

GRAND HAVEN MEMORIAL AIRPORT

MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVITIES



OCTOBER 2021



APPROVED BY THE AIRPORT BOARD
SEPTEMBER 28, 2021

APPROVED BY CITY COUNCIL
OCTOBER 4, 2021

SUBMITTED TO MDOT AERO
OCTOBER 5, 2021

SECTION 1 – INTRODUCTION



• ➔ Section I – Introduction

I.1 Airport Overview

The Grand Haven Memorial Airport (herein referred to as “the Airport”) is licensed as a General Utility airport located in Grand Haven, MI. The City of Grand Haven is the owner, operator, and sponsor of the Airport and is responsible for its safe and efficient operation. Contact information is as follows:

▶ **Grand Haven Memorial Airport**
519 Washington Ave
Grand Haven, MI 49417
(616) 847-4888

The Airport is a federally obligated, general aviation airport. As such there are a host of applicable regulations, standards, and assurances by which the Airport and its Aeronautical service providers must abide.

The Airport is overseen by an Airport Board (herein referred to as “the Board”) and is governed by the City Council (herein referred to as “the Council”). The Board and Council are responsible for overseeing the care, management, control, operation and administration of the Airport.

• ➔ I.2 Statement of Purpose & Policy

The purpose of these Minimum Standards is to define acceptable standards for the conduct of commercial aviation and other specified activities at the Airport. This document describes the privileges and restrictions associated with different categories of activity at the Airport and sets forth mandatory Minimum Standards for operations, land area, Improvements, and/or services required and/or permitted. The overall intent of these Minimum Standards is to:

- ▶ Assist in protecting the public from unsafe, inadequate, or substandard Aeronautical products, services, and Facilities; and help avoid airport tenants and occupants from exposure to unfair competition;
- ▶ Establish minimum entry qualifications for entities seeking to engage in commercial Aeronautical Activities and/or services at the Airport, including but not limited to, the provision of Aeronautical products, services and/or Facilities to the public;
- ▶ Promote that aviation activities are conducted in a safe and equitable manner, in accordance with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time;
- ▶ Promote the development of quality capital Improvements;
- ▶ Promote the orderly and compatible development of Airport property;
- ▶ Promote the financial self-sufficiency of the Airport.

The Airport strives to maintain a full range of services and Facilities available for the public. Defined privileges will be granted to each type of Operator, with limitations where appropriate. Privileges will generally be granted according to two categories of general aviation Commercial Operators: **Full-Service Fixed Base Operators (FBO)** and **Specialized Aviation Service Operators (SASO)**.

Non-Commercial Operators, Independent Aeronautical Operators, Temporary Operators, and Private Flying Clubs shall also abide by these Minimum Standards and may be subject to terms and conditions associated with their permitted functions.

The Airport will provide a fair and reasonable opportunity, without prejudice, to all qualified entities to compete for the right to construct, Lease, or Sublease appropriate space in order to conduct Aeronautical Activities that are not currently provided exclusively by the Airport.

Permission may be granted to an Operator through an Operating Permit and/or Lease or other agreement with the Airport. Such Operating Permits, Leases, Subleases, and agreements must be reviewed by the Board and approved by the Council, and shall describe the terms and conditions under which the activity will be conducted at the Airport, including, but not limited to, the term of the agreements; the rentals, fees and charges; and the rights and obligations of the respective parties. The granting of such right or privilege, however, shall not be construed in any manner as affording the Operator any Exclusive Right or continuing right of use of the premises or Facilities other than those premises which may be leased exclusively to the Operator for the term of the Lease and then only to the extent provided in the written agreement.

In order to maximize the Airport's value and utility, the Airport reserves the right to Lease an existing facility, or any portion of an existing facility, to any type of Operator. The Airport further reserves the right to designate the specific areas where individual Aeronautical Activities or a combination of Aeronautical Activities may be conducted, and to determine whether or not there is sufficient, appropriate or adequate space at the proposed site to meet the minimum requirements established herein. Such determination shall consider the nature and extent of the proposed operation and the sites available for such purpose, consistent with the current Airport Master Plan, the role of the Airport, and the safe, secure and efficient operation and development of the Airport.

All agreements shall be subordinate to the provisions of any existing or future agreement between the Airport and the United States, including but not necessarily limited to the FAA, relative to the operation and maintenance of the Airport, the execution of which has been required as a condition of federal funding of the Airport.

The Airport reserves the right to amend these Minimum Standards from time to time as conditions may warrant.



1.3 Applicability

These Minimum Standards apply to all Entities desiring to conduct General Aviation and Commercial Activities at the Airport, whether such Entities are physically located on Airport property, or not.

SECTION 2 – DEFINITIONS



As used in these Minimum Standards, the terms below will have the following meanings:

“Aeronautical” or “Aeronautical Activity” any activity that activity that involves, makes possible, or is required for the operation of Aircraft or that contributes to or is required for the safety of such operations commonly conducted at an airport. These activities include, but are not limited to:

- Repair and maintenance of aircraft
- Pilot and flight training
- Aircraft renting
- Sightseeing
- Aerial Photography
- Crop dusting and other agricultural applications
- Aerial advertising and banner towing
- Aerial surveying
- Air carrier operations
- Air taxi and charter services
- Skydiving
- Ultralight operations
- Aircraft sales and services
- Sale of aviation petroleum products
- Sale of aircraft parts
- Aircraft tie-down and storage
- Aerial fire fighting
- Power line or pipeline patrol
- Repair of aircraft accessories
- Repair and/or overhaul of aircraft interiors
- Aircraft painting

“Air Charter or Taxi” the commercial operations of providing non-scheduled air transportation, under, FAR Part 135, of persons or property for hire on demand.

“Aircraft” means any Aeronautical device including, but not limited to, powered Aircraft, gliders, kites, helicopters, gyroscopes, gyrocopters, ground effect machines, balloons and unmanned Aircraft systems (UAS).

“Aircraft Maintenance” means inspection, overhaul, repair, preservation, alteration, and the replacement of parts by individuals or companies operating under 14 CFR Part 43 or Part 145 but excludes preventive maintenance.

“Air Operations Area (AOA)” All airport areas where Aircraft can operate, either under their own power or while in tow. The AOA includes runways, taxiways, and Apron areas.

“Airport” means the entirety of Grand Haven Memorial Airport including management, administration, land, buildings and equipment.

"Airport Board" means the Board appointed by the City of Grand Haven pursuant to Sec. 7.14 of the City Charter and Chapter 4 of the City of Grand Haven Code of Ordinances. "Airport Board" and "Board" are used interchangeably in this document and refer to the same entity.

"Airport Layout Plan" (ALP) is a scaled drawing and associated documents depicting existing and future Facilities and property necessary for the operation & development of the Airport.

"Airport Manager" means the person who is licensed by the State of Michigan and granted authority by the City of Grand Haven Manager to have immediate supervision of the administration and operation of the Airport.

"Airport Master Plan" is the combination of the Capital Improvement Plan (CIP) and the Airport Layout Plan (ALP) means the planning document which define the long-term development plans and supporting analysis for the Airport.

"Airport Ordinance" means the rules and regulations identified for the Grand Haven Memorial Airport as adopted by the City of Grand Haven and the Airport Board and is included within the scope of local rules pertaining to the Airport.

"Building(s)" means the main portion of each structure; all projections or extensions therefrom; any additions or changes thereto; and all garages, outside platforms and docks, carports, canopies, eaves, and porches. Paving, ground cover, fences, signs, and landscaping are not included.

"Commercial" an activity which involves, or makes possible, the offering for sale of an Aeronautical Activity for the purpose of obtaining earnings, income, compensation or profit, whether or not such objective is accomplished.

"Commercial Operator" means an Entity engaging in an activity which involves, or makes possible, the offering for sale of an Aeronautical Activity for the purpose of obtaining earnings, income, compensation or profit, whether or not such objective is accomplished.

"Entity" or "Entities" means any person, proprietorship, association, firm, joint venture, partnership, corporation, other business organization, or government or any combination thereof.

"Equipment" means all machinery, together with the necessary accessories, tools, and other apparatus necessary or appropriate to the proper conduct of the activity being performed.

"Exclusive Right" means a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. The granting of an Exclusive Right to conduct a commercial Aeronautical Activity on an airport developed or improved with federal funds is prohibited.

"Facility" or "Facilities" any facility, including, but not limited to, Buildings, property, areas, and roads.

"FAA" means the Federal Aviation Administration, a governmental body primarily concerned with the promotion and regulation of civil aviation to insure safe and orderly growth.

"Full-Service Fixed Base Operator" or "Fixed Base Operator" or "FBO" means a general aviation commercial Operator that is required to offer for sale to the public a range of basic and essential general aviation services and products as specified herein. Additionally, a Full- Service Fixed Base Operator is permitted to provide for sale other specialized Aeronautical services as specified herein.

"Improvement(s)" shall mean all Buildings, structures, and Facilities including pavement, fencing, signs, and landscaping constructed, installed, or placed on, under, or above any Leased area by or with the concurrence of a Lessee and the Airport.

"Independent Aeronautical Operator(s)" provides a single-service Aeronautical Activity on the Airport that does not interface directly with the public and does not require a commensurate amount of space for public access, but may involve or make possible the offering for sale of their Aeronautical Activity for the purpose of obtaining earnings, income, compensation or profit, whether or not such objective is accomplished.

"Landside" means Facilities and space required to enable ground ingress and egress to and from the airport terminal and, in the case of Grand Haven Memorial Airport, includes the tenant structures open to the public.

"Lease(s)" means a contractual agreement between the Airport and an Entity in which the Airport Leases real property and, in conjunction with an Operating Permit, grants rights and privileges on the Airport to the Entity for the purpose of conducting stated general aviation activities, which agreement is defined in writing and enforceable under law.

"Leased Premises" means the entirety of the ground area Leased to an Entity including all Buildings, Improvements, and fixed and removable structures identified as the premises in the Lease agreement.

"Lessee(s)" means an Entity, as a tenant, having a valid Lease with the Airport, as the landlord.

"Line Service" means routine day-to-day servicing necessary for the safe operation of an Aircraft and includes but is not necessarily limited to recharging batteries, oxygen, braking, and lubrication systems, cleaning, etc.

"Non-Aeronautical" or "Non-Aeronautical Activity" means any activity or function not considered to be of an Aeronautical nature.

"Non-Commercial" means an activity which does not involve, or make possible, the offering for sale of an Aeronautical Activity for the purpose of obtaining earnings, income, compensation or profit, whether or not such objective is accomplished.

"Non-Commercial Operator(s)" means an Entity engaging in an Aeronautical Activity for its own benefit which does not involve, or make possible, the offering for sale of a general aviation services for the purpose of obtaining earnings, income, compensation or profit, whether or not such objective is accomplished.

"Operator(s)" means any of the following: Commercial Operator, Non-Commercial Operator, Specialized Aviation Service Operator, Independent Aeronautical Operator, Temporary Operator, and Private Flying Club.

"Operating Permit(s)" or "Operator Permit(s)" means a contractual agreement between the Airport and an Entity in which the Airport grants rights and privileges to the Entity for the purpose of conducting stated Aeronautical Activities, which agreement is defined in writing and enforceable under law.

"Private Flying Club" means a nonprofit or not-for-profit Entity (e.g., corporation, association or partnership) organized for the express purpose of providing its members with Aircraft exclusively for their personal use and enjoyment.

"Ramp(s)" or "Apron(s)" means a paved area suitable for Aircraft parking.

“Single-Unit Hangar(s)” means hangar units generally intended to accommodate smaller single- and twin-engine airplanes and include but are not limited to small box and t-hangar style hangars.

"Specialized Aviation Service Operator(s)" or “SASO” means a Commercial Operator that is permitted to offer for sale one or more of the permitted services listed herein but is not a Full- Service Fixed Base Operator.

"Sublease(s)" means a Sublease on the Airport granted to an Entity by a Lessee, as tenant, and approved by the Airport manager for the use of all or part of the property Leased by the Airport to the Lessee.

"Sub-Operator(s)" means an Entity engaged in any of the Aeronautical services that a Commercial Operator may provide, which services are provided under a Sublease with an Operator having a valid Lease with the Airport.

“Subtenant Storage Agreement(s)” means the individual agreements in place between an Operator and their customer for the purpose of storing the customer’s aircraft.

“Temporary Operator(s)” means an Entity engaging in an Aeronautical Activity on a temporary basis not to extend beyond a 90-day period.

"Through-The-Fence” agreements, is permitting access to an airfield by aircraft based on private land adjacent to, but not part of, the Airport property.

"Tiedown(s)" means a defined area on the Airport suitable for the parking of Aircraft wherein suitable Aircraft Tiedown points have been installed.

“Trade Fixture(s)” means are removable personal property that a tenant attaches to Leased land for business purposes.

SECTION 3- APPLICATION PROCEDURES



No entity, except as otherwise provided herein, shall use the Airport or any portion thereof or any of its Improvements or Facilities for commercial, business, or other Aeronautical Activities without first complying with these Minimum Standards and obtaining the required approval(s) and written consent to commence those activities by entering into such agreements as may be prescribed by the Airport Board or City Council.

Entities wishing to establish a Commercial Aeronautical Activity at the Airport shall be required to receive an Operating Permit. Other types of Operators shall be required to obtain permission at the discretion of the Airport Manager. A written Lease or approved Sublease or other agreement is also required to occupy space at the Airport or for other reasons at the discretion of the Airport Manager.

Operating Permit applications and Lease/Sublease requests must be assembled in the form of a comprehensive and professional proposal and submitted to the Airport Manager. One paper copy and one electronic copy must be submitted along with the current application fee. The following information should be included in the proposal:

- ▶ Completed application;
- ▶ Business plan;
- ▶ Layout and general specifications;
- ▶ Expected traffic generation;
- ▶ Parking plan;
- ▶ Pedestrian safety and circulation plan;
- ▶ Evidence of Operator's experience, financial capability, and technical ability to perform;
- ▶ Method of financing;
- ▶ Current financial statement and/or financial projections,
- ▶ Credit reports of business owners;
- ▶ Three references from other General Aviation airports, preferably in Michigan, to attest to history of compliant, safe operations;
- ▶ Proof of any required insurance (copy of insurance company letter of intent);
- ▶ Any additional information required by the Airport Manager.

Proposals/requests meeting the minimums and conditions set forth in this standard will be submitted for consideration and ultimate final approval by the City Council following a recommendation from the Board. Applicants must present their request in person at a scheduled Board meeting. The Board will vote on the application, Lease, Sublease or other related agreement.

Applications may be denied by the City Council for the following reasons:

- ▶ The proposed operation or development will create a safety hazard on the airport or cause the Airport to violate its grant assurances or the requirements of FAA Order 5190.6, or other industry standards or best practices as may be amended from time to time;
- ▶ The Operator or its proposal does not meet the requirements of these Minimum Standards;
- ▶ The proposed service or development will require the City of Grand Haven and/or the Airport to commit funds to supply labor or materials in connection with the proposed Operator, or the operations will result in a financial loss to the City of Grand Haven and/or the Airport;
- ▶ No appropriate, adequate, or available land or Facilities exist at the Airport which would accommodate the Operator's proposed activities on the date of the application or within a reasonable time thereafter;
- ▶ Airport development or construction required for the proposal does not comply or is inconsistent with the Airport Master Plan or conflicts with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time;
- ▶ The proposed activities or development will unduly interfere with the operations of any present Operators or restrict access to their Leased areas or permitted function(s);
- ▶ The proposed activities would be in conflict with existing users at the airport;
- ▶ The Operator has falsified information and/or not provided all necessary information;
- ▶ The Operator has a record of violating the rules and regulations of this or any other airport or pertinent federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time;
- ▶ Any party applying or having interest in the business has defaulted in the performance of any Lease or any other agreement with the Airport or the City of Grand Haven;
- ▶ The Operator cannot provide a performance bond or other adequate security in an amount required to ensure performance of its obligations;
- ▶ The Operator cannot provide a performance bond or other adequate security in an amount required by the Commission to ensure performance of its obligations;
- ▶ The Operator has a record or history indicating violations of local ordinance or other laws.

SECTION 4- GENERAL REQUIREMENTS



4.1 Insurance Requirements

Every Operator shall procure and maintain in effect continuously for the duration of its activities at the Airport, at the Operator's sole expense, insurance of the types and in at least such minimum amounts as required by the State of Michigan and the Airport as further described and required by the approved Operating Permit and Lease or Sublease agreements. The following coverages are minimally required and may be amended from time to time:

A) Commercial General Liability:

- \$1,000,000
Bodily Injury/Property Damage CSL (includes contractual liability, products/completed operations, independent contractors, fire legal and broad form property damage coverage).

B) Aircraft Liability:

- \$1,000,000
Bodily Injury/Property Damage CSL (Including Passengers)

C) Insurance in the full replacement value of all Personal Property, Equipment, and Trade Fixtures on the Leased Premises

D) Ground and Hangar Keeper's Legal Liability (if applicable). Coverage shall be provided at a limit of liability appropriate to meet obligations of such property in Tenant's care, custody, and control.

E) Environmental Liability Insurance (if applicable). Minimum of \$1,000,000 Combined Single Limit.

F) Worker's Compensation Insurance, as required by the State of Michigan.

G) Automobile Liability in the amount of \$1 million. In addition, each Operator shall insure that every person, including but not limited to employees, contractors, subcontractors, agents, tenants, subtenants, or invitees who shall have or be provided automobile access onto the Airport shall procure and maintain Automobile liability insurance in the amount of \$1 million and shall provide, upon demand, proof thereof.

Note: *The City may vary the types and level of insurance coverage based on the specific Aeronautical Activity intended by the Operator.*

All required insurance shall, evidenced by endorsement, include the City of Grand Haven – Grand Haven Memorial Airport as an additional insured. All Operators shall provide a copy of insurance certificates to Airport Administration on an annual basis which shall remain in full force and effect at all times, including during construction of Facilities. Notice of cancellation must be made to Airport Administration at least thirty days in advance.



4.2 Construction and Site Development Standards

Any proposed construction or development of Facilities must comply with federal, state, and local rules and regulations; Airport policies, procedures, these Minimum Standards, applicable industry standards and best practices. Plans shall be submitted to the Airport Manager and reviewed by the Board, and shall receive the appropriate concurrence and all necessary and required permits before proceeding with construction. A specific Construction Safety Phasing Plan (CSPP) developed by the Operator or their contractor is required for work being completed on or adjacent to the Air Operations Area (AOA) and must be submitted to the Airport Manager for approval in advance of the construction start date.

All new Improvements, not otherwise already owned by the Airport, constructed on the Airport, other than Trade Fixtures if not Airport property at the outset, shall become a part of the land and belong to the Airport upon expiration, termination, or cancellation of the Lease agreement between the Operator and the Airport covering such Improvements unless otherwise specified by agreement. If an Operator chooses to develop a site which is not currently served by taxiways, roadways, and/or utility services, the Operator shall be responsible for extending such services and pavement surfaces to its site at the Operator's sole expense, unless otherwise negotiated with the Airport, and will make those Facilities available to all users. All such utility services and pavement areas shall be constructed in accordance with current Airport and FAA design standards, as well as applicable City of Grand Haven codes.

Design plans and associated updates must receive approval by the City Council. If the project triggers a need to amend the Airport Layout Plan (ALP), the Operator is responsible for the associated cost and may not begin construction until the amended ALP has received FAA approval. Additionally, Operators are responsible for the proper filing and execution of FAA 7460 or other forms, when applicable, and providing proof of the filing as well as written notice to the Airport Manager prior to beginning any construction.



4.3 General Operational Requirements

Operators shall employ properly qualified and trained personnel in sufficient quantity to meet the applicable Minimum Standards for that service. The appropriate personnel shall be on duty during the applicable hours. The Operator shall also provide a responsible person in the office, when required, to supervise the operations in the Leased area and on the Airport, with authorization to represent and act for and on behalf of the Operator during all business hours. The Operator shall provide the Airport with 24-hour emergency contact information appropriate to the Operator's activities.

The Operator shall control and shall be responsible for the conduct of its representatives, employees, tenants, sub-tenants, customers, contractors, visitors, and guests in accordance with these Minimum Standards. The Operator shall train its employees and ensure that they possess such technical qualifications and hold the required certificates, permits, licenses, and ratings to conduct the Operator's business activities on the Airport. It shall be the responsibility of the Operator to maintain close supervision over its employees to assure a high standard of service to customers.

Cross-utilization of personnel between Aeronautical Activities may be permitted to the extent that personnel qualifications and licensing requirements and the applicable operating hours of these Minimum Standards are met.

No structure, Aircraft, or other vehicle may be left unattended or parked on a tenant's Leased Premises where it would create a protrusion through any imaginary surface so as to create an obstruction under FAR Part 77, as may be amended from time to time.

Personnel authorized by the Airport Manager to operate motor vehicles within the AOA and/or on the Landside of the Airport shall do so only in strict accordance with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time. The Operator shall permit the Airport Manager to enter upon its Leased Premises at any reasonable time for any purpose necessary, incidental to, or connected with the Operator's performance of its obligations with respect to these Minimum Standards, or the terms of any Operating Permit or Lease, or in the exercise of the Airport's functions; for fire protection, safety, or security purposes; or to inspect or maintain the Premises; or to do any other task deemed necessary or desirable for the safety and operation of the Airport.

The Operator shall provide prompt, courteous, and efficient service to the public and provide an adequate means of contact to meet service demands. The Operator shall adhere to the highest ethical and Aeronautical service community standards in the conduct of its activities.

The Operator shall commit no unlawful or unreasonable nuisance, waste, or injury on the Leased Premises and will refrain from doing anything which may result in the creation, commission, or maintenance of such nuisance, waste, or injury to property on the Airport.

The Operator shall refrain from creating or allowing on its Leased Premises or elsewhere of Airport property any obnoxious odors or smokes, or noxious gases or vapors. The creation of exhaust fumes by the operation of internal combustion engines or Aircraft engines of other types, so long as such engines are maintained and are being operated in a proper manner, is not a violation of this paragraph, nor shall the reasonable operation of the Operator's business constitute such violation, although some odors, gases, and vapors may result therefrom.

The Operator shall refrain from doing anything which might interfere with the effectiveness or accessibility of the Airport's public utilities systems, drainage or sewer system, storm water management system, fire protection system, sprinkler system, alarm system, or fire hydrant and hoses, if any are installed or located on or in the Operator's Leased Premises. The Operator shall refrain from doing any act or thing upon the Airport which will invalidate or conflict with any fire, property, or liability insurance policies covering the Airport.

The Operator shall promptly remove or dispose of debris and other waste material (whether solid or liquid) arising from the Operator's activities. Any garbage, debris, or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles and equipped with tight-fitting covers of a design sufficient to contain whatever may be placed therein. The Operator shall use extreme care when removing all such waste. Any hazardous waste generation, storage, or disposal must comply with all federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time.

The Operator shall keep and maintain its Leased Premises and all Improvements in a neat and orderly condition, and in good and substantial repair, condition, and appearance. The Operator shall keep mowed and in a sightly condition all landscaping and grass areas within its Leased Premises. The Operator shall also maintain all Aprons, Ramps, taxiways, taxilanes, roadways, and parking lots that are constructed by the Operator or reserved for their exclusive use.

Airport parking is intended for Airport employees, groups renting airport facilities for gatherings and the pilots and passengers. Operator shall also provide safe and convenient space for customers to conduct business at the airport. At the discretion of the City Council, as recommended by the Airport Board, this may include restroom facilities, waiting areas, and safe pedestrian paths to and from parking, waiting areas and aircraft services.

The Grand Haven Memorial Airport is a smoke free environment and the use of tobacco products or marijuana is prohibited on airport property at all times.



4.4 Leasing & Subleasing Guideline

The City Council may develop Facilities on the Airport through private investment. In general, Operators will be required to enter into ground Leases with the City and to construct all Improvements at their sole cost and expense. All structures, pavement, and other permanent Improvements constructed on Leased Premises shall, at the City's discretion, either at the expiration or termination of the Lease, become the property of the City, or shall be demolished at the sole cost and expense of the tenant/operator.

Where prospective Operators can demonstrate to the Airport that desirable services can be adequately provided either in whole or in part from existing Buildings, a Building and ground Lease may be granted at the sole discretion of the City.

The provisions of any existing Lease agreement or Operating Permit in effect upon the date these Minimum Standards are adopted may generally prevail over the requirements of these Minimum Standards but only for the current term of that Lease and/or Operating Permit and only to the extent provided for in the Lease.

Unless otherwise provided by the Airport Manager, all activities of the Operator shall be conducted on an area or areas of sufficient size to accommodate all services that the Operator is approved to perform, allowing for future growth and additional services as contemplated by the Airport or the Operator at the time of application, but as limited by the space available on the Airport.

The Operator shall conduct its business operations strictly within the areas assigned to it by the Airport Manager, and its operations shall not in any way interfere with the operations of other operators, agencies, or other businesses on the Airport, the use of the Airport by the general public, or with any common use areas. The Operator shall not use any common use areas except as authorized by these Minimum Standards and the Operating Permit and Lease Agreement.

As a general policy, Leases will be short term in order to retain for the Airport the greatest possible flexibility in administering Airport property over the long term. The appropriate term for Lease agreements will be determined based on the following considerations:

1. All ground Leases will be of sufficient length as recommended by the Airport Board in City Council's judgment to permit any Operator making a substantial capital investment, either in existing Facilities or new Improvements, to amortize fully the capital investment over the term of the Lease or to obtain financing. A Lease term in excess of that required to amortize tenant capital investment or to obtain financing will not be permitted.
2. All agreements for the use of the Airport's Buildings and grounds that do not involve substantial capital investment on the part of the tenant in the City's judgment will have a maximum Lease term of five years.
3. All agreements with a term in excess of one year will provide for periodic adjustment of charges and fees as defined in the Lease agreement.

In those cases where the Airport considers the extension of a Lease, such extension will be conditioned upon the payment of any money owed to the Airport. Other factors considered will be:

- ▶ New Leased Premises Improvements proposed by the tenant;
- ▶ Physical condition of the facility;
- ▶ History of tenant's rental payments;
- ▶ History of tenant's compliance with its Lease terms and conditions and these minimum standards;
- ▶ Demonstrated character and quality of service;
- ▶ History of compliance with local and other laws as well as airport operations that do not create excessive and unreasonable impacts on surrounding property as determined by the Airport Board or City Council.

An Operator shall not assign or transfer their Lease without prior written approval by the City Council. The Council may, as a condition to approving the assignment, increase rental rates and fees and negotiate other terms and conditions of the Lease.

4.5 Subleasing

Subleases between existing Operators and entities wishing to provide one or more specialized aviation services are subject to the following conditions:

- ▶ The Operator must have the Facilities and physical space needed to support the Aeronautical services of the sublessee;
 - ▶ The proposed sublessee must meet all of the Minimum Standards for the services to be performed as well as be compliant with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time. Standards may be met in combination by the Lessee Operator and the sublessee;
 - ▶ The Sublease agreement shall specifically define those services provided by the sublessee;
 - ▶ The proposed sublessee must complete the Airport's permitting and approval process. This must be completed prior to the Operator executing the Sublease agreement;
 - ▶ The sublessee will provide evidence of meeting the minimum insurance requirements;
 - ▶ The Operator may be required to pay additional negotiated fees and/or operating fees to the Airport depending on the type of service being offered.
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Subtenant Storage Agreements generally are not considered Subleases and specific terms and conditions will be defined in the individual Lease or agreement with the established Operator.



4.6 Rental Rates

Building and Ground Rental:

- ▶ Ground rental for the gross land area Leased, including any exclusive-use Aprons, automobile parking areas, etc. Ground rentals will be predominantly based on the current fair market value of the land. Consideration for setting ground rental rates may include using trending value of land, independent research, formal appraisal or other acceptable method and allow for consideration of construction time and intended use of the parcel.
- ▶ In addition to ground rental, Operators leasing Airport-owned Buildings will be required to pay Building rental based on the square footage of the Building area Leased. These rental rates will be based on the current fair market value as determined by independent appraisal or other acceptable method. Consideration for setting Building rental rates may include using trending value of existing Building square footage, independent research, formal appraisal or other acceptable method and allow for consideration of construction time and intended use of the parcel.
- ▶ Ground rental rates will be revisited at least every 5 years using the current fair market value of the land, as determined by independent appraisal or other acceptable method, as the basic criterion for such adjustment. Building rental rates will also be similarly revisited at least every 5 years.
- ▶ In addition, the basic ground rental rate and the Building rates may be adjusted annually within each five-year period on the basis of the Consumer Price Index (CPI).
- ▶ In no case will the ground or Building rental fall below the initial ground or Building rental of a Lease.

Privilege Fees:

- ▶ In addition to ground rentals and any Building rentals, Operators or concessionaires not engaging in an Aeronautical Activity are required to pay to the Airport a monthly sum equal to an Airport approved percentage of applicable gross receipts.

Performance Bonds:

- ▶ Operators may be required to secure performance bonds in an amount determined by the Airport Manager as security for Lease or privilege fee payments in accordance with the terms of their agreements.



4.7 Maintenance

Net Leases:

- ▶ All property will be Leased strictly on an "as is" basis, to include all defects. Each Operator will be required to provide all maintenance for the gross land area Leased and for any Buildings on the Leased land.
 - ▶ All Leased land will be on a net basis, with the Operator required to assume the responsibility for providing heat, light, and other services to support all maintenance, repair, and upkeep.
 - ▶ If the Airport determines in its judgment that the quality of maintenance is not satisfactory, it may, at its sole option, perform necessary maintenance, and the Operator will be required to reimburse the Airport for the costs so incurred.
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- ▶ At the termination of the Lease, the Leased Premises as land and all structures will be returned to the Airport in as good a condition as when Leased and as improved, reasonable wear and tear excepted, with all structures thereon continuing to be or becoming property of the Airport.

It will be the responsibility of the Operator to remove any and all environmental contamination caused by its occupancy, and to furnish the Airport with an environmental assessment of the Leased Premises prior to termination and/or expiration of the Lease. Subsequent tenants will assume responsibility for any contamination caused by a prior tenant when such contamination is not identified prior to signing the subsequent Lease.

Airfield:

- ▶ The Airport will maintain Runway and taxi areas made available to all aviators.
- ▶ The Operator will maintain Aprons and taxilanes to their facilities and not used by all aviators.

Alterations, Repairs, and Additional Construction:

- ▶ Operator will not construct, install, remove, modify, or repair any Building on the Leased Premises without prior written approval by the Airport Manager and City Manager of the plans and specifications for the proposed project.



4.8 Waiver of Standards

The Airport Manager or City Manager may waive all or any portion of these Minimum Standards for the benefit of any governmental agency; community non-profit or public utility performing nonprofit public services to the aviation industry if those services are performed for:

- ▶ The general public;
- ▶ Public services to the aviation industry, or performing nonprofit emergency medical or rescue services to the public by means of Aircraft;
- ▶ Fire prevention or firefighting operations.

Requests to permanently modify or waive any provision of these Minimum Standards must be submitted in writing to the Airport Manager who shall seek a recommendation from the Airport Board. The City Council will make the final determination as to whether or not the request will be granted.

Waivers will not be entertained in the event the applicant is in default of any provision of a Lease or of the Minimum Standards for an existing operation.



SECTION 5- MINIMUM STANDARDS



5.1 Fixed-Base Operators (FBO)

A) Required Services:

A Fixed Base Operator (FBO) is a Commercial Operator engaged in the sale of products, services, and Facilities to Aircraft owner/operators.

FBOs must offer aircraft services customarily provided at Michigan general aviation airports.

B) Standards for Required Services

FBOs shall receive and maintain all required certifications and licensure to provide services at the airport.

C) Management and Staffing Requirements

All staff shall be fully trained, appropriately qualified, and in sufficient quantity to carry out the duties for which they are employed.

D) Minimum Land, Development, and Parking Requirements

FBOs shall be required to Lease, develop and operate a minimum area sufficient to accommodate proposed uses. Additionally, the following Improvements shall be made at their sole expense:

1. One Aircraft storage and Aircraft Maintenance hangar of not less than 3,600 square feet.
2. Paved off-street parking for the minimum number of parking spaces required to support the business and maintain compliance with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time.

All Improvements shall be constructed or Leased in areas designated for general aviation use in the currently approved Airport Master Plan/ALP as updated from time to time. Any Improvements shall be in conformance with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time, and such future property development standards as may be adopted by the Airport.

E) Prohibited Services

An FBO shall be expressly prohibited from providing the following services:

- ▶ The sale or dispensing of alcoholic beverages;
- ▶ Any service prohibited by law or of Non-Aeronautical nature or any service deemed to be incompatible with Aeronautical operations. **Note:** FBOs are permitted to provide non-aeronautical services in support of their Aeronautical functions to the extent they are in demand by the customers.





5.2 Specialized Aviation Service Organization (SASO) Providers

A Specialized Commercial Aeronautical Operator or SASO is a Commercial Operator engaged in providing limited Aeronautical services and support, miscellaneous commercial services and support, or air transportation services for hire.

A) Standards for Permitted Services

Non-scheduled and Charter Aircraft Services – a SASO offering nonscheduled and/or Air Charter services shall comply with the following:

- ▶ The Aircraft Charter or Taxi operation must be certificated under 14 CFR Part 135 or operated under 14 CFR 91, as may be amended from time to time.
- ▶ Provide not less than one Aircraft available for Air Charter or Taxi purposes.
- ▶ Provide a sufficient number of appropriately qualified and FAA licensed pilots to provide the services required.
- ▶ Provide adequate services, Facilities, and Equipment for providing passenger check-in, Baggage handling, ticketing, and suitable courtesy ground transportation and passenger and employee vehicle parking.

Aircraft Engine and Airframe Overhaul and Repair - a SASO offering Aircraft engine and airframe overhaul and repair shall comply with the following:

- ▶ Ensure personnel maintain compliance with 14 CFR FAR Part 43 and/or Part 145.
- ▶ Provide sufficient Equipment, supplies, and spare parts appropriate for the level of regular demand.
- ▶ Train personnel and have staff in sufficient numbers to meet demand for the services offered, but never less than one person currently certificated by the FAA as both an airframe and powerplant mechanic and Aircraft inspector, and one other person not necessarily rated.
- ▶ Construct a minimum of 3,600 square feet of Aircraft Maintenance shop area.

Avionics and Instrument Repair - a SASO offering avionics and instrument repair shall comply with the following:

- ▶ Maintain its status as an FAA approved Part 145 Repair Station and ensure personnel maintain compliance with 14 CFR FAR Part 43 and/or Part 145.
- ▶ Provide sufficient Equipment, supplies, and spare parts appropriate for the level of regular demand.
- ▶ Train personnel and have staff in sufficient numbers to meet demand for the services offered, but never less than one person currently certificated by the FAA as an avionics technician.

Flight Instruction and Aircraft Rental - a SASO offering flight instruction and/or Aircraft rental shall comply with the following:

- ▶ Maintain a flight training school authorized to provide VFR and IFR flight instruction in accordance with FAR Part 61 or 141, as may be amended from time to time.
- ▶ Maintain at least one certificated and currently airworthy Aircraft available for flight training or Lease. Such aircraft can be owned or leased.
- ▶ Appropriately rated flight and ground instructor(s) in sufficient numbers to meet demand.

Aviation Manufacturer – a SASO wishing to manufacture Aircraft components and accessories in support of its Aeronautical activity shall comply with the following:

- ▶ Manufacturing may only be permitted in areas of the Airport specifically approved for Non-Aeronautical uses, if any such areas exist.
 - ▶ Construct a minimum of 10,000 square feet of space conducive to manufacturing.
 - ▶ If flight testing is required, the manufacturer must construct a minimum of 10,000 square foot hangar for use during flight testing with an associated Apron space of 20,000 square feet and ability to access Aircraft movement areas.
 - ▶ Hours will be at the discretion of the Operator so long as the activity supports the Airport's then current Noise Abatement Program.
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Aircraft Sales - a SASO wishing to sell new or used Aircraft shall comply with the following:

- ▶ Obtain a sales franchise or dealership agreement with an accredited Aircraft manufacturer, if the sale of new Aircraft is proposed.
- ▶ Employ as many qualified pilots (current and rated), as needed to demonstrate all of the models being offered for sale.
- ▶ Provide an adequate inventory of spare parts for the Aircraft for sale.
- ▶ Establish an inventory of all new and used Aircraft for sale and provide a quarterly inventory report to the Airport Manager stating all Aircraft transactions.

Scheduled Air Cargo Service - a SASO wishing to provide cargo services shall comply with the following:

- ▶ Provide sufficient supporting cargo equipment and supplies to support the operation.
- ▶ Maintain safe and secure landside access to the facility to allow seamless transition of cargo.
- ▶ Train personnel and properly staff in sufficient numbers to meet demand for the services offered, but never less than one employee in the office at all times during the required operating hours.

Scheduled and Unscheduled Commercial Air Service

- ▶ Additional standards and other requirements will be specifically determined in a separate use agreement developed between the Operator, the Airport, and the City of Grand Haven.

B) Multiple Permitted Services

A SASO shall be permitted to provide two or more of the permitted services if determined by the Airport Board to be in the public's best interest.

The Minimum Standards for a SASO to provide multiple permitted services shall be the same as those established for the individual services outlined herein. Where the individual Minimum Standards are repetitious, the provisions will not necessarily be cumulative. In such cases, applicable minimum standards will be determined and agreed upon between the SASO and the Airport in their agreement.

C) Sub-Operators

A SASO who operates as a Sub-Operator shall conduct its business on the Airport in compliance with the same Minimum Standards and the same terms and conditions as the FBO from which the Sub-Operator subleases. All Subleases shall be preapproved by the Airport Manager.

D) Management and Staffing

SASO activities must be serviced by an on-site manager who at all times shall be responsible for the services provided.

All staff shall be fully trained, appropriately qualified, and in sufficient quantity to carry out the duties for which they are employed.

All employees shall utilize protective clothing, Airport access badge(s), and equipment as appropriate or necessary.

E) Minimum Land, Development, and Parking Requirements

A SASO seeking a lease directly with the Airport shall be required to:

- ▶ Lease a minimum ground area of 0.5 acres.
- ▶ Construct or Lease from the Airport a Building of not less than 1,500 square feet, unless otherwise approved by the Board, and provide such Building with suitable area for passenger and employee convenience.
- ▶ Provide paved off-street parking with a number of parking spaces required to support the business and maintain compliance with federal, state, and local rules and regulations; Airport policies and procedures; and applicable industry standards and best practices as may be amended from time to time.

F) Fair and Reasonable Rates and Charges

Rates and charges for public services shall be reasonable and applied equally and fairly to all users of such services. All rates and charges, including any changes thereto, must be filed with the Airport Manager.



5.3 Temporary Specialized Aviation Service Operator (SASO)

The Airport accepts that Aircraft Operators may require specialized, temporary assistance with the Aircraft Maintenance or operation of their Aircraft. An example of a SASO Temporary Operator may include a manufacturer providing specialized Aircraft Maintenance on Aircraft owned or leased by an existing Operator.

SASO Temporary Operators may request a 90-day temporary Operating Permit, authorized by the Airport Manager. The Operator seeking the temporary services is responsible for assuring compliance with all applicable standards and regulations by the Temporary Operators while on the Airport. The SASO Temporary Operator shall comply with applicable portions of these Minimum Standards.

SECTION 6- "THROUGH THE FENCE" POLICY



“Through-The-Fence” arrangements can place an encumbrance upon the Airport property and reduce the Airport's ability to meet its federal obligations. As a general principle, the FAA does not support agreements that grant access to the public landing area by aircraft stored and serviced offsite on adjacent property. Thus this type of arrangement is to be avoided since these agreements can create situations that could lead to violations of the Airport's federal obligations. “Through-The-Fence” operations can adversely affect the ability of the Airport to sustain itself financially, result in unfair competitive situations, and contribute to loss of control with respect to Airport access. Given the for-mentioned statements, “Through-The-Fence” arrangements will not be permitted at Grand Haven Memorial Airport (3GM).



6.1 Non-Commercial Operators

Non-Commercial Operators, though they may not provide a Commercial public good or service, must abide by these Minimum Standards and any related agreements with the Airport. A Non-Commercial Operator is an Entity that develops, constructs, and/or owns one or more Facilities to be used for Non-Commercial purposes.

A) Minimum Standards

- ▶ The Non-Commercial Operator shall use the Leased Premises for Aircraft either owned by or under written Lease to the Non-Commercial Operator and under the full and exclusive control of the Non-Commercial Operator for Non-Commercial purposes. Sublease of land or structures is prohibited unless specifically authorized in the Operator's Lease agreement.



6.2 Private Flying Clubs

Private Flying Clubs are nonprofit or not-for-profit Entities (e.g., corporation, association or partnership) organized for the express purpose of providing its members with Aircraft exclusively for their personal use and enjoyment.

A) Minimum Standards; In addition to the General Requirements, Private Flying Clubs shall comply with the following Minimum Standards:

- ▶ No Private Flying Club member shall receive compensation for services provided to the Private Flying Club or its members.
- ▶ No Private Flying Club Member shall use the Private Flying Club Aircraft in exchange for compensation/payment. This does not include reimbursement for expenses associated with the use of Private Flying Club aircraft.
- ▶ A Private Flying Club is not considered an Aircraft rental or flight training provider.
- ▶ Private Flying Clubs may not offer or conduct Air Charter or Taxi, or Aircraft rental operations.
- ▶ Private Flying Clubs may not conduct Aircraft flight instruction, except for members.
- ▶ Only members of the Private Flying Club may operate the Private Flying Club Aircraft, except for ferrying operations or Aircraft Maintenance flight checks.
- ▶ Any qualified mechanic who is a registered member and part owner of the Aircraft which is owned and operated by a Private Flying Club shall not be restricted from doing Aircraft Maintenance work on Aircraft owned by the Private Flying Club.

B) Flying Club Ownership Requirements

The ownership of the Private Flying Club Aircraft shall be vested in the name of the Private Flying Club or owned in some measure by all its members. The property rights of the members of the Private Flying Club shall be equal; any part of the net earnings of the Private Flying Club to be distributed to the members shall be in equal shares to all members. The Private Flying Club shall not derive greater revenue from the use of its Private Flying Club Aircraft than the amount necessary for actual operation, Aircraft Maintenance, replacement, or upgrade of its Private Flying Club Aircraft. Private Flying Club Aircraft shall not be used by members for revenue, including but not limited to rental, or by anyone for Air Charter or Lease.

C) Flying Club Documentation

The Private Flying Club shall register with the Airport Manager and upon request, furnish the Airport Manager with a copy of its charter, bylaws, articles of association, partnership or membership agreement(s), and/or other documentation supporting its existence, e.g., a roster or a list of officers and directors (to be revised on an annual basis), number and type of Private Flying Club aircraft, evidence that ownership is vested in the Private Flying Club, and the operating rules of the Private Flying Club. The books and other records of the Private Flying Club shall be available for review at any reasonable time by the Airport Manager or an authorized agent thereof.

SECTION 7- INDEPENDENT AERONAUTICAL OPERATORS



An “Independent Aeronautical Operator” provides a single-service Aeronautical Activity on the Airport that does not interface directly with the public and does not require a commensurate amount of space for public access. Examples of an Independent Aeronautical Operator include, but are not limited to, aerial photography and advertising.

Though public access or Facilities may not be required, an Operating Permit is still required for Independent Aeronautical Operators. The Operating Permit and any associated agreement will further stipulate requirements and fees based on the specific nature of the permitted activities of the Independent Aeronautical Operator.

SECTION 8- ENFORCEMENT



These Minimums Standards, the City of Grand Haven Airport Ordinance(s), and federal, state, and local rules and regulations; airport policies and procedures as may be amended from time to time will be strictly enforced. Operating Permits, Leases, Sub-leases, and related agreements will be suspended or revoked for any of the following reasons:

- ▶ False statement(s) knowingly made in either the application or in any statement of fact by the applicant to the Airport Manager, Board, City Manager or City Council;
- ▶ Willful or repeated violation(s) of or repeated failure to comply with any requirement of an Operating Permit, Lease, Sub-lease, related agreement, these Minimums Standards, and/or the City of Grand Haven Ordinance(s), and federal, state, and local rules and regulations; airport policies and procedures as may be amended from time to time;
- ▶ Default in payment of fees to the Airport more than 30 calendar days or more past due.

Operating Permit suspension may be temporarily revoked by the Airport Manager. Permanent Operating Permit, Lease, Sublease, and/or agreement revocation will be approved by the City Council. The Airport Manager will notify the Operator in writing of the upcoming consideration of any Lease or Operating Permit suspension or revocation.

SECTION 9- REVIEW AND UPDATE POLICY



The City Council, upon recommendation of the Airport Board, reserve the right to adopt such amendments to these Minimum Standards from time to time as it determines are necessary or desirable to reflect current trends of commercial Airport activity and availability of property for Lease, for the benefit of the general public or the operation of the Airport.

These Minimum Standards will be reviewed by the Airport Manager on an annual basis in the month of January or as needed when circumstances warrant a review to ensure the Airport maintains its Federal obligations.

Proposed updates to these Minimum Standards will be made available to the Board, Council and current permitted Operators for review. The City Council is solely responsible for the approval of changes.

The official version of these Minimum Standards will be posted on the Airport's department webpage accessible from the City of Grand Haven main website and will be available at the Office of the Airport Manager. Notwithstanding the foregoing, a copy of the then applicable Minimum Standards shall be kept onsite of the Leased Premises of all Airport Operators.

SECTION 10- REFERENCES



Grand Haven Memorial Airport Website:

<https://grandhaven.org/departments/airport/>

City of Grand Haven Municipal Code – Chapter 4 – Airpark

https://library.municode.com/mi/grand_haven/codes/code_of_ordinances?nodeId=PTIICOOR_CH4AI

FAA Guidance:

https://www.faa.gov/airports/resources/advisory_circulars/index.cfm/go/document.current/documentnumber/150_5190-7

https://www.faa.gov/airports/resources/publications/orders/compliance_5190_6/

https://www.faa.gov/airports/aip/grant_assurances/

https://www.faa.gov/airports/resources/advisory_circulars/

https://www.faa.gov/airports/airport_safety/part139_cert/what-is-part-139/

https://www.faa.gov/air_traffic/publications/#manuals

Industry:

<https://www.nata.aero/data/files/nata%20news/minstdsguidefinal.pdf>

<https://www.aopa.org/training-and-safety/flight-schools/flight-school-business/newsletter/2013/march/05/a-primer-on-minimum-standards>

<http://www.trb.org/ACRP/ACRP.aspx>