

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:
 - (1) adopting rules covering the different uses of hangars;
 - (2) mitigating related safety concerns (e.g., emergency access, fire codes, insurance, and the impact of vehicular traffic);

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