



## TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTOR STAFF REPORT

**AGENDA TITLE:** Approval of Lease Agreement for Truckee Roundhouse

**MEETING DATE:** March 28, 2018

**PREPARED BY:** Hardy Bullock, Director of Aviation & Community Services &  
Jill McClendon, Aviation & Community Services Program  
Coordinator

---

**RECOMMENDED ACTION:** Adopt and/or accept the lease agreement for the Truckee Roundhouse/Makerspace.

**DISCUSSION:** Staff worked with Karyn Stanley, Truckee Roundhouse General Manager, members of the Truckee Roundhouse Board of Directors, Brent Collinson and Cristina Wooley, attorney for the Truckee Roundhouse, to come to an agreement on a new lease for the Makerspace. A copy of the lease is provided with this staff report.

The first lease for the Truckee Roundhouse was executed in February of 2016 for Warehouse Space E-3. This new lease includes their current space (E-3) and the addition of E-2 which was previously leased by Porter Simon. The template that was used to develop this new lease is consistent with the leases that were executed for other business operations at the Airport including Red Truck, Sierra Aero, Care Flight and EAA. If approved, the new four-year lease will start April 1, 2018 and run through March 31, 2022.

Truckee Roundhouse has provided the airport with plans for the modification of E-2 which include electrical upgrades, enhanced access on the south side of the building and a door/opening connecting E-2 to E-3.

The Truckee Roundhouse will be responsible for all work and modifications to E-2 to meet occupancy standards and to bring it into compliance with all county code requirements. They will also be responsible for permitting and all associated costs. As outlined in the lease, rent for E-2 will be waived for a period of nine months from the start date of the lease. Consistent with the

first lease executed between the Truckee Roundhouse and the District, this lease outlines a graduated rent scale throughout the course of the lease. Rent for this lease starts at \$0.22 per square foot. Current market rent for Warehouse space is \$0.89 per square foot.

Peter Beaupre/Prosser Building & Development, Inc. will be working with Truckee Roundhouse to ensure that the modifications made to the space meet the District's building and development standards.

With the Makerspace and the addition of the Tahoe Food Hub as a Warehouse tenant, future work or modifications by the airport may need to be made. Improvements such as outside lighting, parking delineations, and ADA stalls may need to be made commensurate with the use of the Warehouse building by public/community interest organizations.

**WHAT'S NEXT:** If adopted the lease term will begin on April 1, 2018 and run through March 31, 2022.

**FISCAL IMPACT:** Over the course of the two leases from February 2016 to March 2022 the estimated foregone revenue for E-3 and E-2 is approximately \$162,000. Revenue to be realized over that same time period is approximately \$87,000. The first lease for the Truckee Roundhouse was executed on a graduated rent schedule based on the public/community benefit of the Makerspace off-setting the foregone revenue on the space.

Additional costs will be incurred for Peter Beaupre's work as the District's project consultant.

**ATTACHMENTS:**

Makerspace Lease – FINAL

KTRK – Maker Space Contribution Value – 12-27-17

MAKERSPACE – ELEVATIONS

MAKERSPACE – FLOOR PLAN AND EDGRESS PLAN