



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** May 7, 2020

Staff Contact: Stephanie Hicks, Deputy City Manager

Agenda Title: For Possible Action: Discussion and possible action regarding authorization of a proposed lease amendment between the Carson City Airport Authority (CCAA) and the Mountainview Community Association (Assignee) reducing the total Carson City Airport leasehold area held by Assignee from approximately 95,774 square feet (sf) to approximately 31,792.30 sf and thereby also reducing the corresponding rent. (Kenneth Moen, kmoen@flycarsoncity.com)

Staff Summary: On December 20, 2017, a lease agreement was entered between the CCAA and Sierra Skyway, Inc., pursuant to which Sierra Skyway acquired a total leasehold of approximately 95,774 sf for the construction of certain hangar units to be completed in three separate phases. On January 16, 2019, a lease assignment was entered into between the CCAA, Sierra Skyway, Inc. and the Mountainview Community Association whereby the leasehold interest held by Sierra Skyway as the tenant was assigned to Mountainview Community Association as the Assignee. Phase 1 of the proposed hangar units was completed by the approval of a Final Subdivision Map in November, 2019, but the Assignee has decided not to proceed with Phase 2 and 3. As a result, this lease amendment is proposed to reduce the total leasehold area to approximately 31,792.30 sf by removing Phase 2 and 3 and to reduce the corresponding rent.

Agenda Action: Formal Action / Motion **Time Requested:** Consent

Proposed Motion

I move to authorize the lease amendment as presented.

Board's Strategic Goal

Efficient Government

Previous Action

December 20, 2017: A lease agreement was entered into between the CCAA and Sierra Skyway, Inc., with Sierra Skyway acquiring a leasehold of approximately 95,774 sf., as authorized by the Board of Supervisors.

October 18, 2018: The Board of Supervisors approved a Tentative Subdivision Map (TSM 18-123) authorizing the construction of Phase 1 hangar units and common area parcels.

January 16, 2019: A lease assignment was entered into between the CCAA and the Mountainview Community Association, as authorized by the Board of Supervisors, pursuant to which the Association assumed the leasehold interest of Sierra Skyway, Inc. as Assignee.

September 5, 2019: The Board of Supervisors authorized a lot line adjustment to transfer from the CCAA to Assignee approximately 235 sf of leasehold interest.

November 21, 2019: The Board of Supervisors approved a Final Subdivision Map for the completion of Phase I of the hangar units.

Background/Issues & Analysis

On December 20, 2017, the Board of Supervisors approved a ground lease agreement between the CCAA and Sierra Skyway, Inc. for the construction of corporate box hangars. In June 2018, Sierra Skyway broke ground on Phase 1 of a potential 3-phase development of the hangars, which included two fire riser rooms on the adjacent airport property. On January 16, 2019, Sierra Skyway, Inc. transferred lease responsibility to the Mountainview Community Association as the Assignee under a lease assignment. In July 2019, the Assignee received a Certificate of Occupancy, completing construction of Phase 1. A lot line adjustment was authorized by the Board of Supervisors on September 5, 2019 for the inclusion of all hangar improvements on the Assignee property, and the lot line adjustment was recorded on November 25, 2019. The Assignee is now requesting that Phase 2 and Phase 3 be removed, which would result in a reduction of leasehold area from approximately 95,774 sf to approximately 31,792.30 sf and a corresponding reduction in rent.

Applicable Statute, Code, Policy, Rule or Regulation

The Airport Authority Act for Carson City, Chapter 844 Statutes of Nevada 1989

Financial Information

Is there a fiscal impact? No

If yes, account name/number:

Is it currently budgeted?

Explanation of Fiscal Impact:

Alternatives

Do not authorize the lease amendment.

Attachments:

[Mountainview Community Association Lease Amendment.pdf](#)

Board Action Taken:

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

(Vote Recorded By)

AIRPORT LEASE AMENDMENT

This AIRPORT LEASE AMENDMENT (“AMENDMENT”), effective May 7, 2020, is hereby entered into by and between the CARSON CITY AIRPORT AUTHORITY (“LANDLORD”), whose address is 2600 College Parkway #6, Carson City, Nevada 89706, and MOUNTAINVIEW COMMUNITY ASSOCIATION, a Nevada corporation (“ASSIGNEE”), whose address is 346 2nd Tee Drive, Incline Village, Nevada 89451.

WITNESSETH:

WHEREAS, on December 20, 2017, a lease agreement was entered into by and between LANDLORD and SIERRA SKYWAY, INC., recorded as Document No. 482615 (“LEASE”), with SIERRA SKYWAY, INC. having acquired a leasehold of approximately 95,774 square feet (sf); and

WHEREAS, the purpose of the LEASE was for the construction of certain hangar units at the Carson City Airport as aircraft storage, to be completed in three separate phases of construction; and

WHEREAS, on October 18, 2018, a Tentative Subdivision Map (TSM 18-123) was approved by the Carson City Board of Supervisors authorizing the construction of those hangar units and common area parcels; and

WHEREAS, on January 16, 2019, a lease assignment recorded as Document No. 492385 (“LEASE ASSIGNMENT”) was entered into by and between LANDLORD, SIERRA SKYWAY, INC. and MOUNTAINVIEW COMMUNITY ASSOCIATION, pursuant to which the leasehold interest held by SIERRA SKYWAY as the tenant under the terms of the LEASE were assigned to MOUNTAINVIEW COMMUNITY ASSOCIATION as ASSIGNEE; and

WHEREAS, on September 5, 2019, the Carson City Board of Supervisors, as owner of the underlying leasehold property and pursuant to its authority under the Airport Authority Act for Carson City, authorized a lot line adjustment to transfer from the Carson City Airport to ASSIGNEE approximately 235 sf of leasehold interest; and

WHEREAS, on November 21, 2019, the Carson City Board of Supervisors approved a Final Subdivision Map, known as Sierra Skyway, Inc. Phase I, which fully complied with all of the conditions of approval set forth in TSM 18-123; and

WHEREAS, ASSIGNEE now desires to amend the LEASE to include all hangar unit improvements, but also to remove Phase 2 and Phase 3 from the LEASE, such that the resulting leasehold will be reduced to a new leasehold area of approximately 31,792.30 sf from approximately 95,774 sf, as reflected in the legal description attached hereto as “Exhibit A”;

NOW THEREFORE, LANDLORD and ASSIGNEE hereby agree as follows:

1. **TERM.** The term of the LEASE shall be unchanged by this AMENDMENT, ending upon 50 years from the date of execution of the LEASE.
2. **RENT.** The area leased by ASSIGNEE under the LEASE shall be reduced to approximately 31,792.30 sf from approximately 95,774 sf, as described in Exhibit A to this

AMENDMENT, by voiding Phase 2 and Phase 3 and the corresponding rent as described in paragraph 3 of the LEASE.

2. All other terms of the LEASE and LEASE ASSIGNMENT are unchanged by this AMENDMENT.

ASSIGNEE

MOUNTAINVIEW COMMUNITY
ASSOCIATION

DENNIS GIANGRECO, President

LANDLORD

CARSON CITY AIRPORT AUTHORITY

MICHAEL GOLDEN, CHAIRMAN

ATTEST:

JON ROGERS, TREASURER

STATE OF NEVADA)

: ss

COUNTY OF _____)

On this ____ day of _____, 2020, before me, the undersigned, a Notary Public, personally appeared _____, known to me (or proved 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)

CARSON CITY

The Board of Supervisors of Carson City, Nevada, as underlying owner of the Airport, and thus the Lease Parcel, hereby approves and acknowledges the AMENDMENT, and the right and authority of the Authority to enter into the AMENDMENT with ASSIGNEE.

Approved by the Board of Supervisors this ____ day of _____, 2020.

ROBERT L. CROWELL, Mayor

ATTEST:

CITY'S LEGAL COUNSEL
Approved as to form.

AUBREY ROWLATT, Clerk/Recorder

DISTRICT ATTORNEY

AIRPORT AUTHORITY COUNSEL
Approved as to form

STEVEN E. TACKES, ESQ.

EXHIBIT A

**DESCRIPTION OF HANGER PARCELS WITH ADDITION
WITH COMMON ELEMENTS A AND B
FOR
CARSON CITY AIRPORT AUTHORITY**

HANGER PARCELS AND COMMON AREAS A AND B – FINAL MAP #2980:

A parcel of land situate in the Northeast (NE) quarter (1/4) of Section 4 (Sec. 4), Township Fifteen North (T. 15N.), Range Twenty East (R.20E.), Mount Diablo Meridian (MDM), County of Washoe, State of Nevada, being The Hanger Area along with Common Element A and Common Element B of the Condominium Final Map for Sierra Skyways, Inc. Phase 1, Map No. 2980, recorded November 25, 2019, as File No. 500913, being more particularly described as follows:

COMMENCING at the northeasterly corner of the Remainder Parcel I as Shown on said Condominium Final Map marked by a 5/8-inch rebar and cap stamped "PLS 13284", from which the East One-Quarter Corner (E ¼ Cor.) of Section Four (Sec. 4) bears South 10°39'52" East, 1,850.08 feet, marked by a rock with X in center per L2702;

THENCE, departing said corner, and along the northerly line said Remainder Parcel 1, North 88°54'49" West, 95.39 feet;

THENCE, continuing along said northerly line of said Remainder Parcel 1, South 63°46'07" West, 317.55 feet to the **POINT OF BEGINNING** for this description;

THENCE, departing said northerly line, South 26°13'53" East, 175.00 feet, to the southerly line of said Remainder Parcel 1, to the Southerly lines of Common Element B, the Hanger Area and Common Element A;

THENCE, along said southerly line, South 63°46'07" West, 84.81 feet;

THENCE, departing said southerly line, South 26°13'53" East, 10.20 feet;

THENCE, South 63°46'07" West, 11.50 feet;

THENCE, North 26°13'53" West, 10.20 feet, to a point on the above described southerly line;

THENCE, along said southerly line, South 63°46'07" West, 84.69 feet, to the Southwest corner of the abovementioned Common Element A;

THENCE, along the easterly line of said Common Element A, North 26°13'53" West, 175.00 feet, to the Northwest Corner of said Common Element A;

THENCE, along the northerly line of said Common Element A, the Hanger Area and Common Element B, North 63°46'07" East, 181.feet, to the POINT OF BEGINNING;

Containing 31,792 square feet, more or less.

See Exhibit map to accompany description attached hereto and made a part hereof.

Basis of Bearings: Grid North, Modified Nevada State Plane Coordinate System, West Zone, North American Datum of 1983/1994 (NAD 83/94) determined using Real Time Kinematic GPS (RTK GPS) observations of National Geodetic Survey (NGS) Control Monuments CXP A and CXP B. Combined Grid to Ground Factor = 1.0002.

Surveyor's Certificate: I hereby certify that the attached description was prepared by me or under my direct supervision and is accurate to the best of my knowledge and belief

Lee H. Smithson
Nevada PLS 5097
For and on behalf of

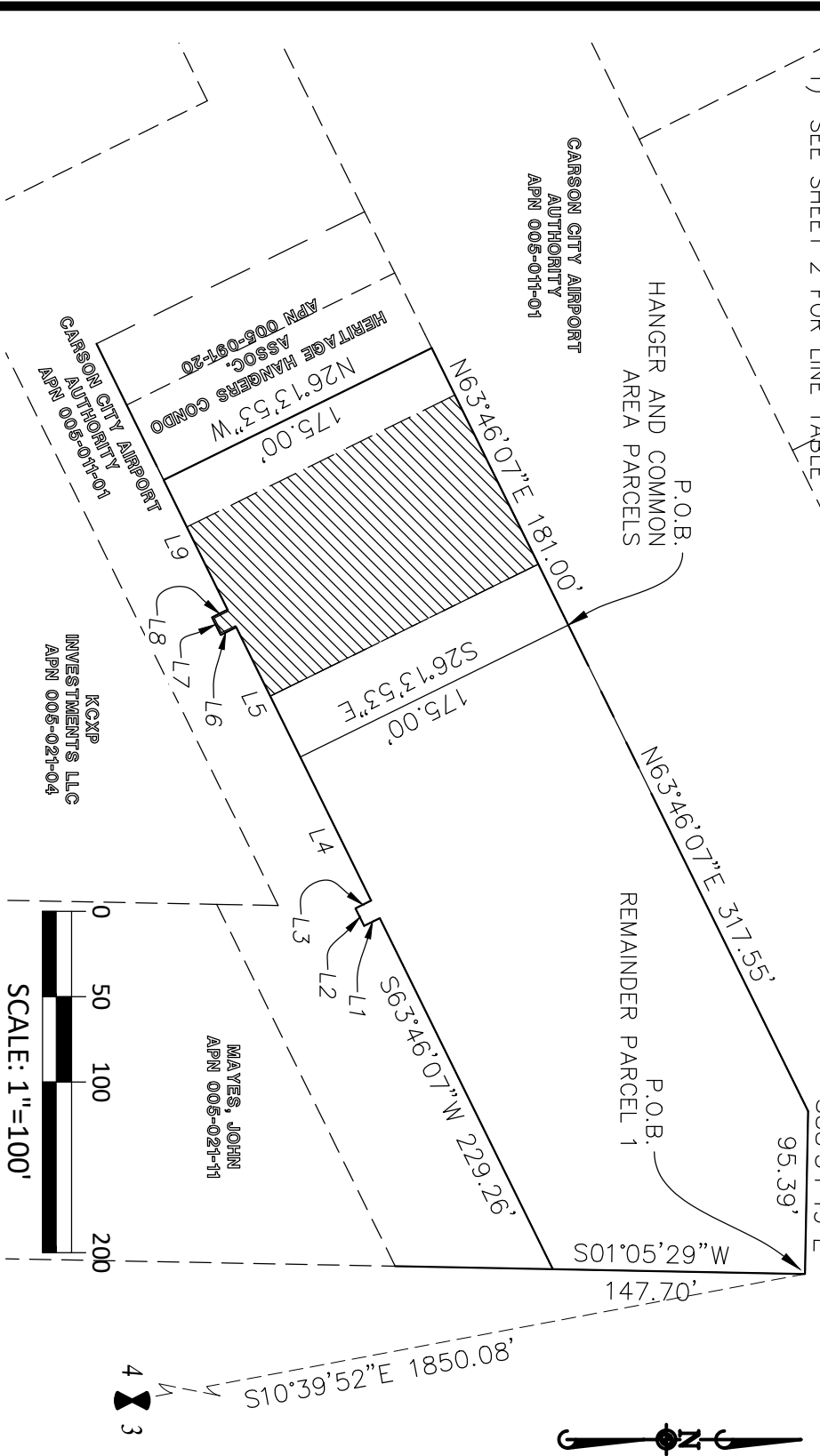


241 Ridge Street, Suite 400
Reno, Nevada 89501
(775) 321-6528



NOTE:
1) SEE SHEET 2 FOR LINE TABLE

EXHIBIT A-1



© 2015 MANHARD CONSULTING, LTD. ALL RIGHTS RESERVED



241 Ridge Street, Suite 400, Reno, NV 89501 ph:775.746.3500 fx:775.746.3520 manhard.com
 Civil Engineers | Surveyors | Water Resource Engineers | Water & Waste Water Engineers
 Construction Managers | Environmental Scientists | Landscape Architects | Planners

SIERRA SKYWAYS FINAL MAP	
CARSON CITY, NEVADA	
PARCEL EXHIBIT	
PROJ. MGR.: LHS	PROJECT CODE
DRAWN BY: LHS	SSL CONN01
DATE: 1/14/2020	SHEET 1
SCALE: 1"=100'	OF 2

LINE TABLE		
LINE	BEARING	LENGTH
L1	S26°13'53"E	10.20'
L2	S63°46'07"W	11.50'
L3	N26°13'53"W	10.20'
L4	S63°46'07"W	93.75'
L5	S63°46'07"W	84.81'
L6	S26°13'53"E	10.20'
L7	S63°46'07"W	11.50'
L8	N26°13'53"W	10.20'
L9	S63°46'07"W	84.69'

LEGEND

- P.O.C. = POINT OF COMMENCEMENT
 P.O.B. = POINT OF BEGINNING
 S.F. = SQUARE FEET
 _____ = ADJACENT PROPERTY LINE
 - - - - - = TIE LINE

BASIS OF BEARINGS:

MODIFIED NEVADA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983/1994 (NAD83/94) DETERMINED USING REAL TIME KINEMATIC GPS (RTK GPS) OBSERVATIONS OF NATIONAL GEODETIC SURVEY (NGS) CONTROL MONUMENTS CXP A AND CXP B. COMBINED GRID TO GROUND FACTOR = 1.0002. ALL DISTANCES SHOWN HEREIN ARE GROUND VALUES.

EXHIBIT A-1



Manhard™
CONSULTING
 241 Ridge Street, Suite 400, Reno, NV 89501 ph:775.746.3500 fx:775.746.3520 manhard.com
 Civil Engineers | Surveyors | Water Resource Engineers | Water & Waste Water Engineers
 Construction Managers | Environmental Scientists | Landscape Architects | Planners

SIERRA SKYWAYS FINAL MAP	
CARSON CITY, NEVADA	
PARCEL EXHIBIT	
PROJ. MGR.: <u>LHS</u>	PROJECT CODE SSI.CCNV01
DRAWN BY: <u>LHS</u>	SHEET 2
DATE: <u>1/14/2020</u>	OF 2
SCALE: <u>N/A</u>	