



County of Los Alamos

Los Alamos, NM 87544
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Council Meeting Staff Report

February 5, 2019

Agenda No.:	A.
Indexes (Council Goals):	2018 Council Goal - N/A
Presenters:	Philo Shelton
Legislative File:	CO0558-19

.Title

Incorporated County of Los Alamos Code Ordinance No. 692, an ordinance authorizing the County Manager or his designee to execute leases for hangars at the Los Alamos County Municipal Airport.

.Recommended Action

I introduce, without prejudice, Incorporated County of Los Alamos Ordinance No. 692, an ordinance authorizing the County Manager or his designee to execute leases for hangars at the Los Alamos County Municipal Airport and ask staff to assure that it is published as provided in the County Charter.

.County Manager's Recommendation

The County Manager recommends that Council introduce Incorporated County of Los Alamos Ordinance No. 692.

.Body

Ordinance No. 544 authorizes the County Manager, or his designee, to execute Ground Leases for privately-owned hangars at the Los Alamos County Airport according to the lease forms attached as Attachments 1 and 2. The purpose of the proposed ordinance is to allow the County Manager to execute lease Agreements for county-owned aircraft hangars and aeronautical storage units. The County recently constructed a new aircraft hangar complex consisting of a large aircraft box hangar, three small aircraft T-hangars, and two aeronautical storage units. In addition to providing a new airport revenue source that will reduce General Fund subsidies, the hangars and storage units will also improve the airport's ability to attract and accommodate aviation-related commercial businesses, support critical emergency response services, and improve economic activity with additional based aircraft. The airport has a waiting list of 16 entities for the T-hangars and a local air medical business has submitted written interest in the large box hangar and one aeronautical storage unit.

.Alternatives

Council may choose to not approve this Ordinance and require hangar and storage unit leases to be brought to Council for consideration. This is not recommended in consideration of Council's time, current practice, and staff's ability to quickly lease the hangars to maintain revenue for the Airport Fund.

.Fiscal and Staff Impact/New Item

State Law requires municipal property to be leased at fair-market-value. Based on the lease rates for privately owned hangars at our airport and other airports in our area, staff proposed the following rates to Council when requesting funds for the construction of the hangar complex: \$1,250 per month for the large box hangar, \$400 per month for the small T-hangars, and \$200 per month for the aeronautical storage units. Staff believes these rates represent fair-market-value and will result in projected revenues of \$34,200 per year if fully leased. Rates will be adjusted annually based on the Consumer Price Index and market conditions.

.Attachments

A - Incorporated County of Los Alamos Code Ordinance No. 692

B - Incorporated County of Los Alamos Code Ordinance No. 544

