

Eminent Domain & Just Compensation

Generally an airport or airport authority in Nevada cannot seize hangars without compensating the hangar owners. The power of eminent domain, which allows for the taking of private property for public use, is not unlimited. Even when used, the government must provide "just compensation," which includes fair market value for the property and any other damages resulting from the taking. [1, 1, 2, 2, 3, 3, 4]

Elaboration: [1, 1, 2, 2]

- **Eminent Domain:** In Nevada, like other states, the government has the power of eminent domain, allowing it to take private property for public use even if the owner doesn't want to sell. [1, 1, 2, 2, 5]
- **Just Compensation:** However, when the government uses eminent domain, it must provide "just compensation" to the property owner. This typically includes fair market value for the property, as well as any other damages resulting from the taking. [1, 1, 2, 2]
- **Purpose of Eminent Domain:** The government can use eminent domain for various purposes, including the expansion or improvement of an airport. [1, 1, 2, 2]
- **Hangar Ownership:** Hangar ownership on airport property is often leasehold, meaning the airport authority has the underlying title to the land, and the hangar owner has a leasehold interest, which is a long-term right to use the space. [4, 4, 6, 6]
- **Reversionary Clauses:** Some leases may include reversionary clauses, which allow the airport authority to take back ownership of the hangar (including the leasehold) at the end of the lease term, often after a certain period of time. [6, 6]
- **FAA Regulations:** The FAA has regulations regarding the use of airport property, including hangars, and how they can be used by both aviation-related and non-aviation entities. [2, 2, 3, 3]
- **Fair Market Rent:** While non-aviation organizations may sometimes be allowed to lease vacant hangars, the FAA does not require that they be provided with hangar space at less than fair market rent unless the non-profit activity itself involves the storage and use of operating aircraft. [2, 2, 3, 3]

[1] <https://www.leg.state.nv.us/nrs/nrs-496.html>

[2] https://www.faa.gov/airports/airport_compliance/hangar_use

[3] <https://www.federalregister.gov/documents/2016/06/15/2016-14133/policy-on-the-non-aeronautical-use-of-airport-hangars>

[4] <https://aviationconsumer.com/misc/a-hangar-of-your-own/>

[5] <https://msclawyers.com/blog/inverse-condemnation/>

[6] <https://www.eldoradocounty.ca.gov/files/assets/county/v/1/documents/government/airports/airport-fee-and-policy-changes-faq-1.22.25.pdf>