

Land Leasing Options for Airport District Property (Clear Capital)

Key factors considered in Analysis:

1. Clear Capital needs/intends to move to a permanent location with 24 months and needs to confirm location.
2. Clear Capital desires economic development assistance to make permanently locating in Truckee financially feasible.
3. Find a local financial incentive option competitive as possible with State of Nevada.
4. The Airport, JMA, and Clear Capital are looking for the best path to meet Clear Capital's objective as well as the District's goals.

Option 1 – Develop Property In Nevada County without Annexation into Truckee	Option 2 – Develop Property in Nevada County and then Annex in to Truckee	Option 3 – Annex property into Town of Truckee and then Develop Property
<p><u>First Priority</u> – Receive Land Release from FAA for Non-Aeronautical land use or reasonable assurance we will receive release.</p> <p>1-Land use entitlement process requires Master Plan Amendment, Zone Change, Development Permit, CEQA. Process is very similar to Town of Truckee. Requires 6 to 8 months to complete.</p> <p>2-County Planning Commission and Board of Supervisors make land use decisions but will likely consider Town of Truckee requests and design review considerations at a high level.</p> <p>3-County will assess impact fees and charges per their fee schedule. Difficult to tell what those fees may be until traffic studies and other impacts are reviewed by County.</p> <p>4-No annexation or Town Sphere update required.</p> <p>5-Property does not qualify for Town of Truckee Economic Development Incentive funds.</p> <p>6-Once released from aeronautical use by FAA, Airport can consider incentives to attempt to match offers by Town of Truckee, State of Nevada. Airport has to charge fair market rates in lease structure. Cannot give incentives in lease. Staff will have FAA response to Release Request by July 31, 2014.</p>	<p><u>First Priority</u> – Receive Land Release from FAA for Non-Aeronautical land use or reasonable assurance we will receive release.</p> <p>1-Airport and Town of Truckee need to negotiate Annexation Agreement outlining details of future annexation of District property to facilitate Clear Capital. Staff estimates that this would require at least 2 months to negotiate and finalize what such an agreement would involve and require.</p> <p>2-Any costs, impact fees, assessments, or taxes, as a result of annexation (if any) present or future would be identified, outlined, and/or resolved in annexation agreement.</p> <p>3-Annexation needs to be revenue neutral to Nevada County.</p> <p>4-Sphere of Influence Update for Town of Truckee is required by Nevada County LAFCO. This is a 2 to 3 month process. If all parties are in agreement, a Sphere update and annexation can be complete in approximately 3 months.</p> <p>5-Land use entitlement process requires Master Plan Amendment, Zone Change, Development Permit, CEQA. Process is very similar to Nevada County. Requires 6 to 8 months to complete.</p>	<p><u>First Priority</u> – Receive Land Release from FAA for Non-Aeronautical land use or reasonable assurance we will receive release.</p> <p>1-This option is very similar to Option 2 except no development applications can be submitted to Town of Truckee until an annexation agreement between Airport and Town is complete.</p> <p>2-Annexation cannot commence until annexation agreement is finalized. Once finalized the actual annexation process takes approximately 3 months to complete.</p> <p>3-In summary this option requires 6 to 8 months before an application could be submitted to the Town for Development consideration.</p> <p>4-It's staff's opinion that this will not facilitate a timely process to meet the JMA/Clear Capital timeline. If annexation is the preferred option we should consider Option 2 as the quickest option.</p>

<p>Option 1 - Continued</p> <p>7-Airport can pay impact fees, infrastructure costs, and other costs specifically related to the development and improvement of Airport property. Researching these options and adoption of policy to permit such may require some time and consultant assistance. Staff estimates 3 to 6 months to explore, draft, approve and assure legality of Airport District incentives.</p> <p>8-Future permitting including change of use, tenant improvements, use permits must be approved by Nevada County. Town and County have similar land use tables per their zoning with similar uses allowed in Professional Office, Light Industrial/Manufacturing, and Commercial zones.</p> <p>9-In this option District may assume roll as developer to certain extent. Available economic development options relate specifically to the offsetting of development fees and costs.</p>	<p>Option 2 - Continued</p> <p>7-If an annexation agreement is in place, Nevada County would likely defer to Town of Truckee design standards and requirements for project. However, County Board of Supervisors would have ultimate approval authority over what is required.</p> <p>6-Annexation and Land Use Entitlements can run concurrently. Annexation could also be completed after project has been approved by Nevada County. Timeline and process would have to be outlined in Annexation Agreement.</p> <p>7-Airport Property would be eligible for Town of Truckee Economic Development Incentive Funds. No need for Airport District to retain legal counsel and or consultant assistance to craft incentive policy that meets FAA grant assurances and other legal requirements.</p> <p>8-After annexation, annexed Airport Property would be subject to Town of Truckee land use regulations and processing.</p>	
<p>Estimated Time Requirement: No annexation agreement is required for this option. Some additional time would be required to craft and construct economic incentives related to infrastructure improvements and impact fee payments. It is possible to have this process complete and ready to begin construction within 12 months.</p>	<p>Estimated Time Requirement: Assuming Airport and Town can agree within 2 months on an annexation agreement and JMA/Clear Capital can finalize agreements with the Town of Truckee on the Economic development funding, this could be the quickest option. Staff estimates this at 8 to 12 months to be able to begin construction.</p>	<p>Estimated Time Requirement: Its staff's estimation that this option requires the most time due to the annexation issues. 14 to 18 months.</p>

Time Estimate Assumptions for options 1-3:

1. All parties are in agreement on process and review parameters. (Options 1-3)
2. Town Council and Airport District Board can complete Annexation Agreement within 2 to 3 months if it's the preferred option. (Option 2-3)
3. Developer/Applicant submits high quality and complete plans to Nevada County. (Options 1-3)
4. Standard Plan Review turn around by Nevada County and timely resubmissions by Applicant. (Options 1-3)
5. Airport District can legally provide development incentives and meet grant assurances. (Option 1)