



U.S. Department
of Transportation
**Federal Aviation
Administration**

Airport Compliance and Management Analysis

800 Independence Ave., SW.
Washington, DC 20591

July 12, 2012

Mr. E. Tazewell Ellett
Counsel for Respondent
Hogan Lovells US LLP
555 Thirteenth Street, NW
Washington, DC 20004

Re: Docket No. 16-09-06

Dear Mr. Ellett:

Thank you for your March 30, 2012 letter regarding the City of Glendale's (City) ongoing efforts to implement the corrective action plan tentatively accepted by the Federal Aviation Administration (FAA) last year. The corrective action plan outlined the City's proposed response and methodology to become compliant with the findings of the FAA's Director's Determination (DD), Valley Aviation Services, LLP v. City of Glendale, AZ, FAA Docket 16-09-06, issued May 24, 2011.

In the DD, the FAA found the City of Glendale had been in violation of the following airport sponsor grant assurance obligations:

- Grant Assurance 19, Operations and Maintenance;
- Grant Assurance 29, Airport Layout Plan; and
- Grant Assurance 22, Economic Nondiscrimination.

As part of the corrective action plan, the City has been working with hangar tenants to implement a hangar inspection program as a means to ensure consistent compliance with the 2004 Airport Rules and Regulations, the City's grant assurance obligations, and FAA policies. FAA agreed to assist the City in its efforts should significant questions arise during the development and implementation of the corrective action plan. In the above referenced letter, you called upon the FAA to provide clarification regarding the standard for determining aeronautical versus nonaeronautical uses of aircraft hangars as the City strives to achieve full compliance implementing its hangar inspection program. This letter serves as FAA's response to your request.

Summarily, an airport owner is obligated to use aeronautically designated land and facilities for aeronautical purposes. Hangars located on airport property designated for aeronautical use may only be used in direct support of an aeronautical purpose. Aircraft storage hangars

may be used to store only aircraft, items which are used on or for aircraft, or incidental items for personal convenience while using the hangar (so long as any such stored personal convenience items are determined to be acceptable by the airport manager). Thus, aircraft storage hangars may be used to store the items on the following list (which is not intended to be all-inclusive):

- Aircraft¹;
- Aircraft tow bar or similar aircraft towing equipment for the storage and/or removal of the aircraft in the hangar;
- Aircraft flight and maintenance logs, to include filing cabinets as needed for orderly storage of these logs;
- A desk for the purposes of conducting flight planning or other directly aeronautical purposes;
- A printer for the purposes of conducting flight planning or other directly aeronautical purposes;
- A small refrigerator or coffee pot used for personal convenience while using the hangar (so long as this is acceptable to the airport manager); and
- Items to maintain an aircraft, even if such items may not be used in the hangar but instead elsewhere on the airport such as an aircraft wash rack or maintenance apron (All stored items must be permitted by local fire codes, airport rules and regulations, and other local ordinances).

An airport owner has the proprietary right to designate parcels of property as nonaeronautical use. As such, a nonaeronautical parcel would not be considered by the FAA to be eligible for Federal airport project funding for infrastructure improvements such as taxiways, aprons, ramps, etc. Furthermore, the airport owner is required to charge nonaeronautical fair market value rental fees for the nonaeronautical use of airport property. This is explicitly stated in FAA's Policy and Procedures Concerning the Use of Airport Revenue (64 FR 7696) (Revenue Use Policy) and also recognized to further a self-sustaining rate structure, which is required under Grant Assurance 24 and codified at 49 U. S. Code, section 47107(a)(13)(A).

Items that FAA considers to be nonaeronautical or not for the furtherance of the aeronautical use of the aircraft hangar, and thus should not be stored in hangars on airport property designated for aeronautical use at aeronautical rates, include (without limitation):

- Boats;
- Motorcycles, automobiles, recreational vehicles, campers;²

¹There are additional requirements regarding nonflyable aircraft.

² The FAA recognizes an aircraft owner may drive an automobile or ride a motorcycle or bicycle to the airport and subsequently remove the aircraft from its hangar for aeronautical purposes. In such circumstances, the FAA does not consider temporarily parking the automobile, motorcycle, bicycle or other reasonable transportation used by the aircraft owner/user in the hangar to conflict with the hangar's aeronautical use. However, under no circumstances may a hangar located on airport property designated for aeronautical use be used for the storage of an automobile or other nonaeronautical items.

- Fork lifts;
- Welding equipment;
- Drill presses;
- Beds;
- Household items that do not have aeronautical purposes; and
- Recreational/playground equipment (e.g. swing sets, golf clubs, fishing equipment).

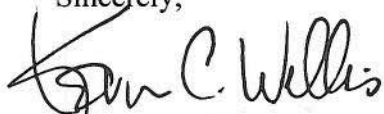
Again, this list represents just a few examples of items that may not be stored in aircraft hangars located on airport property designated for aeronautical use and charged aeronautical fees. The airport owner has the right to impose additional restrictions how tenants use airport property as long as these restrictions are reasonable, nondiscriminatory and consistent with the airport owner's Federal grant assurances.

The FAA recognizes there may be limited occasions when an aircraft owner/user may wish to load and unload into the aircraft small supplies of recreational items such as golf clubs or fishing equipment overnight before or after a trip in the aircraft. However, any storage of these items must be limited to the single use and be removed immediately before or after the trip.

To date, the City has undertaken numerous steps to correct the findings in the Director's Determination. The FAA wishes to commend the City for its efforts to become a fully compliant airport sponsor, thereby ensuring future eligibility to Federal program assistance.

If you have any questions on this matter or require additional assistance, please contact myself at (202) 267-8741 or Tony Garcia, the FAA's Western Pacific Region Airport Compliance Program Manager, at (310) 725-3634.

Sincerely,



Kevin C. Willis
Manager, Airport Compliance

cc: FAA Part 16 Airport Proceedings Docket
Western Pacific Region Airports Division, AWP-600
Los Angeles Airports District Office