

**City of Carson City  
Agenda Report**

**Date Submitted:** 01/16/2014

**Agenda Date Requested:** 02/06/2014

**Time Requested:** consent

**To:** Board of Supervisors

**From:** Carson City Airport Authority

**Subject Title:** Action to approve the assignment of a sublease (100 ft by 150 ft) held by Nicholson Enterprises, Inc. and On Course Avionics, Inc. to Dennis Buehn under the terms of the sublease from Neil A. Weaver under the Carson City Airport Authority lease with Mentors Unlimited, Inc.

**Staff Summary:** At a regular meeting of the Carson City Airport Authority on January 15, 2014, publicly noticed for that purpose, the Authority approved an assignment of an airport sublease from Nicholson Enterprises, Inc. and On Course Avionics, Inc., to Dennis Buehn.

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

**Does This Action Require A Business Impact Statement:**  Yes  No

**Recommended Board Action:** (I move that we) approve the assignment of the Sublease (100 ft by 150 ft) held by Nicholson Enterprises, Inc. and On Course Avionics, Inc. to Dennis Buehn under the terms of the sublease from Neil A. Weaver under the Carson City Airport Authority lease with Mentors Unlimited, Inc..

**Explanation for Recommended Board Action:**

Under Nevada Chapter 844, which created the Carson City Airport Authority, lease agreements at the Airport must be approved by the Carson City Board of Supervisors. The Airport Authority has approved the lease assignment and requests Board of Supervisors approval.

The history of the lease aspect is as follows. In 1987, Carson City leased an area on the airport to Mentors Unlimited, Inc., which at the time was owned by Neil Weaver and this then wife. This original lease was for a full service FBO and required construction of 3 hangars. Mentors did construct a hangar (which records indicate was counted as 2 hangars) on the east portion of the leasehold. In May, 1988, Mentors subleased a 100'x150' area of their lease area to Neil Weaver as an individual. The stated purpose was to enable financing necessary to build the 3<sup>rd</sup> hangar. In August, 1988, Weaver subleased the 100'x150' area to Dennis Buehn. Buehn then built the existing hangar on the property. All structures revert to Airport ownership at the end of the term of the lease.

In 2010, the Authority and Board of Supervisors approved an assignment of this sublease (ie. a 100 ft by 150 ft area) from Dennis Buehn to Nicholson Enterprises, Inc. and On Course Avionics, Inc. The latter's business failed and now they wish to assign the sublease back to Dennis Buehn.

The provisions of the Buehn sublease require: "Upon the prior approval of Weaver, Mentors Unlimited, Inc. and Carson City, Buehn may assign or sublet this subleasehold for any purpose permitted in the master lease." It also reserved to Weaver, a "right of first refusal" on any assignment or further sublease. In addition, the sublease also requires compliance with the terms and conditions of the Weaver sublease and the original Mentors Unlimited lease with the City. Nicholson attempted to unilaterally assign the sublease by recording an Assignment of Lease on 5-6-2013 as Document No. 434064. Buehn subsequently requested approval from the Authority and the City. This matter is to give the requisite approval.

Weaver and Mentors Unlimited have consented. The Airport Authority has approved the assignment. Consistent with NRS 844, the Airport Authority requests approval from the Board of Supervisors.

**Applicable Statue, Code, Policy, Rule or Regulation:** Statutes of Nevada, Chapter 844.

**Fiscal Impact:** No City impact.


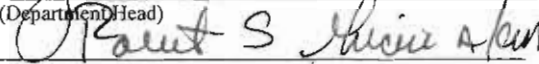
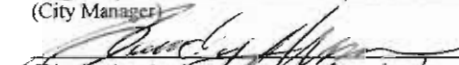
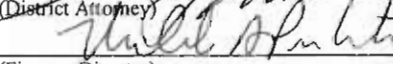
**Explanation of Impact:** Not Applicable.

**Funding Source:** Not Applicable.

**Alternatives:** Not Applicable

**Supporting Material:** Assignment

**Prepared By:** Steven E. Tackes, Esq., Airport Counsel

<b>Reviewed By:</b>		Date: <u>1-16-2014</u>
	(Department Head)	
		Date: <u>1/28/14</u>
	(City Manager)	
		Date: <u>1/28/14</u>
	(District Attorney)	
		Date: <u>1/28/14</u>
	(Finance Director)	

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____
		_____

\_\_\_\_\_  
(Vote Recorded By)

APN  
005-091-01 thru  
005-091-17

RE-ASSIGNMENT OF SUBLEASE  
APPROVAL

Whereas, the Carson City Airport Authority and Carson City had approved, in September of 2010, an assignment of sublease of the lease between the CARSON CITY AIRPORT AUTHORITY ("Landlord") on behalf of its predecessor, CARSON CITY, as to the LEASE with MENTORS UNLIMITED, and specifically regarding the Assignment of the sublease of portion of the LEASE that is approximately 100 feet wide and 150 feet deep as shown on the map attached to the Sublease "Premises") in July 2010, recorded on September 7, 2010, Official Records of the County Recorder of Carson City, Nevada, as Document No. 404270.

Whereas, the sublease was from Dennis Buehn to Nicholson Enterprises, Inc and On Course Avionics Inc., and now the assignee has acted to assign the sublease back to Dennis Buehn. Attached as Exhibit 1.

Whereas, the terms of the sublease require the consent of Neil Weaver and such consent has been provided. Attached as Exhibit 2.

Now, therefore, the Carson City Airport Authority does hereby consent to the assignment:  
FROM: Nicholson Enterprises, Inc and On Course Avionics Inc.  
TO: Dennis Buehn.

Approved the 15<sup>th</sup> day of January, 2014 pursuant to Notice, meeting and vote:

ATTEST:

  
\_\_\_\_\_  
GUY WILLIAMS, Chairman  
CARSON CITY AIRPORT AUTHORITY

  
\_\_\_\_\_  
KARL HUTTER, Vice Chairman  
CARSON CITY AIRPORT AUTHORITY

---City approval page follows---

CARSON CITY

Approved by the Board of Supervisors this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
ROBERT L. CROWELL, Mayor

ATTEST:

CITY'S LEGAL COUNSEL

Approved as to form.

\_\_\_\_\_  
ALAN GLOVER, Clerk/Recorder

  
\_\_\_\_\_  
DISTRICT ATTORNEY

AIRPORT AUTHORITY COUNSEL

Approved as to form.

  
\_\_\_\_\_  
STEVEN E. TACKES, ESQ.

EXHIBIT 1  
Assignment and Assumption recorded as doc # 434064

RECORDED AT THE  
REQUEST OF

Dennis Buehn

2013 MAY -6 AM 11:59

434064

FILE NO. \_\_\_\_\_  
ALAN GLOVER  
CARSON CITY RECORDER  
OFFICE 7400

APN # 5-011-89

Recording Requested by:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

When Recorded Mail to:  
Dennis Buehn  
2600 College Parkway, #33  
Carson City, NV 89706

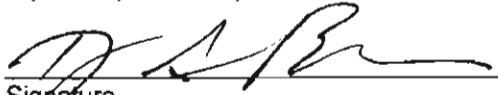
**ASSIGNMENT AND ASSUMPTION OF SUBLEASE**

**Please complete Affirmation Statement below:**

I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does not contain the personal information of any person or persons. (Per NRS 239B.030)

-OR-

I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does contain the personal information of a person or persons as required by law. \_\_\_\_\_  
(State specific law)

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

DENNIS G. BUEHN  
Printed Name

This page added to provide additional information required by NRS 111.312 Sections 1-2 and NRS 239B.030 Section 4.

This cover page must be typed or printed in black ink.

(Additional recording fee applies)

434064

## ASSIGNMENT AND ASSUMPTION OF SUBLEASE

THIS ASSIGNMENT AND ASSUMPTION OF SUBLEASE (the "Assignment") is made as of this 1<sup>st</sup> day of May, 2013 (the "Effective Date"), by and between, Dennis Buehn, ("Assignee") and Nicholson Enterprises, Inc., a Nevada Corporation and On Course Avionics, Inc., a Nevada Corporation, (herein collectively "Assignor").

### RECITALS

A. Assignee previously assigned his interest in a Sublease Agreement dated, August 17, 1988 (the "Sublease") to Assignor for the portion of the space Assignee had subleased that is approximately 100 feet wide and 150 feet deep as shown on the map attached to the Sublease ("Premises") in July of 2010, recorded on September 7, 2010, Official Records of the County Recorder of Carson County, Nevada, as Document No. 404270.

B. Assignor desires to assign its interest under the Sublease back to Assignee and Assignee desires to assume all of Assignor's interest and obligations under the Sublease.

NOW THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency thereof being hereby acknowledged, the parties agree as follows:

1. Subject to any consents Assignee is required to obtain, effective as of the Effective Date, Assignor hereby assigns to Assignee all of its right, title and interest in and to the Sublease; and Assignee hereby accepts the foregoing assignment and assumes and agrees to perform from and after the Effective Date, all of the obligations, undertakings, duties, terms, covenants, conditions, and liabilities as sublessee to be done, kept, or performed under the Sublease and all of the provisions of the Sublease applicable to Assignor.

2. The assignment set forth in this Assignment shall become effective on the Effective Date, and Assignor shall give possession of the Premises to Assignee on such date. Assignor shall be liable for all of the obligations, undertakings, duties, terms, covenants, conditions, and liabilities of the Assignor to be done, kept, or performed under the Sublease prior to the Effective Date.

3. Neither the execution nor delivery of this Assignment, nor the consummation of the assignment contemplated herein, will conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which Assignor or Assignee is a party or any restriction to which Assignor or Assignee is bound.

**434064**

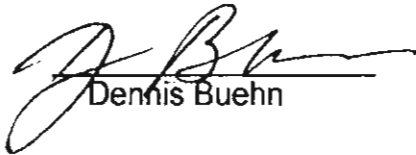
4. Assignee is financially able to fulfill the obligations of the Assignor under the Sublease.

5. Assignee shall obtain the consent and approval of Carson City, the Carson City Airport Authority, as well as any other individuals or entities Assignee deems necessary to consent to this Assignment. Assignor agrees to execute any additional documents Assignee reasonably requests Assignor to execute to effectuate such consents.

6. Miscellaneous:

- a. This Assignment shall be governed by and construed in accordance with the laws of the State of Nevada.
- b. This Assignment is not intended to and shall not be deemed to modify or amend the Sublease in any manner.
- c. This Assignment may be executed in one or more counterparts, which, when executed, shall constitute one and the same instrument.
- d. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

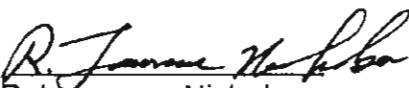
ASSIGNEE:

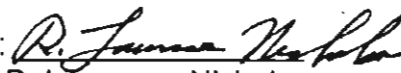
  
Dennis Buehn

ASSIGNOR:

Nicholson Enterprises, Inc.,  
A Nevada Corporation

On Course Avionics, Inc.,  
a Nevada Corporation

By:   
R. Lawrence Nicholson  
Its: President

By:   
R. Lawrence Nicholson  
Its: President

434064



STATE OF NEVADA     )  
                                                       : ss.  
 COUNTY OF Washoe)

This Assignment and Assumption of Sublease was executed and acknowledged before me, Theresa Tilton, a Notary Public, this 2nd day of May, 2013 by Dennis G. Buehn.



[Signature]  
 Notary Public

STATE OF NEVADA     )  
                                                       : ss.  
 COUNTY OF Washoe)

This Assignment and Assumption of Sublease was executed and acknowledged before me, Theresa Tilton, a Notary Public, this 1st day of May, 2013, by R. Lawrence Nicholson in his capacity as President of Nicholson Enterprises, Inc.



[Signature]  
 Notary Public

STATE OF NEVADA     )  
                                                       : ss.  
 COUNTY OF Washoe)

This Assignment and Assumption of Sublease was executed and acknowledged before me, Theresa Tilton, a Notary Public, this 1st day of May, 2013, by R. Lawrence Nicholson in his capacity as President of On Course Avionics, Inc.



[Signature]  
 Notary Public

EXHIBIT 2

Consent to Assignment and Waiver of Right of First Refusal  
Mentors Unlimited, Inc. and Neil Weaver

CONSENT TO ASSIGNMENT AND  
WAIVER OF RIGHT OF FIRST REFUSAL

Mentors Unlimited, Inc., a Nevada corporation, ("Mentors") and Neil Weaver ("Weaver"), as sublessor pursuant to a sublease entitled "Sublease of Carson City Airport Property," dated May 31, 1988, by and between Mentors and Weaver, and Dennis Buehn ("Buehn") as sublessee pursuant to a sublease from Weaver entitled "Lease of Carson City Airport Property," dated August 17, 1988, (herein the "Sublease"), which was subsequently assigned to Nicholson Enterprises, Inc., a Nevada corporation, ("Nicholson") and On Course Avionics, a Nevada corporation, ("On Course"), as sublessees, subject to and specifically conditioned upon the following terms and conditions, hereby grant their consent to an assignment by Nicholson and On Course of the Sublease pursuant to the Assignment and Assumption of Sublease dated May 1, 2013, made by and between Nicholson, On Course and Buehn (herein the "Assignment"), as Assignee and waive any and all rights of first refusal with regard to such Assignment. A copy of the Assignment is attached hereto and incorporated herein by reference, and covers that certain premises that is the subject of the Sublease (the "Premises"), as more particularly described in the Assignment.

This Consent to Assignment and Waiver of Right of First Refusal does not and shall not be construed or implied to be a consent to any other matter for which Mentors', Weaver's, or Buehn's consent is required under the Master Lease or any sublease.

The terms and conditions hereof shall be governed by and construed in accordance with laws of the State of Nevada.

This Consent shall be binding upon and inure to the benefit of the parties to this Consent and their respective heirs, executors, administrators, legal representative, successors and assigns.

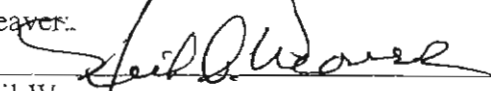
Mentors:

Mentors Unlimited, Inc.,  
a Nevada corporation

Dated: 1 DECEMBER 2013

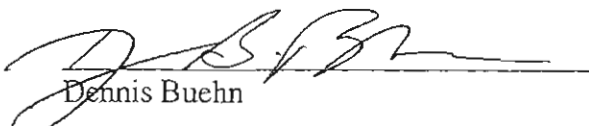
By: NEIL A. WEAVER  
Its: PRESIDENT

Dated: 1 DECEMBER 2013

Weaver:   
Neil Weaver

Accepted By:

Dated: 11-26-13

  
Dennis Buehn