



TRUCKEE TAHOE AIRPORT DISTRICT STAFF REPORT

AGENDA TITLE: Review and Action on Pending Lease Renewals

MEETING DATE: Dec. 1, 2021

PREPARED BY: Hardy Bullock, Director of Aviation & Community Services

RECOMMENDED ACTION: Receive an update on the lease renewal process for four (4), on filed operators, Care Flight, Sierra Aero, Skydive Truckee Tahoe, and Truckee Tahoe Soaring Association and provide direction to staff regarding recommendations as found in Table 1.

DISCUSSION: Staff has summarized the process for lease renewal activity specific to each tenant below.

Table 1

| Lease | Location | Action | Date(s) | Recommendation |
|-----------------------------------|---|--|----------------------------------|---|
| Care Flight | East Office/Quarters + Aircraft & Vehicle Parking | Renewal or Extension | October 31, 2021 | Renew the lease, term 4 years, update rate/rent pending appraisal |
| Skydive Truckee Lake Tahoe | North East Quadrant | Preliminary letter of termination | Upon Board Approval, (180) days. | Terminate lease. update rate/rent pending appraisal, forecast land use. |
| Sierra Aero LLC | Executive Hangar & Office East | (5 th) year Rent Study Appraisal | Anticipated March 2022 | update rate/rent pending appraisal |
| Truckee Tahoe Soaring Association | North East Quadrant | Renewal or Extension | No later than January 1, 2022 | update rate/rent pending appraisal, forecast land use. |

Care Flight and Sierra Aero remain unchanged in their core mission of service. Their leases are both in good standing and their businesses are run in a manner commensurate with the District mission statement. Reassessment of the rate(s) and renewal of the lease are customary and part of their lease agreement which is underway.

Truckee Tahoe Soaring Association and Skydive Truckee Tahoe are both FAA recognized aeronautical users with a desire to continue operating at the Truckee Tahoe Airport pending their ability to meet District Minimum Standards and Rules and Regulations. Since the inception of these two agreements, the airport has had an increase in the number of operations, constructed a control tower, and enhanced our focus on safety and efficiency. Because the operations related to these two activities, skydiving and soaring, have a significant impact on safety and the community, Staff recommends following the actions outlined in Table 1. This allows the District to comprehensively approach the evaluation of each leasehold through the rates, minimum standards, and operational letters of agreement. This process also supports the pending master plan discussions regarding use of the northeast quadrant for future runway or taxiway projects.

WHAT'S NEXT: Staff would like to proceed with the recommendations found in Table 1. Staff will complete an external appraisal with assistance from Airport Management Consulting Group and return with lease rate alternatives for each leasehold. Staff is working with Midwest ATC and Oakland Center to develop an updated deconfliction plan for the soaring and skydiving aeronautical activities. Staff anticipates an update in February of 2022 which provides adequate time for lease completion prior to the 2022 operating season.

FISCAL IMPACT: Based on previous direction from the Board to seek lease rate appraisals for these lease agreements, staff has commissioned AMCG to complete this specialized appraisal work. Cost to complete work is \$11,250 for the appraisal plus Staff and Attorney time.

SAMPLE MOTION(S): I move to direct Staff to proceed with leasehold recommendations outlined in Table 1 of this Staff report and provided future updates and to the Board.

ATTACHMENTS:

[Copy of Leases](#)