ACTION: Program Guidance Letter 11-01

Date: MAR 25 2011

From: Manager, Airports Financial Assistance Division, APP-500

To: PGL Distribution List

We are issuing this Program Guidance Letter to implement an amendment to the Standard AIP Sponsor Assurances to implement the Airport Improvement Program (AIP) interim policy regarding access to airports from residential property. The change below is effective immediately with the issuance of this PGL. New grant agreements executed after the date of this PGL must include the updated assurances.

BACKGROUND

Under the authority described in subtitle VII, part B, chapter 471, sections 47107 and 47122 of Title 49, United States Code the FAA Associate Administrator for Airports is responsible for the administration of the AIP, including compliance with the grant assurances.

The Office of Airport Compliance published a Federal Register Notice, Vol.76, No. 53/Friday, March 18, 2011 (attached), adopting an interim policy amending and clarifying FAA policy concerning through-the-fence access to a federally-obligated airport from an adjacent or nearby property, when that property is used as a residence and permits continuation of access subject to certain standards.

GUIDANCE

This program guidance adds new paragraph g. to the standard AIP sponsor assurances under section C Sponsor Certification, 5. Preserving Rights and Powers.

g. It will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport.

A copy of the revised Sponsor Assurances is attached. The revised assurances can also be found on line at:
http://www.faa.gov/airports/aip/grant_assurances/media/airport_sponsor_assurances.pdf

Key words: sponsor, assurances
ASSURANCES
Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.

2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.

3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. Air Development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor. The terms, conditions and assurances of the grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with Federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor. The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor. Unless otherwise specified in the grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 30, 32, 33, and 34 in section C apply to planning projects. The terms, conditions, and assurances of the grant agreement shall remain in full force and effect during the life of the project.

C. Sponsor Certification. The sponsor hereby assures and certifies, with respect to this grant that:
1. **General Federal Requirements.** It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

**Federal Legislation**

b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.
i. Clean Air Act, P.L. 90-148, as amended.
j. Coastal Zone Management Act, P.L. 93-205, as amended.
k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.
l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))

**Executive Orders**

- Executive Order 11246 - Equal Employment Opportunity
- Executive Order 11990 - Protection of Wetlands
- Executive Order 11988 – Flood Plain Management
- Executive Order 12372 - Intergovernmental Review of Federal Programs
- Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction
- Executive Order 12898 - Environmental Justice
Federal Regulations

c. 14 CFR Part 150 - Airport noise compatibility planning.
d. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹

e. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹

f. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹

g. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹

h. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³

i. 49 CFR Part 20 - New restrictions on lobbying.
j. 49 CFR Part 21 - Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
k. 49 CFR Part 23 - Participation by Disadvantaged Business Enterprise in Airport Concessions.
l. 49 CFR Part 24 - Uniform relocation assistance and real property acquisition for Federal and federally assisted programs.¹²

m. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.

n. 49 CFR Part 27 - Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance.¹

o. 49 CFR Part 29 – Government wide debarment and suspension (nonprocurement) and government wide requirements for drug-free workplace (grants).
p. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.

q. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.¹

Office of Management and Budget (OMB) Circulars

a. A-87 - Cost Principles Applicable to Grants and Contracts with State and Local Governments.
b. A-133 - Audits of States, Local Governments, and Non-Profit Organizations

¹ These laws do not apply to airport planning sponsors.
2 These laws do not apply to private sponsors.

3 49 CFR Part 18 and OMB Circular A-87 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

2. **Responsibility and Authority of the Sponsor.**
   a. **Public Agency Sponsor:** It has legal authority to apply for the grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
   b. **Private Sponsor:** It has legal authority to apply for the grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. **Sponsor Fund Availability.** It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. **Good Title.**
   a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
   b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. **Preserving Rights and Powers.**
   a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or
modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of the grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in the grant agreement and shall ensure that such arrangement also requires compliance therewith.

g. It will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport.
6. **Consistency with Local Plans.** The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. **Consideration of Local Interest.** It has given fair consideration to the interest of communities in or near where the project may be located.

8. **Consultation with Users.** In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which the project is proposed.

9. **Public Hearings.** In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. **Air and Water Quality Standards.** In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty (60) days after the project application has been received by the Secretary.

11. **Pavement Preventive Maintenance.** With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. **Terminal Development Prerequisites.** For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and has provided for
access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. **Accounting System, Audit, and Record Keeping Requirements.**
   a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of the grant, the total cost of the project in connection with which the grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
   b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to the grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which the grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. **Minimum Wage Rates.** It shall include, in all contracts in excess of $2,000 for work on any projects funded under the grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. **Veteran's Preference.** It shall include in all contracts for work on any project funded under the grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Veterans of the Vietnam era and disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. **Conformity to Plans and Specifications.** It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and
schedules shall also be subject to approval of the Secretary, and incorporated into the grant agreement.

17. **Construction Inspection and Approval.** It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. **Planning Projects.** In carrying out planning projects:
   a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
   b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
   c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
   d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
   e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
   f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
   g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
   h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. **Operation and Maintenance.**
   a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon
which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

1. Operating the airport’s aeronautical facilities whenever required;
2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
3. Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. **Hazard Removal and Mitigation.** It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. **Compatible Land Use.** It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. **Economic Nondiscrimination.**

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-
(1) furnish said services on a reasonable, and not unjustly 
discriminatory, basis to all users thereof, and 
(2) charge reasonable, and not unjustly discriminatory, prices for each 
unit or service, provided that the contractor may be allowed to 
make reasonable and nondiscriminatory discounts, rebates, or other 
similar types of price reductions to volume purchasers.
c. Each fixed-based operator at the airport shall be subject to the same rates, 
fees, rentals, and other charges as are uniformly applicable to all other 
fixed-based operators making the same or similar uses of such airport and 
utilizing the same or similar facilities.
d. Each air carrier using such airport shall have the right to service itself or to 
use any fixed-based operator that is authorized or permitted by the airport 
to serve any air carrier at such airport.
e. Each air carrier using such airport (whether as a tenant, non tenant, or 
subtenant of another air carrier tenant) shall be subject to such 
nondiscriminatory and substantially comparable rules, regulations, 
conditions, rates, fees, rentals, and other charges with respect to facilities 
directly and substantially related to providing air transportation as are 
applicable to all such air carriers which make similar use of such airport 
and utilize similar facilities, subject to reasonable classifications such as 
tenants or non tenants and signatory carriers and non signatory carriers. 
Classification or status as tenant or signatory shall not be unreasonably 
withheld by any airport provided an air carrier assumes obligations 
substantially similar to those already imposed on air carriers in such 
classification or status.
f. It will not exercise or grant any right or privilege which operates to 
prevent any person, firm, or corporation operating aircraft on the airport 
from performing any services on its own aircraft with its own employees 
[including, but not limited to maintenance, repair, and fueling] that it may 
choose to perform.
g. In the event the sponsor itself exercises any of the rights and privileges 
referred to in this assurance, the services involved will be provided on the 
same conditions as would apply to the furnishing of such services by 
commercial aeronautical service providers authorized by the sponsor 
under these provisions.
h. The sponsor may establish such reasonable, and not unjustly 
discriminatory, conditions to be met by all users of the airport as may be 
necessary for the safe and efficient operation of the airport.
i. The sponsor may prohibit or limit any given type, kind or class of 
aeronautical use of the airport if such action is necessary for the safe 
operation of the airport or necessary to serve the civil aviation needs of the 
public.

23. **Exclusive Rights.** It will permit no exclusive right for the use of the airport by 
any person providing, or intending to provide, aeronautical services to the public. 
For purposes of this paragraph, the providing of the services at an airport by a
single fixed-based operator shall not be construed as an exclusive right if both of
the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than
one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services
would require the reduction of space leased pursuant to an existing
agreement between such single fixed-based operator and such airport.

It further agrees that it will not, either directly or indirectly, grant or permit any
person, firm, or corporation, the exclusive right at the airport to conduct any
aeronautical activities, including, but not limited to charter flights, 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 whether or not conducted in conjunction with other
aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and
any other activities which because of their direct relationship to the operation of
aircraft can be regarded as an aeronautical activity, and that it will terminate any
exclusive right to conduct an aeronautical activity now existing at such an airport
before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure. It will maintain a fee and rental structure for the
facilities and services at the airport which will make the airport as self-sustaining
as possible under the circumstances existing at the particular airport, taking into
account such factors as the volume of traffic and economy of collection. No part
of the Federal share of an airport development, airport planning or noise
compatibility project for which a grant is made under Title 49, United States
Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act
or the Airport and Airway Development Act of 1970 shall be included in the rate
basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel
established after December 30, 1987, will be expended by it for the capital
or operating costs of the airport; the local airport system; or other local
facilities which are owned or operated by the owner or operator of the
airport and which are directly and substantially related to the actual air
transportation of passengers or property; or for noise mitigation purposes
on or off the airport. Provided, however, that if covenants or assurances in
debt obligations issued before September 3, 1982, by the owner or
operator of the airport, or provisions enacted before September 3, 1982, in
governing statutes controlling the owner or operator's financing, provide
for the use of the revenues from any of the airport owner or operator's
facilities, including the airport, to support not only the airport but also the
airport owner or operator's general debt obligations or other facilities, then
this limitation on the use of all revenues generated by the airport (and, in
the case of a public airport, local taxes on aviation fuel) shall not apply.

b. As part of the annual audit required under the Single Audit Act of 1984,
the sponsor will direct that the audit will review, and the resulting audit
report will provide an opinion concerning, the use of airport revenue and
taxes in paragraph (a), and indicating whether funds paid or transferred to
the owner or operator are paid or transferred in a manner consistent with
Title 49, United States Code and any other applicable provision of law,
including any regulation promulgated by the Secretary or Administrator.
c. Any civil penalties or other sanctions will be imposed for violation of this
assurance in accordance with the provisions of Section 47107 of Title 49,
United States Code.

26. **Reports and Inspections.** It will:
   a. submit to the Secretary such annual or special financial and operations
      reports as the Secretary may reasonably request and make such reports
      available to the public; make available to the public at reasonable times
      and places a report of the airport budget in a format prescribed by the
      Secretary;
   b. for airport development projects, make the airport and all airport records
      and documents affecting the airport, including deeds, leases, operation and
      use agreements, regulations and other instruments, available for inspection
      by any duly authorized agent of the Secretary upon reasonable request;
   c. for noise compatibility program projects, make records and documents
      relating to the project and continued compliance with the terms,
      conditions, and assurances of the grant agreement including deeds, leases,
      agreements, regulations, and other instruments, available for inspection by
      any duly authorized agent of the Secretary upon reasonable request; and
   d. in a format and time prescribed by the Secretary, provide to the Secretary
      and make available to the public following each of its fiscal years, an
      annual report listing in detail:
         1) all amounts paid by the airport to any other unit of government and
            the purposes for which each such payment was made; and
         2) all services and property provided by the airport to other units of
            government and the amount of compensation received for
            provision of each such service and property.

27. **Use by Government Aircraft.** It will make available all of the facilities of the
    airport developed with Federal financial assistance and all those usable for
    landing and takeoff of aircraft to the United States for use by Government aircraft
    in common with other aircraft at all times without charge, except, if the use by
    Government aircraft is substantial, charge may be made for a reasonable share,
    proportional to such use, for the cost of operating and maintaining the facilities
    used. Unless otherwise determined by the Secretary, or otherwise agreed to by the
    sponsor and the using agency, substantial use of an airport by Government aircraft
    will be considered to exist when operations of such aircraft are in excess of those
    which, in the opinion of the Secretary, would unduly interfere with use of the
    landing areas by other authorized aircraft, or during any calendar month that –
   a. Five (5) or more Government aircraft are regularly based at the airport or
      on land adjacent thereto; or
b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities. It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

   a. It will keep up to date at all times an airport layout plan of the airport showing (1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto; (2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities; and (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
   b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities.

30. Civil Rights. It will comply with such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or
benefiting from funds received from this grant. This assurance obligates the sponsor for the period during which Federal financial assistance is extended to the program, except where Federal financial assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon in which case the assurance obligates the sponsor or any transferee for the longer of the following periods: (a) the period during which the property is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or (b) the period during which the sponsor retains ownership or possession of the property.

31. **Disposal of Land.**

   a. For land purchased under a grant for airport noise compatibility purposes, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will, at the discretion of the Secretary, (1) be paid to the Secretary for deposit in the Trust Fund, or (2) be reinvested in an approved noise compatibility project as prescribed by the Secretary, including the purchase of nonresidential buildings or property in the vicinity of residential buildings or property previously purchased by the airport as part of a noise compatibility program.

   b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested in another eligible airport improvement project or projects approved by the Secretary at that airport or within the national airport system, or (2) be paid to the Secretary for deposit in the Trust Fund if no eligible project exists.

   c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

   d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such
land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services. It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions. It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications. It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated ______ and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition. (1) It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B. (2) It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24. (3) It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses. The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises. The recipient shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non discrimination in the award and administration of DOT-assisted contracts. The recipient’s DBE program, as required by 49 CFR Part 26, and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Recipient of its failure to carry out its approved program,
the Department may impose sanctions as provided for under Part 26 and may, in
appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or

38. **Hangar Construction.** If the airport owner or operator and a person who owns an
aircraft agree that a hangar is to be constructed at the airport for the aircraft at the
aircraft owner’s expense, the airport owner or operator will grant to the aircraft
owner for the hangar a long term lease that is subject to such terms and conditions
on the hangar as the airport owner or operator may impose.

39. **Competitive Access.**
   
a. If the airport owner or operator of a medium or large hub airport (as
defined in Section 47102 of Title 49, U.S.C.) has been unable to
accommodate one or more requests by an air carrier for access to gates or
other facilities at that airport in order to allow the air carrier to provide
service to the airport or to expand service at the airport, the airport owner
or operator shall transmit a report to the Secretary that-
   (1) Describes the requests;
   (2) Provides an explanation as to why the requests could not be
      accommodated; and
   (3) Provides a time frame within which, if any, the airport will be able to
      accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if
   the airport has been unable to accommodate the request(s) in the six (6)
   month period prior to the applicable due date.