AGENDA ITEM: <u>09</u>



# TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS STAFF REPORT

AGENDA TITLE: Truckee Tahoe Airport Vacant Land Discussion

- Soaring Way & Airport Road

**MEETING DATE:** October 22, 2025

PREPARED BY: Robb Etnyre, General Manager

Strategic Plan: Truckee Tahoe Airport District 2026-2028, Strategic Focus

Area:

**Economic Responsibility:** Operate a fiscally responsible Airport District and contribute measurable community, environmental,

and economic benefits to the region.

**BACKGROUND:** Truckee Tahoe Airport District Vacant Land - Soaring Way & Airport Road

~7 Acres / zoning attached / located in Nevada County within the Airport District



### Federal Aviation Administration (FAA) Process for Evaluating Land Use Changes

Types of Airport Property & Process for Evaluating Land Use Changes

- Federally Acquired Land
- Federally Conveyed

#### Sponsor Acquired

FAA Land Use Approval Authority on Sponsor-Acquired Land (No FAA Approval Authority)

- Airport sponsor remains contractually obligated to act in accordance with all its grant obligations in managing the entire airport.
- The sponsor should retain sufficient authority over the land to prevent uses that conflict with its federal obligations and related requirements or that create conditions resulting in violations of the grant assurances.
- Any land that is sold or leased must be at fair market value, and the funds must be used in accordance with the FAA's Revenue Use Policy.

The Federal Aviation Administration (FAA) Revenue Use Policy requires airports that have received federal assistance to spend airport-generated revenue exclusively on the capital and operating costs of the airport. This policy is a standard condition—known as a grant assurance—that airports agree to when they accept federal funding, such as grants from the Airport Improvement Program (AIP).

#### **California Surplus Lands Act**

California's Surplus Lands Act exempts land owned by a public-use airport if residential use is prohibited by a federal law or regulation. This exemption was expanded in 2023 to also include certain mixed-use developments and land owned by public transportation agencies for investment purposes, under specific conditions. Land with valid legal restrictions that prohibit residential use is also exempt.

<u>Discussion:</u> The District has received interest in developing portions of the highlighted parcel of land for non-aviation / non-District needs. Specific interest expressed has been around both a community housing development project and public facilities. In order to pursue further developing potential uses of this parcel, staff is seeking Board guidance on the long-term requirements and uses for this land. The land was acquired by the District without federal funding. Therefore, while use and disposal is subject to FAA review, this review is limited.

The two primary options, subject to zoning review;

- 1. Dispose of the property via fair market sale
- 2. Long-term lease the property (20-30 year lease)

**FISCAL IMPACT**: TBD based on final land disposal or long-term lease approach.

- Fair Market Rate Sale of Property
- Fair Market Rent of Land (20 years)
  - Unimproved Land
  - o Improved Land

## **ATTACHMENTS**:

Nevada County Parcel Map 19-44

Federal Register / Vol. 88, No. 235 / Friday, December 8, 2023 / Rules and Regulations

**Zoning District Map** 

Federal Grant Obligations Regarding Airport Revenue Use – Presentation

Updated Surplus Land Act Guidelines Final, August 1, 2024