

**SHAWNEE REGIONAL AIRPORT  
GENERAL AVIATION HANGAR DEVELOPMENT AREA  
APPLICATION PROCESS AND LEASING POLICY**

**General Information**

The Shawnee Regional Airport is located two miles NW from downtown Shawnee and is an important general aviation airport within the central region of Oklahoma. The Airport sees approximately 8,000 airport operations annually. The Airport identifier is SNL

There is one FBO located at the airport that is owned and operated by the City of Shawnee. Shawnee Regional Airport FBO offers Jet-A and 100LL into- plane service and 100LL and Jet-A self-service. There is also privately owned maintenance services, and flight instruction at the Airport.

There is one rental car company located on the airport –Enterprise. Hertz also delivers rental cars to the airport. The Airport terminal is newly renovated with many amenities including a pilot’s lounge, conference room, and lobby.

Several hangar development areas are available for rent and are intended to provide the site and necessary infrastructure for individuals and businesses to lease land for the purpose of constructing aircraft storage hangars. The site will allow for construction of tee hangars, single unit hangars, large bulk hangars, and large corporate type hangars. Use of the hangar buildings is limited to non-commercial aircraft storage and maintenance of the aircraft. No residential use is permitted.

Individuals or businesses wishing to lease a parcel to construct a hangar must complete the attached application and comply with the requirements of the application procedure. Commercial developers or any entity wishing to construct hangars for sale to third parties must comply with the Airport’s Minimum Standards for the Conduct of Commercial Aeronautical Activities.

All hangars shall be built to comply with the Airport’s Hangar Construction Standards (attached). The T-hangar development area does not have sewer or water lines readily available. Existing water and sewer lines run parallel to Airport Drive and run the entire length of the east perimeter fencing and are readily available for box hangars

All applications will be reviewed by Airport Staff and the Airport Advisory Board, and any and all recommendations will be forwarded to the Shawnee Airport Authority for consideration at its following regular bi-weekly meeting. Allocations of hangar sites will generally be by first come-first serve basis based upon the requirements of the applicant. If any category of hangar sites becomes limited, the Airport shall have the right to allocate such sites by competitive bid or proposal.

Initial cost of land leases will be negotiated on a lease by lease basis.

## **Application Process**

Applicant shall complete the Application form, attach the required site plan and submit to the Airport Administration Office along with the applicable application fee. The application fee shall be deducted from the first year's rents and fees or, in the event that the application is not approved, shall be returned to applicant. The application fees are as follows:

Tee hangars - \$60  
50'X50' or larger single unit hangars- \$90  
60'X60' or larger bulk hangars -\$150  
100'X120' or larger corporate hangars -\$250

In addition to the application and site plan, applicants who propose to operate a commercial aeronautical business from the site or who are commercial hangar builders or operators, must meet the conditions and application requirements of the Airport's *Minimum Standards For The Conduct Of Commercial Aeronautical Activity At The Shawnee Regional Airport*

## **Approval Process**

The application and all accompanying materials that are necessary to facilitate an analysis of that application shall be submitted for review.

- a. Incomplete application packages that do not provide the information necessary to make a meaningful assessment of the proposed improvements and the benefits of committing Airport land to the Applicant shall be rejected.
- b. Applications that do not comply with the provisions of the Airport Leasing Policy, the Airport Minimum Standards for Commercial Aeronautical Activity (if applicable), the Aircraft Hangar Construction Standards, or any other applicable directives of the Airport shall be rejected.
- c. Applications that are inconsistent with the Hangar Development Area Land Use Plan and/or are deemed not in the best interests of the Airport shall be rejected.

*Completed applications will be presented to the Shawnee Airport Authority for approval at a regular bi-weekly meeting and are valid for 90 days following approval. If a lease agreement is not completed within 90 days due to the fault of the Lessee, then the application will be cancelled. Upon execution of the lease agreement, Lessee must complete the proposed improvements within 180 days.*

## **Utilities**

Water, Sanitary Sewer, Electricity, Natural Gas and Telephone are available to the site. Water and Sewer hook-ups will be installed by Lessee to the lines adjacent to the lease premises. All such hookups shall be done by qualified contractors and shall be installed at Lessee's expense to meet the Airport's specifications and shall include an approved water meter.

There will be a monthly service and usage charge for water and sewer service.

Connections to electricity, phone and natural gas services shall be the responsibility of Lessee and shall be negotiated directly with the providers (Oklahoma Gas & Electric)

## **Airport Leasing Policy**

### **General**

1. No person or firm shall occupy or use any land or improvement at the Airport unless that person or firm has entered into an Agreement with the Airport that will specify the terms, obligations and conditions under which that person or firm shall occupy or use such land or improvements.
2. The Agreement shall convey one or more of the following privileges: (1) the privilege of using the Airport in common with others who are authorized to do so; (2) the privilege of occupying and/or exclusively using specifically designated land and/or improvements at the Airport; and/or (3) the privilege of providing products, services, and/or facilities to the public at the Airport.

### **Use of Leased Premises**

1. Agreements shall be for either commercial or non-commercial activities or occupancy. Lessee's who have entered into a non-commercial Agreement shall be specifically prohibited from engaging in any commercial activities.
  - a. **Commercial Aeronautical Agreements**

The Commercial Aeronautical Agreement will identify the specific commercial aeronautical activities, services and facilities that shall be required to be provided by the Lessee. The Agreement shall also specify which activities, services and facilities are optional and which may be provided by Lessee but are not required by the Agreement. Lessee shall meet all conditions set forth in the Airport's Minimum Standards for the Conduct of Commercial Aeronautical Activities prior to engaging in any commercial aeronautical activity at the Airport. Failure to meet the Minimum Standards or obtain written permission from the Airport before providing additional products, services, or facilities shall be considered a default under the Agreement.
  - b. **Non-Commercial Aeronautical Agreements**

Agreements for non-commercial aeronautical use of Airport land and/or improvements shall specifically prohibit Lessee from engaging in any commercial

aeronautical activity including the provision of any aviation or non-aviation services or products or the provision of commercial facilities or engaging in any commercial activities on the Airport. Violation of this provision shall be considered a default under the Agreement.

c. **Restrictions**

Airport land or improvements shall not be occupied or used for any purpose that is contrary to: (1) the best interests of the Airport; (2) the safe, effective, and efficient operation of the Airport including the health, safety and general welfare of the public and the Aircraft or other property located at the Airport; (3) the goal of financial self-sufficiency for the Airport; (4) the future development of the Airport; and (5) Federal Aviation Regulations or Airport Sponsor Assurances.

2. **Subleasing**

**Assignments and Transfer of Interest**

a. A Lessee shall not assign an Agreement, any part of an Agreement, any interest in an Agreement, or any rights or obligations the Lessee has under and Agreement without the prior express written consent of the Airport.

b. If any Lessee wishes to assign all or part of the interest in an Agreement, the Lessee shall submit a written request to the Airport Manager. The Manager may request additional information prior to recommending approval or denial of the request.

c. If the Manager approves the request as submitted, Lessee shall complete an Assignment of Lease Agreement form. This form along with the written request and any supplemental documentation will be submitted to the Shawnee Airport Authority's approval.

d. Any assignment made without the prior written approval of the Airport shall be null and void and considered a default.

e. Consent of the Airport is not required in connection with: (1) the merger, consolidation or reorganization of the Lessee with any affiliate of the Lessee, (2) the sale of all or substantially all of the assets of the Lessee to any affiliate of the Lessee, or (3) assignment to any affiliate of the Lessee.

**Change in Majority Ownership**

a. Any change in the majority ownership of a Lessee or operating entity is subject to the approval of the Airport.

b. If any Lessee wishes to change the majority ownership of that Lessee, then Lessee shall submit a written request to the Airport Manager. The Manager may

request additional information prior to recommending approval or denial of the request.

c. If the Manager approves the request as submitted, Lessee shall complete an Assignment of Lease Agreement form. This form along with the written request and any supplemental documentation will be submitted to the Airport Commission for approval.

d. Any change in majority ownership made without the prior written approval of the Airport shall be null and void and considered a default.

3. **Term**

a. The initial term of the Agreement shall be commensurate with the level of capital investment made by the Lessee in leasehold improvements.

b. Determination of capital investment will be based upon actual investment as demonstrated by Lessee. If the Airport questions the actual amount of the capital investment, an appraisal of the improvements, provided by Lessee, utilizing an appraiser acceptable to Airport and the Lessee, shall establish the amount of capital investment by Lessee for the purpose of determining the term of the Agreement.

c. All leasehold improvements shall be completed and occupied by the Lessee within 9 months of the effective date of the Agreement unless circumstances beyond Lessee's control prevent the completion of said improvements by Lessee.

d. When a Lessee makes additional capital investment in leasehold improvements during the term of an existing Agreement and wishes to extend the term of the existing Agreement based upon such improvements being made, the term of the Agreement may be extended by the Airport based upon the level of capital investment made by the Lessee. If the term of the Agreement is extended, the Airport reserves the right to amend other provisions of the Agreement at the time the term of an existing Agreement is extended.

e. In determining whether to extend an Agreement, the Airport will evaluate whether the Airport requires the land to meet requirements established by the FAA, or for purposes related to expansion of the aeronautical facilities of the airport, and the appearance and upkeep of the hangar are satisfactory to the Airport, the Airport may enter into additional terms. However, the decision to extend any Agreement for an additional term shall be at the sole discretion of the Airport. The Lessee shall request, in writing, an extension to the term of the Lease Agreement not less than 90 days nor more than 180 days from the expiration date of the original term of the Agreement or the expiration date of any extension issued previously, requesting an additional term. Approval of the requested extension shall be based upon the criteria stated in this section. The

Airport also retains the right to establish new lease terms and conditions and lease rates as a condition to granting any extension.

f. In the event that the Airport constructs all or part of the site improvements for hangar or other aeronautical-use facilities, then the Airport may amortize all or part of the costs of such improvements over the term of the Agreement granted to the Lessee. The Airport shall utilize a minimum amortization period of 10 years. However, calculation of costs to be amortized shall not include any funds received from the Federal Aviation Administration or any State grants.

4. **Improvements**

a. All improvements made by a Lessee shall comply with all applicable requirements established by the FAA, the Shawnee Planning/Code Enforcement Department, National Fire Protection Association, the State of Oklahoma and any other regulatory body having jurisdiction.

b. Unless otherwise stated in an Agreement, Lessee shall retain ownership of all permanent improvements constructed by Lessee. The Airport shall retain the right, at the expiration or termination of the Agreement, to require that the Lessee, at its sole expense, demolish and/or remove any permanent improvements and restore the Leased Premises as nearly as possible to its original condition excluding ordinary wear and tear.

5. **Relocation**

a. In the event that relocation is deemed necessary for Airport purposes (i.e. to meet the requirements of FAR part 77, to facilitate future aeronautical development of the Airport, etc.) the Airport shall provide an alternate leasehold which is comparable to the leased premises currently being occupied by the Lessee.

b. If comparable land is not available, the Airport shall purchase the remaining rights under the Agreement and any permanent improvements that have been constructed by the Lessee for the amount determined by an appraisal performed by a qualified appraiser, mutually agreed to by the Airport and Lessee.

**Rents And Fees**

1. **General**

It is the policy of the Airport to encourage commercial and general aviation. However, it is also the policy of the Airport that it shall recover the reasonable costs of operating, maintaining and developing the Airport through rents, fees and other charges. The Airport, through its sponsor assurances, is required to maintain a rent and fee structure that shall make the Airport as self-sustaining as possible. Therefore, the Airport will endeavor to recover the cost of operating, maintaining, and developing the Airport through rents, fees and other charges established through Agreements and Permits with tenants, lessees and permittees.

- a. All Agreements and Permits shall adequately compensate the Airport for the rights and privileges granted to a lessee. The Airport shall seek terms and conditions that, while being reasonable and not unjustly discriminatory, provide the best financial return to the Airport
- b. Every Lessee on the Airport shall be subject to the same rates, fees, and other charges as are uniformly applicable to other Lessees utilizing the same or similar land and/or improvements at the Airport for the same category of use.
- c. It is recognized that due to the differences in the rates and charges due to existing Agreements recalculation periods of individual Agreements that some Lessees will pay different amounts for the same category of land and/or improvements at any specific time.
- d. The Airport shall have the right to charge different rates and charges for land or improvements having different attributes, uses, values, access, etc. However, such rates shall be non-discriminatory for equivalent leaseholds.
- e. The Airport shall have the right to charge rates and charges higher than the established fees if such fees are established by a competitive proposal process.

2. **Calculation of Rates and Charges and Fees.**

Rents for aeronautical use land at the Airport shall be determined by the following methods: aviation market rent survey, comparative rental rates for other similar properties on the Airport, by negotiation, or by the competitive proposal process. Aeronautical use land shall include the automobile parking areas required to support aeronautical use properties.

a. **Market Rent Survey**

A Market Rent Survey may be used to establish rental rates based upon a comparative analysis of the rents being charged for similar aeronautical properties and/or activities at comparable airports. Factors to be considered in defining similar leaseholds are the use, size of lot, required set-backs and easements, location, access to Airport infrastructure, type and condition of the land and/or improvements. Any disparities with regard to the above components shall be considered and addressed.

b. **On-Airport Comparative Rents**

As an alternative to the market rent survey process, the Airport can set rents for land and/or improvements if rents for comparable land and/or improvements located at the Airport have been established through an Agreement with the Airport within the previous six months.

c. **Competitive Proposal**

Rents can be established by competitive proposal process. In such a case the agreed upon rents will prevail as long as the rents are not less than those that would be established under this policy.

d. **Additional Fees:**

In addition to fees charged for the direct land lease, the Airport shall also have the right to charge additional use fees including, but not limited to: fuel flowage fees, temporary or special use permit fees, environmental clean-up fees, utility (water and sanitary sewer) usage and tap fees and, if applicable, commercial aeronautical activity fees and commercial non-aeronautical concession fees,

3. **Adjustment of Fees**

Rents, fees and charges shall be reviewed and adjusted, if appropriate, each calendar year for before any new leases are issued for that year. Application of the adjusted rents, fees and charges for Lessees under an existing Agreement shall be determined by the recalculation period of rents fees and charges as contained in that Agreement

a. **Methodology**

Rents shall be adjusted using the following methods. Rental rates shall be established by a market rent survey for the first year of a five-year period. For each subsequent five-year period a Market Rent Survey may be used to establish rental rates based upon a comparative analysis of the rents being charged for similar aeronautical properties and/or activities at comparable airports. The amount established by the market rent survey may be modified to provide for the reimbursement to the Airport of the costs of providing specific services to any classification of Lessee or user. The Consumer Price Index (CPI), published by the U.S. Department of Labor for that year, may also be utilized, in addition to the market rent survey, to adjust rental rates. The CPI used shall be the most applicable for this location.

b. **Payment of Rents, Fees and/or Other Charges**

Any Tenant or Lessee who is not current in the payment of all rents, fees or other charges due to the Airport is subject to termination of the Agreement as provided for within the specific Agreement.

c. The Airport may, at its option, enforce the payment of any rent, fee, and/or other charge assessed by the Airport by placing a lien on or retaining possession of personal or real property of the Lessee until paid in full.

d. All rents, fees, and/or other charges assessed by the Airport not paid within 30 days of being due may be assessed a late fee.

**Information Contact**



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