



CCAA BOARD MEMO

Agenda Item: H-1

BOARD MEMO 2022-25

Meeting Date: July 20, 2022

Agenda Title: FOR DISCUSSION AND POSSIBLE ACTION: APPROVE LEASE AMENDMENT TO MENTORS UNLIMITED, INC EXECUTING A LEASE EXTENTION FOR A PERIOD OF AN ADDITONAL TEN YEARS AND AT CURRENT MARKET RATE.

Staff Summary: In the THIRD ADDENDUM TO LEASE with Mentors Unlimited, Inc. it states “Upon further negotiation and if agreement as to terms is reached by both parties, then in that event the term of the lease may be extended for a period of ten (10) years. (Lease, Section 1 on p1). The new expiration date will be December 8, 2034. The rental amount will be increased to the current market rate of \$0.28 per sq. ft.

Agenda Action: Formal Action/Motion

Time Requested 0 Minutes

Proposed Motion

I move to approve the Sixth Amendment to the Mentors Unlimited, Inc. lease and authorize the Staff to proceed with a request for Board of Supervisor approval

CCAA’S Strategic Goal

Maintain financial stability and support economic activity in the region.

Previous Action

The original lease was recorded May 22, 1987. The first addendum adding a CPI clause was recorded February 17, 1993. A second addendum adding 20 ft was recorded May 13, 1994. A third addendum extending the term and adding the option for a 10 year extension was recorded December 19, 1994. A fourth addendum with a size reduction/split off of Byard sublease was recorded

December 6, 2002. A fifth addendum with a size reduction and split off of Cactus sublease was recorded June 4, 2014. Mentors Unlimited, Inc. agreed to the terms of the proposed amendment on May 23, 2022.

Executive Summary

As the Authority knows, the Nevada Revised Statutes requires that lease rates used must meet current market rates. As such, and in discussions with the tenant (Yvon Weaver, owner of Mentors Unlimited), we have set the new rental rate at the most recent appraised rate for FBO leases. In short, the only change to the lease is the 10 year extension and the new current rental rate. The new lease rate will increase from \$0.12 per sq. ft. annually to \$0.28 per sq. ft. Annually. We ran the draft past the District Attorney's office and added some background references on the lease and prior amendments per their recommendation. The Airport manager will bring the original Amendment to the meeting, and after signing, we will submit it to the Board of Supervisors for their approval.

Recommendation:

Approve the amendment to the Mentors Unlimited, Inc. lease extending the term by 10 years and updating the rate to the current market rate.

Financial Information

Is there a fiscal impact?

No Yes

If yes, account name/number & amount: 3099 General Fund

General Fund/ Federal Share: \$5,922 annually with a CPI increase every two years

Is it currently budgeted?

Yes

Alternatives

Do not approve the amendment as presented and suggest changes.

Board Action Taken:

Motion: _____ 1) _____
2) _____

Aye/Nay

(Vote Recorded By)