HANGAR USE AND INSPECTION POLICY

Purpose:

To ensure that all hanger facilities are being used for aeronautical purposes or aviation related purposes as defined by the City of Coalinga and the Federal Aviation Administration (FAA); to ensure that all hangar storage facilities are functionally safe and in accordance with applicable fire codes; and to remain in compliance with FAA grant assurances that require hangar facilities to be used for aeronautical or aviation-related purposes.

General: The following provisions are adopted to implement the FAA'S "Policy on the Non-Aeronautical Lessee of Airport Hangars" published in the Federal Register/ Vol. 81, No. 115/ Wednesday, June 15, 2016/ Pages 38906-38911 (Exhibit A), which took effect July 1, 2017, and any subsequent amendments, along with all laws, ordinances, rules, regulations, requirements and orders of national, state, county, or city government:

- 1. Aircraft storage hangars at the New Coalinga Municipal Airport are to be used and occupied for an aeronautical use.
- 2. 2- As provided for in the FAA Policy, non-aeronautical items are also permitted in a hangar so long as they do not interfere with the aeronautical use of the hangar

Aeronautical Use: The leased premises shall only be used by the LESSET for aeronautical purposes permitted by the Federal Aviation Administration's (FAA) Hangar Lessee Policy, which may be updated from time to time- These uses include:

- Storing active aircraft; .
- Maintenance, repair, or refurbishment of aircraft, but not indefinite storing of non-operation aircraft:.
- Constructing amateur-built or kit built aircraft provided that activities are conducted safely; .
- Storing aircraft handling equipment, 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;
- Storing materials related to an aeronautical activity, balloon and skydiving equipment, office equipment, teaching tools, and materials related to, ancillary, or incidental uses that do not affect the hangars 'primary use.
- Storing non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar/ televisions and furniture; or .
- Parking a vehicle at the hangar while the aircraft usually stored in that hangar is flying subject to local airport rules and regulations,

The hangar must be properly insured as outlined in the LESSEE'S agreement.

If the hanger or any part thereof is subleased, proper documentation and approval, including insurance documentation, of such sublease must be on file with the City as outlined in the LESSEE'S agreement.

LESSEE shall comply with all applicable Fire and Safety Codes as well as City of Coalinga Building Codes. Unpermitted alterations subject to the Building Codes are prohibited and must be removed or inspected by a City of Coalinga Building Inspector, and a permit issued, stipulating that all building alterations meet the current standard.

LESSEE shall not construct any improvements or make alterations of any kind (whether permanent or otherwise) on the leased premises without prior written consent of the Airport Manager or designated representative. Additionally, all federal, state, and local building regulations must be complied with for any improvement or alteration to buildings or structures on the premises.

LESSEE shall provide maintenance, repair and upkeep on any structures situated on the leased premises and maintain grounds around the structures in a good, clean, sanitary and safe condition. More specifically, the lessee shall not store items outside of the hangar. The leased premises shall not be used for residential purposes.

LESSEE allow the leased premises or any structure or hangar thereon to be used for living or residential purposes. The determination of whether someone is living or residing on the leased premises or structure shall be made by the City at its sole and absolute discretion.

Consent to Entry

LESSEES of hangars and other facilities at the New Coalinga Municipal Airport have consented to inspections in writing, under the following language (or similar) in their lease agreements: "LESSOR (City) shall have the right to enter upon the leased premises at all reasonable times to inspect the premises and LESSEE's operations thereon."

Inspections

Hangar inspections will be conducted annually, unless there is evidence of suspected misuse, in which case an additional inspection may be required.

Notification of the inspection will be mailed to the Lessee at least thirty (30) days prior to the inspection to allow for any arrangements to be made for entry. A representative of the Lessee may be present in the event the Lessee is unavailable.

Inspectors may consist of the Airport Manager, Code Enforcement Officer, Building Inspector and Fire Department Inspector or their designated representatives.

Compliance letters will be mailed to the LESSEE within fourteen (14) days of the hangar inspection. Any areas of non-compliance shall be corrected within thirty (30) days of the date of the letter.

In the event the LESSEE shall fail, neglect, or refuse to complete the repair or maintenance work required to correct any violations of this policy within thirty (30) days after receipt of a written notice service by the City, or in the event that the LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, the City shall charge the

LESSEE the fair market value (FMV) rate for non-aeronautical use of the hangar until such repair or maintenance work is completed. The City may, at its sole discretion, perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for the Lease as a charge to the LESSEE. If such repair is determined by the LESSEE to be economically unfeasible, either party shall have the option of terminating the agreement, and at LESSEE'S cost, return the leased property to its original condition. Payment for the non-aeronautical rate for the hanger shall in no way reduce, restrict, or otherwise eliminate any federal, state, county, or city recourse to address any violation discovered

Appeal Process

Any hangar tenant may appeal a notice of violation or notice of cost recovery, subject to filing an appeal within ten days of issuance, in writing to the City Manager.