



Airport Policy

Non-Aeronautical Storage in County T-Hangars

This Airport Policy is intended to allow the short-term rental of vacant aircraft storage T-hangars. 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 [notice of final policy about the storage of non-aeronautical items in airport facilities designated for aeronautical](#) (PDF). In conjunction with that notice of policy, FAA posted a 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 [FAA Order 5190.6, Airport Compliance Handbook](#).

Frequently Asked Questions

Paraphrased below, for full list of FAQ, click the link above.

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).

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.

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.

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.

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.

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

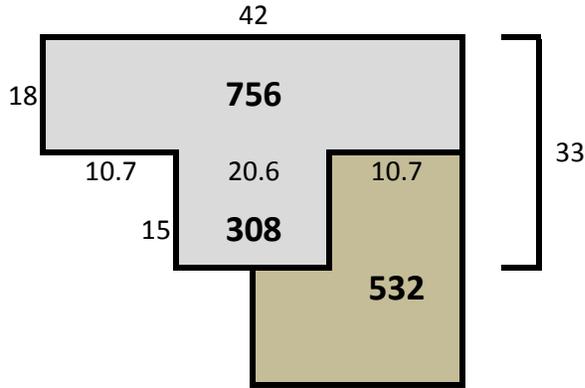
If a sponsor has empty aeronautical use hangars for which it has no current aeronautical demand, it may seek FAA approval to lease those hangars to non-aeronautical tenants in one of two ways.

- **Option 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.

Airport T-Hangar Dimensions

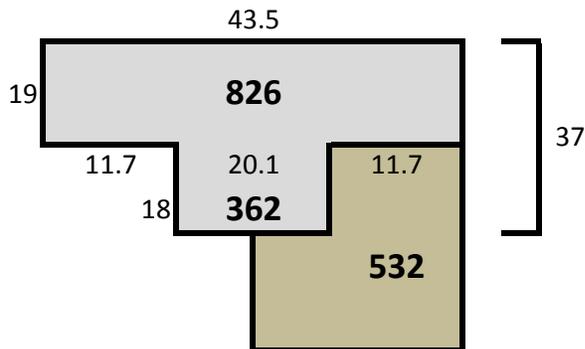
South T-Hangars #4804 - 4824 **1188 sf**
 South Storage Hangars S1 & S2 **594 sf**



North T-Hangars #1-10 **1064 sf**
 North Storage Hangars S5 & S6 **532 sf**

South T-Hangars #4852-4888 **1064 sf**
 South Storage Hangars S3 & S4 **532 sf**

South T-Hangars #4900-4952 **1064 sf**
 South Storage Hangars S7 & S8 **532 sf**



Muskegon County Airport Non-Aeronautical Rent Calculations

Off-Airport Storage Rates Comparison

	Monthly Cost	Dimension	Size	Cost per SF
Turrell Storage 1186 E. Ellis Road, Norton Shores	\$ 89.00	10 x 30	300 sf	\$ 0.30
U-Store & Lock 7425 Old Grand Haven Road, Muskegon	\$ 89.00	10 x 30	300 sf	\$ 0.30
Safeguard Storage 1926 Independence Drive, Muskegon	\$ 150.00	10 x 30	300 sf	\$ 0.50
A Plus Storage 1725 W. Sherman Blvd, Muskegon	\$ 120.00	10 x 30	300 sf	\$ 0.40
The Storage Group - Muskegon 4863 Airline Road, Muskegon	\$ 85.00	10 x 15	150 sf	\$ 0.57
	\$ 106.60			\$ 0.41

County Operated T-Hangars & End Storage Units

			Aeronautical Storage Rate	Fair Market Value (FMV)	Proposed Rates
South T-Hangars #4804-4840 (10 units) Storage S1 & S2	\$ 210.00	1188 sf	\$ 0.18	\$ 0.41	\$ 500.00
	\$ -	594 sf	-	\$ 0.41	\$ 250.00
South T-Hangars #4582-4888 (10 units) Storage S3 & S4	\$ 180.00	1064 sf	\$ 0.17	\$ 0.41	\$ 450.00
	\$ -	532 sf	-	\$ 0.41	\$ 225.00
South T-Hangars #4900-4952 (14 units) Storage S7 & S8	\$ 200.00	1064 sf	\$ 0.19	\$ 0.41	\$ 450.00
	\$ -	532 sf	-	\$ 0.41	\$ 225.00
North T-Hangars #1-10 (10 Units) Storage S5 & S6	\$ 190.00	1064 sf	\$ 0.18	\$ 0.41	\$ 450.00
	\$ -	532 sf	-	\$ 0.41	\$ 225.00

NON-AERONAUTICAL STORAGE AGREEMENT For COUNTY OPERATED T-HANGARS

1. GENERAL INFORMATION FOR AGREEMENT.

Dated: _____ **T-Hangar/Storage Hangar No.:** _____

LESSOR: County of Muskegon, Michigan

LESSEE: _____

Mailing Address: _____

Phone: _____ **Email:** _____

Monthly Rental: _____ payable, in advance, on the first day of each month. **Lease Term Begins:** _____

- 2. AGREEMENT.** The LESSOR leases to LESSEE a County-owned aircraft storage T-hangar (the “Hangar”) subject to the terms and conditions of this Agreement. The Hangar shall be used solely for the non-commercial storage of non-aeronautical property consistent with the *Airport’s Policy on Non-Aeronautical Storage in County T-Hangars* and *FAA Policy on Use of Hangars at Obligated Airports*. All rights of ingress, egress, and taxiways are used in common with others.
- 3. TERM.** The term of this Agreement (the “Lease Term”) shall be on a **month-to-month** basis. This Agreement shall automatically renew without action by either party, unless terminated pursuant to Paragraph 20 below.
- 4. RENT, FEES.** Airport rates, fees & charges are established by the LESSOR and are subject to change. LESSEE shall pay rent, in advance, on or before the first day of each month to the County. The initial monthly amount due is \$_____ per month. In the event LESSEE fails to pay rent on or before the first day of each month, LESSEE covenants and agrees all sums to be paid under this Agreement, if not paid when due, shall be assessed a late fee in accordance with the Schedule of Fees and Charges for the Airport. Failure on LESSEE’S part to pay rent which is thirty (30) days past due shall constitute a breach of this Agreement and may result in termination of the Agreement in accordance with the statutes of the State of Michigan. Rent will be pro-rated upon initiation of this Agreement.
- 5. ELECTRICAL UTILITY, ELECTRICAL WORK.** Each T-hangar is individually-metered for electrical power. LESSEE is solely responsible for establishment of an electrical utility account and for payment of said account. Any electric wiring installed in the hangar by the LESSEE must first be approved by the Airport Manager and shall be done according to the State Electrical Code by a licensed contractor under the proper permit(s) from the City of Norton Shores.
- 6. NON-LIABILITY OF LESSOR.** To the fullest extent possible, LESSEE agrees that he/she will not hold the LESSOR or any of its agents or employees responsible for any loss occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect or merely a contributing factor in producing the loss to any personal property that may be located or stored in the T-hangar; and LESSEE agrees that all personal property stored at the Airport shall be stored at the LESSEE’s sole risk. LESSEE shall be responsible for all damages to property caused by LESSEE’S or GUEST’S carelessness, negligence or neglect. LESSEE shall park his/her automobile or guest’s automobile in the hangar so as to not cause interference with taxiing of other aircraft or general Airport maintenance.

- 7. INDEMNIFICATION.** To the fullest extent permitted by law, LESSEE agrees to indemnify, defend and save County, its agents, officers, representatives and employees harmless from and against any and all liability or loss resulting from claims or court action arising directly or indirectly out of the acts of LESSEE, its agents, guests, or visitors under this Agreement or by reason of any act or omission of such person. LESSOR assumes no liability for loss or injury to persons or property while LESSEE is using the Airport facilities.
- 8. ACCEPTANCE OF HANGAR; REPAIR AND MAINTENANCE; DAMAGES.** LESSEE accepts the Hangar "AS IS". LESSEE shall immediately inform the Airport of any and all repairs to the Hangar LESSEE believes necessary. LESSOR shall maintain the Hangar, including hangar doors, door rollers and guides. LESSEE shall maintain the Hangar in neat appearance and in a safe condition at all times. LESSEE shall be liable, at its sole cost and expense, for repair of any and all damage to the Hangar caused by LESSEE, and/or LESSEE'S guests, and/or invitees, ordinary wear and tear excepted. Upon termination of this Agreement, LESSEE shall return the Hangar to the LESSOR in substantially the same condition as it existed at the commencement of this Agreement, ordinary wear and tear excepted.
- 9. COMPLIANCE WITH REGULATORY REQUIREMENTS.** LESSEE shall comply with all Federal, State, Local, and Airport rules, regulations, and policies as may be adopted or amended. In addition, LESSEE shall not use the Hangar in a manner that constitutes a violation of applicable Federal, State, or Local requirements. LESSEE shall comply with all present and future laws, ordinances, requirements, rules, and regulations of all governmental authorities having jurisdiction over the Hangar or any part thereof. Without limiting the generality of the foregoing, LESSEE shall comply with all applicable provisions of the City of Norton Shores Fire and Building Codes, federal and state grant programs, federal, state, and local environmental regulations, FAA policies, rules, and regulations, and Transportation Security Administration (TSA) policies, rules, and regulations.
- 10. RIGHT TO INSPECT, HANGAR LOCK.** The LESSOR shall have the right to inspect the Hangar at reasonable times and may enter the hangar without notice for the purpose of inspection, maintenance, or responding to an emergency involving the Hangar. The LESSOR will be provided one (1) key for the hangar lock which shall be returned to the LESSOR at the termination of the Agreement. The LESSOR lock may not be changed, nor additional locks added, by LESSEE. Requests to change the lock by LESSEE must be made to the LESSOR.
- 11. INCONSISTENT USES.** LESSEE shall use the hangar solely for the non-commercial storage of non-aeronautical property consistent with the *Airport's Policy on Non-Aeronautical Storage in County T-Hangars* and *FAA Policy on Use of Hangars at Obligated Airports*. LESSEE shall not use the Hangar for any type of aeronautical or non-aeronautical "business or commercial activity". LESSEE shall not use the Hangar for residential purposes.
- 12. MAINTENANCE ACTIVITIES.** LESSEE may not perform maintenance activities, of any kind, on any type of vehicle (car, truck, boat, ATV, etc.) or other personal property in or about the Hangar.
- 13. QUIET ENJOYMENT, SAFETY.** LESSEE agrees to conduct, and to cause guests and/or invitees to conduct, all activities on the Hangar in a manner that will not interfere with the safety and quiet enjoyment of the Airport by other LESSEEs and members of the public.
- 14. ALTERATIONS TO HANGAR.** LESSEE shall not make or cause to be made any alterations or improvements to the Hangar without the prior written consent of the LESSOR. Subject to the Airport rules, regulations and policies, and all applicable codes, LESSEE may install storage shelves or other structures on the Hangar that (i) do not interfere with the principal purpose of this Agreement as set forth in Section 2 above (ii) are not attached to the hangar structure and (iii) do not harm, or require modification to, the hangar structure. Upon the termination of this Agreement, at the sole option of the LESSOR: (1) The alterations or improvements shall become the property of the LESSOR and shall remain on the Hangar; or (2) LESSEE shall remove all alterations or improvements and return the Hangar to the LESSOR in the same condition as the Hangar existed at the commencement of this Agreement, ordinary wear and tear excepted.

- 15. SPECIAL EVENTS:** LESSEE agrees that LESSOR expressly reserves the right to impose reasonable limitations on LESSEE's use of Hangar and to restrict access to public areas during reasonable periods prior to, during, and after special events which may occur at the airport.
- 16. SNOW REMOVAL:** The LESSOR agrees to provide snow removal on the public aircraft areas in accordance with priorities included in the approved Airport Snow Removal Program. LESSEE shall be responsible for snow removal within three feet of building.
- 17. NOTICES.** LESSEE is solely responsible for keeping his/her mailing address, telephone number, and email address on file with the Airport current and shall notify the Airport in writing within thirty (30) days of any change. The LESSOR is not responsible for any issues arising from the LESSEE's failure to maintain current contact information.
- 18. ASSIGNMENT, SUBLEASE OR TRANSFER.** Except as provided herein, this Agreement is exclusive to the LESSEE and shall not be assigned, sublet or otherwise transferred in whole or in part to any other person or entity, without the express written consent of the Airport Manager.
- 19. SUCCESSORS IN INTEREST.** Subject to the restrictions upon assignment, sublease or transfer as set forth in Section 19 herein, this Agreement shall be in favor of and bind the heirs, executors, administrators, successors and assigns of the parties hereto.
- 20. TERMINATION, BREACH, OR DEFAULT.** LESSEE may cancel this Agreement with thirty (30) days prior WRITTEN notice to the Airport. Failure to provide written notice to the Airport will result in the LESSEE being charged the next month's rent. The LESSOR may cancel this Agreement by giving the LESSEE thirty (30) days prior written notice to the LESSEE. Notwithstanding the foregoing, the LESSOR may terminate this Agreement immediately if LESSEE conducts any criminal activity or violation of any laws, codes, rules, regulations, and/or policies, of any governmental authority having jurisdiction over the Hangar or any part thereof which violation constitutes a danger or hazard to persons or property, as determined at the sole discretion of the LESSOR.
- 21. ATTORNEY'S FEES; COSTS.** In any dispute between the LESSOR and LESSEE, the prevailing party shall be entitled to recover from the other party all reasonable costs, including without limitation, reasonable attorney's fees. "Prevailing party" shall include without limitation, a party who dismisses an action for specific performance or for damages in exchange for sums due, performance of covenants breached or consideration substantially equal to the relief sought in the action.
- 22. NOTICE OF LIEN.** The LESSEE hereby gives and grants to the LESSOR a lien upon all fixtures, chattels and personal property of every kind and description now or hereafter to be placed, installed or stored by LESSEE, at the Airport; and agrees that in the event of any failure on the part of the LESSEE to comply with each and every one of the covenants and obligations hereof, or in the event of any default continuing for sixty (60) days of any specified rent, Airport may take possession of and sell the same in any manner provided by law and may credit the net proceeds upon any indebtedness due or damage sustained by Airport, without prejudice to further claims thereafter to arise under the terms hereof. Furthermore, the LESSOR shall have the right to pursue any action permitted under the law resulting from the filing of a lien against LESSEE's property at the airport for any of the above described events.
- 23. NO WAIVER.** No waiver by a party of any provision of this Agreement or of the regulations governing the use of the Hangar shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement shall not prevent the exercise by that party of any other remedy provided in this Agreement.
- 24. ENTIRE AGREEMENT.** This Agreement contains all the representations and the entire understanding and agreement between the parties pertaining to the use of the Hangar or any other matters connected therewith. All

correspondence, memoranda, oral or written agreements pertaining to the Hangar or the parties hereto, which originated before the date of this Agreement are null, void and are replaced in total with this Agreement. This Agreement shall not be altered, amended, or modified except in writing signed by the LESSOR and LESSEE.

- 25. **LAWS/FORUM.** This Agreement shall be governed by and interpreted according to the laws of the State of Michigan. No action shall be brought by any party hereto except in a court having jurisdiction in the State of Michigan and a venue in Muskegon County, Michigan.
- 26. **SUBORDINATION.** This Lease shall be subordinate to the provisions of any existing or future agreement between the County and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.
- 27. **LESSEE ACKNOWLEDGEMENT.** **By my signature, I declare that I have read each provision of this Agreement and that all the information provided by me pursuant hereto and any attached documentation is true and correct. Further, I declare that I own or have the interest in all property represented by such information and documentation.**

LESSOR: COUNTY OF MUSKEGON

Jeffrey S. Tripp
Airport Manager

LESSEE:
