

**Minutes of Meeting**  
**Airport**  
**March 2, 2016**  
**10:00 a.m.**

The Kootenai County Board of Commissioners: Chairman Pro Tem Marc Eberlein and Commissioner David Stewart met to discuss the following agenda item. Also present were Airport Director Greg Delavan, Deputy Director Phil Cummings, and Deputy Clerk Cecilia Sweet. Chairman Dan Green was excused.

- A. Call to Order:** Chairman Pro Tem Marc Eberlein called the meeting to order at 10:04 a.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda:** There were no changes to the agenda.
- D. Business:**

**Review of appraisal information and discussion of lease options and terms for the newly acquired building at the airport**

Commissioner David Stewart asked if it would be more suitable to discuss lease options in an Executive Session since the discussion would be regarding proprietary information.

Airport Director Greg Delavan said that this discussion was an opinion of lease value, and he opined that if this discussion was about buying or selling County property that an Executive Session would be appropriate. Mr. Delavan stated the purpose of the appraisal was to receive fair market lease value for the property, and that the Airport was subject to the Federal Aviation Administration (FAA) sponsored assurances as well. He said the appraisal did an accurate job of assessing the property and structures, and gave the County ideas that were not previously considered. He shared with the Board the contacts received, but he thought it was doubtful all parties would be interested due to the full market price.

Commissioner Stewart said he was in favor of the tenants making the improvements necessary for their occupancy, and asked if the County had any major projects that needed to be done.

Mr. Delavan reported there were some modifications the County could do since this had been a military facility. He gave an example of improving the parking since there were no handicap spaces in front of the building. He said any County improvements would be investments to the property and recouped through the property's lease. He shared that there were two vault doors that were no longer necessary, but this feature may be appealing to a food establishment or a pub as a unique characteristic that could be incorporated into a business' theme. He stated that until there was a tenant willing to pay on a lease, structure changes should be limited.

Chairman Pro Tem Eberlein said there would be general improvements to the property to insure Americans with Disabilities Act (ADA) compliance along with meeting the fire and building codes. He added that business-specific modifications could be reflected in a lease agreement.

Mr. Delavan revealed he was in the process of contacting all interested parties. He added that a couple of the businesses could sub-lease from a primary lease holder, and gave an example of a caterer who might need access to a commercial kitchen, but not have enough capital to be the primary lease holder. Mr. Delavan hoped the business that occupied this location would be a community asset and a benefit for the Airport. He shared that previously the Airport had limited food and beverage service, which would be valuable to have again. He added there was a great business potential with the upcoming improvements to Ramsey Road and a traffic circle right in front of the property.

Commissioner Stewart commented that each prospect on the list needed to be notified, and he wanted to reduce the potential tenants to those willing to pay the market value. He said that this was an ideal time for businesses looking for a new lease or location. He opined that a *lease forgiveness* could be considered for new tenants making capital modifications during the start up phase of the business. He recommended at least a five year minimum lease and Mr. Delavan agreed.

Chairman Pro Tem Eberlein suggested some inexpensive marketing opportunities could be to list the property on *Craigslist*, the *Nickel's Worth* and the Airport website along with the Coeur d'Alene Press.

Airport Deputy Director Phil Cummings reported some site improvements were acquiring two new commercial freezers, and checking the plumbing and electrical systems. He added that the roof had been repaired prior to the Army Reserve staff vacating the property.

- E. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There were no public comments.

Chairman Pro Tem Eberlein adjourned the meeting at 10:41 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

MARC EBERLEIN, CHAIRMAN PRO TEM

BY: \_\_\_\_\_  
Cecilia Sweet, Deputy Clerk

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