

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

S

1

SENATE BILL 450

Short Title: Rutherford Airport Authority Leases.

(Local)

Sponsors: Senator Dalton.

Referred to: Finance.

March 10, 2005

A BILL TO BE ENTITLED

AN ACT TO ENABLE THE RUTHERFORD AIRPORT AUTHORITY TO LEASE
PROPERTY FOR FIFTY YEARS.

The General Assembly of North Carolina enacts:

SECTION 1. Section 4 of S.L. 1971-335 reads as rewritten:

"Sec. 4. The Airport Authority shall constitute a body, both corporate and politic,
and shall have the following powers and authority:

(1) To purchase, acquire, establish, construct, own, control, lease, equip,
improve, maintain, operate and regulate airports or landing fields for the use of
airplanes and other aircraft within the limits of the County and for any of such purposes,
to purchase, improve, own, hold, lease and/or operate real or personal property.

(2) To borrow money and to issue bonds and to secure the same by mortgages,
with the consent of the Rutherford Board of County Commissioners upon any property
held or to be held by it.

(3) To sue or be sued in the name of said Airport Authority, to acquire by
purchase and to hold lands for the purpose of constructing, maintaining or operating any
airport within the limits of said County, and to make such contracts and to hold such
personal property as may be necessary for the exercise of the powers of the Airport
Authority. The Airport Authority may acquire by purchase, or otherwise, any existing
lease, leasehold right or other interest in any existing airport located in the County.

(4) To charge and collect reasonable and adequate fees and rents for the use of
the airport property or for services rendered in the operation thereof.

(5) To make all reasonable rules and regulations as it deems necessary for the
proper maintenance and operation of the airport and provide penalties for the violation
of such rules and regulations; provided, said rules and regulations and schedules of fees
be not in conflict with the laws of the State of North Carolina, and the rules and
regulations of the Civil Aeronautics Administration of the Federal Government.

(6) To issue revenue bonds or other securities and obligations for the purpose of
providing funds for the construction, maintenance, purchase, improvement and

1 operation of the airports, landing fields or other facilities. The bonds, if and when so
2 issued, shall be denominated "Rutherford Airport Authority Bonds", shall be issued in
3 such form and denomination and shall mature at such time or times, not exceeding fifty
4 (50) years after their date, and shall bear such rate of interest, payable annually or
5 semi-annually, as the Airport Authority may determine. The bonds shall be signed by
6 the chairman of the Airport Authority and the corporate seal affixed or impressed upon
7 each bond, and attested by the secretary of the board. The coupons to be attached to said
8 bonds shall bear the facsimile signature of the chairman of the Airport Authority. Such
9 bonds, notes or securities issued for the purpose, or purposes above set out, may be
10 issued and sold with the approval of the County Commissioners, but the sale shall be
11 made under the supervision, and with the approval of the Local Government
12 Commission.

13 Bonds and notes issued under this act shall be exempt from all State, Federal,
14 County, or Municipal taxes or assessments, direct or indirect, general or special, and the
15 interest paid on such bonds or notes shall not be subject to taxation as income. The
16 bonds, notes or other securities shall not be obligations of the County of Rutherford, but
17 the Airport Authority is authorized and empowered to pledge the revenues, rents,
18 income and tolls arising out of the use of any airport property or any specific part of
19 said airport property until such time as the sums borrowed therefor are fully amortized
20 and repaid. The bonds or other securities which the Airport may incur shall be issued
21 and incurred upon such other terms, covenants and conditions as the Airport Authority
22 may deem proper.

23 (7) To sell, or otherwise dispose of, any property, real or personal, belonging to
24 the Airport Authority, but no sale of real property shall be made without the approval of
25 the Board of County Commissioners.

26 (8) To purchase such insurance as the Airport Authority shall deem necessary.

27 (9) To invest or reinvest, subject to the approval of the Local Government
28 Commission, any of its funds in either bonds, notes or certificates of indebtedness of the
29 United States of America, or in bonds or notes of any agency or instrumentality of the
30 United States of America, the payment of principal and interest of which is guaranteed
31 by the United States of America, or in bonds or notes of the State of North Carolina, or
32 in bonds of any county, city or town of North Carolina, which have been approved by
33 the Local Government Commission.

34 (10) To purchase any of its outstanding bonds or notes.

35 (11) To operate, own, lease, control, regulate or grant to others the right to operate
36 on any airport premises, restaurants, agricultural fair, motion picture shows, and other
37 amusements.

38 (12) To lease for a term not to exceed ~~twenty-five (25) years,~~ fifty (50) years, and
39 for purposes not inconsistent with the grants and agreements under which the airport is
40 held, real or personal property under the supervision of or administered by the Airport
41 Authority.

42 (13) To contract with persons, firms or corporations for terms not to exceed
43 twenty-five (25) years, for the operation of airline-scheduled passenger and freight
44 flights, non-scheduled flights, and any other airplane activities not inconsistent with said

1 grant agreements under which the airport property is held, and to charge and collect
2 reasonable and adequate fees, charges and rents for the use of such property or for
3 services rendered in the operation thereof.

4 (14) To erect and construct buildings, hangars, shops and other improvements and
5 facilities, not inconsistent with or in violation of the agreements applicable to and the
6 grants under which the real property of the airport is held; to lease the same for a term
7 or terms not to exceed ~~twenty five (25) years;~~ fifty (50) years; to borrow money for use
8 in making or paying for such improvements and facilities, secured by and on the credit
9 only of the lease agreements in respect thereto, to pledge and assign such leases and
10 lease agreements as security for loans herein authorized."

11 **SECTION 2.** This act is effective when it becomes law.