



U.S. Department
of Transportation
**Federal Aviation
Administration**

Western-Pacific Region
Office of Airports
Phoenix Airports District Office

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Sent via email – dgriffin@renoairport.com

Mr. Daren Griffin, A.A.E.
President/CEO
Reno-Tahoe Airport Authority
2001 E. Plumb Lane
Reno, Nevada 89502

**Reno-Stead Airport (RTS)
Supplemental Section 163 Analysis – Dermody Development**

Dear Mr. Griffin:

Beginning in May 2018, the Reno-Tahoe Airport Authority (RTAA), acting in their capacity as the sponsor for the Reno-Stead Airport (RTS), began discussions with the Phoenix Airports District Office (PHX ADO) regarding a proposed commercial development at RTS. This proposed development was analyzed regarding Section 163 applicability. Ultimately, in correspondence dated June 20, 2019, the Federal Aviation Administration (FAA) provided RTAA a determination this proposed development at RTS.

This proposed project was for a non-aeronautical development of approximately 62 acres of airport property at RTS. The proposed project involves the lease and development of airport owned property to a private developer in order to accommodate a commercial/industrial warehousing facility located on the southwest side of the airport, adjacent to the approach end of runway 8.

RTAA has recently requested to expand the scope of this proposed development by an additional 109 acres (approximate). This supplemental acreage has been analyzed by the PHX ADO and is outlined in this correspondence.

The additional requested acreage and subsequent change in land use from aeronautical to non-aeronautical does not hinder RTAA's obligations to meet the existing and future aeronautical needs of RTS, and will generate future airport revenue to be utilized toward operations, maintenance and future improvements of the airport.

On October 5, 2018, HR 302, the "FAA Reauthorization Act of 2018" (the Act) was signed into law (P.L. 115-254). In general, Section 163(a) limits the FAA's authority to directly or indirectly regulate an airport operator's transfer or disposal of certain types of airport land. However, Section 163(b) identifies exceptions to this general rule. The FAA retains authority:

1. To ensure the safe and efficient operation of aircraft or safety of people and property on the ground related to aircraft operations;
2. To regulate land or a facility acquired or modified using federal funding;
3. To ensure an airport owner or operator receives not less than fair market value (FMV) in the context of a commercial transaction for the use, lease, encumbrance, transfer, or disposal of land, any facilities on such land, or any portion of such land or facilities;
4. To ensure that that airport owner or operator pays not more than fair market value in the context of a commercial transaction for the acquisition of land or facilities on such land;
5. To enforce any terms contained in a Surplus Property Act instrument of transfer; and
6. To exercise any authority contained in 49 U.S.C. § 40117, dealing with Passenger Facility Charges.

In addition, Section 163(c) preserves the statutory revenue use restrictions regarding the use of revenues generated by the use, lease, encumbrance, transfer, or disposal of the land, as set forth in 49 U.S.C. §§ 47107(b) and 47133.

Section 163(d) of the Act limits the FAA's review and approval authority for Airport Layout Plans (ALPs) to those portions of ALPs or ALP revisions that:

1. Materially impact the safe and efficient operation of aircraft at, to, or from the airport;
2. Adversely affect the safety of people or property on the ground adjacent to the airport as a result of aircraft operations; or
3. Adversely affect the value of prior Federal investments to a significant extent.

The FAA's Determination Regarding Changes to the Airport Layout Plan

The FAA has determined that the proposed additional project acreage of approximately 109 acres would not have an impact on aircraft operations at, to, or from the airport and would not adversely affect the safety of people or property on the ground adjacent to the airport as a result of aircraft operations.

FAA's Authority to Regulate Land Use

The proposed additional acreage subject to this project, which comprises a portion of the land designated as Area A, Parcel 1 on the Airport Property Map, was acquired by the City of Reno via Surplus Property Act transfer from the U.S. Government in 1966. The land was subsequently deeded to the Washoe County Airport Authority (now the Reno-Tahoe Airport Authority) in 1979. The currently approved ALP, dated October 2018, shows the parcel being reserved for future aeronautical use, which is consistent with its required use as surplus property. RTAA, as the airport sponsor has determined the additional parcel(s) will not be needed for aeronautical purposes and that future aviation demand can be accommodated elsewhere on the airport.

Applicability of the National Environmental Policy Act (NEPA)

The FAA's release of the sponsor's federal obligations under the Surplus Property Act deed would be subject to the National Environmental Policy Act (NEPA). As a result, the sponsor will be required to perform an environmental review for this parcel that conforms to the requirements in FAA Order 5050.4B, National Environmental Policy Act Implementing Instructions for Airport Actions.

RTAA and the PHX ADO have initiated an Environmental Assessment based on the June 20, 2019 Section 163 determination. The requested additional acreage will be covered by this supplemental determination in that same environmental document.

Sponsor Obligations Still In Effect

The sponsor also has the responsibility to comply with all federal, state, and local environmental laws and regulations. Additionally, this project is still subject to airspace review under the requirements of 14 CFR part 77.

Additionally, Grant Assurance 29 requires the RTAA, as the airport sponsor to update and maintain a current ALP. An updated Exhibit A Property Map for RTS that depicts the changes discussed in this correspondence will be required for submission and review by the PHX ADO when the project is completed. The aforementioned lease agreements shall be transmitted to the PHX ADO for review prior to final execution.

If you have any questions, please contact Ken Hall, Community Planner at 602-792-1074 or via email to kenneth.p.hall@faa.gov.

Sincerely,

Mike N. Williams, A.A.E.
Manager

Cc: FAA Grant File
Victor Globa, AWP-620-Compliance