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OPINION NO. 02-0193

1-B AERONAUTICS-Airports
90-B-2 PUBLIC LANDS-Leases of other than oil & gas
La. R.S. 2:135.1 (A)(3)
La. R.S. 2:135.1 (B)(1)(a)
La. R.S. 2:135.1 (B)(2)
La. R.S. 2:135.1 (B)(2)(a)
La. R.S. 2:135.1 (B)(2)(b)
The leasing of public airport land and improvements of more than 250 square feet is required to be publicly bid, but leases for less than 250 square feet may or may not be publicly bid at the option of the lessor. These leases shall not exceed 10 years unless the lessor grants the lessee an option to extend the primary term of the lease based upon the value of improvements made or to be constructed by the lessee during the term of the primary lease.

Honorable Louis J. Tallo
Mayor, City of Hammond
P.O. Box 2788
Hammond, LA 70404-2788

Dear Mayor Tallo:

You have requested an opinion of this office concerning the interpretation of La. R.S. 2:135.1 (B)(1)(a) and 2:135.1(B)(2)(a & b).

The above cited statutes deal with the leasing of public airport land, improvements or equipment as opposed to long term leasing arrangements necessary for financing the construction of a building or other improvements to expand the services of an airport.

Leases for operations space of more than 250 square feet are required to be publicly bid pursuant to La. R.S. 2:135.1 (A)(3), but leases for less than 250 square feet may or may not be publicly bid at the option of the lessor pursuant to La. R.S. 2:135.1(B)(1)(a).

Under La. R.S. 2:135.1 (B)(2), these leases shall not exceed ten years. However, La. R.S. 2:135.1(B)(2)(a & b) provide for two separate and distinct options that may be granted by the lessor to the lessee to extend the primary term of the lease.

First, a lessor may grant an option to extend the primary lease for an additional period not exceeding 10 years when the lessee has within the ten year term of the lease either made or contracted for permanent improvements in an amount not less than twenty thousand dollars. La. R.S. 2:135.1 (B)(2)(a).

Secondly, when the primary lease provides for the addition or construction of improvements in excess of one hundred thousand dollars and such improvements will become the property of the lessor at no cost to the lessor, then the lessor may grant the lessee an option to extend the primary term of the lease up to ten additional years for each one hundred thousand dollars worth of additions or improvements, not to exceed an extended term of sixty years. La. R.S. 2:135.1(B)(2)(b).

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We hope that the above analysis answers your request. If we can be of any further service to you in this matter, please do not hesitate to contact our office.

Very truly yours,

**RICHARD P. IEYOUB
ATTORNEY GENERAL**

BY:



**ROBERT H. CARPENTER, JR.
Assistant Attorney General**

RPI/RHC/tp