

**City of Carson City
Agenda Report**

Date Submitted: 5/20/2008

Agenda Date Requested:6/5/2008

Time Requested: consent

To: Board of Supervisors

From: Carson City Airport Authority

Subject Title: Action to approve an amendment of a Carson City Airport Lease Agreement with KCXP Investments, LLC..

Staff Summary: This amendment allows KCXP Investments, LLC., the ability to provide condominium ownership of hangars constructed on its airport leasehold similar to other hangar leases by assigning lease rights to a hangar owners association.

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 Carson City Airport Lease Amendment to the Carson City Airport Lease Agreement between the Carson City Airport Authority and KCXP Investments, LLC., replacing the assignment and sublease paragraph such that KCXP Investments, LLC as set forth in the Amendment approved by the Airport Authority on April 16, 2008.

Explanation for Recommended Board Action:
This item is in response to a request by KCXP Investments, LLC (Tom Gonzales) to permit the tenant the ability to transfer condo ownership of the hangars being constructed on the leasehold granted to KCXP Investments, LLC and recorded as Document No. 342199 on September 2, 2005. Other leaseholds in the center of the airport are similarly restricted to construction of hangars and permit assignment to a hangar owners association as a means to allow condo ownership of the hangars. The modified language permits KCXP Investments, LLC., the ability to similarly transfer the hangars into individual ownership. KCXP Investments, LLC., remains responsible for compliance with the lease terms and no other terms are changed. On April 16, 2008, at a properly noticed meeting of the Airport Authority, the Authority approved the amendment attached. Pursuant to Statutes of Nevada, Chapter 844, all leases on the Airport must be approved by the Board of Supervisors. Thus the amendment is also subject to Board of Supervisor approval which is hereby requested.

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

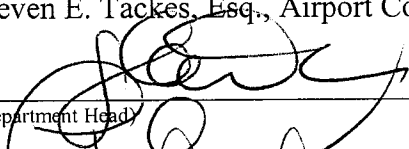
Fiscal Impact: Not Applicable.

Explanation of Impact: Not Applicable.

Funding Source: Not Applicable.
Alternatives: Not Applicable
Supporting Material: Lease Assignment

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

Reviewed By:



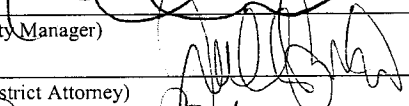
(Department Head)

Date: 4.20.2008



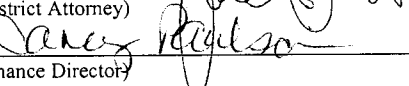
(City Manager)

Date: 5/22/08



(District Attorney)

Date: 5/29/08



(Finance Director)

Date: 5/27/08

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)

CARSON CITY AIRPORT LEASE AMENDMENT

The Carson City Airport Authority (Landlord), whose address is 2600 E. Graves Lane #6 Carson City, Nevada 89706, and KCXP Investments LLC., a Delaware LLC., (Tenant), whose address is 134 Lakes Blvd, Dayton, NV 89403, hereby enter into this First Amendment to the Airport Lease Agreement dated August 17, 2005 and recorded as Document No. 342199 on September 2, 2005, in the records of the Carson City Recorder.

WITNESSETH:

WHEREAS, the Tenant has requested the same rights given to other hangar developments which permit assignment to a hangar owners association; and

WHEREAS, the parties desire to permit such rights.

THEREFORE, Landlord and Tenant agree as follows:

1. Paragraph 9 of said lease shall be replaced with the following:

“9. ASSIGNMENT AND SUBLEASING. Tenant shall be permitted to assign this lease, or a portion thereof, to a hangar owners association to allow individual ownership of hangars, but Tenant shall remain the single entity responsible to Landlord. The parties anticipate that individual owners of hangars will be members of said association, and to the extent consistent with that assignment, Tenant or Association may sublease portions of the leasehold to said individual owners, without further approval required of Landlord, where such subleases are necessary or appropriate to the sale of interest in individual hangars. Tenant and Association may assign or delegate lease obligations as between each other with respect to operation or maintenance of the leasehold, recognizing the Tenant is ultimately responsible to Landlord. Tenant shall have no other right to assign or sublet its interest in this lease except upon Landlord's prior consent. Any assignment or sublease will be binding to assignees/sublessees on all terms and conditions in this lease.

Tenant shall have the right to assign, pledge, or hypothecate this lease for the purpose of securing additional financing, upon the prior approval of Landlord. Upon request of Tenant, Landlord agrees to execute an estoppel certificate for the benefit of Tenant, or the benefit of individual hangar owners association members if in relation to individual financing, representing that the lease is in full force and effect, and Tenant is not in default under the lease and such other items as Tenant may reasonably request.

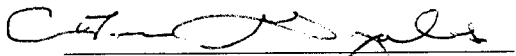
The parties agree that a transfer of corporate interests in excess of twenty-five percent (25%) shall be deemed an assignment of this lease.

The Landlord reserves the right to assign, pledge, or hypothecate this Agreement upon notice to the Tenant.”

2. All of the other terms and conditions of the original lease are unchanged.

TENANT
KCXP INVESTMENTS, LLC.,
a Delaware limited liability company

LANDLORD
CARSON CITY AIRPORT AUTHORITY
CARSON CITY, NEVADA


Tom Gonzales, Managing Member


Steve Lewis, CHAIRMAN

ATTEST:



Collie Hutter, TREASURER

STATE OF NEVADA)
 : ss
COUNTY OF _____)

On this 25th day of April, 2008, before me, the undersigned, a Notary Public, personally appeared TOM GONZALES, Managing Member of KCXP INVESTMENTS, LLC, known to me to be the person described herein, who executed the foregoing instrument, and he acknowledged to me, that he has the requisite authority and executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.


NOTARY PUBLIC (SEAL)

 Brandon shawn Norris
Commission #DD332235
Expires: Jun 24, 2008
Bonded Thru
Atlantic Bonding Co., Inc.

CARSON CITY

Approved by the Board of Supervisors this ____ day of _____, 2008.

MARV TEIXEIRA, 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.