.

Recommended Board Action: I move to approve the Amendment to the 1990 Cooperative Agreement between Carson City and the Carson City Airport Authority as presented.

Explanation for Recommended Board Action:

The Airport Authority was established by Nevada law in 1989. The empowering legislation provided for a transfer of the Airport property from the City to the Authority. However, upon learning that the FAA would not recognize the Authority for aviation grants, but would recognize Carson City so long as it was still landowner, the parties chose to NOT transfer the land. Instead, the parties executed the Cooperative Agreement (attached) which essentially provided that the Airport Authority would operate, manage and maintain the Airport, but that Carson City would remain as property owner.

Recently, a title review raised questions as to leases entered into at the Airport. In those leases, the landlord is shown as the Carson City Airport Authority. The title companies expressed concern that without clear authorization from Carson City, only Carson City could be landlord. The Authority pointed out that NRS 844 requires airport leases to be approved by the Board of Supervisors, and that every lease has been brought to a Board of Supervisor meeting, approved and certified as approved. Nevertheless, the title companies are concerned that a more clear statement of the Airport Authority's authority to lease as landlord would clarify the chain of title.