

AIRPORT BOARD OPERATIONS COMMITTEE

AGENDA

8:30 A.M., MONDAY, SEPTEMBER 26, 2019

ALASKA ROOM

I. INTRODUCTION (PARTICIPANTS)

II. AIRPORT HANGAR & TIE DOWN AUTHORIZED USE POLICY

It has been observed that non-aeronautical items (including but not limited to boats, recreational vehicles, snow mobiles, multiple vehicles, etc.), non-airworthy aircraft, and the use of some tie-downs and hangars are not being used per the established lease agreement. Airport administrative staff is requesting guidance on allowable use and non-allowable use. If non-aeronautical use is allowed, to what extent? Will non-airworthy aircraft be allowed on Airport property?

- i. [JNU Hangar Lease Agreement](#) (Attachment #1)
- ii. [FAA Policy on the Non-Aeronautical Use of Airport Hangars](#) (Attachment #2)
- iii. [FAA Frequently Asked Questions & Answers on FAA Policy on Use of Hangars at Obligated Airports](#) (Attachment #3)
- iv. [JNU Tie Down Agreement](#) (Attachment #4)
- v. [Title 5: Juneau International Airport](#) (Attachment #5)

*Due to the size of many of these documents, only pertinent subject matter was included in many of the attachments. Links to full content above.

III. TIME AND PLACE OF NEXT MEETING: TBD

IV. ADJOURN

JNU Hangar Lease Agreement

Appendix A: Property Description & Additional Lease Provisions

Authorized Use of Property

The Leased Premises shall be used exclusively for the indoor parking, storage and routine, light duty maintenance of private aircraft, and related aviation purposes. Any other use is prohibited. Storage outside the hangar facility is prohibited. For this purpose, Lessee is authorized to construct and/or maintain a hangar facility, at no cost to the City, as provided in this Lease.

Vehicle(s) used to access the Leased Premises must be parked entirely on the Leased Premises so as not to obstruct adjoining roadways and taxi lanes. Parking or storage of boats, trailers, additional vehicles or non-aviation related equipment is strictly prohibited, unless specifically authorized in writing by the Airport Manager.

No use, storage or distribution of heating fuel, aircraft fuel or other flammable liquids or hazardous substances in a manner that violates city, state or federal law or regulation or that disregards the warnings, directions or other specifications for the substance shall be permitted on the Leased Premises. Lessee sale or distribution of fuel is prohibited on the Leased Premises.

Events Constituting Default

The City may consider any of the following events to be default under this Lease:

- 1) Failure to comply with any term of the Lease.
- 2) Any unlawful or unauthorized use of the Leased Premises.
- 3) Failure to comply, after notice, with any part of the Lessee's assets; or
- 4) Any institution of proceedings in bankruptcy against the Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or
- 5) The filing of petition requesting a court to take jurisdiction of the Lessee or its assets under the provision of any Federal reorganization act which, if it is an involuntary petition and is not dismissed within sixty (60) days after its being filed; or
- 6) The filing of a request for the appointments of a receiver or trustee of the Lessee's assets by court of competent jurisdiction, which if the request made by the Lessee is not rejected within sixty (60) days after being made, or the request for the appointment of a receiver or trustee of the Lessee's assets by a voluntary agreement with Lessee's creditors.

Appendix B: Airport Specific Lease Provisions

Federal, State, and Local Law

Lessee, at its own expense, shall comply with all statutes, laws, ordinances, orders, directives, regulations and requirements of the federal, State, and local governments and the rules and regulations, and directives, which may be applicable to Lessee's operation at the Airport. Lessee shall comply with all rules and regulations issued by an insurer or underwriter applicable of nuisance or violations in, upon, or connected with the Leased Premises during the term of this Lease and for the prevention of fires.

Appendix C: Lease Provisions Required by CBJ 53.20

Terms and Conditions of Leases required by CBJ 53.20.190

As required by CBJ 53.20.190, the following terms and conditions govern all Leases and are incorporated into this Lease unless modified by resolution of the assembly for this specific Lease. Modifications of the provisions of this appendix applicable to this specific Lease, if any, must specifically modify such provisions and be supported by the relevant resolution to be effective.

Lease Utilization

The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the Lease, and in conformity with the provisions of the city and borough code, and applicable state and federal laws and regulations. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.

Subleasing

The Lessee may sub-lease lands or part thereof Leased to him hereunder; provided, that the proposed sublessee first applies to City for a permit therefor; and further provided, that the improvements on the Leased Premises are the substantial reason for the sub-lease. Leases not having improvements thereon shall not be sublet. Sub-leases shall be in writing and be subject to the terms and conditions of the original Lease; all terms, conditions, and covenants of the underlying Lease which may be made to apply to the sub-lease are hereby incorporated into the sub-lease.

Assignments

Any lessee may assign Leased to him; provided, that the proposed assignment shall be first approved by City. The assignee shall be subject to all of the provisions of the Lease. All terms, conditions, and covenants of the underlying Lease which may be made applicable to the assignment are hereby incorporated into the assignment.

Cancellation and Forfeiture

- A) The Lease, if in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by the Lessee and City.
- B) City may cancel the Lease if it is used for any unlawful purpose
- C) If the Lessee shall default in the performance or observation of any of the Lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or any of the provisions of this code, and should the default continue for thirty calendar days after service of written notice by the city and borough without remedy by the Lessee of the conditions warranting default, the city and borough may subject the Lessee to appropriate legal action including, but not limited to, forfeiture of the Lease. No improvements may be removed by the Lessee or other person during any time the Lessee is in default.

Attachment #1

- D) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of City with the approval of the assembly constitute grounds for cancellation.

Compliance with Regulations and Code

The Lessee shall comply with all regulations, rules, and code of the city and borough of Juneau, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the Leased Premises.

Inspection

The Lessee shall allow an authorized representative of the city and borough to enter the Leased Premises for inspection at any reasonable time.

Appendix D: Standard Provisions

Unsafe Use

The Lessee shall not do anything in or upon Leased Premises, not bring or keep anything therein, which will unreasonably increase or tend to risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.

in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM-116, Transport Airplane Directorate, FAA; or the European Aviation Safety Agency (EASA); or Saab AB, Saab Aeronautics' EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(m) Related Information

Refer to Mandatory Continuing Airworthiness Information (MCAI) European Aviation Safety Agency Airworthiness Directive 2014-0255, dated November 25, 2014, for related information. This MCAI may be found in the AD docket on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2015-7524.

(n) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless this AD specifies otherwise.

(3) The following service information was approved for IBR on July 20, 2016.

(i) Saab Service Bulletin 2000-38-011, dated October 22, 2014.

(ii) Reserved.

(4) The following service information was approved for IBR on September 9, 2014 (79 FR 45337, August 5, 2014).

(i) Saab Service Bulletin 2000-38-010, dated July 12, 2013.

(ii) Saab Service Newsletter SN 2000-1304, Revision 01, dated September 10, 2013, including Attachment 1 Engineering Statement to Operator 2000PBS034334, Issue A, dated September 9, 2013.

(5) For service information identified in this AD, contact Saab AB, Saab Aeronautics, SE-581 88, Linköping, Sweden; telephone +46 13 18 5591; fax +46 13 18 4874; email saab340techsupport@saabgroup.com; Internet <http://www.saabgroup.com>.

(6) You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425-227-1221.

(7) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: <http://www.archives.gov/federal-register/cfr/ibr-locations.html>.

Issued in Renton, Washington, on May 31, 2016.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2016-13740 Filed 6-14-16; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Chapter I

[Docket No. FAA 2014-0463]

Policy on the Non-Aeronautical Use of Airport Hangars

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

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."

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,¹ 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-

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

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 www.faa.gov/airport-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:

- 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);
- 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
- 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, 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. 2016-14133 Filed 6-14-16; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 660, 801, and 809

[Docket No. FDA-2013-N-0125]

RIN 0910-AG74

Use of Symbols in Labeling

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA or the Agency) is issuing this final rule revising its medical device and certain biological product labeling regulations to explicitly allow for the optional inclusion of graphical representations of information, or symbols, in labeling (including labels) without adjacent explanatory text (referred to in this document as “stand-alone symbols”) if certain requirements are met. The final rule also specifies that the use of symbols, accompanied by adjacent explanatory text continues to be permitted. FDA is also revising its prescription device labeling regulations to allow the use of the symbol statement “Rx only” or “~~R~~ only” in the labeling for prescription devices.

DATES: This rule is effective September 13, 2016.

FOR FURTHER INFORMATION CONTACT: *For information concerning the final rule as it relates to devices regulated by the Center for Devices and Radiological Health (CDRH):* Antoinette (Tosia) Hazlett, Center for Devices and Radiological Health, Food and Drug Administration, Bldg. 66, Rm. 5424, 10903 New Hampshire Ave., Silver Spring, MD 20993-0002, 301-796-6119, email: Tosia.Hazlett@fda.hhs.gov.

For information concerning the final rule as it relates to devices regulated by the Center for Biologics Evaluation and Research: Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993-0002, 240-402-7911.

SUPPLEMENTARY INFORMATION:

Executive Summary

Purpose of the Regulatory Action

The final rule explicitly permits the use of symbols in medical device labeling without adjacent explanatory text if certain requirements are met. The medical device industry has requested the ability to use stand-alone symbols on domestic device labeling, consistent with their current use on devices manufactured for European and other foreign markets. The final rule seeks to harmonize the U.S. device labeling requirements for symbols with international regulatory requirements, such as the Medical Device Directive 93/42/EEC of the European Union (EU) (the European Medical Device Directive) and global adoption of International Electrotechnical Commission (IEC) standard IEC 60417 and International Organization for Standardization (ISO) standard ISO 7000-DB that govern the use of device symbols in numerous foreign markets.

Summary of the Major Provisions of the Regulatory Action in Question

FDA has generally interpreted existing regulations not to allow the use of symbols in medical device labeling, except with adjacent English-language explanatory text and/or on in vitro diagnostic (IVD) devices intended for professional use. Under the final rule, symbols established in a standard developed by a standards development organization (SDO) may be used in medical device labeling without adjacent explanatory text as long as: (1) The standard is recognized by FDA under its authority under section 514(c) of the Federal Food, Drug, and Cosmetic Act (FD&C Act) (21 U.S.C. 360d(c)) and the symbol is used according to the specifications for use of the symbol set

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

[Question] 1. Why are hangars limited to certain kinds of use?

FAA Response. 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, relevant 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).

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

FAA Response. To ensure 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;
- minimize the length of time to provide hangar space for those on a "waiting list"; and require non-aviation users pay a fair market rental for the use of the hangar and if needed, the hangar is returned to aviation use, under circumstances where temporary non-aeronautical use of a vacant hangar is permitted.

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

FAA Response. 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.

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

FAA Response. The FAA received a number of questions from airport sponsors and airport tenants about the possible uses of hangars and 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.

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

FAA Response. 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. The

policy does not apply to property designated for non-aeronautical use on an approved Airport Layout Plan or otherwise approved for non-aeronautical use by the FAA.

Question 8. What aeronautical uses of a hangar are permissible?

FAA Response.

- Storage of active aircraft.
- Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft.
- Construction of amateur-built or kit-built aircraft provided that activities are conducted safely;
- Storage of 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.
- Storage of 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; V' Storage of non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar (for example, televisions, furniture).
- A vehicle parked at the hangar while the aircraft usually stored in that hangar is flying, subject to local airport rules and regulations.

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

FAA Response.

- Use as a residence.
- Operation of a non-aeronautical business, e.g., limo service, car and motorcycle storage, storage of inventory, non-aeronautical business office.
- Activities which impede the movement of the aircraft in and out of the hangar or other aeronautical contents of the hangar.
- Activities which 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.
- Fuel, and other dangerous and Hazmat materials.
- Storage of inventory or equipment supporting a municipal agency function unrelated to the aeronautical use.

Question 12. What discretion does the policy allow the airport sponsor?

FAA Response. The policy:

- Preserves the airport sponsor's discretion to manage or address issues, including:
 - o (1) adopting rules covering the different uses of hangars;
 - o (2) mitigating related safety concerns (e.g., emergency access, fire codes, insurance, and the impact of vehicular traffic);

- o (3) airport planning;
 - o (4) preserving airport efficiency; and
 - o (5) 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.
- 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.

Question 14. Is it possible that some aspects of aircraft construction may not be permissible in all hangars?

FAA Response. Some hangars may not be 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.

Question 15. Does the policy apply to privately constructed hangars on federally obligated airports?

FAA Response. 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.

Question 17. How does the use of a hangar affect the rent charged?

FAA Response. 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.

Question 18. If there is no unsatisfied aviation demand for hangars, can they be leased to generate revenue from non-aeronautical uses?

FAA Response. 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.

Attachment #3

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

JNU Tie Down Agreement

Authorized Use of Tie Down

The Tie Down may be used for the storage or parking of the Authorized Aircraft, as long as the Authorized Aircraft remains airworthy, or is made airworthy in a timely manner, as determined by the Airport Manager. One vehicle may be parked in the Tie Down while the Authorized Aircraft is in use, and/or may be parked temporarily (no more than 72 hours), when such aircraft is at the Tie Down, unless otherwise authorized in writing by the Airport Manager.

Vehicle parking shall not impede adjacent taxiway or encroach on any other tie down areas. The Permittee shall also not allow any activity on or about the Tie Down that is a fire hazard, a nuisance or a violation of law, rule or regulation. Except for minor repairs and maintenance, no aircraft servicing or repair may be conducted in the Tie Down area. Any other use(s) of the Tie Down is strictly prohibited. Permittee shall provide evidence that the Authorized Aircraft is airworthy, and/or is in the timely process of being made airworthy, if and when requested by the Airport Manager or designee.

Termination

This Agreement may be terminated any time by written agreement of the parties or at any time by Permittee upon 30 days written notice sent by certified mail. The CBJ may terminate this Agreement for any of the following reasons:

- A. Non-compliance with any provision of this Agreement.
- B. False information or representation made in tie down agreement or in ownership of aircraft.
- C. Non-payment of tie down fees when due.
- D. Non-use of assigned tie down for aircraft for 90 days (except by written permission of Airport management, which shall be granted only for good cause).
- E. Unauthorized assignment or subleasing of tie down space.
- F. Non-compliance with CBJ 5.05.100 Rules of Conduct; CBJ 5.10 et seq. Airport Operations or CBJ 05.20.010 Obligation of Tenants, including disregard or non-compliance with an Airport warning or order to comply with one or more of said provisions.
- G. Failure to comply with any Airport, TSA or FAA security requirement or directive.
- H. Airport construction or improvements on space(s) or other modifications pursuant to Airport Master Plan and/or Airport Layout Plan.
- I. Failure to provide evidence that the aircraft is airworthy, or that the Permittee is in the timely process of making it airworthy, when requested by the Airport Manager or designee.

Unless terminated under G. above, which termination may be made effective immediately, termination shall be effective 30 days after receipt of written notice sent by certified mail to the other party's address in this Agreement, as updated from time to time. Permittee shall peaceably vacate, and remove all aircraft and personal property from the Tie Down area on or before the effective date of termination. Any property of any kind remaining after the effective date of termination may be removed and stored by the CBJ at the expense of the Permittee. Property will not be released until all past due fees for storage and rents are paid, including interest assessed by the CBJ Treasury. Disposition of impounded aircraft will be disposed of pursuant to CBJ 05.05.080.

Title 5 Juneau International Airport

Conduct of Business or Commercial Activity (05.05.100 (k))

No Person shall engage in a business or commercial activity of any nature whatsoever on the airport except with the approval of the airport manager, under such terms and conditions as may be prescribed.

Parking of Aircraft (05.10.020 (a))

No person shall park aircraft in any area on the airport other than that prescribed by the airport manager or the airport manager's authorized representative. Neither the airport manager nor an employee or officer of the City and Borough shall have authority to make the airport or the City and Borough responsible for the care or protection of any aircraft parked on the airport.

Disabled Aircraft (05.10.020 (b))

All disabled aircraft and parts thereof on the airport shall be either promptly repaired or removed from the airport by the owners unless required or directed to delay such action pending an investigation of an accident. Disabled aircraft occupying parking or storage space shall be subject to such reasonable fees as may be prescribed by the airport manager.

Abandoned or Non-Airworthy Aircraft (05.10.020 (c))

Non-airworthy aircraft shall be repaired to an airworthy condition. The airport manager may require non-airworthy aircraft be removed from airport property if it is determined that the non-airworthy aircraft occupies airport areas necessary for operational aircraft or if the non-airworthy aircraft constitutes a nuisance. Aircraft may be considered abandoned if it remains non-airworthy for more than 12 months. Abandoned aircraft, disabled aircraft, and aircraft constituting a nuisance may be impounded in accordance with section 08.08.050.

Storage (05.10.040 (c))

- (1) No person shall store or stock material or equipment on the airport in such manner as to constitute a fire hazard.
- (2) No person shall keep or store any inflammable liquids, gases, oils, signal flares, or other similar material in the hangars or in any building on the airport; provided, that such materials may be kept in an aircraft in the proper receptacles installed in the aircraft for such purpose, or in the rooms or areas specifically approved for such storage by the airport manager, or in standard industry approved safety cans; in any event such storage shall be in compliance with applicable City and Borough fire codes and standards.
- (3) Operators of hangars shall provide suitable metal receptacles with self-closing covers for the storage of waste, rags, and other rubbish. All used waste, rags, or other rubbish shall be removed by the operators daily.

Classes of Land Use or Privilege. (05.20.020 (g))

Land uses and privileges are divided into three classes:

- (1) "Aeronautical" such as tie-down, aircraft maintenance, aircraft painting, aircraft washing, aircraft hangaring, passenger terminal, aircraft rental, air taxi service, air charter service,

landing and takeoff, and generally any use or privilege which is necessary for the normal operation of aircraft which utilize the airport.

- (2) "Nonaeronautical" such as automobile parking, restaurant, rental car agency, cocktail lounge, gift shop, barber shop, hair dresser salon, cafe, skytel, hotel-motel, newsstand, airline catering, and generally any business or service not included in "aeronautical function" which is located and operated for the convenience of the air-transient public and employees necessary to the maintenance and operation of the airport.
- (3) "Utility" such as roads, power, communications, water, sewer, drainage, recreation, and other purposes.

Leases for Aeronautical Functions. (05.20.020 (h))

The grant of leases or privileges to conduct or engage in any activity which is an "aeronautical function" will be extended on a "first come - first served" basis, subject to a requirement that the proposed use meets the development needs of the airport and the community, and is consistent with the approved airport master plan and the airport layout plan according to criteria established by the airport board by regulation.

Leases for Nonaeronautical Uses. (05.20.020 (i))

Exclusive franchise or grant may be extended for the right to conduct or engage in nonaeronautical services, and awards will be made only after public auction or by some other appropriate method of determining who will provide the best service for the public and for the airport.

Multiple Use. (05.20.020 (j))

A lease or permit may be issued for a business which qualifies in two or more classes of use.