

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SENATE BILL 450
RATIFIED BILL**

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

Bonds and notes issued under this act shall be exempt from all State, Federal, County, or Municipal taxes or assessments, direct or indirect, general or special, and the interest paid on such bonds or notes shall not be subject to taxation as income. The bonds, notes or other securities shall not be obligations of the County of Rutherford, but

the Airport Authority is authorized and empowered to pledge the revenues, rents, income and tolls arising out of the use of any airport property or any specific part of said airport property until such time as the sums borrowed therefor are fully amortized and repaid. The bonds or other securities which the Airport may incur shall be issued and incurred upon such other terms, covenants and conditions as the Airport Authority may deem proper.

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

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

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

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

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

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

(13) To contract with persons, firms or corporations for terms not to exceed twenty-five (25) years, for the operation of airline-scheduled passenger and freight flights, non-scheduled flights, and any other airplane activities not inconsistent with said grant agreements under which the airport property is held, and to charge and collect reasonable and adequate fees, charges and rents for the use of such property or for services rendered in the operation thereof.

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

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

In the General Assembly read three times and ratified this the 22nd day of June, 2005.

Beverly E. Perdue
President of the Senate

James B. Black
Speaker of the House of Representatives