

HOUSE BILL 477: Halifax-Northampton Airport Authority/Leases.

2023-2024 General Assembly

Committee: Date: April 19, 2023 **Introduced by:** Rep. Wray Erika Churchill Prepared by: **Analysis of:** Third Edition

Staff Attorney

OVERVIEW: House Bill 477 would allow the Halifax-Northampton Regional Airport Authority (Airport Authority) to do the following:

- Lease real or personal property under terms deemed proper by the Airport Authority without complying with the general laws governing disposal of property by a local government.
- Enter into leases for a period of up to 40 years with respect to improvements and facilities on Airport Authority grounds.

CURRENT LAW: The Airport Authority is the governing body that administers the Northampton Regional Airport and consists of nine members appointed for three-year staggered terms. Members are appointed as follows:

- Two members appointed by the Roanoke Rapids City Council, who must be qualified voters of the City of Roanoke Rapids.`
- Two members are appointed by the Northampton County Board of Commissioners, who must be qualified voters of Northampton County.
- Four members are appointed by the Halifax County Board of Commissioners, who must be qualified voters of Halifax County.
- One member is appointed by the other eight members of the Authority.

The Airport Authority has the power to sell, lease, or otherwise dispose of real or personal property using the procedures of Article 12 of Chapter 160A of the General Statutes. In addition to the general law on sales and disposition of real and personal property, all sales of real property by the Airport Authority must be approved by the governing boards of the City of Roanoke Rapids, Northampton County, and Halifax County. The Airport Authority has specific authorization to enter into leases for up to 25 years related to the maintenance and furnishing to the general public of an air terminal installation.

With respect to leases, G.S. 160A-272, part of Article 12 of Chapter 160A of the General Statutes, requires leases of property for longer than 10 years be treated as a sale of real property using one of the following competitive bidding procedures:

- Advertisement for sealed bids (G.S.160A-268).
- Offer and upset bid (G.S. 160A-269).
- Public auction (G.S. 160A-270).

BILL ANALYSIS: House Bill 477 would allow the Airport Authority to lease real or personal property under such terms and conditions as the Airport Authority deems proper, without the complying with the

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general law regarding sale and disposition, including through leasing, of real and personal property of a local government. The leases of airport premises, including improvements and facilities on Airport Authority premises would be limited to a maximum term of 40 years, instead of 25 years. The Airport Authority would also be granted explicit power to erect and construct buildings, hangars, shops, and other improvements and facilities, to correct language previously stricken from their local act authority mistakenly.

EFFECTIVE DATE: The act is effective when it becomes law and applies to contracts entered into or renewed on or after that date.