I Want To... Manage My Airport's Hangars



Aviation Division

Overview

Most airports in the Texas airport system have at least one aircraft hangar on property. The purpose of this document is not intended to discuss how to go about getting new or upgraded hangars, but rather to address what the primary purpose of a hangar is and how to make sure they are being properly used in a manner that will not jeopardize any obligations and/or funding for the airport. Additionally, this document will help to identify what type of hangars are on your airport's property, and whether your airport is subject to federal guidelines.

The Basic FAQ's Answered

What is the FAA's Policy on Hangar Use? Airport sponsors that have accepted FAA grants or deeds of federal surplus property are obligated to use dedicated aviation facilities for aeronautical use. For state airports in the Texas system, this federal policy does not apply; however, TxDOT Aviation mirrors the FAA's policy. Therefore, while state airports technically do not fall under FAA purview, TxDOT Aviation uses their rules and regulations to properly monitor hangar use as well as to determine funding. Keep in mind though that state airports may still be bound by exclusive rights or civil rights.

Are You Federally Obligated? This should be easy to determine for your airport: if you are receiving federal funds in the form of AIP grants or federal surplus or non-surplus property conveyance, you are federally obligated.

What is the Primary Purpose of a Hangar? In simplest terms, the primary purpose of an aircraft hangar is aircraft storage. If a hangar is serving its primary purpose, then storage of non-aeronautical items in the hangar does not violate federal obligations (some exclusions do apply).

What Airport Facilities Do the Policies Apply To? The policies apply to all aircraft storage areas or facilities at a federally obligated airport that are designed for aeronautical use on an FAA-approved Airport Layout Plan (ALP). Private hangars constructed on the land of federally obligated airports also fall under the policies – since these are constructed on ground leased through the airport, the sponsor is still obligated to the FAA. The policies do not apply to property designated for non-aeronautical use on an approved ALP or otherwise approved for non-aeronautical use by the FAA. Finally, the policies are not applicable to privately owned facilities located off airport property.



Contacts Your Designated TxDOT Aviation Planner

TxDOT Aviation: 512-416-4500

FSDO: There are four offices in Texas serving different areas of the state

- Houston
- North Texas
- Lubbock
- San Antonio

Contact information for each office can be found at <u>https://www.faa.gov/about/office</u> _org/field_offices/fsdo/?state=TX

FAA Airports Division and District Office (ADO), Southwest Region: https://www.faa.gov/airports/sou thwest

More detailed FAQs are available from the FAA's website (see "Helpful Links").



Let's Talk Rental Fees

Hangar rental fees are determined by the type of activity that the hangar is being used for. Below are two common scenarios affecting rental rates:

- (1) If a hangar is being used for an aeronautical purpose, 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
- (2) If a hangar is used for an interim non-aeronautical purpose, the sponsor MUST charge a fair market rent for the hangar. Such agreements should also include a 30day out clause if an aeronautical use is identified.

More detailed information can be found in the Airport Compliance Manual.



Permissible and Non-Permissible Uses of Hangars

First and foremost, let's talk about WHY hangars are limited to certain types of uses. Per FAA policy, airports that have accepted FAA grants or deeds of federal surplus property are obligated to use dedicated aviation facilities for aeronautical uses only. If hangars are not reserved for aeronautical use, federal airport grant funds may be inadvertently subsidizing non-aeronautical users, and aeronautical users could be denied access to needed airport facilities. Grant assurances specifically related to hangar use include:

- Grant Assurance 5: Preserving rights and powers
- Grant Assurance 19: Ensuring safe operations
- Grant Assurance 22: Making the airport available for aviation use on certain terms
- Grant Assurance 23: Not granting exclusive rights
- Grant Assurance 29: Complying with the ALP process and requirements

Permissible Aeronautical Uses

- ✓ Storage of active aircraft
- ✓ Shelter for maintenance, repair, or refurbishment of aircraft
- ✓ Construction of amateur- or kit-built aircraft, provided they are conducted safely
- ✓ Storage of aircraft handling equipment used to service, maintain, repair or outfit aircraft
- ✓ Storage of materials related to an aeronautical activity and storage of nonaeronautical items that do not interfere with the primary purpose
- ✓ Vehicles parked in the hangar while that aircraft is flying (subject to local airport rules and regulations)

Non-Permissible Uses

- Use as a residence
- * Operation of non-aeronautical businesses
- * Activities that impede the movement or aircraft in and out of hangar
- * Storage of household items that could be stored elsewhere
- * Long-term storage of derelict aircraft and parts
- * Storage of items and/or activities prohibited by local or state law
- * Fuel and other dangerous and Hazmat materials
- Storage of inventory or equipment supporting a municipal function unrelated to the aeronautical use



Helpful Links

TxDOT Aviation Division: https://www.txdot.gov/business/aviation.html

FAA Order 5190.6B, Airport Compliance Manual: <u>https://www.faa.gov/airports/resources/publications/orders/compliance_5190_6</u>

FAA Grant Assurances (Obligations): https://www.faa.gov/airports/aip/grant_assurances

FAA Hangar FAQs: https://www.faa.gov/airports/airport_compliance/hangar_use#q3

Airport Sponsors

Responsibilities for Hangar Use

To ensure proper use of hangars, an airport sponsor should manage the use of hangars through an airport leasing program that requires a written lease agreement. Sponsors should monitor the use of hangars and take steps to prevent unapproved nonaeronautical use. Finally, sponsors should require nonaviation users to pay fair market value for the use of a hangar and if needed, return the hangar to aviation use under circumstances where temporary non-aeronautical use of a vacant hangar is permitted.

Sponsor Discretion

Airport sponsors are allowed some discretion regarding hangar space. Specifically, the FAA policy:

- Preserves the airport sponsor's discretion to manage issues

- Provides protection against claims of discrimination by imposing inconsistent rules for incidental storage

- Provides airport sponsors with the ability to permit certain nonaeronautical items to be stored in hangars, provided the items do not interfere with the hangar's aeronautical use

- Allows an airport sponsor to request FAA approval of an interim use of a hangar for nonaeronautical purposes for a period of 3-5 years

- Allows an airport sponsor to request FAA approval of a leasing plan for the lease of vacant hangars for nonaeronautical use on a month-tomonth basis.