



MEMORANDUM

22 AUGUST 2024

RE: 2024 NEW TENANT HANGAR LEASE RATES

FKS hangar lease rates were developed for the storage of private airplanes used for noncommercial purposes. FKS hangar leases comply with MDOT Aeronautical Lease Requirements, Recommendations and Guidance.

A survey was conducted of nine airports of Northwest Michigan (see attached map and spreadsheet) and the proposed rates are comparable with FKS’s peers.

The revised rate policy will be available for review 22 Aug. 2024. Comments and questions are encouraged. The FCCAA Board will review public and pilot input until 26 Sept. 2024 at which time, the Authority Board will implement the proposed rates based on the standards set forth in Chapter 18, Airport Rates and Charges, of the FAA Airport Compliance Manual, Order 5190.6B.

The FAA Rates and Charges Policy provides guidance on the legal requirement that FKS fees be fair, reasonable, not unjustly discriminatory and makes FKS as financially self-sustaining as possible.

FKS hangar lease rates contribute approximately 29% of the airport’s operating revenue. The additional revenue from the increased rates will be used to upgrade the community hangars doors with chain hoists and consolidate electrical meters for the box and t-hangar buildings.

Hangar Type	Current Rate	Proposed Rate
Community Hangar (6)	\$ 170.00	\$ 190.00
T-Hangar (10)	\$ 195.00	\$ 215.00
Half T-Hangar (2)	\$ 41.67	\$ 50.00
Dow Hangar	\$ 450.00	\$ 500.00
Box Hangar (3)	\$ 500.00	\$ 550.00