



MEMO

To: NCRA Board of Directors

From: Executive Director Stogner

Date: November 8, 2017

Subject: **Agenda Item E.3 — Discussion and Possible Action Regarding Long-Term Lease for NCRA Balloon Track Easements Including the Eureka Office Building on West 2ND Street in Eureka.**

Eureka City officials have threatened NCRA with fines and penalties if it does not demolish or repair the dilapidated NCRA office building in Eureka. Chairman Hemphill has been in discussions with Security National, the adjoining property owner, on a plan to demolish or refurbish the building and lease the easement adjacent to the building and related Balloon Track Easement to Security National.

Security National has made an informal offer to enter into a 20-year lease with NCRA for \$15,000 per year, including the responsibility to refurbish or demolish the abandoned Eureka office building, in exchange for relinquishment of all easements encumbering the Balloon Track property.

Staff Recommendation:

The Property Committee has recommended that Chairman Hemphill pursue a long-term lease for \$15,000 per year and demolition of the abandoned office building, in return for NCRA abandonment of the Balloon Track easements, provided such abandonment does not interfere with THA speeder runs planned for the area.