



Contra  
Costa  
County

To: Board of Supervisors  
From: Keith Freitas, Airports Director  
Date: August 2, 2016

Subject: AUTHORIZE TERMINATION OF T-HANGAR AND SHADE HANGAR RENTAL AGREEMENT AT BUCHANAN FIELD AIRPORT; AUTHORIZE LEGAL ACTION TO REGAIN POSSESSION

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Director of Airports to terminate a month-to-month T-Hangar and Shade Hangar Rental Agreement dated September 7, 2012, between the County and Equipco Sales & Service for a T-Hangar at the Buchanan Field Airport. AUTHORIZE County Counsel to pursue legal action, Concord Area.

**FISCAL IMPACT:**

The Airport Enterprise Fund will cover the cost of any legal action.

**BACKGROUND:**

*License Requirements; FAA Requirements*

In September 2012, the County entered into a T-Hangar and Shade Hangar Rental Agreement (Agreement) with Equipco Sales & Service (Tenant) for use of T-Hangar #E-18, which is located on the East Ramp of Buchanan Field Airport. Under the terms of the Agreement, the hangar may only be used to (i) store Tenant's aircraft, (ii) refurbish Tenant's aircraft, (iii) store materials directly related to the storage or restoration of Tenant's aircraft,

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **08/02/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Mary N. Piepho, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: August 2, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Beth Lee, (925)  
681-4200

cc:

(iv) store Tenant's aircraft and a boat, recreation vehicle, motorcycle, or automobile, or (v) store Tenant's aircraft and small comfort items, such as a couch, small refrigerator, etc. The limitation on the use of the hangar is intended to ensure that the hangar is used for activities that involve, or are directly related to, the operation of an aircraft. This limitation is consistent with requirements imposed on the County by the Federal Aviation Administration (FAA).

The FAA provides financial assistance, including grants, to general aviation airports like Buchanan Field Airport. As a recipient of FAA grants, the County must comply with FAA requirements known as grant assurances. If the County fails to comply with the grant assurances, the County is at risk of being denied future grants from the FAA and of having to repay grants it has already received.

One grant assurance limits non-aeronautical use of hangars. Non-aeronautical use of a hangar is allowed

## BACKGROUND: (CONT'D)

only if there is no current aviation need and the proposed use is (i) a short-term occupancy, (ii) the occupant pays the market rate for a non-aeronautical use, and (iii) the occupant is required to vacate the premises if an aeronautical user expresses an interest in using the hangar.

### *Evidence of Non-Compliant Use*

After receiving a complaint in October 2015 that the hangar was being used for non-aviation purposes, County staff conducted a number of inspections of the hangar. Inspections were conducted on November 4, 2015, March 8, 2016 and June 28, 2016. Those inspections revealed that the hangar is not being used to store an aircraft; it is being used to store other items. In fact, there is no room in the hangar for an aircraft, given the amount of other items stored in the hangar. After each inspection, Tenant was given time to bring its use of the hangar into compliance.

Under the terms of the Agreement, Tenant must store an aircraft in the hangar. In the absence of an aircraft, storage of anything else is not allowed. Based on the results of each inspection, County staff has concluded that Tenant's use of the hangar does not comply with the terms of the license or the FAA requirements.

Airport staff is requesting authority to terminate the Agreement and to pursue legal action to regain possession of the hangar. Such actions are consistent with adopted Airport policies. In addition, by recovering possession of the Premises, the Airport will be able to make the space available to the next person on the Buchanan Field Airport T-Hangar waiting list.

## CONSEQUENCE OF NEGATIVE ACTION:

Failure to terminate the Agreement and pursue legal action against Tenant would result in the Airport being unable to enforce adopted Airport policies and procedures and could put future FAA grant funding at risk.