

**MINIMUM STANDARDS FOR
COMMERCIAL AERONAUTICAL ACTIVITIES
AT FRANKFORT DOW MEMORAIL FIELD**

I. Minimum Requirements for all Commercial Aeronautical Activities

(a) *Definitions:*

Aeronautical activity means any 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. Aeronautical activities include, but are not limited to, the following commonly conducted activities at airports:

- Charter operations
- Pilot training
- Aircraft rental and sightseeing
- Aerial photography
- Crop dusting
- Aerial advertising and surveying
- Air carrier operations
- Aircraft sales and services
- Sale of aviation petroleum products
- Repair and maintenance of aircraft
- Sale of aircraft

Commercial activity means any activity by any person, the purpose of which is to secure earnings, income, compensation, or profit, whether such objective or objectives are accomplished.

Fixed base operator or FBO means any person engaged in any one or several of the following commercial activities:

- The sale and delivery of aviation fuels and lubricants to an aircraft owner or user
- The rendition of any service to aircraft or the owners or operators thereof for a profit
- The sale of aircraft parts or supplies
- The operation of a flying school
- The rental of aircraft
- The charter of aircraft
- Aerial photography
- The maintenance or repair of aircraft, aircraft engines, radios, or instruments

- Agricultural flying service or crop dusting
- Any other commercial activity

FAA means the Federal Aviation Administration.

FCCAA means the Frankfort City-County Airport Authority.

(b) *Generally, lease agreement required.* No fixed base operator shall be allowed to perform any aeronautical activity at the airport without a fully executed lease agreement with the FCCAA in such form as required by the FCCAA.

(c) *Application.* A prospective FBO shall submit to the office of the airport manager an application for a new lease or agreement or an assignment of an existing lease or agreement with the following information, and, thereafter, such additional information as may be requested.

- A. A description of the proposed FBO and all proposed uses of the proposed leased premises. If services are to be offered, the business plan (including FAA certification, if applicable) to provide such services including aircraft ownership, if aircraft are to be used in the conduct of the business, and whether sub-tenants are to be used to meet these standards.
- B. The amount of land or leased space required for the proposed activity or service and any proposed construction (if applicable).
- C. The building space and facilities required or to be constructed (if applicable).
- D. The number and types of aircraft to be utilized.
- E. The number of people to be employed (if applicable).
- F. The proposed hours of operation (if applicable).
- G. The types and coverage limits of insurance proposed need to be maintained.
- H. Evidence of Operator's past experience, financial capability, such as projected cash flow statement, income statement, balance sheet, detailed financial projections, capital equipment list, and technical ability to perform or develop the proposed activities, services or facilities, such as résumés of key officers, letters of support, reference, or credibility.
- I. The name(s), address(es), e-mail address(es), and telephone number(s) of the principal(s) of the business and the proposed operating name of the business, as well as evidence of incorporation or authorization to do business in the state of Michigan, as applicable.
- J. The tools, equipment, services, and inventory, if any, that Operator will utilize in connection with the proposed activity or service.
- K. The proposed date for commencement of the activity or service and the requested length of term of the agreement or lease. Unless waived by the FCCAA, no term shall exceed twenty (20) years.

- L. The estimated cost of any structure or facilities to be constructed or furnished, proposed specifications, and the means and method of financing such construction (if applicable).
- M. The intended location and layout plan of any proposed or future development.
- N. Other information the Airport manager may require and specifically request.
- O. Payment of an application fee in an amount sufficient to reimburse the FCCAA for review, processing and background investigation in the amount of one year's rent under the proposed lease. This application fee is non-refundable. In the event that a lease is entered into, the application fee shall be applied to the rent.
- P. In the event that construction is proposed, the prospective Operator shall submit a 7460-1 to the FAA for review. The prospective Operator shall submit the 7460-1 to the Airport manager for review and approval prior to submitting it to the FAA. Any approval of an application shall be subject to and contingent upon a determination of no hazard by the FAA.

(d) *FCCAA Action on Prospective FBO's Application*

- A. Following receipt of a complete application under the airport manager shall evaluate the application(s) on the basis of the items specified in these rules. A background investigation may be performed related to criminal history, immigration status, credit worthiness and past business performance.
- B. In the event that the Airport manager determines that an application is complete, the Airport manager shall submit the application to the FCCAA Board.
- C. If the application is incomplete, the Airport manager shall provide written notice to the FBO or prospective FBO. The FBO or prospective FBO shall correct the defect within 15 days, or the application shall be deemed withdrawn.
- D. In the event the FBO or prospective FBO modifies the application at any time during the process set forth in this Section, and the modification results in a change to the proposed physical structure or site plan, the FBO or prospective FBO shall submit an application for the change as set forth above. The application shall be treated as a new application from the date of filing the application with the change to the physical structure or site plan.
- E. The Airport will attempt to review and act upon all complete applications within 90 days from the receipt of the application. This time period may be extended to provide sufficient opportunity to provide information or to comment on a proposed agreement or lease. Applications shall be processed on a first-come, first-served basis.
- F. Applications may be denied for one or more of the following reasons:
 - 1. The FBO, for any reason, does not meet the qualifications and requirements established by these Standards, or is not prepared to meet same within a reasonable time as established by the FCCAA, but does not exceed one year from the date of the agreement or the lease.

2. The proposed operation or construction has been determined by the FAA7460-1 process to create a safety hazard on the Airport, or the Airport determines that the proposed operation or construction will create a safety hazard on the Airport.
3. Approval will require the FCCAA to spend funds or to supply labor or materials in connection with the proposed operation, or the operation will result in a financial loss to the FCCAA.
4. No appropriate, adequate, or available land or facilities exist at the Airport which would accommodate the FBO's proposed activities on the date of the application.
5. Airport development or construction required for the proposed operation does not comply or is inconsistent with the Airport Master Plan then in effect or conflicts with federal, state, or local rules and regulations.
6. The development or use of the land area requested by the FBO will result in aircraft or building congestion or will unduly interfere with the operations of any present FBO on the Airport or might restrict aircraft access to any FBO's area.
7. The FBO has either intentionally or unintentionally falsified the application or supporting documents or omitted relevant information.
8. The FBO has failed to make full disclosure on the application or supporting documents.
9. The FBO has a record of violating the rules and regulations of any other airport or MDOT aviation regulations, FAA standards or regulations, or any other rules and regulations applicable to the FCCAA.
10. Any party applying or interested in the business has defaulted in the performance of any lease or any other agreement with the FCCAA, Grand Traverse County, or Leelanau County.
11. On the basis of current financial information, the FBO does not, in the opinion of the FCCAA, exhibit adequate financial responsibility to undertake the proposed services.
12. The FBO cannot provide a performance bond or other adequate security in an amount required by the FCCAA to ensure performance of its obligations under its proposed lease or permit or ensure completion of any associated construction.
13. The FBO has been convicted of any of the disqualifying offenses provided under 49 USC 1542.209, or has been convicted of any felony or a misdemeanor involving moral turpitude or has been convicted of a public entity crime as defined in the Michigan Statutes and has been placed on the Convicted Vendor List.
14. The FBO has failed to provide a site plan, engineering plan, or other plans required by the Airport manager in connection with the proposed use.
15. Any other reason that would result in an activity deemed not consistent with these Minimum Standards or not be in the best interest of the FCCAA or Airport.
16. The applicant proposes a "Through the Fence" operation.
17. The applicant's proposal does not comply with any applicable rules, regulations, or statute and there is no reasonable expectation that the proposal will meet these requirements.

18. The applicant proposes different lease terms than form required by the FCCAA.
19. Upon approval of the application by the FCCAA, the Airport manager and Airport counsel shall negotiate a lease with the prospective FBO. No agreement or lease may be approved by the FCCAA unless and until the agreement or lease is approved as to substance by the Airport manager and as to form by the Airport counsel. In the event that the prospective tenant and the Airport manager and Airport counsel are unable to reach agreement as to the lease terms within 90 days from the date of the FCCAA's approval due to the prospective FBO's actions or inactions, negotiations shall terminate and the Airport shall retain the application fee as set forth in these Minimum Standards

(c) *Substantial conformance to standards.* The FCCAA Board shall determine substantial conformance to the standards for fixed base operators.

(d) *Aeronautical service activities.* All FBOs at the airport shall be financially sound and progressive enterprises, with adequately manned and equipped facilities, and shall observe normal or specifically required business hours. Balance sheets, credit references and other proof of financial solvency and business ability, as deemed necessary, shall be provided to the board, on demand, in order to demonstrate technical and financial ability to perform aeronautical service activities.

(e) *Comprehensive liability insurance required.* All fixed base operators shall protect the general public, the customers or clients of such FBO, and the FCCAA from any and all lawful damages, claims or liability, and the FBO shall carry comprehensive liability insurance in a company authorized to do business in the state, protecting against personal injury and property damage, on a per occurrence basis, for ongoing and completed operations, in such amounts as may be determined from time to time by the FCCAA Board by resolution. A certificate of insurance evidencing the same and required coverage shall be delivered to the airport manager prior to or at the time of any lease of airport property along with an endorsement naming the FCCAA, its board, officers, agents, and employees additional insureds under the required policies of insurance. The certificate of insurance shall also provide that the manager will be notified by the insurance company, in writing, ten days in advance of any cancellation of such insurance.

(f) *Construction required by aeronautical service activities; bond.* All construction by an FBO at the airport shall be in accordance with the design or construction standards required or established by the FCCAA, and approved by FAA, for the facility or activity involved, and as required under the minimum standards for the type of service to be performed. All FBOs shall be required to furnish the board payment or performance bonds commensurate with any construction required in the standards herein fixed or under any contract or lease by and between such FBO and the FCCAA.

(g) *Availability of land.* Land available for commercial aeronautical activities is a valuable and limited commodity. It is the policy of the board that no land areas or building space in excess of present or foreseeable requirements will be leased to any fixed base operator. Additional areas may be made available to FBOs on the basis of need and availability.

(h) *Contracts and leases for development of airport property.* All contracts and leases between such FBOs and the FCCAA shall be subordinate to the provisions of any existing or future agreement between the board and the United States or the State of Michigan, relative to the operation or maintenance of airports, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of airport property.

(i) *Compliance with laws, ordinances, etc.* All FBOs shall abide and comply with all state, county, and local laws and ordinances and the rules and regulations of the FCCAA, and the rules and regulations of the state and the Federal Aviation Administration.

(j) *Subleasing, subletting.* No fixed base operator shall sublease or sublet any premises leased by such FBO from the FCCAA, or assign such lease, without prior written approval by the FCCAA, and such subletting or assignment shall be subject to all of the standards set forth herein and as set forth in the lease between the FBO and the FCCAA.

(k) *Additional or discontinued service.* No FBO may extend into additional FBO services, or discontinue any FBO services, without first notifying the FCCAA, through the manager, in writing, and obtaining approval for such additional or discontinued service in writing.

(l) *Use of ramp space.* Ramp space, other than such ramp space specifically leased or assigned to an FBO, shall be for the use of the general public only. No FBO shall be permitted to use public areas of the ramp for its exclusive use or to use any such area as a tie-down area.

(m) *Information on based aircraft and number of operations; list.* All full FBOs shall provide the manager with a current list containing the number, types and identification of all based aircraft and the number of operations per month.

(n) *List of rates and charges for activities and services.* The rates and charges for any and all activities and services of such FBOs shall be determined by the FBOs subject to the requirements that all charges and rates be reasonable and equally and fairly applied to all users of the services. A current list of all charges and rates of all services shall be provided to the airport manager.

(o) *Conduct of FBO agents, employees.* All FBOs shall conduct their activities and render services in a safe, courteous, responsible and efficient manner and shall be solely responsible for all of the acts of their agents or employees and shall save and hold the FCCAA harmless from any act of the FBO, its agents or employees.

(p) *Providing service to the public.* All fixed base operators shall provide services to the general aviation public, aircrews and users of the airport. Aeronautical services shall not be denied to any person in an arbitrary or discriminatory manner, or without due cause.

(q) *Repair and maintenance of leased airport property.* All FBOs shall be responsible for the repair of all damage to airport property caused by or as a result of their activities, including the costs for such repairs. All property leased from the FCCAA shall be maintained in a state of good repair.

II. Minimum requirements for specific FBOs.

(a) *Flight-training activities.* An Aircraft Flight Training FBO engages in instructing pilots in dual and solo flight training, in fixed or rotary wing aircraft, and provides such related ground school instruction as is required before taking a written examination and flight check ride for the category or categories of pilot's licenses and ratings involved.

In order to operate a flight-training activity, an FBO shall have available a sufficient number of properly rated and licensed personnel, and equipment appropriate for the types of training and ratings for which there is a demand. There shall also be available the number and types of single-engine or multiengine aircraft compatible with the training required. In order to conduct flight-training activities, an FBO shall also provide the following:

- A. A minimum number of square feet of classroom space and related restrooms, such space to be agreed upon and specified in an executed lease agreement between lessee and the board.
- B. The necessary training equipment such as mock-ups, engine cutaways and instrument flight trainers required to provide the type of training planned and for which there is a demand, and the quality of training necessary to obtain FAA certificates, ratings or licenses.
- C. The continuing ability to meet certification requirements of the FAA to conduct the types of training proposed by the lessee and approved by the board.
- D. Hours of Operation. FBO shall have its premises open and services available during regular, posted business hours. The FBO shall make provisions for someone to be in attendance in the office at all times during the posted operating hours. FBOs who do not post regular business hours shall provide for an adequate means of contacting the FBO to arrange an appointment (e.g., cellular phone, answering service, voice mail, pager, etc.) and must agree to contact the potential customer no more than 24 hours after the initial service inquiry.
- E. Personnel. The FBO shall employ, and have on duty during the posted business hours, trained personnel in such numbers as are required to meet these Standards in an efficient manner, but no less than one (1) properly certified and qualified pilot to provide demonstration and check rides for any aircraft it intends to lease or rent.
- F. Aircraft. The FBO shall have available either owned or leased aircraft for lease or rental in sufficient quantity to handle the proposed scope of its operation. Satisfactory confirmation of the existence of lease agreements for aircraft not owned by the FBO shall be provided to the FCCAA.

(b) *Aircraft Sales Operator.* An Aircraft Sales Services Operator is an entity engaged in the sale of new or used aircraft.

Minimum Standards

- A. Hangars and Other Buildings. The Operator shall lease or construct hangar facilities for aircraft storage/display space. The size of leasehold shall incorporate square footage appropriate to the intended use.
- B. Licenses and/or Certifications. New aircraft dealers shall hold an authorized factory sales or distributor franchise or sub-dealership. An Operator engaged in the sale of used aircraft must conform to the provisions of FAA Regulations, Part 47, Subpart C, and must possess a valid "Dealers Aircraft Registration Certificate," FAA Form 8050. All aircraft dealers shall hold applicable licenses or permits that may be required by any law or regulation.
- C. Aircraft. A dealer of new aircraft shall have available or on-call at least one (1) current model demonstrator for the aircraft in its authorized product line. A new aircraft dealer shall provide for demonstration of additional models of the manufacturer for which a dealership is held. Dealers of used aircraft shall have reasonable access to aircraft offered for sale for purpose of demonstration.
- D. Hours of Operation. An Operator shall have its premises open and services available during regular, posted business hours. The Operator shall make provisions for someone to be in attendance in the office at all times during the posted operating hours. Operators who do not post regular business hours shall provide for an adequate means of contacting the Operator to arrange an appointment (e.g., cellular phone, answering service, voice mail, pager, etc.) and must agree to contact the potential customer no more than 24 hours after the initial service inquiry,
- E. Personnel. The Operator shall employ, and have on duty during the appropriate business hours, trained personnel in such numbers as are required to meet these Standards in an efficient manner, but no less than one (1) properly certified and qualified pilot to provide demonstration and check rides for aircraft Operator intends to sell.
- (c) *Aircraft Lease/Rental Services.* An Aircraft Leasing or Rental FBO engages in the lease or rental of aircraft to the public.
- A. Hangars and Other Buildings. The FBO shall lease or construct hangar facilities for aircraft storage space. The size of leasehold shall incorporate square footage appropriate to the intended use.
- B. Aircraft Apron. FBO shall provide sufficient square footage within its leasehold to include paved aircraft parking and operating area on the leased premises. Apron size shall be appropriately sized, however, to accommodate proposed and future operational needs of the FBO.
- C. Taxiway Access. The FBO shall provide paved access from its facilities to the Airport's taxiway system. Such taxiway access shall meet all applicable Airport and FAA standards for the largest aircraft type anticipated to use the FBO's facility.

- D. Hours of Operation. FBO shall have its premises open and services available during regular, posted business hours. The FBO shall make provisions for someone to be in attendance in the office at all times during the posted operating hours. FBOs who do not post regular business hours shall provide for an adequate means of contacting the FBO to arrange an appointment (e.g., cellular phone, answering service, voice mail, pager, etc.) and must agree to contact the potential customer no more than 24 hours after the initial service inquiry.
- E. Personnel. The FBO shall employ, and have on duty during the posted business hours, trained personnel in such numbers as are required to meet these Standards in an efficient manner, but no less than one (1) properly certified and qualified pilot to provide demonstration and check rides for any aircraft it intends to lease or rent.
- F. Aircraft. The FBO shall have available either owned or leased aircraft for lease or rental in sufficient quantity to handle the proposed scope of its operation. Satisfactory confirmation of the existence of lease agreements for aircraft not owned by the FBO shall be provided to the FCCAA.

(d) *Limited Commercial Flight Services.* A Limited Commercial Flight Service FBO engages in air transportation for hire for the purpose of providing nonstop sightseeing flights (conducted within twenty-five (25) statute miles of the airport or other such restrictions as may be promulgated by the FAA from time to time) that begin and end at the Airport. A limited commercial flight service FBO must conduct its business operations pursuant to Federal Aviation Regulation Part 91 (FAR Part 91).

- A. Hangars and Other Buildings. FBO shall lease or construct hangar facilities for aircraft storage space, offices, and storage. The size of leasehold shall incorporate square footage appropriate to the intended use.
- B. Aircraft Apron. FBO shall provide sufficient square footage within its leasehold to include paved aircraft parking and operating apron on its leased premises. Apron size shall be appropriately sized, however, to accommodate proposed and future operational needs of the FBO.
- C. Taxiway Access. FBO shall provide paved access from its facilities to the Airport's taxiway system. Such taxiway access shall meet all applicable Airport and FAA standards for the largest aircraft type anticipated to use the FBO's facilities.
- D. Hours of Operation. FBO shall have its premises open and services available during regular, posted business hours. The FBO shall make provisions for someone to be in attendance in the office at all times during the posted operating hours. FBOs who do not post regular business hours shall provide for an adequate means of contacting the FBO to arrange an appointment (e.g., cellular phone, answering service, voice mail, pager, etc.) and must agree to

contact the potential customer no more than 24 hours after the initial service inquiry.

- E. Personnel. FBO shall employ, or have available on call, a sufficient number of properly rated pilots certified by the FAA to provide the type of service desired.
- F. Aircraft. FBO shall provide and have based upon its leasehold at least one (1) properly certificated aircraft either owned or leased. The aircraft must be suitably equipped for and meet FAA requirements for the type of operation provided.

(e) *Miscellaneous operations and aeronautical services.* Miscellaneous operations and aeronautical services not heretofore provided for in this document may be conducted by any person, firm or corporation upon application to and approval of the FCCAA. The reasonable terms and conditions for the privilege of engaging in these various aeronautical services or operations will be established by the FCCAA, commensurate with the nature and scope of the activities involved and subject to the Minimum requirements for all Commercial Aeronautical Activities and the execution of a proper and agreeable lease agreement.

Approved: May 23, 2019, at FCCAA Regular Meeting (Motion by B. Popp, supported by S. Tonner, all ayes).