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9.001. Nature of Chapter. This chapter shall be deemed a regulatory measure; and the provisions herein provided shall be for the purpose of operation, regulation, and control of the Salem Municipal Airport, known as McNary Field and referred to in this chapter as "the airport." (Ord No. 102-67; Ord No. 62-79; Ord No. 10-12)

9.005. Definitions. Unless the context otherwise specifically requires, as used in this Chapter, the following terms mean:

- (a) Airport: The Salem Municipal Airport, commonly known as McNary Field.
- (b) Airport Manager: The City Manager, or the department head designated by the City Manager with responsibility and authority for the management and direction of the Airport, or that department head's designee.
- (c) Airport Master Plan: The current approved layout of the Airport property, indicating current and proposed usage for each identifiable segment, as approved by the City Council and amended from time to time.
- (d) Airport rules and regulations: Any rule or procedure for the operation of the Airport promulgated pursuant to SRC 9.010.
- (e) City: The Airport Manager.
- (f) Commercial aeronautical activity: An operation or service performed for compensation which is conducted on or based at the Airport, excepting those activities specifically designated herein as noncommercial operations. This definition applies, but is not necessarily limited to:
 - (1) Any service for compensation by a licensed mechanic, flight instructor, or commercial pilot.
 - (2) The short-term rental of aircraft to multiple users.
 - (3) The sale of aircraft, parts, fuel, accessories, and/or aviation equipment.

- (g) Commercial operator: Any person involved in a commercial activity.
- (h) Employee: Any individual performing services for another person and designated as an employee for the purpose of federal/state unemployment insurance, federal social security, or federal/state withholding.
- (i) FAA: The Federal Aviation Administration.
- (j) Fixed base operator: A proprietor of a commercial operation offering aeronautical related activities and services to the general public.
- (k) Noncommercial aeronautical activity: Any Airport activity which does not involve the providing of aviation goods or services for compensation. This includes the use and maintenance of an aircraft by its registered owner or owners and the following activities specifically designated as noncommercial:
 - (1) The sale of an aircraft, its parts, or accessories by the registered owner or owners, providing then owner or owners have not sold an aircraft, similar part, or accessory within the preceding twelve months. Prior written approval of the City will be required for the second such sale within a twelve-month period on a noncommercial basis. Such approval will be withheld only in those cases where the City determines the sale to be part of a continuing sales activity by the owner or owners.
 - (2) The rental of aircraft from a nonprofit flying club by registered members.
 - (3) Flight instruction provided to a flying club member by another flying club member provided such instruction is provided for nonmonetary compensation.
 - (4) Maintenance performed on an aircraft owned or controlled by a flying club by a member of that flying club, provided such service is provided for nonmonetary compensation.
- (l) Noncommercial aeronautical operator: Any person involved in a noncommercial aeronautical activity.
- (m) Person: Any person, corporation, limited liability company, partnership, limited liability partnership, cooperative, association, trust, or other entity in law or fact. (Ord No. 62-79; Ord No. 10-12)

9.010. Rulemaking; Enforcement; Fees and Charges.

- (a) The Airport Manager shall administer this Chapter, and shall have the authority to render written and oral interpretations of this Chapter, to adopt administrative rules and procedures necessary for its proper administration and enforcement, and to create classes of licenses for commercial and noncommercial activity at the Airport.
- (b) The Airport Manager shall enforce this Chapter and the Airport rules and regulations adopted pursuant to subsection (a) of this section. Appeals of final decisions by the Airport Manager in the enforcement of this Chapter or the Airport rules and regulations are contested cases under SRC 20J.020. Any person who has received an enforcement order may appeal the final decision of the Airport Manager by filing a notice of appeal according to the procedures set forth in SRC 20J.220. The appeal shall be held according to procedures set forth in SRC Chapter 20J.
- (c) All license fees, rental rates, and other charges authorized by this Chapter shall be set by resolution of the City Council. (Ord No. 101-67; Ord No. 51-96; Ord No. 10-12)

9.015. Construction Consistent with Rules Adopted by FAA. The provisions of this Chapter, and any rules adopted pursuant to SRC 9.010, shall be construed so as to be consistent with any rules adopted by the FAA and, in the event of any conflict between the provisions of this Chapter and any rules adopted pursuant to SRC 9.010 and FAA rules, the FAA rules shall control. (Ord No. 10-12)

9.020. License Required.

- (a) **License Required.** Except as provided in subsection (b) of this section, no commercial

aeronautical activity shall be offered or performed at the Airport without a license for such commercial aeronautical activity having first been obtained from the Airport Manager.

(b) Temporary Commercial Aeronautical Activities. Commercial aeronautical activities conducted on the Airport that are temporary, and not of a recurring nature, shall have a temporary license upon approval of an application therefore by the Airport Manager. The application must include all pertinent information needed to evaluate the applicant's operations including required licenses and evidence of required insurance coverage. A temporary license shall be valid only for a period not exceeding sixty days.

(c) Exemption. Aeronautical activities of scheduled airlines and municipal, state, and federal agencies are exempt from requirements of this section.

(d) As used in this section, commercial aeronautical activity shall not be deemed to include the rental of hangar space. (Ord No. 102-67; Ord No. 176-69; Ord No. 62-79; Ord No. 10-93; Ord No. 35-95; Ord No. 51-96; Ord No. 10-12)

GENERAL PRIVILEGES AND RIGHTS

9.025. In General. In addition to any specific requirements contained in this chapter for a particular category of operation, the requirements set forth in SRC 9.030 to 9.065 shall be common requirements of all operators, permittees, licensees, and lessees on the Airport. (Ord No. 62-79; Ord No. 10-12)

9.030. Activities per Agreement. Each licensee on the Airport is granted the right to conduct only one integrated activity per agreement. Services offered by fixed based operators shall be enumerated in their leases. This does not preclude a licensee from applying for another concession or privilege provided, however, that this concession or privilege will be the subject of a separate agreement. The licensee must meet the standard qualifications for the particular operation category regarding related experience, quality and depth of management, personnel, etc. (Ord No. 62-79; Ord No. 10-12)

9.035. Activity Limitation. Each licensee is hereby prohibited from conducting any activity at the airport other than that provided by agreement. Any commercial user of Airport facilities is hereby restricted from entering into any other commercial activity at the Airport without the prior written consent of the city. (Ord No. 62-79; Ord No. 10-12)

9.040. Nondiscrimination. In the operation and use of the facilities at the airport, no licensee shall discriminate or permit discrimination against any person or group of persons in any manner on the grounds of race, color, or national origin. (Ord No. 62-79; Ord No. 10-12)

9.045. Licenses Subject to Laws and Regulations.

(a) Each licensee and his officers, agents, and employees shall carry on his activities and operations on said Airport in compliance with federal laws and Federal Aviation Administration regulations, state statutes, the rules and regulations governing the use of the Airport, and all other applicable City ordinances. Each licensee shall be responsible for the actions of his officers, agents, and employees.

(b) Each licensee shall designate in writing to the city the name and title of the officer or manager responsible for such actions. (Ord No. 62-79; Ord No. 10-12)

9.050. Operations Covenants. All agreements granting commercial privileges at the Airport shall include covenants that govern the hours of operation, the type of operation, the extent of services to be offered, and the quality of performance required of the licensee. Each licensee to whom a concession is granted shall operate the premises for the use and benefit of the public. This shall include, but not be limited to:

(a) Furnishing goods, and prompt and efficient service adequate to meet normal demands for its service at the Airport.

- (b) Furnishing such service on a fair, equal, and nondiscriminatory basis to all users.
- (c) Charging fair, reasonable, and nondiscriminatory prices for each unit of sale of service, provided that operator may make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- (d) Having telephone service and offices on the Airport, if the licensee is leasing space or real property from the City.
- (e) Maintaining a current registry with the Airport Manager of officers and supervisory employees and their telephone numbers for emergency use. (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.055. Ground Space Leasing.

- (a) Licensees for activities at the Airport who are required to provide ground space and structures for such activities shall enter into leases with the City for the rental of such space or into subleases with a lessee previously approved by the City. Subleases may be used in lieu of leases with the City to meet the building and lot requirements of SRC 9.185-9.210. Subleases shall comply with SRC 9.155. Ground space allocations to licensees under leases will be made in accordance with the Airport Master Plan or other site-specific planning or development documents.
- (b) Termination of a licensee's ground lease without other satisfactory arrangements having been made with the Airport Manager shall automatically revoke a license for an activity, service, or operation. (Ord No. 62-79; Ord No.175-82; Ord No. 10-93; Ord No. 51-96; Ord No. 10-12)

9.060. Right of Aircraft Service. No right or privilege granted a licensee shall in any way interfere with or prevent any person, firm, or corporation operating on the Airport from performing any FAA approved services on its own aircraft with its own employees as are compatible with the Airport rules and regulations established by the City and with the appropriate Building and Fire Codes. (Ord No. 62-79; Ord No. 10-12)

9.065. Privileges, Uses, Rights, and Interests. In addition to specific privileges, uses, rights, and interests granted to persons by a license or lease, the following privileges, uses, rights, and interests shall be granted to all licensees and lessees:

- (a) The loading and unloading of aircraft in any lawful commercial or noncommercial activity in designated areas and locations.
- (b) The nonexclusive use of the public airport facilities and navigational aids for purpose of commercial and noncommercial landings, takeoffs, and taxiing of aircraft.
- (c) The right by a lessee for ingress to and egress from lessee's leased premises.
- (d) The nonexclusive use of common-use areas which shall be kept clear at all times. (Ord No. 62-79; Ord No. 10-12)

RATES AND CHARGES

9.070. User Pay Policy. It is hereby declared that the policy underlying the establishment of rates and charges shall be that each licensee at the airport and each user of the landing area pay an appropriate rate or fee for such license or use. To assure the calculation of proper rates and charges, the City will continue to generate cost data through the City's cost accounting system to serve as a valid basis for negotiating rates and charges. (Ord No. 62-79; Ord No. 10-12)

9.075. Policy to Reduce Expenses for Airport Operation. Reduction of expenses for Airport operation shall be the basic policy of sound airport fiscal management. This policy shall be implemented in leases through requirements regarding lessees' and City's maintenance and operational obligations. (Ord No. 62-79; Ord No. 10-12)

9.080. Rents; Concessions. Rents shall be either a standard or variable rate. The standard rate will be incorporated into any lease for space owned by the Airport, or for ground rentals. The variable rate will be incorporated in so far as is feasible into concession agreements, such as the sale of consumer goods and services on the Airport. A variable rate can be either a "percentage of gross revenue" or fuel flowage fee. (Ord No. 62-79; Ord No. 10-12)

9.085. Guaranteed Minimum. All agreements which specify a variable rate (percentage of gross, fuel flowage) shall include a negotiated minimum, which should be an amount that is below the average projected monthly payment, at a level consistent with the City's desire to encourage each operator to provide the highest possible level of public service. (Ord No. 62-79; Ord No. 10-12)

9.090. Audits. When an agreement specifies a percentage of gross revenue, the City shall, in addition to the right of confidential review of records, have the right to audit the accounts and records of the licensee. Should a discrepancy of five percent or more be found in gross receipts reported to the City, the cost of such an audit will be borne by the licensee. The gross sales of any major concession on the Airport shall be verified by an unqualified opinion of a certified public accountant. (Ord No. 62-79; Ord No. 10-12)

9.095. Rents and Fees. With regard to the various users of the Airport, the following policy shall apply:

(a) Airport Space and Ground Leases.

(1) All hangar and self-constructed building area leases shall be required to pay a ground rental for the gross area leased, including any exclusive-use aprons, parking area, etc.

(2) All lessees of space in City-owned Airport buildings shall pay a rental rate per square foot of space leased plus any additional user fees appropriate to the lessee's use. Rents shall be fixed in the lease between the City and lessee.

(3) The rates or charges for aircraft parking and tie-down (permanent or transient) shall be set by the City Council, unless set in a lease. Storage charges made by licensees may be determined by the licensees, subject to the approval of the Airport Manager and subject further to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services. The City shall receive not less than fifty percent of all aircraft tie-down and parking fees collected by the licensee on any City-owned aircraft ramp area managed (but not leased) by the licensee.

(b) Concessions. Any food or restaurant concessionaire shall pay a percentage of gross revenue or a minimum annual guarantee, whichever is greater.

(c) Landing Area and Field-use Fees. All users of the landing area shall pay a field-use fee in addition to any other Airport space or ground rentals that they may currently be paying.

The following basic policy will apply:

(1) For scheduled commuter airline users, a specific landing fee will be negotiated on the basis of maximum approved gross landing weight of aircraft operated which will then be charged for each and every landing aircraft, regardless of whether such landings are extra sections, training flights, etc.

(2) For general aviation aircraft users, a fuel flowage fee shall be established by resolution of the City Council, which shall provide for a return to the City by owners or operators of fuel storage tanks. The resolution shall establish a schedule of fees for each gallon of various classes of product delivered to any Airport premise.

(3) For military and government users, a service charge shall be negotiated with the appropriate agency on the basis of the type of missions and the aircraft operated, if on a continual basis.

(d) Special Use Permits.

(1) For any off-Airport user desiring airfield access, a special airfield use agreement shall

be negotiated, including specific provisions requiring the user to pay the cost of any taxiway extended to the Airport boundary, a fuel flowage fee, and a special Airport access fee.

(2) Other special use permits may be issued by the City on a case-by-case basis and be subject to any appropriate fees, charges, or conditions deemed reasonable by the City. (Ord No. 62-79; Ord No. 133-79; Ord No. 21-87; Ord No. 10-12)

MAINTENANCE AND OPERATIONAL OBLIGATIONS

9.100. Maintenance Obligations. Lessees shall be responsible for the following maintenance obligations:

- (a) In the landing area, the City will maintain all public-use runways, taxiways, and aprons. Exclusive-use aprons, taxiways, or ramps will be maintained by the lessee.
- (b) In the hangar and building area, the City shall not provide any maintenance of gross area leased from the City, or of buildings or facilities erected by a lessee. All leases of City-owned buildings (single tenant) will be negotiated on a "net" basis, with the lessee required to assume the responsibility for providing its own day-to-day services, including, but not limited, to:
 - (1) Provide and pay for all light, gas, electric current, water, janitorial, and sewer charges used or incurred in or about the leased premises.
 - (2) Keep all leased area facilities and structures in an acceptable state of repair and maintained at all times. The lessee shall be responsible for maintaining all leased areas, landscaping, facilities, and structures in an acceptable state of repair and in good appearance, as established in the Airport Rules and Regulations.
- (c) Net lease agreements shall be used for hangar and building areas.
- (d) A covenant shall be included in each lease stipulating that the City shall be the sole judge of the quality of maintenance and that, upon thirty-day written notice, the City may require the lessee to perform all necessary maintenance. In the event such maintenance is not undertaken as required, the lease shall further provide that the City may perform such maintenance upon behalf of the lessee and at the lessee's expense, plus ten percent for administration. (Ord No. 62-79; Ord No. 10-12)

9.105. Operational Obligations. Lessees and licensees shall be responsible for the following items, as appropriate:

- (a) Obtain permits from appropriate agencies as necessary to conduct business operations on the Airport. Licensees and lessees must conform to all applicable federal, state, and local laws regarding industrial, building, safety, health, fire, and sanitation.
- (b) To the extent necessary to protect the rights and interest of the City or to ascertain compliance with these standards and the Airport rules and regulations, the Airport Manager shall have the right to inspect, during reasonable hours, all aircraft, equipment, structures, premises, facilities, and improvements on the Airport.
- (c) Where a licensee is authorized to conduct one or more types of activity, multiple use may be made of the same office space, passenger lounge, public telephones, and rest rooms.
- (d) Licensees shall be required to remove promptly from any public landing area any of their owned or leased disabled aircraft as soon as permitted or directed by the FAA, National Transportation Safety Board, or the City. (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.110. Tax Obligations. Each lessee, licensee, and concessionaire shall pay all taxes and assessments against land and against any buildings or other structures placed on the premises by lessee, licensee, or concessionaire, and all taxes and assessments against the real and personal property used by lessee, licensee, or concessionaire in lessee's, licensee's, or concessionaire's operations. (Ord No. 62-79; Ord No. 10-12)

9.115. Insurance Obligations.

(a) All lessees, licensees, and concessionaires shall provide at their sole cost the insurance coverage for the category of the licensed operation, as shown in Appendix 1, in a manner and form acceptable to the Airport Manager, and underwritten by a responsible insurance carrier or carriers authorized to provide such coverage in Oregon.

(1) Third-party comprehensive general liability coverage for bodily injury and property damage including owned and nonowned vehicles and/or aircraft.

(2) Products liability coverage in addition to the foregoing comprehensive general liability insurance where licensee or concessionaire operates a food service or offers goods or merchandise for sale.

(3) Statutory workers' compensation and employer's liability coverage.

(4) Fire and extended coverage and vandalism and malicious mischief insurance, as provided by the lease, for damage or destruction of real property or leasehold improvements, where the City has, or will have, an interest in such property by virtue of an existing lease.

(5) Hangarkeeper's liability coverage where the licensee operates a fixed base operation.

(6) All licensees shall provide a lease bond of an amount equaling to six months' rent on all leases.

(b) Each policy shall name the City as an additional insured and require that the insurance carrier underwriting such coverage give the City thirty days' written notice of cancellation of or material alteration to the policy.

(c) Each lessee, concessionaire, and licensee shall provide the City with a certificate of insurance evidencing the coverage in effect, including limits and expiration date. Such policy or policies shall be maintained in full force and effect during all terms of existing leases, licenses, contracts, or agreements, and renewals or extensions of same. A copy of the policy shall be delivered to the Airport Manager. In addition, the City shall receive an endorsement to the policy that the City is an additional insured and the insurance carrier will give the City thirty days' written notice of cancellation of or alteration to the policy.

(d) In addition to providing liability insurance, the lessee, concessionaire, or licensee shall agree to indemnify and hold the City harmless from all claims and liabilities occasioned by the activities arising out of or connected with the lease, concession agreement, or license.

(e) The City shall have the right to restrict the lessee, concessionaire, or licensee from conducting any activity or storing inflammable materials or substances, which would increase the City's insurance rate or cause an insurance policy of the City to be canceled.

(f) Where licensee is authorized to conduct more than one type of activity, licensee shall obtain the largest single coverage established for each type of insurance required for each specific activity.

(g) All agreements with a term in excess of three years shall provide a suitable means for adjusting the insurance coverages based on then current industry standards. (Ord No. 62-79; Ord No. 10-12)

PRIVATE DEVELOPMENT

9.120. In General.

(a) Any new development at the Airport, wherever possible, should be undertaken upon the basis of a net ground lease, with the lessee privately financing all improvements.

(b) The available building area should be platted with all utilities and improvements extended to the limits of the platted area on an as-required basis. The building areas of the Airport shall be divided into zones, with structural and design standards established for the construction of hangars or buildings within each zone. Each lease shall specify the minimum improvement standards required, which shall be consistent for each general class of lessee.

(c) If required by any federal, state, or local agency, lessees shall prepare and submit an

environmental impact statement to measure the effect of the proposed project on the ecology of the area.

(d) Each lessee shall be solely responsible for all costs required for utility connections. All lessees will pay a rental for the area effectively leased, including any auto parking area, apron areas, or other areas exclusively used. (Ord No. 62-79; Ord No. 10-12)

9.125. Lease Form. The standard form of lease for ground leases at the Airport shall be approved by City Council. (Ord No. 10-12)

9.130. Initial Lease Term. The initial length of term for any ground lease at the Airport shall be of sufficient length to allow the cost of construction of the new hangar to be amortized over the term of the agreement. (Ord No. 10-12)

9.140. Appraisal.

(a) Not less frequently than every six years, the City shall have all leasable land at the Airport appraised by an MAI certified appraiser for the purpose of determining the rental rates for applicable ground leases. Land at the Airport may be appraised as separate leased parcels or as part of a larger area, as designated by the Airport Manager.

(b) **Notice of Appraisal.** Notice of the appraisal will be mailed to applicable lessees prior to the effective date of the rental rate adjustment. Notice of the rental rate adjustment based on appraisal shall include:

- (1) The date the notice is mailed;
- (2) A description of the land area covered by the appraisal;
- (3) A brief summary of the appraiser's conclusion as to market value rental rate;
- (4) The date the rental rate adjustment will become effective;
- (5) The date and time by which an appeal must be filed, a brief statement explaining how to file an appeal, and where further information may be obtained concerning the appeal process; and
- (6) A statement that the appraisal is available for review, where it may be reviewed, and the name and telephone number of the staff member to contact about reviewing the appraisal.

(c) All lessees subject to the new rental rate based on the City's appraisal shall have the right to appeal the adjusted rental rate. The notice of appeals shall be accompanied by an appeal fee.

(d) **Appeal.**

- (1) Only lessees leasing land subject to the rental rate adjustment based on the appraisal are entitled to notice of the appraisal and have standing to appeal the rental rate adjustment.
- (2) An appeal of an appraisal is to the Salem Hearings Officer.
- (3) A person with standing to appeal, and who desires to appeal an appraisal, shall file a notice of appeal with the City Recorder, and shall file a copy with the Airport Manager within seven days of the date appearing on the notice of rental rate adjustment.
- (4) A notice of appeal shall be accompanied by an appeal fee in the amount set by a resolution of the City Council. Failure to submit an appeal fee at the time the notice of appeal is filed shall result in the summary rejection of the notice of appeal.
- (5) As supplemented in this section, proceedings on the appeal of an appraisal shall be conducted as set forth for contested cases in SRC Chapter 20J.
- (6) Any lessee who appeals an appraisal shall provide at the hearing an appraisal performed by an MAI certified appraiser and obtained by the lessee appealing the City's appraisal.

(7) The filing of an appeal shall not toll, or otherwise effect, the imposition of the new rental rate as determined by the City's appraisal. Any adjustment in rental rate as determined by the Hearings Officer shall relate back to the time the new rental rate based on the City's appraisal was imposed.

(8) The decision of the Hearings Officer on an appeal under this section is the final decision of the City. (Ord No. 10-12)

9.150. Legal Descriptions. A legal description or site map describing the leased area shall be appended to the lease. (Ord No. 62-79; Ord No. 10-12)

9.155. Assignment and Subleasing.

(a) No lessee shall sublease any premises leased from the City, or assign such lease without the prior written approval of the Airport Manager. Any such subletting or assignment shall be subject to all of the minimum standards set forth in this Chapter. In the event the lessee sublets any portion of the premises, the sublessee must assume the full obligations of the lease and must fully cooperate with the City in seeing that these standards are complied with.

(b) Approval of any sublease or assignment by the City, upon complete and thorough investigation of the proposed sublessee or assignee, will be based upon the following:

(1) The sublease or assignment shall be only to individuals, firms, or corporations who can meet the required qualifications and stipulations of this Chapter.

(2) Conformity with the Airport Master Plan or other site-specific planning documents.

(3) Continuity of performance standards.

(c) The City shall reserve the right to assign, pledge, or hypothecate any lease with or without the consent of the other party. For example, the sale of revenue bonds at a later date for Airport expansion could possibly require the formation of an authority to which all leases would be assigned. (Ord No. 62-79; Ord No. 10-12)

9.160. Subordination. All leases shall be subordinated to any present or future sponsor's assurance agreement with the Federal Aviation Administration. A covenant to this effect will be included in any new lease or in any amendment to an existing lease. (Ord No. 62-79; Ord No. 10-12)

9.165 Construction of Improvements.

(a) All ground leases shall specifically provide that, in addition to having the right to build, the lessee is obligated to construct facilities within a reasonable time period as determined jointly by the lessee and the City.

(b) All construction undertaken upon the basis of a ground lease shall obligate the lessee to meet a minimum improvement standard as established by the City which shall require compatible and aesthetically pleasing development.

(c) All buildings or structures constructed on leased premises at the Airport shall be constructed in a manner to conform to all safety regulations of the State of Oregon and the City and shall be in compliance with the requirements of current building codes and fire regulations. (Ord No. 62-79; Ord No. 10-12)

9.170. Removal of Improvements upon Termination of Leasehold. Each lease shall require removal of all lessee-constructed improvements and restoration of the premises by the lessee at lessee's sole cost upon termination of the lease. The City shall in no circumstances be required to accept obsolete improvements or any financial liability for removing such improvements and restoring the premises. Title to improvements shall at all times remain in the lessee, but the City shall have the option on termination of the lease to take title in lieu of removal. (Ord No. 62-79; Ord No. 10-12)

9.175. Relocation. The facilities of any lessee shall be subject to relocation at the cost of the City to a suitable alternate location at the Airport if the then currently leased premises are required by the City for the development of the Airport. (Ord No. 62-79; Ord No. 10-12)

COMMERCIAL OPERATOR STANDARDS - GENERAL AVIATION

9.180. General Requirements. The City shall require that any person desiring to provide general aviation commercial services comply with all applicable elements (insurance, maintenance, and operational obligations, etc.) of the lease policies set forth in this Chapter. Additionally, the person shall be required to comply with the minimum standards applicable to the services provided as set forth in SRC 9.185-9.220. (Ord No. 62-79; Ord No. 10-12)

9.185. Providing Multiple Services. Nothing in these standards shall preclude a person from applying for and providing services in more than one category assuming that all appropriate provisions and specifications are met for each proposed service. In conjunction with multiple service licenses, the maximum cumulative requirements shall be of sufficient size to operate the services, as determined by the Airport Manager, and a building or buildings sufficient to operate each proposed service. Additionally, the person shall not be required to duplicate the stipulated public convenience requirements (lounge, rest rooms, telephone). (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.190. Aircraft Repair and Maintenance. A commercial aircraft repair and maintenance operation shall provide at a minimum:

- (a) Personnel: One FAA certified repairman or mechanic, licensed for type of repair work to be performed.
- (b) Lot size: Sufficient square feet of ground area shall be leased from the Airport, as approved by the Airport Manager.
- (c) Building:
 - (1) Sufficient hangar space, in an approved occupancy usage hangar, to house any aircraft upon which airframe and/or engine maintenance is being performed.
 - (2) Sufficient space for office, customer lounge, parts storage, rest rooms, and public telephone.
- (d) Hours of Operation: Minimum personnel specified in subsection (a) of this section on duty a minimum of eight hours per day, five days per week. "On-call" mechanic service until 10:00 p.m. daily and seven day coverage will be on a scheduled basis as developed by Airport Manager on a rotating basis in consultation with all FBO's holding repair and maintenance concessions.
- (e) Equipment and parts: The minimum stock of equipment and readily expendable spare parts or adequate arrangements for securing spare parts required for the type of aircraft and models to be serviced.
- (f) Other:
 - (1) Aircraft washing, polishing, and cleaning service.
 - (2) Capability for removal of disabled aircraft from the Airport. The combined capabilities of all such operators must provide suitable equipment assistance to remove promptly any general aviation disabled aircraft upon request of Airport Manager.
 - (3) The following additional commercial aircraft maintenance operations are allowed:
 - (A) Employees of repair facilities, not located at the Airport, may perform such work on the Airport, as required to prepare an aircraft for ferry from the Airport, provided that such employees are properly licensed by the FAA and acceptable proof of minimum insurance and bonding, as specified in Appendix 1 of this Chapter, is provided to the Airport Manager.
 - (B) Pre-purchase inspections of aircraft may be performed by FAA licensed aircraft mechanics without the need for a City "Aircraft Maintenance/Repair" license.

(c) Manufacturers of "Homebuilt" aircraft may utilize the services of FAA licensed aircraft mechanics, who are paid home built kit manufacturer's representatives, in the production or maintenance of their aircraft in compliance with existing Federal Aviation Regulations. Manufacturers of homebuilt aircraft may perform, on their own aircraft, all activities and maintenance allowed by the FAA. (Ord No. 62-79; Ord No. 35-95; Ord 10-12)

9.195. Aircraft Sales. A commercial operator in this category shall be required to provide as a minimum:

- (a) Assurance that the operator meets all the FAA requirements concerning the type of aircraft offered for sale.
- (b) At least one pilot with current certificates and ratings appropriate for the aircraft offered for sale. (Ord No. 62-79; Ord No. 101-91; Ord No. 35-95; Ord No. 10-12)

9.200. Instruction and Aircraft Rental. A commercial instruction and aircraft rental operation shall provide at a minimum:

- (a) Qualifications:
 - (1) Instruction for private, commercial, and instrument ratings and a continuing ability to meet FAA requirements for the flight training proposed.
 - (2) Adequate facilities for storing, parking, servicing, and repairing all its aircraft or satisfactory arrangements with other operators on the Airport licensed or otherwise permitted by the City to provide such services.
- (b) Personnel:
 - (1) At least one full-time (eight hours per day, six days per week) properly certificated flight instructor for the types and models of aircraft in which instruction is given.
 - (2) A properly certificated ground school instructor capable of providing ground school instruction sufficient to enable students to pass the FAA written examination for private, commercial, and instrument ratings.
 - (3) There shall be available, at least during eight hours of the working day, a properly certificated pilot capable of checking out rental aircraft.
- (c) Lot size: Sufficient square feet of ground area shall be leased from the Airport, as approved by the Airport Manager.
- (d) Building sufficient for suitable office space, classroom, ground training space, lounge, rest rooms, and public telephone.
- (e) Hours of Operation: In addition to specifications for personnel set forth in subsection (b) of this section, the office shall be open for business eight hours per day, six days per week during normal Airport hours appropriate to season.
- (f) Equipment and parts:
 - (1) At least one dual equipped single-engine aircraft properly equipped and maintained for flight instruction and such additional types of aircraft as may be required to give flight instruction of the kind advertised.
 - (2) For rental, at least one airworthy aircraft suitably maintained and certificated, which may be used to meet the requirement paragraph (1) of this subsection.
 - (3) Any aircraft utilized to meet the requirements of subsection (1) and/or subsection (2) of this section which is available to the operator on a lease-back agreement must be on an exclusive-use agreement. (Ord No. 62-79; Ord No. 10-12)

9.205. Aviation Fuel and Petroleum Products Sales. A commercial aviation fuel and petroleum products sales operator shall provide at a minimum:

- (a) Qualifications: A major national or regional petroleum company franchise.
- (b) Personnel: One properly trained service person qualified as follows:
 - (1) Valid Commercial Driver's license.

- (2) Competent in all fueling and safety equipment operation and aircraft fueling procedures, as required by the FAA Regulations and the Uniform Fire Code.
 - (3) Capable and trained to provide all required ancillary services.
 - (4) Supplemented as level of business activity required by additional equally-qualified personnel.
- (c) Lot size: Sufficient square feet of ground area, including all building and storage areas, shall be leased from the Airport, as approved by the Airport Manager.
 - (d) Building: Sufficient for suitable office space, restrooms, public telephone, customer lounge, and proper storage for required petroleum products (other than oil and fuel) and equipment required for other services.
 - (e) Hours of Operation: Minimum personnel as specified in subsection (b) of this section shall be available to provide aircraft fuel and required services from 7:00 a.m. to sunset daily on a seven day a week basis or longer hours if business warrants same. Operators will be required to furnish "on-call" services after sunset on a rotating scheduled basis as developed by the Airport Manager and agreed to among all authorized operators.
 - (f) Provide suitable, adequate, and proper storage of fuel and oil which meets all applicable fire codes; and federal, state, and local laws, statutes, ordinances, rules, and regulations pertaining to fire safety; with a minimum capacity of five thousand gallons for each grade of fuel.
 - (g) Provide suitable and adequate mobile fuel dispensing equipment meeting all NFPA criteria to service aircraft of at least five hundred-gallon total capacity.
 - (1) Operator must dispense all required grades of fuel from appropriately marked equipment having separate meters and filters for each grade of fuel.
 - (2) Each mobile fuel dispensing facility shall be equipped with fire extinguishers that comply with the FAA Regulations and the Uniform Fire Code.
 - (3) Proper equipment for repairing and inflating aircraft tires; servicing struts; changing engine oil; washing aircraft, aircraft windows, and aircraft windshields; and recharging or energizing discharged aircraft batteries and starters.
 - (h) Other: Personnel shall also be able to provide:
 - (1) The directing of transient aircraft to a transient tie-down upon request of owner and the registering of aircraft with the Airport Manager, as necessary for collection of applicable fees and charges.
 - (2) Upon request of transient pilots and crews, information as to available maintenance service, automotive transportation, and other helpful information an aircraft owner or pilot may need to have the aircraft properly attended and to assist in finding transportation, housing, and food if desired.
 - (3) All services utilizing equipment listed in subsection (g) of this section. (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.210. Air Taxi and Charter Services. A commercial air taxi and charter services operation shall provide at a minimum:

- (a) Qualifications: Hold a current FAR Part 135 Air Taxi-Commercial Operator Certificate with ratings appropriate to the services to be provided.
- (b) Personnel: A person representing the air taxi and charter service shall be located at the Airport and available to respond to customer inquiries directly and by telephone, during the hours of operation as delineated in subsection (e) of this section, and this operation shall have a suitable, properly certificated and qualified operating pilot or crew.
- (c) Lot size: Sufficient square feet of ground area to be leased from the Airport as approved by the Airport Manager.
- (d) Building: Sufficient for suitable office space, restrooms, public telephone, customer lounge, and adequate table, desk, or counter for checking in passengers, handling ticketing or

fare collection, and handling luggage.

(e) Hours of Operation: Minimum personnel as specified in subsection (b) of this on duty a minimum of eight hours per day, five days per week during normal Airport hours appropriate to season. The on-Airport office shall be open for business at all times during the same hours.

(f) Equipment: One aircraft meeting all requirements of the Air Taxi-Commercial Operator Certificate held must be owned or available under exclusive lease agreement and must meet all the relevant requirements of Part 135 of the Federal Aviation Regulations. (Ord No. 62-79; Ord No. 10-12)

9.215. Commuter Air Carrier Service. A commercial operation in this category shall be required to provide as a minimum:

(a) Qualifications:

(1) Provide satisfactory evidence of reliability and responsibility including a current FAA operating permit and current Oregon Public Utilities Commission Permit.

(2) Publish and fly scheduled operations at published rates.

(3) Establish, man, and operate an adequate terminal facility, i.e., ticket counters manned in such a manner as to provide proper service before and after each scheduled flight.

(b) Personnel:

(1) Flight crews and ground personnel with appropriate and current FAA certification as required for class of operations.

(2) Properly trained passenger service and counter personnel to provide minimum hours of service.

(c) Hours of Operation:

(1) Reservations services, either by phone or at ticket counter, not less than one hour prior to first scheduled flight of the day and continuously thereafter until one hour after the last scheduled flight of the day.

(2) Counter personnel available to the public not less than one hour prior to each scheduled flight of the day continuing until one-half hour after each scheduled flight of the day.

(d) Other:

(1) The applicant shall not begin flight operations at Salem Municipal Airport until an Airport Use Agreement is executed by both parties and the performance bond and insurance certificate at the proper value has been received by the Airport Manager.

(2) Operator shall furnish operational reports on a monthly basis to the Airport Manager. (Ord No. 62-79; Ord No. 10-12)

9.220. Specialty Services.

(a) Commercial operations in this category shall include, but not necessarily be limited, to:

(1) Agricultural chemical applicators.

(2) Aerial survey, mapping, and photography.

(3) Aerial firefighting and pipeline/power line patrol.

(4) Aerial advertising.

(5) Aeronautical research.

(6) Aircraft painting.

(7) Aircraft storage.

(8) Aviation mechanic schools.

(9) Avionics repair and maintenance.

(10) Helicopter services.

(11) Propeller repair and maintenance.

(b) Qualifications.

(1) Provide satisfactory evidence of technical competency to provide proposed services.

- (2) Hold all necessary licenses or permits and meet all requirements of any governmental agency having jurisdiction over the proposed services.
- (c) Other.
 - (1) Because of the anticipated limited nature and proposed location of these activities, the City shall review each application for commercial operations in these categories and establish specific requirements based on the applicant's proposal.
 - (2) Operators with these categories shall be encouraged to be tenants or sublessees of existing operators; however, leases for separate facilities will be considered if desired by the operator.
 - (3) The review of applications for these services shall be in accordance with the provisions of SRC 9.270 to 9.285. (Ord No. 62-79; Ord No. 10-12)

NONCOMMERCIAL OPERATIONS

9.225. In General. The categories set forth in SRC 9.230 and 9.235 have been designed to allow for bonafide noncommercial activities that take place on the Airport. The standards in this category are also designed to preclude any advantage being taken of the noncommercial status of the operators or lessees by requiring that commercial operations be conducted in accordance with applicable standards. (Ord No. 62-79; Ord No. 10-12)

9.230. Flying Clubs. A noncommercial operation in this category shall be required to comply with the following:

- (a) Qualifications.
 - (1) A flying club must be a nonprofit corporation or organization as evidenced by articles of incorporation or appropriate legal documents. It may own or lease aircraft. Aircraft cannot be leased from club members or anyone who has a voice or interest in the operation of the flying club; provided, however, one aircraft may be leased at any one time from a club member if said member is not at the same time leasing aircraft to other clubs. A verification of nonprofit status shall be submitted to the City annually by forwarding a Federal Internal Revenue Service Form 990 (if required according to IRS regulations) or a properly notarized statement signed by a club officer affirming the club's continuing nonprofit status.
 - (2) The club's aircraft will not be used by other than bonafide members for rental and by no one for commercial operations as defined by these standards.
 - (3) A licensee under this section may be exempt from SRC 9.190 and 9.200 of the standards in so far as they pertain to flight instruction and maintenance, provided such services are rendered by a properly certificated individual who (1) is a bonafide member and (2) does not receive monetary compensation for such services.
- (b) Personnel: The club will file and keep current with the Airport Manager a complete list of the club's officers, directors, and general membership and shall list its members qualified to perform the services enumerated in SRC 9.230(a)(3) and the investment share held by each member. Additionally, any change to the membership list shall be reported to the Airport Manager within 60 days of the change.
- (c) Equipment and parts: Except as provided by SRC 9.230(a)(1), all aircraft shall be owned by the nonprofit corporation or owned in common by all members. Such ownership shall be evidenced by a copy of each club aircraft's current FAA certificate registration, which shall be filed with the Airport Manager. (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.235. Corporate, Business, and Personal Aviation. A noncommercial operation in this category shall be required to comply with the following:

- (a) Qualifications.

(1) The activities conducted at the airport must be of a completely noncommercial nature and related only to the conduct of business off the Airport premises and in no manner competitive with any commercial operator, licensed or having a contract with the City to provide aviation services or products on a commercial basis, nor shall any aviation services be offered to the public on any basis.

(2) Maintenance of owned aircraft may be provided by the aircraft owner or the owner's bonafide employee(s), provided that all applicable FAA certifications and standards are adhered to and a building provided which meets all applicable building and fire code provisions and other applicable sections of these standards.

(3) Fueling of owned aircraft may be permitted, provided that (1) approved proper storage facilities are constructed and that such fueling operations are performed by the aircraft owner or the owner's bonafide employee(s) or (2) in the case of planes specifically modified to accept automotive fuel, the owner pays such licensing fees and adheres to such requirements as are set forth in Airport Rules and Regulations.

(b) Equipment and parts.

(1) If fueling facilities are desired, provide suitable, adequate, and proper storage of fuel and oil which meets all applicable fire codes, federal, state, and local laws, statutes, ordinances, rules, and regulations pertaining to fire safety.

(2) Comply with all applicable current fuel flowage fee assessments and fueling procedures as set forth in the Airport Rules and Regulations. (Ord No. 62-79; Ord No. 42-90; Ord No. 35-95; Ord No. 10-12)

9.240. Fuel Tank Installation and Operation.

(a) A noncommercial operator or commercial operator may own, install, and operate fuel tanks as provided in this section. Any fuel tank shall be for the exclusive use of the operator's own aircraft and no fractional or co-op ownership of fuel tanks is allowed.

(b) Self-Fueling License.

(1) Any noncommercial operator or commercial operator that wishes to conduct self-fueling operations shall first obtain a Self-Fueling License issued in accordance with this section. A Self-Fueling License is non-transferable and is in addition to an Operators License issued pursuant to SRC 9.270-9.290. Self-Fueling Licenses shall be valid for a period of five years from the date of issuance.

(2) An application for a Self-Fueling License shall be made on forms provided by the Airport Manager, and shall be accompanied with a license fee, in the amount set by resolution of the City Council.

(3) The Airport Manager shall issue a Self-Fueling License if the applicant meets the following criteria:

(A) The installation and location of the tank will comply with the requirements of this section and SRC Chapter 58.

(B) The applicant's personnel have satisfied all of the training, inspection, safety, and environmental requirements of this section.

(C) The Aircraft Owner demonstrates proof of financial responsibility through bonding and/or insurance requirements. The Aircraft Owner shall carry Commercial (Public Liability) Insurance in the amount set in Appendix 1 of this Chapter or the Aircraft Owner's current lease, whichever is higher. The Commercial (Public) Liability Insurance shall include, at a minimum, Premises/Operations, Products/Completed Operations, Contractual, or Hangarkeeper's Liability, and shall name the City of Salem as an additional insured and provide a waiver of subrogation in favor of the City of Salem.

(4) Every Self-Fueling License shall be subject to the following conditions:

(A) The Airport Administrator has the authority to inspect fueling equipment to insure

safety, environmental protection, and adequate training.

(B) Self-fueling operations shall be conducted by the licensee's employees only.

(C) Self-fueling operations shall be conducted only on premises the licensee has leased with the City or has subleased from a person having a lease with the City at the Airport or on areas specifically designated by the Airport Manager and designed for fueling.

(D) Self-fueling shall be dispensed only into aircraft owned, leased, or controlled by the licensee.

(E) The licensee shall pay the current applicable fuel flowage fee to the City on all fuel dispensed.

(F) The licensee shall continue to maintain in effect the bonding and/or insurance required by subsection (b)(3)(C) of this section.

(G) Operation, installation, and maintenance of the fueling operation is performed in compliance with the provisions of this section and SRC Chapter 58.

(c) Self-Fueling Operations.

(1) Licensee's self-fueling operations shall be conducted in compliance with all applicable federal, state, and local laws and regulations, including, but not limited to:

(A) FAA Advisory Circular 150/5230-4, Aircraft Fuel Storage, Handling, and Dispensing on Airports.

(B) FAA Advisory Circular 00-34A, Aircraft Ground Handling and Servicing.

(C) SRC Chapter 58.

(D) National Fire Protection Association NFPA 415 – Standard on Fuel Ramp Drainage.

(E) Federal Environmental Protection Administration regulation CFR 40, part 280 involving fuel systems.

(F) Oregon Department of Environmental Quality (DEQ) Guidelines.

(2) Any person dispensing fuel at the Airport shall be trained and certified by the FAA through the FAA examination process on fuel handling and safety. Certifications must be kept current. A copy of certification shall be kept on file with the licensee and shall be provided for inspection by the Airport Manager upon demand. Certified personnel shall attend a refresher course on fuel handling and safety every three years. A copy of refresher course certificates shall be kept on file with the licensee and shall be provided for inspection by the Airport Manager upon demand.

(d) Fuel Tank Standards.

(1) Licensee's fuel tank installation shall be made in compliance with all applicable federal, state, and local laws and regulations, including, but not limited to:

(A) FAA Advisory Circular 150/5230-4, Aircraft Fuel Storage, Handling, and Dispensing on Airports.

(B) FAA Advisory Circular 00-34A, Aircraft Ground Handling and Servicing.

(C) SRC Chapter 58.

(D) National Fire Protection Association NFPA 415 – Standard on Fuel Ramp Drainage.

(E) Federal Environmental Protection Administration regulation CFR 40, part 280 involving fuel systems.

(F) Oregon Department of Environmental Quality (DEQ) Guidelines.

(2) In addition to the other requirements of this subsection, licensee's fuel tank installation shall:

(A) Satisfy the requirements of the American Petroleum Institute Recommended Practice 1540.

(B) Have a Spill Protection Control Containment Plan approved by the Airport Manager.

(3) In addition to the requirements of this subsection, licensee's fuel tanks shall be located and installed as follows:

(A) An Above Ground Storage Tank (AST) may be located adjacent to the licensee's hangar if the tank meets the following conditions:

(i) The AST must be installed a minimum of fifty feet from hangars or taxiways.

(ii) The AST must be blast shield protected.

(iii) The AST must conform with Underwriter's Laboratory 2085 standards.

(iv) The AST must contain an electronic monitor system for leaks, with twenty-four hour monitoring.

(v) The AST must have a transfer containment system.

(B) A Below Ground Storage Tank (UST) may be located under the licensee's hangar apron if the tank meets the following conditions:

(i) The UST must conform to Underwriter's Laboratory 58 standards for steel tanks or Underwriter's Laboratory 1316 standards for fiberglass tanks.

(ii) The UST must be contained in an underground vault that is accessible for inspection.

(iii) All underground line joints for the UST must be contained in an accessible vault.

(iv) Both the UST and vault must contain an electronic monitor system for leaks.

(v) Fueling apparatus must be located a minimum of fifty feet from taxiways.

(vi) The UST must have a transfer containment system.

(e) Suspension and Revocation.

(1) If the Airport Administrator finds that a licensee is failing to comply with the term of a Self-Fueling License or this section, the Airport Manager shall send a notice of non-compliance to the licensee identifying the deficiencies, and the corrective action which would be necessary. Suspension shall be effective upon delivery of the notice to the licensee, unless a later time is specified in the notice of non-compliance. Upon receipt of a notice of non-compliance, the licensee shall immediately cease self-fueling operations, unless a later time is specified in the notice of non-compliance, and, within fifteen days of the notice, notify the Airport Manager of the date the corrective action will be completed, which shall be a date not more than thirty days from the date the notice of non-compliance was issued. If corrective action is not completed within the thirty-day period, the Self-Fueling License shall be suspended.

(2) A licensee who has had a license suspended pursuant to this subsection may request reinstatement by filing a request with the Airport Manager, in writing, not later than sixty days from the date the notice of non-compliance was provided by the Airport Manager. The request shall include documentation demonstrating that the licensee has corrected all deficiencies, and shall identify adequate measures that the licensee has implemented to prevent future deficiencies. If the Airport Manager finds that the licensee's request demonstrates that all deficiencies have been corrected, and that adequate measures to prevent future non-compliance have been initiated, the Airport Manager shall issue a notice of reinstatement. A Self-Fueling License shall be revoked if the licensee fails to timely request reinstatement as provided in this paragraph, fails to demonstrate that the licensee has corrected all deficiencies, or fails to identify adequate measures to prevent future deficiencies.

(f) Appeals. Appeals of final decisions by the Airport Manager denying, suspending, or revoking a license are contested cases, as defined in SRC 20J.020. The licensee may appeal the final decision by filing a notice of appeal, according to the procedures set forth in SRC 20J.220. The appeal shall held according to procedures set forth in SRC Chapter 20J. (Ord No. 47-09)

APPLICATION PROCEDURE

9.270. Submission. An applicant desiring a lease or license to engage in any commercial or noncommercial operation at the Airport shall submit a written application to the City two months prior to the desired occupancy date. The applicant shall submit all information and material necessary or requested by the City to establish to the satisfaction of the City that the applicant will qualify and will comply with these standards. The application shall be signed and submitted by a party owning an interest in the business, or partner of a partnership, or a director or an officer of a corporation or organization. (Ord No. 62-79; Ord No. 35-95)

9.275. Support Documents to be Submitted on Request. If requested by the City, the applicant shall submit the following supporting documents to the City, together with such other documents and information as may be requested by the Airport Manager:

- (a) Financial statement: A current financial statement certified by a Certified Public Accountant.
- (b) Assets: A written listing of the assets owned or being purchased which will be used in the business on the Airport.
- (c) Credit report: A current credit report covering all areas in which the applicant has done business during the past five years.
- (d) Authorization for release of information: A written authorization for the FAA and all aviation or aeronautical commissions, administrators, or departments of all states in which the applicant has engaged in aviation business to supply to the City all information in their files relating to the applicant or his operation. The applicant shall execute such forms, releases, and discharges as may be requested by any of these agencies. (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.280. Certain Standards to be Met. Every applicant for a lease, license, or concession at the Airport shall meet the following standards, if applicable:

- (a) The applicant has a history of management and personnel ability in conducting the same or similar or comparable type of service or activity in a good and workmanlike manner.
- (b) The applicant has the financial responsibility and ability to provide facilities and services proposed.
- (c) The applicant has or can reasonably secure necessary certificates from the FAA or other authority where the same are required for the activity proposed.
- (d) The applicant is capable of meeting all policy requirements and standards as set forth in this Chapter, the Airport rules and regulations and the lease. (Ord No. 62-79; Ord No. 10-12)

9.285. Evaluation of Application. In reviewing an application, the city will evaluate the data submitted by the applicant on the basis of compliance with the lease policy and standards, as well as the items listed below. Within 60 days allowed for review, the city will respond in writing indicating approval of the application, disapproval of the application, or a conditional approval of all or part of the application. In the latter cases, the city will identify those areas which resulted in the disapproval or conditional approval in order that the applicant may correct the items and revise the application for a resubmission, if desired.

- (a) Not qualified: The applicant for any reason cannot meet the lease policy qualifications and standards as established herein.
- (b) Safety hazard: The applicant's proposed operations or construction will create a safety hazard on the airport.
- (c) City expenditure: The granting of the application will require the expenditure of City funds, or the supplying of City labor or materials in connection with the proposed operations which will result in a financial loss to the City when compared to the proposed financial gain from the operations.

- (d) Availability: There is no appropriate, adequate, or available space or building on the Airport to accommodate the entire activity of the applicant at the time of the application.
- (e) Noncompliance with master plan: The proposed operation or airport development or construction does not comply with the master plan of the airport.
- (f) Congestion: The development or use of the area requested by applicant will result in depriving existing operators of portions of the area in which they are operating, or will result in a congestion of aircraft or buildings, or will result in unduly interfering with the operations of any present operator on the airport through problems in connection with aircraft traffic or service, or preventing free access to another operator's area.
- (g) Misrepresentation: Any party applying or with interest in the business has supplied the City with any false information or has misrepresented any material fact in the party's application or in supporting documents or has failed to make full disclosure on the application or in supporting documents.
- (h) History of violations: Any party applying or with interest in the business has defaulted in the performance of any lease or other agreement with the City.
- (i) Poor credit report: Any party directly applying or with interest in the proposed business has a credit report which contains derogatory information and who does not appear to be a person of satisfactory business responsibility and reputation.
- (j) Lack of finances: The applicant does not appear to have, or have access to, the finances necessary to conduct the proposed operation for a minimum of six months.
- (k) Undesirable reputation: Any party applying or with interest in the business has been convicted of any crime or violation of any ordinance of such nature that it indicates to the City that the applicant would not be a desirable operator on the Airport.
- (l) Ecological considerations: The protection of the health, welfare, or safety of the inhabitants of the City of Salem requires such denial. (Ord No. 62-79; Ord No. 35-95; Ord No. 10-12)

9.290. Suspension or Revocation of Lease, License, or Concession. The City may suspend or revoke any lease, license, or concession agreement covering a commercial or noncommercial operation for any cause or reason provided by this Chapter; the Airport rules and regulations; the lease, license, or concession agreement itself; or upon the happening of one or more of the following:

- (a) Filing a petition of voluntary or involuntary bankruptcy with respect to the operator.
- (b) The making by the operator of any general assignment for the benefit of creditors.
- (c) The abandonment or discontinuance of any operation at the Airport by the commercial operator.
- (d) The failure by the lessee, licensee, or concessionaire to conduct any service, operation, or activity which is to be provided under the terms of the lease, license, or concession agreement. If this condition exists for a period of ten days without prior written consent of the City, it will constitute an abandonment of the land or facilities, and the lease license, or concession agreement shall become null and void.
- (e) The failure of the lessee, licensee, or concessionaire, or that person's employee or agent, to remedy any default or breach or violation of this Chapter, the Airport Rules and Regulations, or the lease, license, or concession agreement within 30 days after notice from the Airport Manager.
- (f) Failure to maintain current licenses required for the lessee's, licensee's, or concessionaire's operation.
- (g) Intentionally supplying the City with false or misleading information or misrepresenting any material fact on the application or documents, or in statements to or before the City; or intentional failure to make full disclosure on financial statements, or other required documents. (Ord No. 62-79; Ord No. 10-12)

9.295. Violation.

(a) It shall be unlawful for any person to violate any provision of this Chapter, or the Airport Rules and Regulations, or to have or maintain an aircraft at the Airport or to make use of the Airport, in violation of this Chapter, the Airport Rules and Regulations, any other City ordinances, or federal aviation regulation.

(b) A violation of this section is an infraction. (Ord No. 62-79; Ord No. 10-12)

9.300. Airport Advisory Commission. An Airport Advisory Commission is hereby created. Said commission shall have seven members to be appointed by the Mayor, who shall serve at his or her pleasure. The commission shall elect a chairperson and vice chairperson annually, at the first commission meeting held in a new calendar year, and they shall serve for the remainder of that calendar year. At least two members of the commission shall be active pilots holding a current valid pilot's license with a rating of private pilot or higher. At least one member shall be a resident of the ward in which the airport is located. One member shall be an individual who is appointed by the Mayor as a representative of the Army Aviation Support Facility after considering the recommendation of the Adjutant General. The commission shall not receive any compensation for their services. Commission members shall serve terms of three years and under no circumstances will be eligible to serve more than two consecutive terms or six years total. Initially, two members shall be appointed for terms of one year, two members for a term of two years, and one member for a term of three years, and for terms of three years thereafter on terminations of such initial appointments. (Ord No. 101-67; Ord No. 58-88; Ord No. 10-93; Ord No. 10-94; Ord No. 35-95; Ord No. 10-12)

9.305. Duties of the Airport Advisory Commission. The Airport Advisory Commission shall serve in an advisory capacity only, shall have no executive or administrative powers or authority, and this Chapter shall not be construed as depriving the Council or City Manager of any power they may have under the laws of Oregon or the City Charter. The commission shall advise the Council, the City Manager, the Salem Planning Commission, the director of community development, and the Airport Manager, and such other public bodies, groups or officials, as may be interested in aviation or aviation development, improvement, and use of the Salem Municipal Airport, or any other airport under the jurisdiction of the City of Salem, regarding aviation and airports.

Said Airport Advisory Commission shall advise all above listed officers of the City in regards to comprehensive and orderly programs for the development and achievement of airport improvements and betterments and the enhancement of commercial, business, and general aviation within the Salem community.

In case of vacancies on the commission, the Mayor shall appoint a successor to fill out the unexpired term.

The Airport Manager shall serve as secretary to the Airport Advisory Commission. (Ord No. 101-67; Ord No. 93-82; Ord No. 58-88; Ord No. 10-93; Ord No. 51-96; Ord No. 10-12)

(CHAPTER 10 RESERVED FOR EXPANSION)

**APPENDIX I
CITY OF SALEM - MINIMUM INSURANCE AND BONDING COVERAGE REQUIREMENTS**

TYPE OF INSURANCE AND BONDING ¹		Aircraft Repair/ Maintenance & Aircraft Sales (New & Used) ²	Instruction and Aircraft Rental ³	Aviation Fuel/ Petroleum Product Sales ²	Air Taxi & Charter Service ³	Commuter Air Carrier Service	Flying Clubs ³	Corporate Business, and Personal Aviation	Specialty Sales and Service
AIRCRAFT LIABILITY									
Bodily Injury									
Each Person	\$200,000	X	X	None	X	\$ 200,000	X	None	None
Each Occurrence	\$500,000	X	X	None	X	\$1,000,000	X	None	None
Property Damage									
Each Accident	\$500,000	X	X	None	X	\$ 500,000	X	None	None
Passenger Liability									
Each Passenger	\$200,000	X	X	None	X	\$200,000/Seat	X	None	None
HANGARKEEPER'S LIABILITY									
Each Occurrence (as Indicated)		\$200,000	None	\$200,000	None	None	None	None	\$100,000
PRODUCTS LIABILITY									
Bodily Injury									
Each Person	\$200,000	X	None	X	None	None	None	None	X
Each Occurrence	\$500,000	X	None	X	None	None	None	None	X
Property Damage									
Each Accident	\$200,000	X	None	X	None	None	None	None	X
COMPREHENSIVE GENERAL LIABILITY									
Bodily Injury									
Each Person	\$200,000	X	X	X	X	X	X	X	X
Each Occurrence	\$500,000	X	X	X	X	X	X	X	X
Property Damage									
Each Accident	\$200,000	X	X	X	X	X	X	X	X
BONDING									
Construction (10% of Cost)		X	X	X	X	X	None	X	X
Lease (as indicated)		6 Months	6 Months	6 Months	6 Months	6 Months	6 Months	2 Months	6 Months
OR									
Performance (6 months estimated revenue)		X	X	X	X	X	X	None	X

¹ "X" Indicates Minimum Insurance or Bonding Required or as Specified.

² If required repair and maintenance operators do not engage in flying aircraft in connection with this activity, they are not required to carry minimum insurance specified for aircraft liability.

³ Operators using "leaseback" aircraft for these activities must carry Aircraft Liability and Hangarkeeper's Insurance for such aircraft. (Ord 48-90)