

TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTOR STAFF REPORT

AGENDA TITLE: Hangar Wait List Policy Amendment

MEETING DATE: June 26, 2019

PREPARED BY: Jill McClendon, Aviation & Community Services Program

Coordinator

RECOMMENDED ACTION: Review the proposed updates to the General Aviation Leasing Rents/ and Fees Policy Section 5.3 regarding the Hangar Wait List and the length of time allowed for an individual to meet the aircraft requirement. Accept or reject the changes that staff is proposing or direct staff to make other modifications per Board direction.

DISCUSSION: When the demand for hangars exceeds supply, the District manages hangar assignments by maintaining a wait list for T-Hangars, Executive Hangars, and Hangar transfer requests. Currently an individual does not have to own an aircraft to add their name to the wait list and many do so with plans of future aircraft ownership. While staff takes several factors into consideration when making a hangar placement including aircraft ownership and current use of KTRK, individuals have had the option to conditionally accept a hangar until the time that they notify the District that they have met the aircraft ownership requirement necessary for tenancy. Traditionally, the District has allowed for a one year time period to meet the aircraft requirement. Following is the applicable language from the *General Aviation Leasing/Rents and Fees Policy*:

An entity who is offered a Hangar assignment has the following options:

- Accept the offer, execute Hangar Agreement, and take possession of the Hangar with a permitted Aircraft or
- Decline the offer in writing and return to the bottom of the waiting list.
- Receive approval from the General Manager to delay possession of the hangar for a period of up to one year. Subject hangar is the property of the District during that time period.

Historically, prior to the adoption of the Primary Management and Compliance Documents

(PMCDs), hangar assignments and leasing of hangars was governed by *Policy Instruction 506* Assignments, Transfers and Use of Truckee Tahoe Airport District Aircraft Storage Hangars and End Pocket Aviation Storage Space. Following is the applicable language from PI 506:

To accept the offer, execute a Hangar Lease Agreement including payment of required deposits, and place the hangar in the District sublease pool subject to the acquisition by the tenant of a compatible aircraft within a one year time period. The tenant shall give the District 30 days' written notice when they are prepared to provide proof of aircraft ownership and insurance to occupy the hangar. In the event that the prospective tenant does not provide notice and proof of acquisition of a compatible aircraft within the one year period, any of the prospective tenant's right to a hangar shall cease and the prospective tenant shall be assessed an administrative fee of \$200 to cover the District costs during the one year period.

In instances when an individual has conditionally accepted a hangar, the District retains that hangar in the available hangar pool and either fills it with a temporary tenant or uses it to meet hangar demand for the storage of transient aircraft on a nightly basis. As the wait list and demand for all types of hangars continues to grow, staff recommends the following update to the policy language:

Receive approval from the General Manager to delay possession of the hangar for a period of up to 60 days. Subject hangar is the property of the District during that time period. Should an individual fail to provide proof of aircraft ownership requirement within the time period outlined, they will be removed from the wait list. Any extension of the 60 day period is solely up to the discretion of the General Manager and will be evaluated on a case by case basis.

Staff believes that this will allow a more appropriate timeline to manage hangar demand for the wait list, while also giving flexibility to certain situations per the General Manager's discretion. If adopted this policy will take effect as of June 26, 2019 and will be applied going forward.

<u>WHAT'S NEXT:</u> If accepted by the Board of Directors, staff will update the documents as outlined and will publish them on the Publications page of the District's website.

FISCAL IMPACT: Minimum to no direct fiscal impact.

<u>PUBLIC COMMUNICATIONS:</u> Posted and noticed as part of the Board Meeting agenda and supporting documents.

SAMPLE MOTION(S): I move to accept the update to the Hangar General Aviation Leasing/Rents and Fees Policy as outlined.

ATTACHMENTS:

General Aviation Leasing/Rents and Fees Section 5.3 Hangar Leasing Policy