# ASHLAND

### AIRPORT COMMISSION

### **A**GENDA

### COMMUNITY DEVELOPMENT & PW BUILDING, 51 WINBURN WAY

### August 2, 2016 9:30 AM

- 1. CALL TO ORDER: 9:30 AM
- 2. Request for Additional Items from Commission Members
  - A. Public Forum:
- 3. APPROVAL OF MINUTES FROM July 5, 2016 MEETING
- 4. OLD BUSINESS:
  - A. FBO Lease
  - B. Webcams
  - C. Action Item List
- 5. NEW BUSINESS:
  - A. Airport: Good Neighbor Items
  - B. Airport Website Development
  - C. Hangar Use-FAA policies
  - D. September Council Report (9/20)
  - E. 2017 Airport Day Timeline
- 6. FBO REPORT(S):
  - A. Attached –
  - B. Maintenance Updates
- 7. INFORMATIONAL ITEMS:
  - A. Brown Bag Lunch
  - B. TC Meeting Update
  - C. Medford Update
- 8. NEXT MEETING DATE: September 6, 2016 9:30 AM

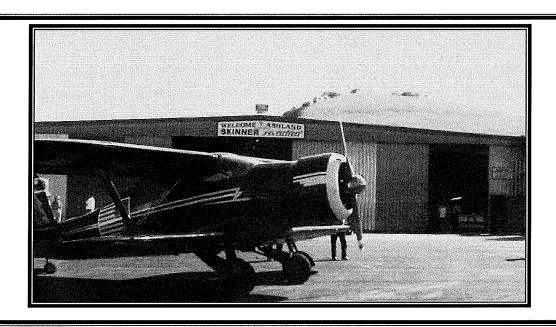
Call Scott at 552-2412 if you will be unable to attend!

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I).



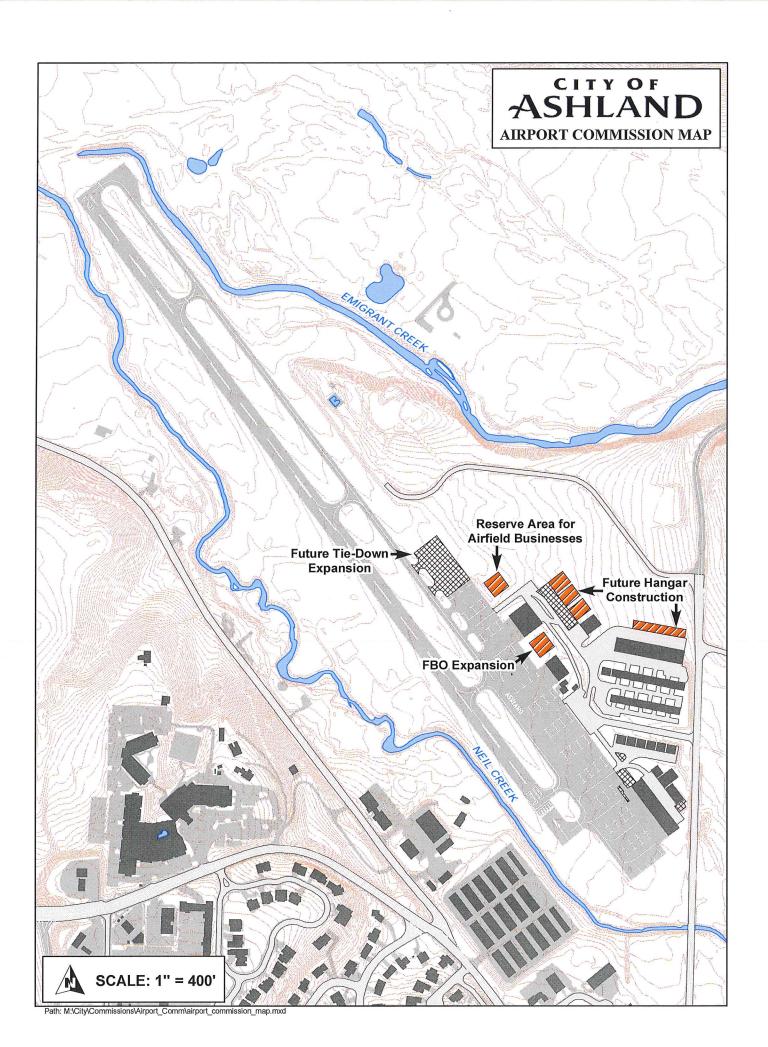
# ASHLAND AIRPORT COMMISSIONERS

# 2015-2016



<u>Name</u>	<u>Address</u>	<u>Telephone</u>	<u>E-Mail</u>	<u>Term</u>
George Schoen	115 Bush St.	298-4516	george.schoen@sbcglobal.net	2017
William Skillman	635 Oak Knoll Drive	482-2148	Skillman_Ashland@yahoo.com	2019
Sherm Lucas	420 Taylor St.	482-2081	sherm.lucas@charter.net	2017
H. Lincoln Zeve	2710 Siskiyou Blvd.	482-5436	lincolnzeve@gmail.com	2019
Alex Censor Alan DeBoer, Vice	185 Oaklawn Ave	488-5683	acensor@fastmail.fm	2018
Chair	2260 Morada Lane	944-1600	awdb@aol.com	2017
David Wolske	1390 Frank Hill Road	482-3233	david@davidwolske.com	2018
William Butler, Chair	1956 Crestview Dr.	488-0970	Billbashland@charter.net	2018
Susan Moen	43 Morninglight Drive	201-0678	silverwinglodge@charter.net	2019
Michael Morris, Council Liaison Bob Skinner –	20 E. Main St.	890-0506	mike@council.ashland.or.us	
Fixed Base Operator Scott Fleury,	403 Dead Indian Memorial Rd.	482-7675	bob@skinneraviation.com	
Staff Liaison	20 E. Main Street	488-5587	fleurys@ashland.or.us	

Website: http://www.ashland.or.us/SectionIndex.asp?SectionID=494



# ASHLAND

# AIRPORT COMMISSION

### **Action Item List**

COMMUNITY DEVELOPMENT & PW BUILDING, 51 WINBURN WAY

### July 5, 2015

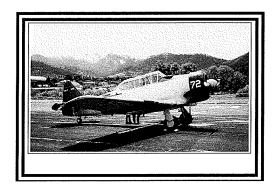
### **Action Items:**

- 1. Riparian Restoration
- 2. Paving of dirt areas around hangars (Commission would like to see grindings removed)
- 3. Hangar Enclosure Project (staff drafting design build RFP)
- 4. ODA Inspection Repairs & general improvements

  Remove curb, paint segmented circle, paint yellow delineation on ramp, paint no parking hatch

  marks at JLC hangar, purchase additional tie down chains,
- 5. Security System Improvements (future analysis of security camera system)
- 6. Fly Friendly Pamphlet-final printing waiting on website change
- 7. Storage box at end of conventional hangars needs to be removed (Skinner/Wolske)
- 8. Crack seal and weed spraying project (Kathol-work agreement with Jackson County for proposed work) Staff to determine if the County Crews can remove some of the weeds prior to the crack seal project.
- 9. Tree topping project (surveyor establishing a 100' grid system to develop topping project)
- 10. Webcams-relink and move outside
- 11. Develop entry road landscape plan-Develop drought tolerant landscaping plan(xeriscaping)
- 12. Runway safety area grading-Survey condition of ground adjacent to runway and develop plan for grading work.





### ASHLAND AIRPORT COMMISSION

July 5, 2016

### **MINUTES**

Members Present: David Wolske, Lincoln Zeve, Susan Moen, William Butler, Sherm Lucas,

George Schoen, Alan DeBoer, Alex Censor and Bill Skillman

Staff: Scott Fleury

Members Absent: Bob Skinner and Michael Morris

Guests: Burl Brim

1. CALL TO ORDER: 9:30 AM

2. AGENDA ITEM ADDITIONS:

3. APPROVAL OF MINUTES: Motion by Skillman, 2<sup>nd</sup> by Moen, minutes approved as written.

#### 4. OLD BUSINESS

A. FBO Lease: Staff informs Commission of research done regarding the City's insurance of the Airport and the possibility of providing coverage for Skinner's fuel trucks. Sharlene Stephens the City's risk manager informed staff the fuel trucks would need to be covered and gave an example of a \$2,000 premium for \$500,000 worth of pollution insurance coverage and a \$1,000 deductible. Stephens also stated that if the fuel trucks are important for operations, but not cost effective for Skinner to operate, the Commission should discuss a subsidy.

Skinner previously stated approximately 70% of the fuel is dispensed from the fuel trucks. DeBoer states that Skinner is running a private operation and should have the pollution insurance if his general liability specifically excludes coverage of fuel spills. Commission would like to hold off on further discussion as Skinner is not in attendance at meeting.

B. Webcams: The link for the webcams to the City's site is still not functioning. Staff tried to work on re-establishing the connection, but without any success. Commission discusses having the webcams hosted on another site that is generally easier to access for users. Zeve states AshlandAirport.com is an available website domain name and can be purchased to host an updated airport site. Fleury states that engineering staff can work on developing a website that will post pertinent airport information along with the webcam video. Staff believes that Skinner has not had the webcams relocated outside yet.

Fuel Spill (wrap up): Brim in attendance to discuss fuel spill and the cleanup C. efforts. Brim's consultant has generated the final report that was sent to DEQ. Brim hands out copies of the final report for the group. Staff will scan one in and save it electronically for future reference. Brim expects to have a response back from DEO within 90 days. The total estimated spill was 1100 gallons. Brim states any spill over 120 gallons is required reportable to DEQ. Commission asks about lessons learned from the event. Brim states they will not leave any connections unattended that have the ability to become loose. Brim has used spill prevention on rolling stock on mobile operations, but the inflatable containment rings are expensive and don't last very long. Brim states Department of Transportation rules do not require spill protection on mobile stock. Brim carries spill/pollution prevention insurance as part of his operations. Commission questions the possibility of an FAA project including spill protection for mobile stock. Staff does not believe something like this would be eligible, unless it was in the master plan.

#### D. Action Item List:

- 1. Riparian Restoration: No change.
- 2. Paving of dirt areas around the hangers: No change.
- 3. Hangar Enclosure Project: Staff in final edit stages of design build RFP.
- 4. ODA inspection improvements and Tie Down Chain Repairs: Tie down chains have been repaired/installed thanks to Skillman. Staff to order more for a final few repairs and to have extra stock on hand as well. Striping on ramp and JLC hangar. Curb removal and paint segmented circle.
- 5. Security System Improvements: No Updates.
- 6. Fly Friendly Pamphlet: Staff has made edits to pamphlet and document will be sent to printer for processing (waiting on website development-domain name).
- 7. Storage box: Wooden storage box at end of conventional hangars needs to be dealt with. Skinner and Wolske to work on the issue.
- 8. Crack seal and weed spraying project: Staff has obtained quote from Jackson County Public Works and is now working on the agreement portion that must be approved by Council.
- 9. Tree topping project: Staff working with surveyor to create grid system for identifying encroaching trees. Once grid system is in place, staff to bid project in fall.

- 10. Webcams: Install outside (Skinner) and relink to city's site. Staff to work on development of outside "AshlandAirport.com" site to include all relevant site and weather data.
- 11. Entry Road: Develop entry road landscape plan (xeriscaping).
- 12. Runway safety area-perform site survey and determine areas to re-grade in order to remove gopher holes and other issues.

#### 5. NEW BUSINESS:

- A. Airport Good Neighbor Items: Skinner not in attendance to discuss any good neighbor items. Staff has no good neighbor updates for the Commission.
- B. Sky Hangar Lease Discussion: Staff informs Commission that Sky is in process of subleasing the hangar to Brim Aviation. As required per the lease documents the City must approve a sublease. Staff is looking for a recommendation on approval of the sublease from the Commission in order to grant final approval.

Motion by Wolske: The Airport Commission recommends Public Works staff approve a sublease of the Sky Research Hangar to Brim Aviation, 2<sup>nd</sup> by Skillman, all approved.

Commission questions Brim on his intentions for the current hangar. Brim will still be using the current hangar while they formally access their overall space needs, but is also discussing a lease with JLC, giving them a potential to move into a much needed larger space. Commission believes this would positively benefit the airport in whole.

C. 2017 Airport Day Timeline: Chair postpones discussion to next meeting.

#### 6. FBO REPORT(S):

- A. Status of Airport, Financial Report, Review of Safety Reports: Skinner not in attendance to update group. Commission discusses Science Works Aviation week that occurred onsite. There was a nice story done in the local news with on camera interviews regarding the event. Censors asks group about including a future agenda item discussion the FAA's update to the hangar use policy. Censor to send email with policy information. Staff to place item on next agenda for discussion.
- B. Maintenance Updates: No updates.

#### 7. INFORMATIONAL ITEMS:

- A. Brown Bag: Butler informs Commission the group discussed some of the work recently done at the airport.
- B. Transportation Commission: No update.
- C. Medford Airport: No Update.

### OTHER:

The meeting of the JC airport commission is the third Monday of the month at 12:00 PM.

NEXT MEETING DATE: July 5, 2016 beginning at 9:30 AM

ADJOURN: Meeting adjourned at 10:49 AM

Respectfully submitted by Scott A. Fleury

### FAA Finalizes Hangar Use Policy

The FAA has issued a final policy on the non-aeronautical use of airport hangars (<a href="https://federalregister.gov/a/2016-14133">https://federalregister.gov/a/2016-14133</a>) which will take effect on July 1, 2017. The policy clarifies how aviation facilities – including hangars – can be used on airports that receive federal funds.

The policy ensures hangars are available when there is an aviation need, and if demand is low, allows hangars to be used for non-aviation activities. The FAA recognizes that non-aviation hangar space rental allows airport sponsors to be economically independent when hangars are not being used to fulfill aviation needs.

In addition, the policy outlines the type of aircraft that can be built in a hangar, the equipment and items that can be stored in hangars (like couches or aircraft parts), and the role of the airport sponsors to ensure tenants pay fair market value for hangar space. For a list of frequently asked questions on the policy, go to: <a href="https://www.faa.gov/airports/airport compliance/hangar use/">www.faa.gov/airports/airport compliance/hangar use/</a>



# Frequently Asked Questions & Answers On FAA Policy on Use of Hangars at Obligated Airports Airports

**Updated:** 6/9/2016

An airport operator who accepts federal airport grants agrees to the conditions and assurances in those grant agreements. These assurances include the obligation to use hangars and other designated aeronautical facilities on the airport exclusively for aeronautical purposes.

On June 9, 2016, the FAA issued a <u>notice of final policy about the storage of non-aeronautical items in airport facilities designated for aeronautical (http://www.gpo.gov/fdsys/pkg/FR-2016-06-15/pdf/2016-14133.pdf) (PDF). In conjunction with that notice of policy, the FAA is posting this series of Frequently Asked Questions and Answers (FAQs). These FAQs, intended to assist airport sponsors and users, will be periodically updated and may be included in the next update to <u>FAA Order 5190.6</u>, <u>Airport Compliance Handbook</u> (www.faa.gov/airports/resources/publications/orders/compliance 5190\_6/).</u>

### **Frequently Asked Questions**

- 1. Why are hangars limited to certain kinds of use?
- 2. What is an airport sponsor's responsibility for hangar use?
- 3. What is the primary purpose of an aircraft hangar?
- 4. Why is the FAA issuing a separate policy statement on hangar use?
- 5. To what airport facilities does the policy apply?
- 6. <u>Does the policy apply to airports that have never received federal assistance in the form of AIP grants or federal surplus or non-surplus property conveyances?</u>
- 7. Does the policy apply to privately owned hangars on private property?
- 8. What aeronautical uses of a hangar are permissible?
- 9. What uses are not permissible under the policy?
- 10. What discretion does the policy allow the airport sponsor?
- 11. What are the policy changes for homebuilders?
- 12. Is it possible that some aspects of aircraft construction may not be permissible in all hangars?
- 13. Does the policy apply to privately constructed hangars on federally obligated airports?
- 14. May hangars be used for aviation museums or non-profit organizations activities encouraging aviation?
- 15. How does the use of a hangar affect the rent charged?
- 16. If there is no unsatisfied aviation demand for hangars, can they be leased to generate revenue from non-

### 1. Why are hangars limited to certain kinds of use?

Airport sponsors that have accepted FAA grants or deeds of federal surplus property are obligated to use dedicated aviation facilities for aeronautical use. If hangars are not reserved for aeronautical use, federal airport grant funds could inadvertently subsidize non-aeronautical users, and aeronautical users could be denied access to needed airport facilities.

Conditions in AIP grant assurances that can apply to hangar use include:

- preserving rights and powers (Grant Assurance 5);
- making the airport available for aviation use on certain terms (Grant Assurance 22);
- not granting exclusive rights (Grant Assurance 23);
- ensuring safe operations (Grant Assurance 19); and
- complying with the ALP (Airport Layout Plan) process and requirements (Grant Assurance 29).

Back to the top

### 2. What is an airport sponsor's responsibility for hangar use?

To assure appropriate use of hangars, an airport sponsor should:

- manage the use of hangars through an airport leasing program that requires a written lease agreement or permit;
- monitor the use of hangars on the airport and take steps to prevent unapproved non-aeronautical use;
- ensure that the length of time on a waiting list of those in need of a hangar for aircraft storage is minimized;
   and
- in cases where temporary non-aeronautical use of a vacant hangar is permitted, ensure that non-aviation
  users pay a fair market rental for the use of the hangar, and that the hangar can be returned to aviation use
  when needed.

Back to the top

### 3. What is the primary purpose of an aircraft hangar?

The primary purpose of an aircraft hangar is aircraft storage. If a hangar is serving its primary purpose, the storage of aircraft, then storage of non-aeronautical items in the hangar does not violate the airport sponsor's federal obligations.

Back to the top

### 4. Why is the FAA issuing a separate policy statement on hangar use?

The FAA had received a number of questions from airport sponsors and airport tenants about the possible uses of hangars, and about how rigidly the aeronautical use requirement should be applied. In developing the policy statement, the FAA focused on giving discretion to the local airport sponsor and allowing reasonable accommodation of activities that do not impact other aeronautical uses and do not create unjustly discriminatory conditions at the airport.

Back to the top

### 5. To what airport facilities does the policy apply?

The policy applies to all aircraft storage areas or facilities on a federally obligated airport that are designated for aeronautical use on an FAA-approved Airport Layout Plan (ALP). The policy does not apply to property designated for non-aeronautical use on an approved ALP or otherwise approved for non-aeronautical use by the FAA.

Back to the top

# 6. Does the policy apply to airports that have never received federal assistance in the form of AIP grants or federal surplus or non-surplus property conveyances?

No, it does not. An airport operator-owner of a non-federally obligated airport may impose any restrictions the owner-operator deems necessary. FAA standards and policies are acceptable guidance for non-obligated airports.

Back to the top

### 7. Does the policy apply to privately owned hangars on private property?

The policy does not apply to privately owned facilities located off the airport.

Back to the top

### 8. What aeronautical uses of a hangar does the FAA permit?

Permitted uses include:

- · storing active aircraft;
- sheltering aircraft for maintenance, repair, or refurbishment, but not indefinitely storing non-operational aircraft:
- constructing amateur-built or kit-built aircraft provided that activities are conducted safely;
- storing aircraft handling equipment, e.g., tow bar, glider tow equipment, workbenches, and tools and materials used to service, maintain, repair or outfit aircraft; items related to ancillary or incidental uses that do not affect the hangars' primary use;
- storing materials related to an aeronautical activity, e.g., balloon and skydiving equipment, office equipment, teaching tools, and materials related to ancillary or incidental uses that do not affect the hangars' primary use;

- storing non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar, e.g., televisions andfurniture; or
- parking a vehicle at the hangar while the aircraft usually stored in that hangar is flying, subject to local airport rules and regulations.

#### Back to the top

### 9. What uses are not permissible under the policy?

Uses not permitted include:

- · use as a residence;
- operation of a non-aeronautical business, e.g., limo service, car and motorcycle storage, storage of inventory, and non-aeronautical business office;
- activities that impede the movement of the aircraft in and out of the hangar or other aeronautical contents of the hangar;
- activities that displace the aeronautical contents of the hangar or impede access to aircraft or other aeronautical contents of the hangar;
- storage of household items that could be stored in commercial storage facilities;
- · long-term storage of derelict aircraft and parts;
- storage of items or activities prohibited by local or state law;
- · storage of fuel and other dangerous and Hazmat materials; or
- storage of inventory or equipment supporting a municipal agency function unrelated to the aeronautical use.

#### Back to the top

### 10. What discretion does the policy allow the airport sponsor?

The policy:

- preserves the airport sponsor's discretion to manage or address issues including:
  - · adopting rules covering the different uses of hangars;
  - mitigating related safety concerns (e.g., emergency access, fire codes, insurance, and the impact of vehicular traffic);
  - managing airport planning;
  - preserving airport efficiency; and
  - managing funding aspects of airport management;
- provides protection against claims of discrimination by imposing consistent rules for incidental storage in all similar facilities at the airport;
- provides airport sponsors with the ability to permit certain non-aeronautical items to be stored in hangars provided the items do not interfere with the aeronautical use of the hangar;
- allows an airport sponsor to request FAA approval of an interim use of a hangar for non-aeronautical purposes for a period of 3 to 5 years; and
- allows an airport sponsor to request FAA approval of a leasing plan for the lease of vacant hangars for non-aeronautical use on a month-to-month basis.

Back to the top

### 11. What are the policy changes for homebuilders?

The FAA understands the substantial convenience to aircraft builders of locating the entire aircraft construction process at the same location, specifically in an airport hangar. The new policy offers protections that never existed in the FAA's prior policy. First, the FAA recognizes amateur-built aircraft construction as an aeronautical activity to be accommodated at airports on reasonable terms, without unjust discrimination and without granting an exclusive right. Second, the new policy provides for the safe construction of amateur-built aircraft in hangars (see Question 8). As an airport asset management tool, an airport sponsor leasing a vacant hangar for amateur-built aircraft construction may incorporate progress benchmarks in the lease to ensure the construction project proceeds to completion in a reasonable time.

Back to the top

# 12. Is it possible that some aspects of aircraft construction may not be permissible in all hangars?

Some hangars may not have been designed to accommodate aircraft construction or all phases of aircraft construction. Airport sponsors have an obligation to mitigate inherent hazards in the operation, and to prevent unsafe conditions or practices. For example, a sponsor could prohibit painting or other use of volatile or highly flammable materials in a hangar.

Back to the top

# 13. Does the policy apply to privately constructed hangars on federally obligated airports?

An airport sponsor's permission to lease aeronautical land on the airport for construction of a hangar accepts the sponsor's conditions that come with that land, in return for the special benefits of the location. The fact that the tenant uses the land through a ground lease with the airport sponsor and constructs the hangar using tenant funds does not affect the airport sponsor's agreement with the FAA. That agreement requires the airport land and facilities, including aircraft hangars, to be used for aeronautical purposes.

Back to the top

# 14. May hangars be used for aviation museums or non-profit organizations' activities encouraging aviation?

An airport sponsor, at its discretion, may provide access to airport property at less than fair market rent to aviation museums and other non-profit, aviation-related organizations (including aviation-focused community-based organizations). However, there is no reason for such activities to displace aircraft owners seeking hangar space for

storage of operating aircraft, unless the non-profit or community activity itself involves use and storage of operating aircraft. Accordingly, aviation museums and non-profit organizations have the same access to vacant hangar space as other activities that do not actually require a hangar for aviation use.

Back to the top

### 15. How does the use of a hangar affect the rent charged?

If a hangar is being used for an aeronautical use, the airport sponsor will generally charge the tenant the airport's standard rate for aeronautical leases, which should recover the airport's costs but which may be less than fair market rent. If the hangar is used for an interim non-aeronautical purpose, the sponsor must charge a fair market rent for the hangar. Please consult the Airport Compliance Handbook for the application of below-market rent for aviation museums and other aviation related non-profit organizations.

Back to the top

# 16. If there is no unsatisfied aviation demand for hangars, can they be leased to generate revenue from non-aeronautical uses?

If a sponsor has empty aeronautical use hangars for which it has no current aeronautical demand, it may seek FAA approval to lease those hangars to non-aeronautical tenants in one of two ways.

- **Option 1.** When a sponsor wants to lease aeronautical hangars to a tenant for an extended time period (usually 3 to 5 years), it can request FAA approval for interim non-aeronautical use of a hangar until there is demand for an aeronautical purpose. The sponsor must charge a fair market commercial rental rate for any hangar rental or use for non-aeronautical purposes.
- Option 2. A sponsor may also request FAA approval of a leasing plan for the lease of vacant hangars for non-aeronautical use on a month-to-month basis. Once the sponsor receives initial FAA approval, it may lease the open space for consecutive 30-day periods without further approval. The sponsor must charge a fair market commercial rental rate for any hangar rental or use for non-aeronautical purposes.

Aeronautical use must receive priority and accommodation over non-aeronautical use, even if the rental rate would be higher for the non-aeronautical use.

Back to the top

Page last modified: June 15, 2016 11:32:59 AM EDT

This page was originally published at: http://www.faa.gov/airports/airport\_compliance/hangar\_use/

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# The Federal Register

## The Daily Journal of the United States Government

Rule

# Policy on the Non-Aeronautical Use of Airport Hangars

A Rule by the Federal Aviation Administration on 06/15/2016

Comments on this document are being accepted at Regulations.gov Submit a formal comment

Read the 2462 submitted public comments

### **Action**

Notice Of Final Policy.

# Summary

This action clarifies the FAA's policy regarding storage of non-aeronautical items in airport facilities designated for aeronautical use. Under Federal law, airport operators that have accepted federal grants and/or those that have obligations contained in property deeds for property transferred under various Federal laws such as the Surplus Property Act generally may use airport property only for aviation-related purposes unless otherwise approved by the FAA. In some cases, airports have allowed non-aeronautical storage or uses in some hangars intended for aeronautical use, which the FAA has found to interfere with or entirely displace aeronautical use of the hangar. At the same time, the FAA recognizes that storage of some items in a hangar that is otherwise used for aircraft storage will have no effect on the aeronautical utility of the hangar. This action also amends the definition of aeronautical use to include construction of amateur-built aircraft and provides additional guidance on permissible non-aeronautical use of a hangar."

### **Table of Contents**

- DATES:
- FOR FURTHER INFORMATION CONTACT:
- ADDRESSES:
- SUPPLEMENTARY INFORMATION:
- Background
- Airport Sponsor Obligations
- FAA Oversight
- The Notice of Proposed Policy
- Discussion of Comments and Final Policy
- Final Policy
- Use of Aeronautical Land and Facilities
- Applicability
- I. General
- II. Standards for Aeronautical Use of Hangars
- III. Approval for Non-Aeronautical Use of Hangars
- IV. Use of Hangars for Construction of an Aircraft
- V. No Right to Non-Aeronautical Use
- VI. Sponsor Compliance Actions
- Footnotes

### DATES:

The policy described herein is effective July 1, 2017.

### FOR FURTHER INFORMATION CONTACT:

Kevin C. Willis, Manager, Airport Compliance Division, ACO-100, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591, telephone (202) 267-3085; facsimile: (202) 267-4629.

### **ADDRESSES:**

You can get an electronic copy of this Policy and all other documents in this docket using the Internet by:

- (1) Searching the Federal eRulemaking portal (http://www.faa.gov/regulations/search);
- (2) Visiting FAA's Regulations and Policies Web page at (http://www.faa.gov/regulations policies); or
- (3) Accessing the Government Printing Office's Web page at (http://www.gpoaccess.gov/index.html).

You can also get a copy by sending a request to the Federal Aviation Administration, Office of Airport Compliance and Management Analysis, 800 Independence Avenue SW., Washington, DC 20591, or by calling

(202) 267-3085. Make sure to identify the docket number, notice number, or amendment number of this proceeding.

### SUPPLEMENTARY INFORMATION:

Authority for the Policy: This document is published under the authority described in Title 49 of the United States Code, Subtitle VII, part B, chapter 471, section 47122(a).

### **Background**

### **Airport Sponsor Obligations**

In July 2014, the FAA issued a proposed statement of policy on use of airport hangars to clarify compliance requirements for airport sponsors, airport managers, airport tenants, state aviation officials, and FAA compliance staff. (79 Federal Register (FR) 42483, July 22, 2014).

Airport sponsors that have accepted grants under the Airport Improvement Program (AIP) have agreed to comply with certain Federal policies included in each AIP grant agreement as sponsor assurances. The Airport and Airway Improvement Act of 1982 (AAIA) (Pub. L. 97-248), as amended and recodified at 49 United States Codes (U.S.C.) 47107(a)(1), and the contractual sponsor assurances require that the airport sponsor make the airport available for aviation use. Grant Assurance 22, Economic Nondiscrimination, requires the sponsor to make the airport available on reasonable terms without unjust discrimination for aeronautical activities, including aviation services. Grant Assurance 19, Operation and Maintenance, prohibits an airport sponsor from causing or permitting any activity that would interfere with use of airport property for airport purposes. In some cases, sponsors who have received property transfers through surplus property and nonsurplus property agreements have similar federal obligations.

The sponsor may designate some areas of the airport for non-aviation use, [11] with FAA approval, but aeronautical facilities of the airport must be dedicated to use for aviation purposes. Limiting use of aeronautical facilities to aeronautical purposes ensures that airport facilities are available to meet aviation demand at the airport. Aviation tenants and aircraft owners should not be displaced by non-aviation commercial uses that could be conducted off airport property.

It is the longstanding policy of the FAA that airport property be available for aeronautical use and not be available for non-aeronautical purposes unless that non-aeronautical use is approved by the FAA. Use of a designated aeronautical facility for a non-aeronautical purpose, even on a temporary basis, requires FAA approval. See FAA Order 5190.6B, Airport Compliance Manual, paragraph 22.6, September 30, 2009. The identification of non-aeronautical use of aeronautical areas receives special attention in FAA airport land use compliance inspections. See Order 5190.6B, paragraphs 21.6(f)(5).

Areas of the airport designated for non-aeronautical use must be shown on an airport's Airport Layout Plan (ALP). The AAIA, at 49 U.S.C. 47107(a)(16), requires that AIP grant agreements include an assurance by the sponsor to maintain an ALP in a manner prescribed by the FAA. Sponsor assurance 29, Airport Layout Plan, implements § 47107(a)(16) and provides that an ALP must designate non-aviation areas of the airport. The

sponsor may not allow an alteration of the airport in a manner inconsistent with the ALP unless approved by the FAA. See Order 5190.6B, paragraph 7.18, and Advisory Circular 150/5070-6B, *Airport Master Plans*, Chapter 10.

Clearly identifying non-aeronautical facilities not only keeps aeronautical facilities available for aviation use, but also assures that the airport sponsor receives at least Fair Market Value (FMV) revenue from non-aviation uses of the airport. The AAIA requires that airport revenues be used for airport purposes, and that the airport maintain a fee structure that makes the airport as self-sustaining as possible. 49 U.S.C. 47107(a)(13)(A) and (b) (1). The FAA and the Department of Transportation Office of the Inspector General have interpreted these statutory provisions to require that non-aviation activities on an airport be charged a fair market rate for use of airport facilities rather than the aeronautical rate. See FAA Policies and Procedures Concerning the Use of Airport Revenue, (64 FR 7696, 7721, February 16, 1999) (FAA Revenue Use Policy).

If an airport tenant pays an aeronautical rate for a hangar and then uses the hangar for a non-aeronautical purpose, the tenant may be paying a below-market rate in violation of the sponsor's obligation for a self-sustaining rate structure and FAA's Revenue Use Policy. Confining non-aeronautical activity to designated non-aviation areas of the airport helps to ensure that the non-aeronautical use of airport property is monitored and allows the airport sponsor to clearly identify non-aeronautical fair market value lease rates, in order to meet their federal obligations. Identifying non-aeronautical uses and charging appropriate rates for these uses prevents the sponsor from subsidizing non-aviation activities with aviation revenues.

### **FAA Oversight**

A sponsor's Grant Assurance obligations require that its aeronautical facilities be used or be available for use for aeronautical activities. If the presence of non-aeronautical items in a hangar does not interfere with these obligations, then the FAA will generally not consider the presence of those items to constitute a violation of the sponsor's obligations. When an airport has unused hangars and low aviation demand, a sponsor can request the FAA approval for interim non-aeronautical use of a hangars, until demand exists for those hangars for an aeronautical purpose. Aeronautical use must take priority and be accommodated over non-aeronautical use, even if the rental rate would be higher for the non-aeronautical use. The sponsor is required to charge a fair market commercial rental rate for any hangar rental or use for non-aeronautical purposes. (64 FR 7721).

The FAA conducts land use inspections at 18 selected airports each year, at least two in each of the nine FAA regions. See Order 5190.6B, paragraph 21.1. The inspection includes consideration of whether the airport sponsor is using designated aeronautical areas of the airport exclusively for aeronautical purposes, unless otherwise approved by the FAA. See Order 5190.6B, paragraph 21.6.

### The Notice of Proposed Policy

In July 2014, the FAA issued a notice of proposed policy on use of hangars and related facilities at federally obligated airports, to provide a clear and standardized guide for airport sponsors and FAA compliance staff. (79 FR 42483, July 22, 2014). The FAA received more than 2,400 comments on the proposed policy statement, the majority from persons who have built or are in the process of building an amateur-built aircraft. The FAA also received comments from aircraft owners, tenants and owners of hangars, and airport operators. The Aircraft Owners and Pilots Association (AOPA) and the Experimental Aircraft Association (EAA) also

provided comments on behalf of their membership. Most of the comments objected to some aspect the proposed policy statement. Comments objecting to the proposal tended to fall into two general categories:

- The FAA should not regulate the use of hangars at all, especially if the hangar is privately owned.
- While the FAA should have a policy limiting use of hangars on federally obligated airports to aviation uses, the proposed policy is too restrictive in defining what activities should be allowed.

### **Discussion of Comments and Final Policy**

The following summary of comments reflects the major issues raised and does not restate each comment received. The FAA considered all comments received even if not specifically identified and responded to in this notice. The FAA discusses revisions to the policy based on comments received. In addition, the FAA will post frequently asked Questions and Answers regarding the Hangar Use Policy on <a href="https://www.faa.gov/airport.compliance">www.faa.gov/airport</a> compliance. These Questions and Answers will be periodically updated until FAA Order 5190.6B is revised to reflect the changes in this notice.

1. Comment: Commenters stated that the FAA should defer to local government and leave all regulation of hangar use to the airport operator.

Response: The FAA has a contract with the sponsor of an obligated airport, either through AIP grant agreements or a surplus property deed, to limit the use of airport property to certain aviation purposes. Each sponsor of an obligated airport has agreed to these terms. The FAA relies on each airport sponsor to comply with its obligations under this contract. To maintain a standardized national airport system and standardized practices in each of the FAA's nine regional offices, the agency issues guidance on its interpretation of the requirements of the AIP and surplus property agreements. It falls to the local airport sponsor to implement these requirements. The FAA allows airport sponsors some flexibility to adapt compliance to local conditions at each airport.

However, some airport sponsors have adopted hangar use practices that led to airport users to complain to the FAA. Some airport users have complained that sponsors are too restrictive, and fail to allow reasonable aviation-related uses of airport hangars. More commonly, aircraft owners have complained that hangar facilities are not available for aircraft storage because airport sponsors have allowed the use of hangars for purposes that are unrelated to aviation, such as operating a non-aviation business or storing multiple vehicles. By issuing the July 2014 notice, the FAA intended to resolve both kinds of complaints by providing guidance on appropriate management of hangar use. The agency continues to believe that FAA policy guidance is appropriate and necessary to preserve reasonable access to aeronautical facilities on federally obligated airports. However, the final policy has been revised in response to comments received on the proposal.

2. Comment: Commenters, including AOPA, stated that the FAA lacks the authority to regulate the use of privately owned hangars.

Response: The FAA has a statutory obligation to assure that facilities on aeronautically designated land at federally obligated airports are reasonably available for aviation use. Designated aeronautical land on a federally obligated airport is a necessary part of a national system of aviation facilities. Land designated for aeronautical use offers access to the local airfield taxiway and runway system. Land designated for aeronautical use is also

subject to certain conditions, including FAA policies concerning rates and charges (including rental rates) which were designed to preserve access for aeronautical users and to support aeronautical uses. A person who leases aeronautical land on the airport to build a hangar accepts conditions that come with that land in return for the special benefits of the location. The fact that the tenant pays the sponsor for use of the hangar or the land does not affect the agreement between the FAA and the sponsor that the land be used for aeronautical purposes. (In fact, most hangar owners do not have fee ownership of the property; typically airport structures revert to ownership of the airport sponsor upon expiration of the lease term). An airport sponsor may choose to apply different rules to hangars owned by the sponsor than it does to privately constructed hangars, but the obligations of the sponsor Grant Assurances and therefore the basic policies on aeronautical use stated in this notice, will apply to both.

3. Comment: Commenters believe that a policy applying the same rules to all kinds of aeronautical structures, and to privately owned hangars as well as sponsor-owned hangars, is too general. The policy should acknowledge the differences between categories of airport facilities.

Response: A number of commenters thought that rules for use of privately constructed and owned hangars should be less restrictive than rules for hangars leased from the airport sponsor. The Leesburg Airport Commission commented that there are different kinds of structures on the airport, with variations in rental and ownership interests, and that the FAA's policy should reflect those differences. The FAA acknowledges that ownership or lease rights and the uses made of various aeronautical facilities at airports will vary. The agency expects that airport sponsors' agreements with tenants would reflect those differences. The form of property interest, be it a leasehold or ownership of a hangar, does not affect the obligations of the airport sponsor under the Grant Assurances. All facilities on designated aeronautical land on an obligated airport are subject to the requirement that the facilities be available for aeronautical use.

4. Comment: Commenters agree that hangars should be used to store aircraft and not for non-aviation uses, but, they argue the proposed policy is too restrictive on the storage of non-aviation related items in a hangar along with an aircraft. A hangar with an aircraft in it still has a large amount of room for storage and other incidental uses, and that space can be used with no adverse effect on the use and storage of the aircraft.

Response: In response to the comments, the final policy deletes the criteria of "incidental" or "de minimis" use and simply requires that non-aviation storage in a hangar not interfere with movement of aircraft in or out of the hangar, or impede access to other aeronautical contents of the hangar. The policy lists specific conditions that would be considered to interfere with aeronautical use. Stored non-aeronautical items would be considered to interfere with aviation use if they:

- o Impede the movement of the aircraft in and out of the hangar;
- Displace the aeronautical contents of the hangar. (A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft);
- o Impede access to aircraft or other aeronautical contents of the hangar;
- Are used for the conduct of a non-aeronautical business or municipal agency function from the hangar (including storage of inventory); or

o Are stored in violation of airport rules and regulations, lease provisions, building codes or local ordinances.

Note: Storage of equipment associated with an aeronautical activity (e.g., skydiving, ballooning, gliding) would be considered an aeronautical use of a hangar.

5. Comment: Commenters stated the policy should apply different rules to situations where there is no aviation demand for hangars, especially when hangars are vacant and producing no income for the sponsor.

Response: At some airports, at some times, there will be more hangar capacity than needed to meet aeronautical demand, and as a result there will be vacant hangars. The FAA agrees that in such cases it is preferable to make use of the hangars to generate revenue for the airport, as long as the hangar capacity can be recovered on relatively short notice for aeronautical use when needed. See Order 5190.6B, paragraph 22.6. The final policy adopts a provision modeled on a leasing policy of the Los Angeles County Airport Commission, which allows month-to-month leases of vacant hangars for any purpose until a request for aeronautical use is received. The final policy requires that a sponsor request FAA approval before implementing a similar leasing plan:

- The airport sponsor may request FAA approval of a leasing plan for the lease of vacant hangars for non-aeronautical use on a month-to-month basis.
- The plan may be implemented only when there is no current aviation demand for the vacant hangars.
- Leases must require the non-aeronautical tenant to vacate the hangar on 30 days' notice, to allow aeronautical use when a request is received.
- Once the plan is approved, the sponsor may lease vacant hangars on a 30 days' notice without further FAA approval.

The agency believes this will allow airports to obtain some financial benefit from vacant hangars no, while allowing the hangars to be quickly returned to aeronautical use when needed. FAA pre-approval of a month-to-month leasing plan will minimize the burden on airport sponsors and FAA staff since it is consistent with existing interim use guidance.

6. Comment: Commenter indicates that the terms "incidental use" and "insignificant amount of space" are too vague and restrictive.

Response: The FAA has not used these terms in the final policy. Instead, the policy lists specific prohibited conditions that would be considered to interfere with aeronautical use of a hangar.

7. Comment: Commenter states Glider operations require storage of items at the airport other than aircraft, such as tow vehicles and towing equipment. This should be an approved use of hangars.

Response: Tow bars and glider tow equipment have been added to the list of examples of aeronautical equipment. Whether a vehicle is dedicated to use for glider towing is a particular fact that can be determined by the airport sponsor in each case. Otherwise the general rules for parking a vehicle in a hangar would apply.

8. Comment: Commenter states it should be clear that it is acceptable to park a vehicle in the hangar while the aircraft is out of the hangar being used.

Response: The final policy states that a vehicle parked in the hangar, while the vehicle owner is using the

aircraft will not be considered to displace the aircraft, and therefore is not prohibited.

9. Comment: Commenters, including Experimental Aircraft Association (EAA), stated that aviation museums and non-profit organizations that promote aviation should not be excluded from hangars.

Response: Aviation museums and other non-profit aviation-related organizations may have access to airport property at less than fair market rent, under section VII.E of the FAA Policy and Procedures Concerning the Use of Airport Revenue. (64 FR 7710, February 16, 1999). However, there is no special reason for such activities to displace aircraft owners seeking hangar space for storage of operating aircraft, unless the activity itself involves use and storage of aircraft. Accordingly, aviation museums and non-profit organizations will continue to have the same access to vacant hangar space as other activities that do not actually require a hangar for aviation use, that is, when there is no aviation demand (aircraft storage) for those hangars and subject to the discretion of the airport operator.

10. Comment: Commenters suggest that the policy should allow a 'grace period' for maintaining possession of an empty hangar for a reasonable time from the sale of an aircraft to the purchase or lease of a new aircraft to be stored in the hangar.

Response: The FAA assumes that airport lease terms would include reasonable accommodation for this purpose and other reasons a hangar might be empty for some period of time, including the aircraft being in use or at another location for maintenance. The reasons for temporary hangar vacancy and appropriate "grace periods" for various events depend on local needs and lease policies, and the FAA has not included any special provision for grace periods in the final policy.

11. Comment: Commenters believe that the policy should allow some leisure spaces in a hangar, such as a lounge or seating area and kitchen, in recognition of the time many aircraft owners spend at the airport, and the benefits of an airport community.

Response: The final policy does not include any special provision for lounge areas or kitchens, either specifically permitting or prohibiting these areas. The policy requires only that any non-aviation related items in a hangar not interfere in any way with the primary use of the hangar for aircraft storage and movement. The airport sponsor is expected to have lease provisions and regulations in place to assure that items located in hangars do not interfere with this primary purpose.

12. Comment: Commenters, including EAA, stated that all construction of an aircraft should be considered aeronautical for the purpose of hangar use, because building an aircraft is an inherently aeronautical activity. The policy should at least allow for use of a hangar at a much earlier stage of construction than final assembly.

Response: The FAA has consistently held that the need for an airport hangar in manufacturing or building aircraft arises at the time the components of the aircraft are assembled into a completed aircraft. Prior to that stage, components can be assembled off-airport in smaller spaces. This determination has been applied to both commercial aircraft manufacturing as well as homebuilding of experimental aircraft.

A large majority of the more than 2,400 public comments received on the notice argued that aircraft construction at any stage is an aeronautical activity. The FAA recognizes that the construction of amateur-built aircraft differs from large-scale, commercial aircraft manufacturing. It may be more difficult for those constructing amateur-built or kit-built aircraft to find alternative space for construction or a means to ultimately transport completed large aircraft components to the airport for final assembly, and ultimately for

access to taxiways for operation.

Commenters stated that in many cases an airport hangar may be the only viable location for amateur-built or kit-built aircraft construction. Also, as noted in the July 2014 notice, many airports have vacant hangars where a lease for construction of an aircraft, even for several years, would not prevent owners of operating aircraft from having access to hangar storage.

Accordingly, the FAA will consider the construction of amateur-built or kit-built aircraft as an aeronautical activity. Airport sponsors must provide reasonable access to this class of users, subject to local ordinances and building codes. Reasonable access applies to currently available facilities; there is no requirement for sponsors to construct special facilities or to upgrade existing facilities for aircraft construction use.

Airport sponsors are urged to consider the appropriate safety measures to accommodate aircraft construction. Airport sponsors leasing a vacant hangar for aircraft construction also are urged to incorporate progress benchmarks in the lease to ensure the construction project proceeds to completion in a reasonable time. The FAA's policy with respect to commercial aircraft manufacturing remains unchanged.

13. Comment: Commenter suggests that the time that an inoperable aircraft can be stored in a hangar should be clarified, because repairs can sometimes involve periods of inactivity.

Response: The term "operational aircraft" in the final policy does not necessarily mean an aircraft fueled and ready to fly. All operating aircraft experience downtime for maintenance and repair, and for other routine and exceptional reasons. The final policy does not include an arbitrary time period beyond which an aircraft is no longer considered operational. An airport operator should be able to determine whether a particular aircraft is likely to become operational in a reasonable time or not, and incorporate provisions in the hangar lease to provide for either possibility.

14. Comment: Commenter suggests that the FAA should limit use of hangars on an obligated airport as proposed in the July 2014 notice. Airport sponsors frequently allow non-aeronautical use of hangars now, denying the availability of hangar space to aircraft owners.

Response: Some commenters supported the relatively strict policies in the July 2014 notice, citing their experience with being denied access to hangars that were being used for non-aviation purposes. The FAA believes that the final policy adopted will allow hangar tenants greater flexibility than the proposed policy in the use of their hangars, but only to the extent that there is no impact on the primary purpose of the hangar. The intent of the final policy is to minimize the regulatory burden on hangar tenants and to simplify enforcement responsibilities for airport sponsors and the FAA, but only as is consistent with the statutory requirements for use of federally obligated airport property.

### Final Policy

In accordance with the above, the FAA is adopting the following policy statement on use of hangars at federally obligated airports:

### Use of Aeronautical Land and Facilities

### **Applicability**

This policy applies to all aircraft storage areas or facilities on a federally obligated airport unless designated for non-aeronautical use on an approved Airport Layout Plan or otherwise approved for non-aviation use by the FAA. This policy generally refers to the use of hangars since they are the type of aeronautical facility most often involved in issues of non-aviation use, but the policy also applies to other structures on areas of an airport designated for aeronautical use. This policy applies to all users of aircraft hangars, including airport sponsors, municipalities, and other public entities, regardless of whether a user is an owner or lessee of the hangar.

### I. General

The intent of this policy is to ensure that the federal investment in federally obligated airports is protected by making aeronautical facilities available to aeronautical users, and by ensuring that airport sponsors receive fair market value for use of airport property for non-aeronautical purposes. The policy implements several Grant Assurances, including Grant Assurance 5, Preserving Rights and Powers; Grant Assurance 22, Economic Nondiscrimination; Grant Assurance 24, Fee and Rental Structure; and Grant Assurance 25, Airport Revenues.

# II. Standards for Aeronautical Use of Hangars

- a. Hangars located on airport property must be used for an aeronautical purpose, or be available for use for an aeronautical purpose, unless otherwise approved by the FAA Office of Airports as described in Section III.
- b. Aeronautical uses for hangars include:
- 1. Storage of active aircraft.
- 2. Final assembly of aircraft under construction.
- 3. Non-commercial construction of amateur-built or kit-built aircraft.
- 4. Maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of nonoperational aircraft.
- 5. Storage of aircraft handling equipment, e.g., towbars, glider tow equipment, workbenches, and tools and materials used in the servicing, maintenance, repair or outfitting of aircraft.
- c. Provided the hangar is used primarily for aeronautical purposes, an airport sponsor may permit non-aeronautical items to be stored in hangars provided the items do not interfere with the aeronautical use of the hangar.
- d. While sponsors may adopt more restrictive rules for use of hangars, the FAA will generally not consider items to interfere with the aeronautical use of the hangar unless the items:
- 1. Impede the movement of the aircraft in and out of the hangar or impede access to aircraft or other aeronautical contents of the hangar.

- 2. Displace the aeronautical contents of the hangar. A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft.
- 3. Impede access to aircraft or other aeronautical contents of the hangar.
- 4. Are used for the conduct of a non-aeronautical business or municipal agency function from the hangar (including storage of inventory).
- 5. Are stored in violation of airport rules and regulations, lease provisions, building codes or local ordinances.
- e. Hangars may not be used as a residence, with a limited exception for sponsors providing an on-airport residence for a full-time airport manager, watchman, or airport operations staff for remotely located airports. The FAA differentiates between a typical pilot resting facility or aircrew quarters versus a hangar residence or hangar home. The former are designed to be used for overnight and/or resting periods for aircrew, and not as a permanent or even temporary residence. See FAA Order 5190.6B paragraph 20.5(b)
- f. This policy applies regardless of whether the hangar occupant leases the hangar from the airport sponsor or developer, or the hangar occupant constructed the hangar at the occupant's own expense while holding a ground lease. When land designated for aeronautical use is made available for construction of hangars, the hangars built on the land are subject to the sponsor's obligations to use aeronautical facilities for aeronautical use.

### III. Approval for Non-Aeronautical Use of Hangars

A sponsor will be considered to have FAA approval for non-aeronautical use of a hangar in each of the following cases:

- a. FAA advance approval of an *interim use*: Where hangars are unoccupied and there is no current aviation demand for hangar space, the airport sponsor may request that FAA Office of Airports approve an interim use of a hangar for non-aeronautical purposes for a period of 3 to 5 years. The FAA will review the request in accordance with Order 5190.6B paragraph 22.6. Interim leases of unused hangars can generate revenue for the airport and prevent deterioration of facilities. Approved interim or concurrent revenue-production uses must not interfere with safe and efficient airport operations and sponsors should only agree to lease terms that allow the hangars to be recovered on a 30 days' notice for aeronautical purposes. In each of the above cases, the airport sponsor is required to charge non-aeronautical fair market rental fees for the non-aeronautical use of airport property, even on an interim basis. (64 FR 7721).
- b. FAA approval of a month-to-month leasing plan: An airport sponsor may obtain advance written approval month-to-month leasing plan for non-aeronautical use of vacant facilities from the local FAA Office of Airports. When there is no current aviation demand for vacant hangars, the airport sponsor may request FAA approval of a leasing plan for the lease of vacant hangars for non-aeronautical use on a month-to-month basis. The plan must provide for leases that include an enforceable provision that the tenant will vacate the hangar on a 30-day notice. Once the plan is approved, the sponsor may lease vacant hangars on a 30-day notice basis without further FAA approval. If the airport sponsor receives a request for aeronautical use of the hangar and no other suitable hangar space is available, the sponsor will notify the month-to-month tenant that it must vacate.

A sponsor's request for approval of an interim use or a month-to-month leasing plan should include or provide for (1) an inventory of aeronautical and non-aeronautical land/uses, (2) information on vacancy rates; (3) the sponsor's procedures for accepting new requests for aeronautical use; and (4) assurance that facilities can be returned to aeronautical use when there is renewed aeronautical demand for hangar space. In each of the above cases, the airport sponsor is required to charge non-aeronautical fair market rental fees for the non-aeronautical use of airport property, even on an interim basis. (64 FR 7721).

c. Other cases: Advance written release by the FAA for all other non-aeronautical uses of designated aeronautical facilities. Any other non-aeronautical use of a designated aeronautical facility or parcel of airport land requires advance written approval from the FAA Office of Airports in accordance with Order 5190.6B chapter 22.

# IV. Use of Hangars for Construction of an Aircraft

Non-commercial construction of amateur-built or kit-built aircraft is considered an aeronautical activity. As with any aeronautical activity, an airport sponsor may lease or approve the lease of hangar space for this activity without FAA approval. Airport sponsors are not required to construct special facilities or upgrade existing facilities for construction activities. Airport sponsors are urged to consider the appropriate safety measures to accommodate these users.

Airport sponsors also should consider incorporating construction progress targets in the lease to ensure that the hangar will be used for final assembly and storage of an operational aircraft within a reasonable term after project start.

### V. No Right to Non-Aeronautical Use

In the context of enforcement of the Grant Assurances, this policy allows some incidental storage of non-aeronautical items in hangars that do not interfere with aeronautical use. However, the policy neither creates nor constitutes a right to store non-aeronautical items in hangars. Airport sponsors may restrict or prohibit storage of non-aeronautical items. Sponsors should consider factors such as emergency access, fire codes, security, insurance, and the impact of vehicular traffic on their surface areas when enacting rules regarding hangar storage. In some cases, permitting certain incidental non-aeronautical items in hangars could inhibit the sponsor's ability to meet obligations associated with Grant Assurance 19, *Operations and Maintenance*. To avoid claims of discrimination, sponsors should impose consistent rules for incidental storage in all similar facilities at the airport. Sponsors should ensure that taxiways and runways are not used for the vehicular transport of such items to or from the hangars.

### **VI. Sponsor Compliance Actions**

- a. It is expected that aeronautical facilities on an airport will be available and used for aeronautical purposes in the normal course of airport business, and that non-aeronautical uses will be the exception.
- b. Sponsors should have a program to routinely monitor use of hangars and take measures to eliminate and prevent unapproved non-aeronautical use of hangars.

- c. Sponsors should ensure that length of time on a waiting list of those in need of a hangar for aircraft storage is minimized.
- d. Sponsors should also consider including a provision in airport leases, including aeronautical leases, to adjust rental rates to FMV for any non-incidental non-aeronautical use of the leased facilities. In other words, if a tenant uses a hangar for a non-aeronautical purpose in violation of this policy, the rental payments due to the sponsor would automatically increase to a FMV level.
- e. FAA personnel conducting a land use or compliance inspection of an airport may request a copy of the sponsor's hangar use program and evidence that the sponsor has limited hangars to aeronautical use.

The FAA may disapprove an AIP grant for hangar construction if there are existing hangars at the airport being used for non-aeronautical purposes.

Issued in Washington, DC, on the 9th of June 2016.

Robin K. Hunt,

Acting Director, Office of Airport Compliance and Management Analysis.

[FR Doc. <u>2016-14133</u> Filed 6-14-16; 8:45 am]

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### **Footnotes**

1. The terms "non-aviation" and "non-aeronautical" are used interchangeably in this Notice.

### **Back to Context**

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