



CCAA BOARD MEMO

Agenda Item: G-3

BOARD MEMO 2023-09

Meeting Date: March 15, 2023

Agenda Title: FOR POSSIBLE ACTION: ADOPTION OF SMALL BUSINESS IMPACT STATEMENT FOR THE UPDATED THROUGH THE FENCE FEES FOR THE CARSON CITY AIRPORT ADOPTED OCTOBER 19, 2022, WHICH REFLECT THE CURRENT COST OF AIRPORT MAINTENANCE AND AMOUNT OF HANGAR SPACE AND AIRCRAFT PARKING; AND REAFFIRM THE RATE CHARGE AND APPROVE AN AMENDMENT TO THE CARSON CITY MUNICIPAL CODE TITLE 10.03.060 FEES TO REFLECT THE UPDATE.

Staff Summary: The fee change was approved based on a calculation of the Airport operating costs and forecasted pavement maintenance expenses. NRS 237 requires that a Business Impact Study be made. Such Study was made and provided to the TTF permittees and both consented to the fee changes. As such, the Authority is being requested to approve the Business Impact Statement and find that the fees do not impose a direct and significant economic burden on businesses, nor directly restrict the formation, operation or expansion of a business.

Agenda Action: Formal Action/Motion

Time Requested: 0 Minutes

Proposed Motion

I move to approve the Business Impact Study and find that the fees do not impose a direct and significant economic burden on businesses, nor directly restrict the formation, operation or expansion of a business. This motion includes approval of the updated TTF fees, adoption of the proposed version of CCMC 19.03.060, and direction to Staff to undertake the process with the Board of Supervisors to update CCMC Title 19.

CCAA'S Strategic Goal

Maintain financial stability.
Support economic activity in the region.

Previous Action and Executive Summary

The Carson City Airport Authority approved the fee increase at its October 19, 2022 meeting in compliance with the FAA direction to update fees at least every 5 years. The prior update was in 2017 in response to a 2016 FAA Land Use Audit with a finding that the rates needed to be updated. The Airport Authority and its predecessor, the City of Carson City, have had through-the-fence (TTF) fees in place well prior to the creation of the Airport Authority in 1989. When the Authority was formed, the TTF fees were a flat annual fee of \$250. In 2008, then Chairman David Corrao reasoned that the fees should reflect the annual costs that aircraft coming through the fence impose on the Airport, which years later was precisely the fee basis recommended by the FAA to satisfy FAA Grant Assurance Requirements. Per the language of Title 19, the TTF fees are offset by the real property taxes received by the Authority from the off airport hangars. Historically, these taxes have exceeded an amount which zeros out the TTF fees.

The revised provision of Title 19, approved in October, 2022, is as follows:

“19.03.060 - Fees. (NRS 844, Section 9, Subsection 8-power to set fees and charges)

The following access fee shall be assessed against the permittee. An annual fee in the amount of:

- I. A. For properties with hangars, the greater of a fee of seven hundred fifty dollars (\$750.00) or thirty-six cents (\$0.36) nine hundred dollars (\$900.00) or forty-three cents (\$0.43) per square foot times the square footage of the hangar space located on the permittee's property.
- II. B. For properties with hangars and aircraft parked outside of the hangar, one hundred twenty-five dollars (125.00) one hundred fifty dollars (\$150.00) per aircraft so parked, in addition to the fee in subsection 1 above.
- III. C. For each property with a hangar, the fee shall be offset by the amount of real property taxes received by the Airport Authority on said hangar. In the event that the property taxes so received exceed the fees in subsection 1 and 2 above, the property tax will be considered full payment for the annual fee.

IV. D. For properties without hangars and with an access permit and no access being presently used, six hundred twenty-five dollars (\$625.00) seven hundred fifty dollars (\$750.00).

V. E. For properties without hangars and with aircraft parked on said properties, , seven hundred fifty dollars (\$750.00), plus one hundred twenty-five dollars (\$125.00) nine hundred dollars (\$900.00), plus one hundred fifty dollars (\$150.00) per each aircraft beyond the first aircraft.

The annual fee for the easement may be adjusted from time to time, to reflect the cost of airport maintenance and the amount of hangar space and aircraft parking.”

The rates are charged to all TTF permittees. Thus they are non-discriminatory.

Financial Information

Is there a fiscal impact?

No Yes

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

General Fund/ Federal Share: The Fee will be offset by property tax according to Title 19. Each permit will have to be assessed individually to determine if there will be any additional charge.

Is it currently budgeted?

Alternatives

Do not approve the Small Business Impact Statement, the fee change, and the proposed changes to Title 19.

Board Action Taken:

Motion: _____ 1) _____
2) _____

Aye/Nay

(Vote Recorded By)

BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule***, as that term is defined in NRS 237.060, by the Carson City Airport Authority and by Carson City

*** A "rule" may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A "rule" does not include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 2788; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Carson City/Carson City Airport Authority. A "rule" also does not include: an action taken by the Board that approves, amends or augments the annual budget of Carson City or the Carson City Airport Authority ; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 2788 or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Carson City or the Carson City Airport Authority; or any rule for which Carson City or the Carson City Airport Authority does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City or the Carson City Airport Authority is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City or the Carson City Airport Authority has entered .

ORDINANCE OR ACTION PROPOSED FOR ADOPTION

AN ORDINANCE AMENDING TITLE 19, AIRPORT RULES AND REGULATIONS, SECTION 19.030.060 TO ADJUST THE THROUGH-THE-FENCE FEES BASED ON INCREASED COSTS OF OPERATION OF THE AIRPORT, AND OTHER MATTERS PROPERLY RELATED THERETO.

1. The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:

a. Notice

The proposed ordinance was sent to the two entities that currently utilize Through-the-Fence (TTF) access.

b. Summary of Comments Received

Both entities (permittees) responded with consent to the new fees.

2. The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:

*a. Adverse effects: **None. The fees are still designed to be offset by the real property taxes received by the Airport, thus the increase will not affect the permittees. In addition, if new TTF is granted for access, it is anticipated that the real***

property taxes made available to the Airport for the off-airport hangars will offset the TTF fees.

b. Beneficial effects: **Compliance with FAA requirements and grant assurances.**

c. Direct effects: **No financial change, but regulatory compliance satisfied.**

d. Indirect effects: **None.**

3. The methods considered by the Carson City Airport Authority and Carson City Board of Supervisors to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used: **Not applicable.**

4. Estimate of the annual cost to Carson City for enforcement of the proposed ordinance or action: **No change.**

5. The total annual amount of money expected to be collected as a result of the new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used: **Nominal existing collection as to 2 permittees. Funds used for general airport expenses.**

6. The proposed ordinance or action DOES **DOES NOT** include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.

7. The reasons for the conclusions regarding the impact of the proposed ordinance or action on businesses: **Since the fees are fully offset by existing property tax revenues, there is no new impact on businesses/ permittees.**

8. Based on the information considered, it has been determined that this proposed ordinance or rule:

DOES **DOES NOT** impose a direct and significant economic burden upon a business.

DOES **DOES NOT** directly restrict the formation, operation or expansion of a business.

Pursuant to NRS 237.090(3), this Business Impact Statement was prepared and made available for inspection by the Carson City Airport Manager's Office and the Carson City Manager's Office at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.

Pursuant to NRS 237.090(2), I, Corey Jenkins, the Carson City Airport Manager, hereby certify that to the best of my knowledge and belief, the information contained herein was properly prepared and accurate.

Corey Jenkins, Airport Manager

Date

SUMMARY—An ordinance amending Title 19 of the CCMC adjusting the Through-the-Fence fees.

ORDINANCE NO. _____

BILL NO. _____

AN ORDINANCE AMENDING TITLE 19, AIRPORT RULES AND REGULATIONS, SECTION 19.030.060 TO ADJUST THE THROUGH-THE-FENCE FEES BASED ON INCREASED COSTS OF OPERATION OF THE AIRPORT, AND OTHER MATTERS PROPERLY RELATED THERETO.

THE BOARD OF SUPERVISORS OF CARSON CITY DO ORDAIN:

SECTION 1:

That Section 19.030.060 of the Carson City Municipal Code is hereby amended as follows:

“19.03.060 - Fees. (NRS 844, Section 9, Subsection 8-power to set fees and charges)

The following access fee shall be assessed against the permittee. An annual fee in the amount of:

I. A. For properties with hangars, the greater of a fee of ~~seven hundred fifty dollars (\$750.00) or thirty-six cents (\$0.36)~~ nine hundred dollars (\$900.00) or forty-three cents (\$0.43) per square foot times the square footage of the hangar space located on the permittee's property.

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