THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: July 26, 2022

Subject: Greater Asheville Regional Airport Authority Reverter Interest Exchange

Staff Resource(s): Eric Edgerton, Sr. Asst. City Attorney; Nikki Reid, CED Director

Action Requested: Adopt a resolution authorizing the City Manager to execute all documents needed to release a reverter interest in one parcel of real property owned by the Greater Asheville Regional Airport Authority, and accept a reverter interest in another parcel of real property of equal or greater value.

Background:

- In 2012, the North Carolina General Assembly passed Session Law 2012-121, which created the Greater Asheville Regional Airport Authority ("GARAA"), and required that the City of Asheville transfer all real property it owned in the vicinity of the Asheville airport to GARAA.
- As part of the 2012 law creating GARAA, the General Assembly included a provision stating that, if the airport ever ceased to operate, the land that the City was required to transfer to GARAA would revert back to the City.
- While Session Law 2012-121 gave GARAA the power to acquire and transfer interests in real property, the City's reverter interest in the property now owned by GARAA presents an obstacle to GARAA exercising that authority.
- GARAA has reached an agreement to transfer a +/- 2.91 acre parcel of real property it currently owns (shown on the attached preliminary plat as "To Be Combined with Minkles, LLC PIN # 9643-71-7570"), which is a portion of Buncombe County, North Carolina PIN # 643523284L0001, to Minkles, LLC, in exchange for a .996 acre parcel of real property located in Henderson County, North Carolina, with PIN # 9643722526 and REID Number 1006761.
- GARAA has proposed to grant the City the same reverter interest it possesses in relation to the property it seeks to obtain from Minkles, LLC, in exchange for the City releasing its reverter interest in the property to be exchanged.

Council Goal(s):

- Transportation and accessibility
- A thriving local economy

Committee(s):

- None

Pro(s):

- Will allow GARAA to pursue a property exchange it deems to be beneficial, and will result in the City obtaining a reverter interest in a piece of land of greater or equal value.

Con(s):

- None.

Fiscal Impact:

- None.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to execute all documents needed to release a reverter interest in one parcel of real property owned by the Greater Asheville Regional Airport Authority, and accept a reverter interest in another parcel of real property of equal or greater value.

Attachment(s)

- Resolution
- Referenced Survey

RESOLUTION NO. 22-____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NEEDED TO RELEASE A REVERTER INTEREST IN ONE PARCEL OF REAL PROPERTY OWNED BY THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, AND ACCEPT A REVERTER INTEREST IN ANOTHER PARCEL OF REAL PROPERTY OF EQUAL OR GREATER VALUE.

WHEREAS, pursuant to Session Law 2012-121 the City of Asheville was required certain real property to the Greater Asheville Regional Airport Authority ("GARAA"); and

WHEREAS, the City retained a reverter interest in the real property transferred to GARAA, under which said real property would revert to the City if the airport ceases to operate; and

WHEREAS, GARAA has the authority to sell and acquire real property, but is finding the City's reverter clause to be a practical impediment to exercising that authority; and

WHEREAS, GARAA has reached an agreement to transfer a +/- 2.91 acre parcel of real property it currently owns (shown on the attached preliminary plat as "To Be Combined with Minkles, LLC PIN # 9643-71-7570"), which is a portion of Buncombe County, North Carolina PIN # 9643523284L0001, to Minkles, LLC, in exchange for a .996 acre parcel of real property located in Henderson County, North Carolina, with a PIN of 9643722526 and REID Number 1006761; and

WHEREAS, GARAA has proposed to grant the City the same reverter interest it possesses in relation to the property it seeks to obtain from Minkles, LLC, in exchange for the City releasing its reverter interest in the property to be exchanged; and

WHEREAS, the City has the authority to enter into this swap of reverter interests pursuant to N.C. Gen. Stat. § 160A-274(b);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager is hereby authorized to execute all documents needed to release a reverter interest in the +/- 2.91 acre parcel of real property (as shown on the attached preliminary plat as "To Be Combined with Minkles, LLC PIN # 9643-71-7570"), which is a portion of Buncombe County, North Carolina PIN # 9643523284L0001, owned by the Greater Asheville Regional Airport Authority, and accept a reverter interest in a parcel of real property of equal or greater value in exchange.

Read, approved, and adopted this 26th day of July, 2022.

_____ _____

City Clerk Mayor

Approved as to form:

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City Attorney