



Issues in Airport Compliance

Southwest Region Airports Division
Partnership Conference 2005
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Outline

- **Airport Obligations**
- **Land Use**
- **Airport Revenue Use**
- **14 CFR Parts 13 & 16**

Airport Obligations – Refresher

- *Grant Agreements*
- *Surplus Property Conveyances*
- *Non-Surplus Property Conveyances*
- *Exclusive Rights Obligations*
- *Civil Rights Obligations*

Airport Obligations – Refresher

- ***Know your obligations!***
- ***Read the documents of conveyance and grant assurances for specifics***
 - Special provisions
 - Obligations that run as long as it is used as an airport

Land Use

- *Land is central to the character and operation of the airport!*
- *Need to ensure that land use surrounding airport does not*
 - Create or contribute to flight hazards
 - Create noise impacts
 - Negative impact on airport operations

Land Use

- ***Not all airport sponsors have zoning authority***
 - “to the extent reasonable, appropriate action including zoning will be taken to restrict the use of lands in the vicinity of the airport to activities and purposes compatible with normal airport operations.” – FAA Order 5190.6A



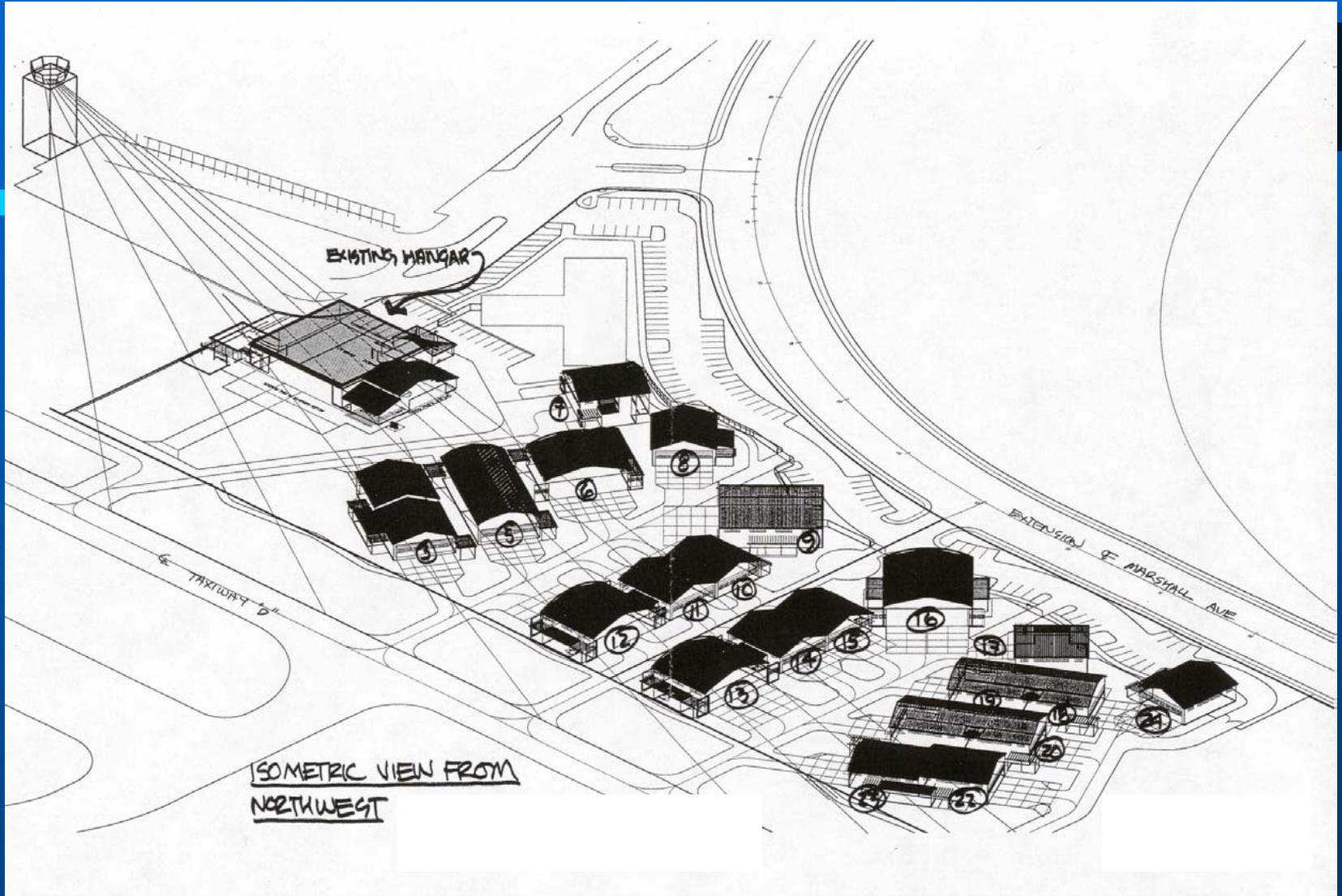


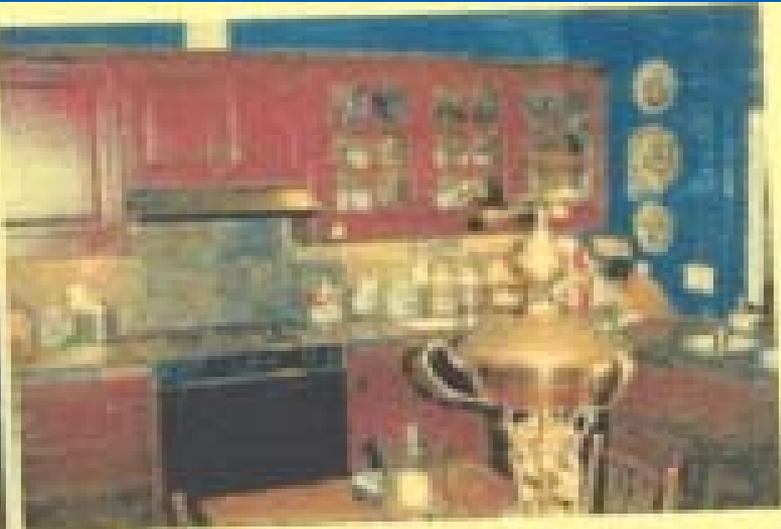
Land Use

- ***“Appropriate action” besides zoning***
 - Education
 - Sound insulation
 - Land acquisition
 - Purchase of easements
 - Real estate disclosure programs

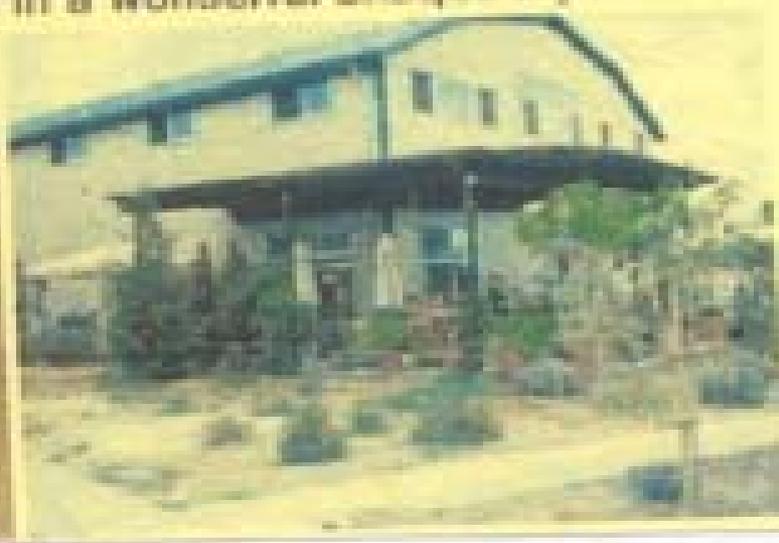
Land Use – Residential Facilities

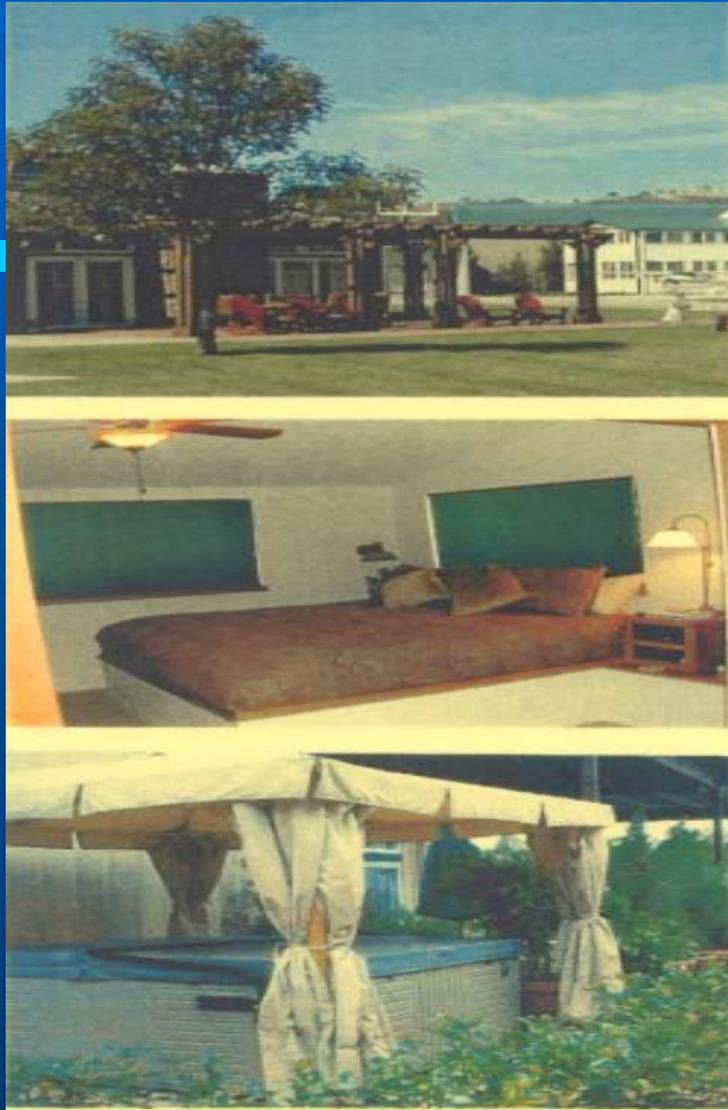
- *FAA objects to residential facilities on federally-obligated airports*
- *Added risks*
 - Safety
 - Security
 - Efficiency
 - Administration





Some of the hangars are decorated in a wonderful antique style.





Land Use –

Non-aeronautical activities

- *Non-aeronautical leaseholds should not be located on designated aeronautical use land, unless:*
 - FAA approval,
 - Indication on ALP, and/or
 - Property released by FAA





Land Use – Disposal

- ***For land acquired with Grant funds:***
 - Need permission of FAA to dispose
 - FAA must determine that land is no longer needed for airport purposes
- ***Net proceeds:***
 - Federal share of FMV reinvested in airport or returned to the Trust Fund
 - Sponsor share is airport revenue

Land Use – Disposal

- *Land acquired with no Federal Assistance:*
 - Revenue retention provision applicable
 - Sponsor must get FAA's approval for removal of land from ALP

Land Use – Disposal

- *For specific information on disposal of surplus and non-surplus property contact State/ADO or region*
 - Complex and specific procedures and authorities for disposal

Land Use –

GA Land Use Inspections

- **FAA directed to report on scope of unauthorized use of airport land.**
- **Agreed to conduct on-site land use inspections at a minimum of 18 federally-obligated airports annually.**

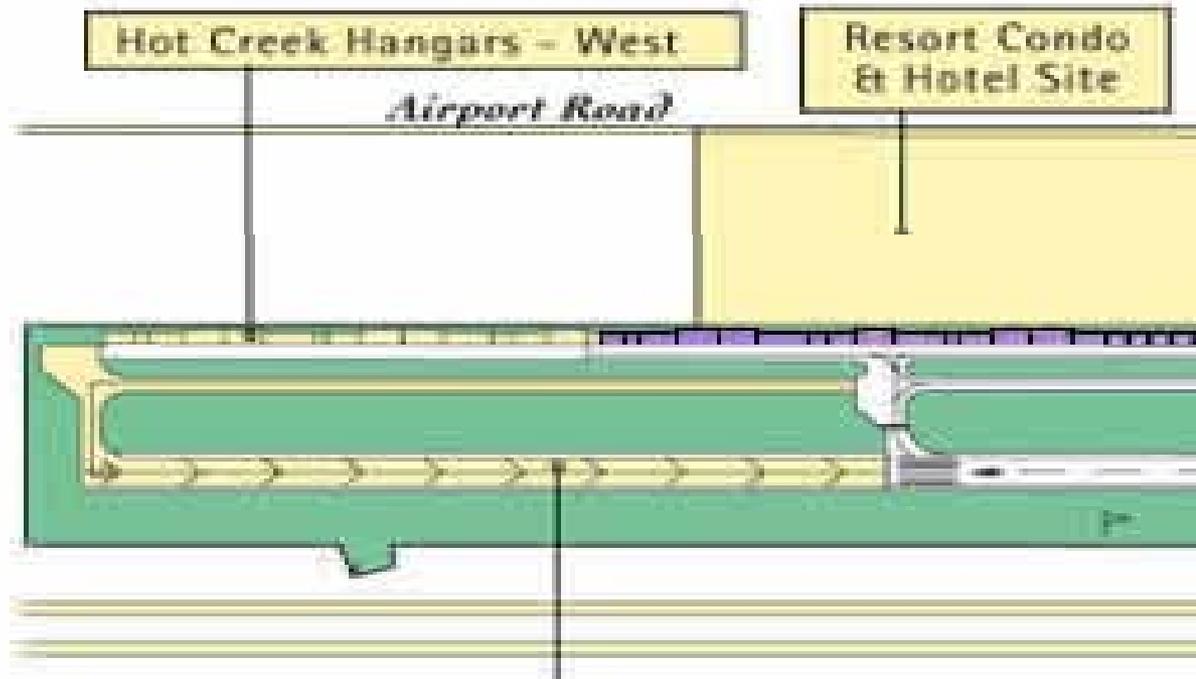
Land Use –

GA Land Use Inspections

- Inspections serve as a compliance oversight and surveillance tool.
- Provide standardized reporting formats and supporting data for formal and informal compliance determinations.



Master Site Plan



Airport Revenue Use – Basic Requirement

- *Airport revenue must be for the capital or operating costs of:*
 - The airport,
 - The local airport system, or
 - Other facilities owned or operated by the sponsor directly and substantially related to the air transportation of passengers or property.

Airport Revenue Use – Basic Requirement

- *Proceeds from land sales or leases are airport revenue.*

Airport Revenue Use – Applicability

- ***Airports receiving Federal assistance***
- ***Federal property conveyed after 10/01/1996***
- ***Private operators accepting Federal assistance after 10/01/1996***
- ***Requirement continues indefinitely as long as airport is operating***

Airport Revenue Use – Prohibited Uses

- *Payments exceeding reasonable value of services provided*
- *General Economic Development*
- *Payments in Lieu of taxes*

Airport Revenue Use – Prohibited Uses

- *Loans without interest*
- *Land use by sponsor at less than FMV*
- *Impact/Contingency Fees*

Airport Revenue Use – Revenue Diversion Sanctions

- *Withhold future grants*
- *Withhold payments or modification of existing grant*
- *Withhold new PFC approval*
- *Opportunity for hearing – corrective action*

Airport Revenue Use – Revenue Diversion Sanctions

- ***Withhold transportation funds under Title 49***
- ***Assess civil penalties – may be treble damages***
- ***Enforcement order from Federal Court***

Airport Revenue Use – Self Sustaining Rate Structure

- ***Aeronautical fees reasonable***
 - May be below FMV but should recover costs
- ***Non-aeronautical fees should be FMV***

Airport Revenue Use – Self Sustaining Rate Structure

- *If market conditions do not permit sponsor to recover costs and provide needed aeronautical services, operating losses OK*

Airport Revenue Use – Allowable Reduced Rates

- ***Community/charitable use of airport property***
- ***Not-for-profit Aviation Museums***
- ***Aeronautical Higher Education Programs***
- ***Civil Air Patrol leases***
- ***Use of Property by military units with aviation mission***
- ***Mass transit airport access***

Airport Revenue Use

- ***Airports required to file under the Airport Financial Reporting Program***
 - Airports obligated by AIP grant's issued on or after 1/01/1995
 - Commercial service airports that enplane 2,500 or more passengers in a calendar year
 - Provided commercial service meeting requirements in previous year

Airport Revenue Use

- ***FAA established website to eliminate need for airports to file hard copies of financial reports***
 - **Compliance Activity Tracking System (CATS)**
 - **<http://cats.crownci.com>**
 - **Airport Financial Reporting Program Help Desk – (202)267-3446**

CATS Home

CATS

Compliance Activity Tracking System

[Getting Started Brochure \(PDF\)](#)

[File or Amend an Airport Financial Report](#)

[View an Airport Financial Report](#)

[FAA Airports Division User](#)

Contact number for problems: (202)-267-3446

14 CFR Parts 13 & 16

- 14 CFR Part 13 –
Informal
Complaints
- 14 CFR Part 16 –
Formal Complaints



14 CFR Parts 13 & 16 – Informal Complaint Resolution

- *FAA encourages informal resolution of complaints*
- *States will consult with the ADO as appropriate*
- *FAA encourages Dispute Resolution Procedures*

14 CFR Parts 13 & 16 – Formal Complaints

- *Time Deadlines and Limited Pleadings*
- *Complainants must have standing*
- *Parties must have made good faith efforts to resolve prior to filing*

14 CFR Parts 13 & 16 – Formal Complaints

- *Director of Office of Airport Safety and Standards issues determination*
- *Parties may appeal to Associate Administrator*
- *Part 16 process does not provide for the award of damages*

Questions?