U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of Airport Compliance
and Management Analysis

800 Independence Ave, SW.
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Dear Messrs. Evans and Munson:

Re: Jim Hankins and Mike Plyler v. North Texas Regional Airport, Grayson County, TX, FAA Docket No. 16-19-15

Enclosed is a copy of the Director's Determination of the Federal Aviation Administration (FAA) with respect to the above-referenced matter.

Based on the record of this proceeding, the FAA finds that the County is not in violation of its Federal obligations or Federal law with respect to the allegations raised in the Complaint.

Accordingly, the above-referenced matter is dismissed. The reasons for dismissal are set forth in the enclosed Director's Determination. The Director's Determination is an initial Agency determination and does not constitute a Final Agency Decision and order subject to judicial review.

Sincerely,

Kevin C. Willis
Director, Office of Airport Compliance
and Management Analysis

UNITED STATES DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION
WASHINGTON, D.C.

Jim Hankins and Mike Plyler, **Complainants,** **v.** **North Texas Regional Airport** **Grayson County, Texas** **Respondent.**

FAA Docket No. 16-19-15

DIRECTOR'S DETERMINATION

I. INTRODUCTION

This matter before the Federal Aviation Administration (FAA) is based on a complaint filed under Title 14 of the Code of Federal Regulations, Part 16 (14 CFR Part 16)[1] by Jim Hankins and Mike Plyler (Complainants, Hankins, or Plyler) against Grayson County, Texas (County), owner and sponsor of the North Texas Regional Airport (GYI or airport). The complainants allege that the county violated Grant Assurance 22, Economic Nondiscrimination by its failure to offer and/or extend long-term leases to the complainants comparable to the lease terms of other similarly situated leaseholders. The complainants also allege the county's refusal to accommodate the complainants' request for extended leases is a violation of Grant Assurance 38, Hangar Construction. (FAA Exhibit 1; FAA Exhibit 3)

In its answer and subsequent rebuttal, the county argues that it has not discriminated against the complainants, and denies violating Grant Assurance 22 or Grant Assurance 38. (FAA Exhibit 2; FAA Exhibit 4)

With respect to the allegations presented in this complaint, under the specific circumstances at GYI discussed in this determination and based on the evidence of record in this proceeding, the Director, FAA Office of Airport Compliance and Management Analysis (Director) finds that the county is not currently in violation of its Grant Assurances.

While the Director concluded that the county failed to uniformly apply its leasing policy, there is insufficient evidence to substantiate that the county's management of its lease policies resulted in unjust

[1] Enforcement procedures regarding airport compliance matters may be found in *FAA Rules of Practice for Federally Assisted Airport Enforcement Proceedings* (14 CFR Part 16), published in the Federal Register (61 FR 53998, October 16, 1996) effective on December 16, 1996, and as amended, effective November 12, 2013.

economic discrimination against the complainants in violation of Grant Assurance 22, Economic Nondiscrimination or Grant Assurance 38, Hangar Construction.

II. PARTIES

A. Complainants

The complainants, Jim Hankins and Mike Plyler, are hangar tenants at GYI. Mr. Hankins assumed the leasehold of Hangar 8E from a previous tenant in 2006. Mr. Plyler serves as president of MikRon Air Corporation, who entered into a 20-year ground lease in 1999 on which to build a hangar facility and other improvements. (FAA Exhibit 1, p. 2) While both complainants lease separate parcels, they both raise similar complaints regarding the county's failure to offer and/or extend long term leases. Additionally, both complainants have paid rents and fees to the airport as part of their tenant leases. Given this business relationship with the County, the Complainants are directly and substantially affected by the alleged noncompliances and thereby have standing in accordance with 14 CFR, § 16.23(a).

B. Respondent

The GYI is a general aviation airport owned and operated by Grayson County, Texas. The airport consists of 1,410 acres, three runways, 76 based aircraft, and accommodates over 79,000 operations annually (FAA Exhibit 8). The airport's development has been financed, in part, with funds provided to the sponsor under the Airport Improvement Program (AIP), authorized by the airport and Airway Improvement Act of 1982, as amended, 49 U.S.C., § 47101, et seq. Since 1983, the county has accepted more than $1,700,000 in Federal grants for airport development and related investments (FAA Exhibit 7).[2] As a result of accepting AIP funds, the sponsor is obligated to comply with FAA sponsor assurances and related Federal law, 49 U.S.C. § 47107.

III. BACKGROUND AND PROCEDURAL HISTORY

A. Background

On May 15, 2006, complainant Hankins assumed a 20-year lease for Hangar 8E, executed November 4, 1998, previously held by David Estes d/b/a Air Runners, Inc. (Air Runners). The lease included four (4) 5-year options to extend for a total potential tenancy of 40 years. On December 18, 2018, Mr. Hankins exercised his first 5-year option to extend the lease under the terms of the lease.[3] (FAA Exhibit 2, p. 3)

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[2] The Texas Department of Transportation Aviation Division participates in a congressionally authorized state block grant program, which receives and prioritizes Federal airport development funding in the state. These figures represent funds received by GYI from the FAA from 1983-1990. Airport development funding from the state block grant program is not reflected here.

[3] Prior to lease expiration, complainant Hankins filed an informal complaint under 14 CFR § 13.1 alleging unjust economic discrimination via airport leasing policies (Grant Assurance 22). At the direction of the FAA Southwest Region, the county allowed Mr. Hankins to enter into a month-to-month tenancy during the pendency of the FAA review. This allowed Mr. Hankins to avoid entering into the legally binding 5-year extension while the county's leasing policy toward the complainants was reviewed. (FAA Exhibit 2, p. 3)

On October 15, 1999, the county entered into a 20-year ground lease with MikRon Air Corporation for a 10,000 square foot parcel with the option to construct a hangar for personal aircraft storage. The lease included four (4) 5-year options to extend for a total potential tenancy of 40 years. Complainant Plyler is the President of MikRon. (FAA Exhibit 1, Item 1) The initial 20-year term expired on October 30, 2019; complainant Plyler opted to exercise the first 5-year extension option on April 23, 2019 . (FAA Exhibit 2, Item 1)

On August 6, 2018, the complainants filed an informal complaint under 14 CFR Part 13, Investigative and Enforcement Procedures alleging the County violated Grant Assurance 22, Economic Nondiscrimination, and Grant Assurance 38, Hangar Construction, by failing to offer the complainants 30-year lease terms. The complainants alleged unjust economic discrimination of similarly situated users, as well as significant financial harm due to the county's actions/inaction. (FAA Exhibit 1, Item 3, pp. 1-5)

On November 19, 2018, the FAA Southwest Region Airports Office issued its informal decision under 14 CFR Part 13, which found that the Complainants had failed to establish unjust economic discrimination against them by the County relative to other similarly situated tenants. The Region also concluded that the County had no requirement to amend the leases to satisfy the request of the Complainants, and that the County was currently in compliance with their federal obligations. (FAA Exhibit 1, Item 4, pp. 1-7) The Complainants subsequently filed a formal complaint under 14 CFR Part 16, which is the subject of this proceeding.

B. Procedural History

October 30, 2019	FAA received the Complaint (FAA Exhibit 1)
November 19, 2019	FAA issued a Notice of Docketing (FAA Exhibit 5)
December 9, 2019	Grayson County filed its Answer to the Complaint (FAA Exhibit 2)
December 19, 2019	Complainants filed their Reply to the Answer (FAA Exhibit 3)
December 30, 2019	Grayson County filed its Rebuttal to the Reply (FAA Exhibit 4)
May 5, 2020	FAA issued a Notice of Extension of time to issue a determination to August 3, 2020 (FAA Exhibit 6)
August 17, 2020	FAA issued a Notice of Extension of time to issue a determination to September 10, 2020 (FAA Exhibit 9)

IV. APPLICABLE FEDERAL LAW AND FAA POLICY

This section discusses (a) the FAA's enforcement responsibilities; (b) the FAA compliance program; (c) statutes, sponsor assurances, and relevant policies; and (d) the complaint process.

A. FAA Enforcement Responsibilities

The Federal Aviation Act of 1958, as amended, 49 U.S.C. § 40101, et seq., assigns the FAA Administrator broad responsibilities for regulating air commerce in the interests of safety, security, and development of civil aeronautics. The Federal role in encouraging and developing civil aviation has been augmented by legislative actions that authorize programs for providing funds and other assistance to local communities for the development of airport facilities. In these programs, the airport sponsor assumes certain obligations, either by contract or by covenants in property deeds and conveyances, to maintain and operate its airport facilities safely, efficiently, and in accordance with specified conditions. Commitments assumed by airport sponsors in property conveyance or grant agreements are important factors in maintaining a high degree of safety and efficiency in airport design, construction, operation, and maintenance, as well as ensuring the public reasonable access to the airport. Title 49 U.S.C. § 47122 mandates the FAA to ensure airport owners comply with their grant assurances.

B. FAA Airport Compliance Program

The FAA discharges its responsibility for ensuring that airport sponsors comply with their Federal obligations through its Airport Compliance Program. Sponsor obligations are the basis for the FAA's airport compliance effort. The airport owner accepts these obligations when receiving Federal grant funds or when accepting the transfer of Federal property for airport purposes. These obligations in grant agreements and conveyances protect the public's interest in civil aviation and require compliance with Federal laws.

The FAA designed the Airport Compliance Program to ensure the national system of public use airports is safe, properly maintained, and that airport sponsors operate consistent with their Federal obligations and the public's interest in civil aviation. The Airport Compliance Program does not control or direct the operation of airports. Rather, it monitors the administration of valuable rights, which airport sponsors pledge to the people of the United States that they will protect in exchange for monetary grants and donations of Federal property.

The FAA Order 5190.6B, FAA Airport Compliance Manual, September 30, 2009, sets the policies and procedures for the FAA Airport Compliance Program. The order is not regulatory and does not control airport sponsor conduct; rather, it establishes the policies and procedures for FAA personnel to carry out the FAA's responsibilities for airport compliance. It provides basic guidance for FAA personnel in interpreting and administering the continuing commitments airport owners make to the United States as a condition for the grant of Federal funds or the conveyance of Federal property for airport purposes. The order analyzes the airport sponsor's obligations and assurances, addresses the application of the assurances in the operation of public-use airports, and helps FAA personnel interpret the assurances and determine whether the sponsor has complied with them.

The FAA compliance program is designed to achieve voluntary compliance with Federal obligations accepted by owners and operators of public use airports that have been developed with FAA assistance. In addressing allegations of noncompliance, the FAA will determine whether an airport sponsor currently complies with its Federal obligations. The FAA will also consider the successful action by the airport to cure an alleged or potential past violation of applicable Federal obligation as grounds for dismissal of the allegations. See e.g., Wilson Air

Center v. Memphis and Shelby County Airport Authority, FAA Docket No. 16-99-10, (August 30, 2001) (Final Decision and Order).

C. Statutes, Sponsor Assurances, and Relevant Policies

The Airport and Airway Improvement Act of 1982 (AAIA), as set forth in 49 U.S.C. § 47101, et seq., establishes assurances to which an airport sponsor receiving Federal financial assistance must agree as a condition before receiving the assistance. These sponsorship requirements are included in every AIP grant agreement. Upon acceptance of an AIP grant by an airport sponsor, the assurances become a binding obligation between the airport sponsor and the Federal Government.

Two grant assurances apply to the specific allegations and circumstances of this complaint: Grant Assurance 22, Economic Nondiscrimination, and Grant Assurance 38, Hangar Construction.

1. Grant Assurance 22, *Economic Nondiscrimination*

Grant Assurance 22, Economic Nondiscrimination deals with both the reasonableness of airport access and the prohibition of adopting unjustly discriminatory conditions as a potential for limiting access. Grant Assurance 22 implements the provisions of 49 U.S.C. § 47107(a)(1) through (6), and requires – except in certain prescribed circumstances – the owner of any airport developed with Federal grant assistance to operate the airport for the use and benefit of the public and to make it available to all types, kinds, and classes of aeronautical activity on fair and reasonable terms, and without unjust discrimination.

2. Grant Assurance 38, Hangar Construction

Grant Assurance 38, Hangar Construction, implements 49 U.S.C. § 47107(a)(21), and requires airport sponsors to allow long term hangar leases for aircraft owners who have constructed hangars at their own expense.

Grant Assurance 38 states:

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

V. ISSUES AND ANALYSIS

Upon review of the allegations in this formal 14 CFR Part 16 proceeding and the relevant airport specific circumstances summarized above, the Director has determined that two issues require analysis and are evaluated below as Issue 1 and Issue 2. The Director will analyze the claims and the record to determine the county's compliance with applicable Federal law and policy with respect to providing reasonable and not unjustly discriminatory access to complainants Hankins and Plyler.

ISSUE 1: Whether the Complainants' lease terms are unjustly discriminatory in violation of Grant Assurance 22, Economic Nondiscrimination.

A. Complaint and Reply

The core of the complaint is a dispute regarding the length of the complainants' lease term compared to other leaseholders who have also leased land and/or constructed hangars on airport property. Complainants Hankins and Plyler allege that the county has unjustly discriminated against them in violation of Grant Assurance 22 by "offering and extending lease terms to similarly situated tenants" and "unjustifiably failing to offer such lease terms" to the complainants. They argue that they "and other tenants are making the same or similar use of the facilities under the same circumstances," and that "the same rates, fees and rental structure should apply." (FAA Exhibit 1, p. 3) (FAA Exhibit 3, p. 2)

To support their claims, Hankins and Plyler provided a semi detailed review of eight (8) airport leaseholds, including a comparison of parcel size, lease term in number of years, and rate per square foot. They argue that substantial evidence exists that the county amended some leases, increasing the leasehold term from 20 years to 30 years, while offering other similarly situated tenants lease terms of 30 years from the outset. Complainants argue that the "County's refusal to offer a 30-year lease [to the Complainants]...while offering 30-year leases to various other tenants is blatant and unfair economic discrimination." Hankins and Plyler further argue that the difference between a 20 and 30 year lease is "economically significant and will cost [Complainants] substantial economic damages." (FAA Exhibit 1, pp. 4-6)

B. Grayson County's Answer and Rebuttal

The county argues that Hankins and Plyler have "failed to meet their burden" and denies it has engaged in unjust economic discrimination against either tenant. Rather, the county argues that the complainants "mischaracterized the facts" and "misstate the law" and that complainants "have no right to a lease of specific duration under Grant Assurance 22 or 38." The County argues the lessees "have a right to exercise any and all of the four 5 year options expressly allowed for in the leases they negotiated (in the case of Plyler) or assumed (in the case of Hankins)." (FAA Exhibit 2, p. 2 and 7) The county points out that the FAA's Southwest Region Airport Division and the Texas Department of Transportation Aviation Division[4] each determined that the County has not "unjustly discriminated against the complainants as compared to other similarly situated entities" of GYI. (FAA Exhibit 2, p. 2)

Regarding the lease terms, the county notes that both the Hankins' and Plyler ground leases 1) had an initial lease term of 20 years and with four 5 year options (for a total term of 40 years), 2) clearly stated that improvements would become property of the county upon construction, and 3) the county could set new fair market value facility lease rates upon expiration of the initial term. (FAA Exhibit 2, p. 2) The county states that it changed its leasing policy and rates "in approximately 2000 after [it] completed a comprehensive rate study" which concluded that "throughout the country, airports are

[4] The Texas Department of Transportation Aviation Division, a participant in the congressionally authorized state block grant program, assumes responsibility for investigating informal allegations of airport sponsor compliance with Federal obligations.

increasing the length of...leases from twenty years to an average of thirty years" and that "hangars [at GYI] smaller than 15,000' should get a...thirty year term." The county points out that "it is not surprising" that "the lease agreements identified by the Complainants [by way of comparison], which were all entered into after this study was conducted, are for 30 years" and pay more per square foot than the complainant's pay for their 20 year leases. (FAA Exhibit 2, p. 8) (FAA Exhibit 2, Item 5)

The county further argues the complainant's "have not demonstrated that they are similarly situated to the tenants identified in the Complaint" since the parcel size and lease commencement dates vary significantly. Additionally, the county claims that "the leases the Complainants have cited to that are 30 years in duration are at much higher rates" and that what the Complainants really seek are "a 10 year extension at their prevailing lease rates" that "would permit them to continue to pay drastically lower rental rates than the other tenants they have identified." (FAA Exhibit 2, pp. 2-8) The county developed a chart outlining tenant lease terms to demonstrate the differences in term (years) and price per square foot between the complainants and the identified tenants. (FAA Exhibit 2, p. 6) Lastly, among other arguments, the county argues that complainant Plyler "lacks standing" in his "individual capacity" since he "does not have a lease with the County." The county believes Plyler is "merely the alleged President of MikRon" and should not be able to "pursue the claims set forth in the Complaint." (FAA Exhibit 2, p. 12) The Director reviewed the county's argument regarding Complainant Plyler's standing and concluded that the argument is specious. Ron Plyler, President of MikRon, is clearly identified as the signatory Lessee on the October 15, 1999 lease with the county.

C. Director's Review and Analysis

A complainant does not establish a violation of Assurance 22 (unjust discrimination) simply by showing differences between two leases. The FAA has found that differences in lease terms executed at different points in time can be justified by the market conditions present at the time of lease execution. (Wilson Air Center, LLC v. Memphis-Shelby County Airport Authority, FAA Docket No. 16-99-09, Final Decision and Order (August 30, 2001)). Grant Assurance 22 prohibits only unjust economic discrimination, not all economic discrimination.

The principle of unjust economic discrimination requires a party who has been allegedly discriminated against to be "similarly situated" to alleged preferred party in order to establish a violation economic discrimination under assurance 22. (See, R/T-182, LLC v. Portage County Regional Airport Authority, FAA Docket No. 16-05-14, March 29, 2007, Final Agency Decision, p. 12.) Likewise, the FAA has also found that even when aeronautical tenants propose the same or similar use of the airport, if the level of investment and business aspects are dissimilar, the FAA may appropriately find the aeronautical users are not similarly situated. (Sundance Helicopters, Inc. d/b/a Skydance Operations, Inc. v. Sedona-Oak Creek Airport Authority and Yavapai County, Arizona, FAA Docket 16-12-02 (March 7, 2003) (Director's Determination) pp. 27-28)

1. Analysis of Similarly Situated Airport Users

The county argued throughout the pleadings that, with respect to different lease terms and timing, the complainants are not similarly situated to the other tenants on the airport and identified in this proceeding. (FAA Exhibit 2, p. 6) However, as explained in the following analyses, the Director only

partially agrees. The Director reviewed the leases provided by both parties[5] and found that the leases are relatively standard and contain similar language regarding the initial term, use, improvements, rates, extensions, ownership of improvements, insurance, etc.. As is customary, the primary differences are the execution dates, length of the initial term, allowable uses of the leased property, parcel size, and the lease rates on a per square foot basis.

Two commercial leases provided by the complainants in support of their complaint – Air Texoma International, LLC and Carson Aviation, LLC – allow for improvements for fixed base operator (FBO) and/or commercial hangar storage services on parcels ranging from 25,486 to 40,000 square feet. Each lease was negotiated at different times at different prices per square foot with 40 year terms and prescribed facility construction requirements. (FAA Exhibit 2, p. 6) The county is correct that the complainants are not similarly situated to Air Texoma or Carson Aviation. Complainants do not offer a commercial aeronautical service to the public, and have not been denied a similar use of the airport. As such, the initial lease terms of 30 to 40 years afforded to commercial tenants Carson and Air Texoma are not comparable to the complainant's lease with a 20 year term, and are not subject to any additional consideration by the Director in his analysis in this proceeding.

Four leases for private hangars provided by the complainants in support of their complaint – Air Runners, Martin, 4Aviation/Doyle and TM Aviation – provide for substantially similar use of airport property on similar parcels of land with similar sized facilities for similar terms. However, in evaluating the totality of the circumstances, the Director identified the county's implementation of a new leasing policy on April 1, 2000 as an important line of demarcation. In effect, the new leasing policy replaces standard lease terms of 20 years with 30 year lease terms, and increases the price per square foot (sf) ground rental rate. These changes are at the core of this proceeding and create a reasonable basis to further evaluate whether the complainants are similarly situated to the above mentioned tenants, and to each other. Accordingly, the Director's analysis focuses on 1) new leases executed immediately prior to and after April 1, 2000, and 2) leases that were executed pre-April 1, 2000, but assumed by other tenants post April 1, 2000.

a. Lease Review and Analysis

The record shows complainant Hankins assumed a lease in May 2006 that a predecessor tenant executed in November 1998 and contained an already constructed 5,015 sf hangar.[6] Complainant Plyler entered into a new lease with the county in October 1999 for a similar parcel to construct his own hangar. (FAA Exhibit 1, pp. 2-3) Both leases contain initial terms of 20 years, which have since expired, and both tenants have exercised the first of four options to extend their respective leases for an additional 5 year term. (FAA Exhibit 2, Item 1; FAA Exhibit 2, Item 3). The 5 year option terms condition rental fees on a fair market value comparison of facility rents at comparable airports at the County's discretion, but no less than $5,000 for the term. (FAA Exhibit 2, Item 2) (FAA Exhibit 1,

[5] Leases were provided for: 1) Hankins, 2) Plyler (MikRon), 3) Air Runners, Inc., 4) 4Aviation S.R.L. LLC, 5) Chris Martin, 6) Air Texoma International, LLC, 7) TM Aviation Partners, L.P., and, 8) Carson Aviation, LLC. (FAA Exhibit 1, Items 1, 5, 8, 10, 11, 15, and 17)(FAA Exhibit 2, Item 1) Several of the leases have been transferred and assumed by different parties over the years. The Director's review focuses only on lease terms and does not make an attempt to discern or otherwise track the many various transfers, assumptions, or other amendments not relevant to this proceeding.

[6] Air Runners, Inc. was the previous leaseholder. There is no indication that Hankins attempted to renegotiate the Air Runners lease terms prior to assumption in 2006.

Item 1) By comparison, the Air Runners, Martin, 4Aviation/Doyle, and TM Aviation leases each have 30-year ground leases, but with no option terms. A summary of the initial terms are as follows:

Lessee	Initial Year	Term	Parcel	Rate	Monthly
• Hankins:	1998	20 years	10,000 sf	$0.0754/sf	$62.83
• Plyler	1999	20 years	10,000 sf	$0.0756/sf	$63.00
• Air Runners:	2000	20 years	10,000 sf	$0.15/sf	$125.00
• 4Aviation/Doyle:	2001	30 years	10,000 sf	$0.19/sf	$158.34
• Martin:	2002	30 years	10,000 sf	$0.19/sf	$158.34
• TM Aviation:[7]	2011	34 years	11,269 sf	$0.2276/sf	$220.60

Based on the various lease execution dates, and the county's revised lease policy effective April 1, 2000, the Director takes particular interest in the Air Runners lease history. The record shows Air Runners executed a first ground lease with the County on November 4, 1998 (assumed by complainant Hankins). Air Runners then executed a second ground lease with the County on March 1, 2000 for an initial term of 20 years to construct a hangar on a 10,000 square foot parcel at $0.15/sf ($125.00 monthly) for non-commercial aircraft storage. (FAA Exhibit 1, Item 5) Air Runners' initial term and parcel size are identical to Complainant Plyler's lease (October 15, 1999), and the first Air Runners ground lease assumed by complainant Hankins. As noted above, the only notable difference is the initial price per square foot, which is roughly double that of the complainants.

The relevant common factor here is that all three leases pre-date implementation of the County's revised lease policy on April 1, 2000. The difference, however, is that the March 2000 Air Runners lease was amended in July 2000 – three months after lease execution – from a term of 20 years to 30-years at a higher rental rate ($0.15/sf to $0.21/sf). The lease addendum was specifically executed "...for the purpose of adjusting the rental rate and rental term." (FAA Exhibit 1, Item 6) The addendum does not prescribe any other requirements (e.g. additional facility construction) to necessitate additional amortization, and the County offered no direct explanation why it amended the lease to a 30-year term. However, the lease addendum itself makes the increased term and rental payment retroactive to April 1, 2000, suggesting that the revision is in response to the County's new airport lease policy.

Based on these facts, the Director determines that the March 2000 Air Runner's lease is the only lease of record having any direct or substantial relation to the Complainants' allegations. The other leases of record – 4Aviation/Doyle, Martin, and TM Aviation – all were executed with 30-year terms beginning in 2001 and beyond, suggesting full implementation of the County's revised lease policy. Periodic lease policy reviews and updates are a common industry practice and a proprietary right and responsibility of an airport sponsor. Therefore, the 4Aviation/Doyle, Martin, and TM Aviation leases are not subject to additional consideration by the Director in this proceeding.

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[7] TM Aviation Partners, L.P. appears to have assumed the lease of Lot 1 previously leased by Air Texoma as part of its 40-year commercial aeronautical lease with the County. TM Aviation does not appear to have engaged in commercial aeronautical activities. Lot 1 was later transferred to Dr. C. Hunter Richmond, who assumed the remainder of Air Texoma/TM Aviation's 40 year term of 34 years.

b. Plyler Lease vs. Air Runners Lease

The county argues that the "Complainants do not offer any examples of "similarly situated" tenants that entered into lease agreements prior" to the Complainants and "instead rely on lease agreements executed after their lease agreements." (FAA Exhibit 2, p. 8) The County likewise argues, "...the simple reality is that tenants such as the complainants...are subject to lease agreements that were executed at a time when 20-year lease terms were the norm." (FAA Exhibit 2, p. 9)

Both the Plyler and Air Runners leases pre-date the County's new lease policy, but only about 5 months separate lease execution (October 1999 vs March 2000). In July 2000, the County retroactively extended the March 2000 Air Runners lease to a term of 30 years beginning April 1, 2000 – the implementation date of the revised policy. In contrast, there is no evidence the county offered Plyler the same option to amend his similarly situated lease executed 5 months earlier.

Grayson County Airport Board of Directors meeting minutes provided by the complainant show officials openly contemplated that "...if the Board adopts a newer lease, [Air Runners] lease, as well as others, could be negotiated." The minutes also show that Air Runners and the airport manager "have discussed the newer lease terms to some extent" and Air Runners "would certainly be in favor of renegotiating [its] lease if that becomes available." The minutes also indicate officials' intent to "approve the [20 year] lease as it is proposed and gave [Air Runners] the opportunity to renegotiate [to a 30 year term] if he so chooses." (FAA Exhibit 1, Item 20, paragraph V)

The county made little attempt to explain why it did not uniformly apply the revised policy other than to point to the FAA's informal findings in a 14 CFR Part 13 proceeding (19 years after the fact) suggesting the "airport had no requirement to offer amended leases to either of the Complainants as they are not similarly situated." (FAA Exhibit 1, Item 4, p. 6 and FAA Exhibit 2, pp. 2 and 4.) The County likewise argues, "in light of the stark differences in rental rates... the Complainants are not similarly situated" to Air Runners. (FAA Exhibit 4, p. 4)

Lease rates alone cannot determine whether tenants are similarly situated. To take that position, the Director would effectively eliminate any possibility for airport users to challenge airport rates and charges before the FAA. The Director finds Plyler and Air Runners to be similarly situated based on their respective leasehold sizes and use, and lease execution dates that were within 5 months of each other. The question before the Director for the Pyler lease is whether the county's actions rise to a level of unjustly discriminatory access, which is further evaluated below in section 2 of this determination.

c. Hankins Lease vs. Air Runners Lease

Unlike complainant Plyler, complainant Hankins is not similarly situated to Air Runners (or Plyler) based on the specific circumstances here. Hankins' willingly assumed a lease with a 20 year term in 2006 that was first executed in 1998 and pre-dated the county's revised lease policy by a few years. Under Grant Assurance 22 and the principles of reasonable access, the county is not required to renegotiate long established lease terms that pre date its new lease policy unless an airport tenant can substantiate a claim that it was denied a lease renegotiation opportunity afforded another similarly situated tenant. Here, there is no evidence of any airport user assuming another tenant's pre-April 2000 20 year lease being offered an amended 30 year lease term. As a prospective tenant,

Hankins had an opportunity to evaluate the county's current lease policy prior to assuming a lease executed in 1998, and there is no evidence that Hankins objected to, or otherwise attempted to negotiate lease terms prior to lease assumption in 2006. In effect, complainant Hankins bears the burden to demonstrate how the agreed upon lease term of 20 years (with approximately 12 years remaining upon lease assumption) is unreasonable, not uniformly applied, and resulted in unjust discrimination. The Director finds no evidence to substantiate Complainant Hankins' claim.

For its part, the county pointed out that another tenant (Reynolds) assumed an existing lease with a 20 year term (executed in 1993) and requested near the end of its initial 20 lease term to "convert" the lease to a term of 30 years rather than pay fair market value rates in the two 5 year option terms.[8] (FAA Exhibit 2, p. 8) The County denied the request. Ultimately, an informal complaint under 14 CFR Part 13 was filed, which also alleged the July 2000 Air Runners lease modification as the basis of unreasonable treatment.[9] Subsequently, the Texas Department of Transportation upheld the county's refusal to extend the Reynolds lease because of sufficient amortization and other factors.[10]

The county contends that Hankins' allegations are "nearly identical" to Reynolds' and that the "County's position and approach...is precisely the same" and should be upheld. (FAA Exhibit 2, p. 9) The Director agrees. Complainant's Hankins and Reynolds are similarly situated to each other, but neither are similarly situated to Air Runners or Complainant Plyler. The county had no obligation to renegotiate the 1993 Reynolds lease to conform to its new April 2000 lease policy, just as it has no obligation to renegotiate the 1998 Hankins lease two years later when lease policy was revised.

The Director differentiates Hankins from Air Runners and Plyler based on the effective date of his lease, but the holding is also supported by yet another factor. The Hankins leasehold, similar to the Reynold's leasehold, had previously constructed hangars, which is decidedly different from both the Air Runners' and Plyler leaseholds.

The Director is not in a position to substitute his judgement for that of an airport sponsor facing an opportunity to lease a hangar facility via a simple assignment and assumption agreement. Nothing in the record suggests that the County acted unreasonably by 1) allowing Hankins to assume the existing lease, 2) refusing to extend the lease term from 20 years to 30 years at the end of the initial term, or 3) collecting fair market value rentals in the 5-year option terms. The County has not engaged in unjust discrimination against Complainant Hankins.

2. Analysis of Unjust Discriminatory Access Toward Complainant Plyler

The Director found above that Complainant Plyler and Air Runners are similarly situated based on their respective leasehold sizes and use, and lease execution dates that were within 5 months

[8] Tenant Chris Reynolds assumed the 1993 lease in 2007 and subsequently requested an extension to 30 years near lease expiration in the 2013 (FAA Exhibit 2, Item 7).
[9] FAA Exhibit 2, Items 8 and 9
[10] FAA Exhibit 2, Item 10. TXDOT's informal finding under 14 CFR Part 13 focuses on the sponsor's discretion to establish lease terms based on level of investment. This is accurate, but is devoid of any consideration as to how tenant Reynolds was not similarly situated to Air Runners, generally a key marker in evaluating economic discrimination.

of each other. The question now before the Director for the Plyler lease is whether the county's actions rise to a level of unjustly discriminatory access.

Unreasonable economic discrimination is quantified by fully considering the timing and financial aspects of the contracts, including parcel size, rate per square foot, term, level of investment, amortization, CPI adjustments, reversions, etc.

The complainants note in their Reply that they "...have no issue with paying increased rental rates if they are being offered the same lease terms as other similarly situated tenants." (FAA Exhibit 3, p. 5) In that regard, complainants make broad claims regarding the "economic damages" they will suffer. They claim that other similarly situated tenants will avoid the "direct, out-of-pocket expenses incurred in entering into a...more costly lease agreement, including the cost per square foot, any capital improvements...and other fees, costs..." that the Complainants allege they will incur by remaining in their current lease.[11] (FAA Exhibit 1, p. 6)

The Complainants also appear to argue that the county's leasing practices are considered a "minimum standard" requiring uniform application, and that the complainant's leases must be also modified as requested to extend the initial lease terms to be commensurate with others. To support their argument, they cite FAA precedent in multiple 14 CFR Part 16 determinations. Most relevantly, precedent in Flightline Aviation, Inc. v. City of Shreveport, FAA Docket No. 16-07-05, (March 7, 2008)(Flightline) was cited to show that "Once the airport sponsor has established minimum standards, it should apply them objectively and uniformly to all similarly-situated on-airport aeronautical service providers." (FAA Exhibit1, p. 3). Complainants also cite Rick Aviation, Inc. v. Peninsula Airport Commission, FAA Docket No. 16-05-18, (May 8, 2007)(Rick Aviation)[12] to show that "an airport sponsor that increases its standards may be required to apply those same standards to previously executed leases at the time those leases are modified or renewed." (FAA Exhibit 3, p. 2). The Director finds that Complainant's use of certain precedent in Flightline and Rick Aviation is tenuous. Both proceedings pertain to commercial minimum standards to be applied reasonably and equitably to similarly situated FBO. Leases are not the same as airport minimum standards. The FAA precedent and the grant assurances do not obligate the sponsor to renegotiate early or offer preferred lease terms to suit a tenant.

While the record provides basic details of the actual lease rates paid the Director is left to speculate on the actual facility lease rates, level of investment and amortization. The record shows that complainant Plyler leased a 10,000 sf parcel at $0.0756/sf ($756 annually) and constructed a hangar of ~5,960 square feet amortized over the 20 year initial term of his ground lease. Plyler's lease offers four additional 5 year option terms calculated at Fair Market Value (FMV) facility rates, for a total of 40 years of potential tenancy. (FAA Exhibit 1, Item 1) The record does not specify the FMV rate for Plyler, although 2019 FMV aeronautical facility rates appear to be $2.70/sf, or $16,092 annually for a 5,960 sf hangar. (FAA Exhibit 1, Item 21) By comparison, Air Runners appears to have constructed a hangar of approximately 5,610 square feet to be amortized over its 30-year ground lease, which offers

[11] Complainants 14 CFR Part 13 informal complaint cited unsubstantiated costs of $150,000 to $200,000 as a result of the alleged unjust economic discrimination. (FAA Exhibit 1, Item 3, p. 2)

[12] Citing to Maxim United, LLC v. Board of County Commissioners of Jefferson County, Colorado, FAA Docket 16-01-10, April 2, 2002.

no option terms. The amended ground rate for Air Runners, who is in year 20 of its active 30 year term, was established at $.021 per square foot ($2,100 annually).[13]

As of November 2019 (the expiration of Plyler's 20-year lease), Plyler paid approximately $15,120[14] in ground rentals to the County over 20 years for his parcel versus ~$42,000 for Air Runners[15] for the same size parcel over the same period – which is approximately a 94% difference. While imprecise due to fluctuations in CPI, the Director's estimate shows that after 20 years, complainant Plyler paid considerably less for his leasehold compared to Air Runners.

However, in the last 10 years of the Air Runners 30 year term, which encompass the first 10 option years of the Plyler lease, the financial outcome may be different. Air Runners, with its 2018 CPI-adjusted $2,695 annual rental, the financial outlay will be ~$26,950 over 10 years.[16] Complainant Plyler, on the other hand, will be subject to FMV facility rates – currently $2.70/sf – and the estimated outlay will be approximately $160,920 over the same period.[17] In total, after 30 years, complainant Plyler will have paid ~$176,040 in ground and facility rents compared to Air Runners' ~$68,950 in ground rent.[18] This is based on the Director's basic calculations however, and was not clearly presented by the complainant.

The possible variance cannot be explained by differences in location, access, and availability of amenities (e.g. concrete slabs) as noted in the FAA Southwest Region Part 13 finding. (FAA Exhibit 1, Item 4, p. 5) The County did not provide a written copy of its formal airport rates and charges policy and did not assign "site specific" attributes or otherwise quantify why the Air Runner's leasehold might command different lease terms. The Director confirms that the Air Runner's lease itself provides no such differentiation, either.

The county cites RDM, LLC v. Ted Stevens Anchorage International Airport, FAA Docket 16-09-14 (June 7, 2011)(RDM) as requiring the Complainants to "present convincing evidence that the rates and term differences are not justified by time, market conditions, or facilities." (FAA Exhibit 4, p. 5) The County further cites RDM as concluding that "[m]erely presenting evidence of different leases is not sufficient to require a Respondent to prove the lease rates and terms are justified." (FAA Exhibit 4, p. 6, RDM, p. 37)

The county's use of precedent in RDM is flawed. It is true that merely citing different lease terms is not sufficient to cause the county to justify the lease terms, and lease terms can justifiably differ based on timing, market conditions, and/or difference in facilities. However, that is not the case here. First, the record reflects that the county publicly recognized that revising its leasing policy could open the door for other leases to be renegotiated to 30 years, not just Air Runners (FAA Exhibit 1, Item 20, paragraph V). The county then executed a lease with a term of 20 years with Air Runners with the understanding that Air Runners could later renegotiate for a 30 year term. The record shows no other

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[13] Later assumed by Chapman, Inc., Joe Rushing, and LMO Enterprises, Inc. (FAA Exhibit 1, p. 4)
[14] $0.0756/sf x 10,000 = $756 annually x 20 = $15,120 (Initial rate estimate. Past CPI adjustments notwithstanding)
[15] $0.21/sf x 10,000 = $2,100 annually x 20 = $42,000 (Initial rate estimate. Past CPI adjustments notwithstanding)
[16] Estimated. Future CPI adjustments will cause the total outlay to vary. (FAA Exhibit 1, Item 4, p. 4)
[17] $2.70/sf x 5,960 sf = $16.092 x 10 years = $160,920 + $15,120 = $176,040 estimated rentals over 30 years.
[18] Estimated. $42,000 for the first 20 years (non-CPI adjusted) + $26,950 for the last 10 years of the 30-year term. Cost of hangar construction is not included in these estimates.

leases with 20 year terms as being entered into immediately prior to the County's April 2000 policy revision. Therefore, the only other corresponding application of the county's policy on lease renegotiations would be complainant Plyler's October 1999 lease, which was executed only a few months earlier. Based on the record, no renegotiation took place.

Second, the record shows that the tenant facilities are virtually identical in size, investment, use, and location.[19] The original leases were negotiated 5 months apart and there are no appreciable market conditions cited in the record to differentiate lease policies enacted over a 5 month period. The only "market" change was the county's decision to implement a new lease policy with longer terms and higher rental rates. This "market" change became effective April 1, 2000, suggesting that any lease entered into a few months before that time could be modified to account for the county's change in policy. As noted above, both leases pre date the county's revised lease policy, but only one lease (Air Runners) was modified to 30 years.

The Director notes that Section IV, Improvements, paragraph (b) of Plyler's lease provides the opportunity to construct a hangar or other improvement at "the cost of which will exceed $20,000." (FAA Exhibit 1, Item 1) Paragraph (g) provides that "upon expiration of the term...Lessee shall deliver the leased premises...with all additions and improvements" to the County (i.e. reversion). It appears that complainant Plyler's baseline investment requirement is $20,000, which is an insignificant amount to be amortized over 20 years. As noted earlier, Plyler paid approximately $15,120 in facility rentals over 20 years. The economic harm of reverting a $20,000 hangar facility to the county was effectively nonexistent. The Director is well aware that complainant Plyler likely invested considerably more than $20,000 into his 5,960 sf hangar facility. However, that is not presented in the record.

The omission of corroborating amortization and return on investment evidence is significant. While the complainants did not directly allege unreasonable rates and charges, the Director cannot consider one aspect of a lease (e.g. term in number of years) while making assumptions about the other aspects of the contract (e.g. level of investment, rates, etc.). Allegations of unjust financial harm without substantiating evidence does not meet the burden of proof requirements under 14 CFR 16.23(b)(3) and (k).[20]

The Director is limited to evaluating the evidence before him, in this case the complainants lease and limited supporting data relative to other leaseholds. Complainant Plyler failed to submit sufficient evidence of economic harm in order for the Director to substantiate a current claim of economic nondiscrimination under Grant Assurance 22. (See Aerodynamics of Reading, Inc. v. Reading Regional Airport Authority, FAA Docket No. 16-00-03 (July 23, 2001) (Final Agency Decision) at page 23).

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[19] FAA Exhibit 1, Item 4, p. 4

[20] The burden of proof lies with the Complainants. Complainants who file under 14 CFR Part 16 shall provide a concise but complete statement of the facts relied upon to substantiate each allegation. (*See* 14 CFR § 16.23(b)(3))

Director's Findings and Conclusions

The Director has consistently concluded that Grant Assurance 22, Economic Nondiscrimination, does not require a sponsor to offer lease rates and terms that are identical to other leases negotiated at different points in time. (See Aerodynamics v. Reading, Inc.))

The Director concludes that complainant Hankins' claims of unjust economic discrimination cannot be sustained due to Hankins not being similarly situated to Air Runners, or even Complainant Plyler. Conversely, Plyler and Air Runners are similarly situated.

The county in 2000 could have offered Complainant Plyler the same revised lease terms as Air Runners. Both leaseholds are nearly identical in location, function, and intent, and each pre dates the County's revised leasing policy by only a few months. The county provided no defense as to why Air Runners should receive renegotiated terms otherwise not offered to complainant Plyler. However, the county in this case was under no obligation to renegotiate the lease terms knowingly assumed and accepted by Complainant Plyler. Lease negotiation is inherently a local airport business practice and FAA policy and precedent has consistently allowed for reasonable variances in leases executed for different facilities at different points in time. The Director notes that Complainant Plyler enjoyed attractive lease rates for the 20 year initial term of his lease; which was over 50% less than Air Runner paid. It can be argued that the terms of the leases, taken in totality, balance out financially.

The complainants requested the Director to direct the county to "offer Complainant's leases with similar terms and conditions as other similarly situated users." (FAA Exhibit 1, p. 8) For its part, the county argues that in reality the "Complainants seek a ruling that would permit them to continue paying drastically lower rental rates." (FAA Exhibit 2, p. 6) In effect, the complainant's are asking the Director to compel the county to offer them better lease rates, presumably much like the rates offered to Air Runners in July 2000. However, the FAA will not attempt to negotiate a remedy to a dispute between airport tenants and the airport sponsor.

The FAA does not mediate disputes through the Part 16 complaint process. Part 16 is an adjudicatory process that results in an FAA determination on the merits. (See Platinum Aviation and Platinum Jet Center BMI v. Bloomington-Normal Airport Authority, FAA Docket No. 16-06-09 (November 28, 2007) (Final Decision and Order) page 43.) Nor does the FAA enforce contract terms of agreements between airports and tenants. Rather, the FAA enforces the agreements it enters into with airport sponsors. (See AmAv v. Maryland Aviation Administration, FAA Docket No. 16-05-12, (March 20, 2006) (Director's Determination).)

The county's acceptance of AIP grants under 49 U.S.C. § 47101, et seq., created a binding obligation to ensure reasonable and not unjustly discriminatory access to GYI in accordance with Grant Assurance 22. That includes uniform application of reasonable leasing policies to similarly situated users.[21] The Director is not in a position to compel the County to renegotiate an expired (or current)

[21] As found in Paragraph C (4), above, Complainant Hankins is not similarly situated and therefore findings of disparate treatment and/or discussions of corrective actions here do not apply to the Hankins lease. The County's federal obligations do not prevent the County from entering into new lease negotiations with Hankins or Plyler (if it

lease term. To do so would establish a precedent that does not comport with the Director's authority under 49 U.S.C. § 47107 and is a legal matter under state court jurisdiction.[22]

In consideration of the totality of the record, the Director concludes there is insufficient evidence to substantiate allegations that the County's management of its lease policies resulted in unjust economic discrimination against the Complainants. The Director was able to glean a difference in cost, but that data is insufficient to support a current grant assurance violation. As discussed in Section 6 above, the burden to provide information in support of a claim of unjust economic discrimination lies with the complainant. The complainant has failed to meet its burden and the Director finds the county to be in compliance with its obligations under Grant Assurance 22, Economic Nondiscrimination.

ISSUE 2: Whether the Complainant's lease term results in a violation of Grant Assurance 38, *Hangar Construction.*

A. Complaint

The Complainants argue that "[b]ased on...significant economic investments, 20 year leases fail to provide an appropriate time for reasonable return" and that by "failing to extend Complainants' leases to 30 years" the County violated Grant Assurance 38. To support their argument, they cite FAA Order 5190.6B, Airport Compliance Manual as requiring the FAA "to consider whether the term exceeds a period of years that is reasonably necessary to amortize a tenant's investment." The complaint also states, "...one can logically conclude that a shorter ground lease...such as a 20 year term, may not be great enough to amortize" the investment. (FAA Exhibit 1, pp. 6-7).

B. Director's Review and Analysis

FAA Order 5190.6B states that 30-35 year lease terms may be appropriate to amortize a tenant's investment in hangar improvements. (p. 12-3) However, lease terms and amortization requirements are dependent on the circumstances of each prospective tenant and each individual airport. The 30-35 year term outlined in Order 5190.6B is a best practice recommendation left to the discretion of the airport sponsor. The FAA established this lease term guidance to give airport sponsors latitude to attract long term tenants to the airport while also retaining required rights and powers over airport property. Lease terms less than 30-35 years are not a violation of Grant Assurance 38.

The complaints' mere statement that a lease term of 20 years may not be great enough to amortize their investment is insufficient evidence to support a finding of a violation of Grant Assurance 38. Therefore, there is no evidence showing that a lease with a term of 20 years with four 5 year options, subject to changing rental rates, fails to provide the complainants sufficient time, certainty and stability to get a reasonable return. In addition, the county satisfactorily addresses the future rent escalation issue by making the 5 year renewal options contingent on fair market valuations of

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so chooses) so long as any new or modified lease reflects the County's current rates and charges policy and is uniformly applied.

[22] Complainants' initial 20-year lease rate is roughly half to two-thirds less than users with 30-year terms. An extension of initial contract terms is not an option. Complainant Plyler is not entitled to a continuation of his initial lease rates because doing so would be unjustly discriminatory to other similarly situated users.

comparable facilities at comparable airports. The County has granted the complainants long term leases for hangars as required by Grant Assurance 38.

C. Director's Findings and Conclusions

The complainants cannot credibly argue that they were not granted a "long term lease" in which to build a hangar. Here, the county first determined that leases with a term of 20 years were sufficient, and later, via a study, determined that leases with a term of 30 years were a better fit for GYI beginning in April 2000. Both Hankins and Plyler enjoy a privately-financed hangar on the airport, and each has the option to lease the hangars for up to 40 years (unless sooner terminated). The Director concludes that the county is not in violation of Grant Assurance 38, Hangar Construction.

VI. FINDINGS AND CONCLUSIONS

With respect to complainant Plyler, the Director finds that the county's actions were not unjustly discriminatory compared to similarly situated Air Runners over the same 30 year period. The Director concludes that what the complainant really seeks is "a 10 year extension at their prevailing lease rates" that "would permit them to continue to pay drastically lower rental rates than the other tenants they have identified," as stated by the county.

With respect to complainant Hankins, the Director finds that Hankins and Air Runners are not similarly situated. Therefore, the County did not engage in disparate treatment of Hankins by failing to renegotiate his lease as they did with Air Runners. For these reasons, and those listed in the Issues and Analysis section above, the Director concludes that the county is not in violation of Grant Assurance 22, Economic Nondiscrimination.

The Director finds the complainant's cannot credibly argue that they were not granted a "long term lease" in which to build a hangar. The complainants also failed to substantiate their argument based on the tenets of amortization and level of investment. For this reason and those stated in the Issues and Analysis section above, the Director concludes that the county is not in violation of Grant Assurance 38, Hangar Construction.

VII. ORDER

Accordingly, it is ordered that:

1. The complaint is dismissed; and
2. All motions not expressly granted in this Determination are denied.

VIII. RIGHT OF APPEAL

The Director's Determination is an initial agency determination and does not constitute a final agency action subject to judicial review under 49 U.S.C. § 46110. Any party to this proceeding adversely affected by the Director's Determination may appeal this initial determination to the FAA Associate Administrator for Airports pursuant to 14 CFR §16.33(c) within 30 days after service of the Director's Determination.

Kevin C. Willis

Kevin C. Willis
Director, Office of Airport Compliance
and Management Analysis

9/4/20
Date

Index of the Administrative Record

FAA Exhibit 1	Complaint, with Certificate of Service, dated October 30, 2019
Item 1	Exhibit A, Complainant Plyler's lease d/b/a MikRon Air Corporation, October 15, 1999
Item 2	Exhibit B, Map of Parcels
Item 3	Exhibit C, 14 CFR Part 13 Informal Complaint against North Texas Regional Airport (GYI), August 6, 2018
Item 4	Exhibit D, FAA Southwest Region Airport's Division Complaint Review Letter under 14 CFR Part 13, dated November 19, 2018
Item 5	Exhibit E, David Estes d/b/a Air Runners, Inc. Ground Lease, dated March 1, 2000
Item 6	Exhibit F, David Estes d/b/a Air Runners, Inc. Lease Amendment, dated July 25, 2000
Item 7	Exhibit G, Air Runners, Inc. and Joe Rushing/LMO Enterprises, Inc. Transfer and Assumption Agreement, dated September 3, 2005; Letter from Complainant Hankins to the County requesting proprietorship of Lease Lot #17, dated March 21, 2006.
Item 8	Exhibit H, Ground Lease between the County and Danny and Pat Doyle, dated January 11, 2001
Item 9	Exhibit I, Assignment and Amendment of Doyle lease to 4Aviation S.R.L., LLC, dated December 27, 2017
Item 10	Exhibit J, Chris Martin Ground Lease, dated October 1, 2002
Item 11	Exhibit K, Air Texoma International, L.L.C. Ground Lease, dated May 1, 2005
Item 12	Exhibit L, Air Texoma International, L.L.C. Lease Addendum, dated July 18, 2005; Air Texoma International, L.L.C. Lease Amendment, dated May 19, 2006
Item 13	Exhibit M, Air Texoma International, L.L.C. Lease Amendment, dated November 8, 2007
Item 14	Exhibit N, Air Texoma International, L.L.C. Partial Termination and Modification Agreement and Transfer to TM Aviation Partners L.P., dated May 1, 2011
Item 15	Exhibit O, TM Aviation Partners, L.P. Ground Lease, dated May 1, 2011
Item 16	Exhibit P, Transfer and Assumption Agreement, TM Aviation Partners L.P. to Dr. C. Hunter Richmond, dated September 21, 2018

Item 17	Exhibit Q, Carson Aviation, LLC Ground Lease, dated November 4, 2014
Item 18	Exhibit R, Partial Termination and Modification Agreement, Carson Aviation LLC, dated June 1, 2015
Item 19	Exhibit S, Transfer and Assumption Agreement, Carson Aviation, LLC to Carl and Darci Neuzil, dated August 1, 2018
Item 20	Exhibit T, Grayson County Board of Directors Meeting Minutes, dated February 10, 2000
Item 21	Exhibit U, Letter from Airport Director to Complainant Hankins Regarding New Lease Rate for Hangar 8, dated November 30, 2018, ($2.70 per square foot)
Item 22	Exhibit V, Email from Complainants' Counsel to GYI requesting informal resolution, dated July 16, 2018
FAA Exhibit 2	Respondent Grayson County's Answer to the Complaint, dated December 9, 2019
Item 1	Exhibit A, Letter from Complainant Plyler exercising his first lease option, dated April 23, 2019
Item 2	Exhibit B, David Estes d/b/a Air Runners, Inc. Ground Lease later assumed by Complainant Hankins, dated September 1, 1998
Item 3	Exhibit C, Email from Complainant Hankins exercising his first lease option, dated December 18, 2018
Item 4	Exhibit D, Letter from Complainant Hankins to the County regarding hangar rental payments and unsatisfactory option year terms, dated December 31, 2017
Item 5	Exhibit E, Grayson County Airport Ground Lease Rate and Policy Study, ProAir Group, LLC, dated April 10, 2000
Item 6	Exhibit F, Bobby Barnette Ground Lease, Dated September 1, 1993
Item 7	Exhibit G, Transfer and Assumption Agreement, Bobby Barnette to Chris Reynolds, dated May 29, 2007
Item 8	Exhibit H, Letter from Airport Director to Chris Reynolds Regarding New Lease Rate for Hangar 3E, dated April 23, 2013
Item 9	Exhibit I, Letter from Chris Reynolds to the County requesting a reversion to a 30-year lease, dated May 7, 2013

Item 10	Exhibit J, Texas Department of Transportation 14 CFR Part 13 response to Chris Reynolds declining to find that GYI violated its federal obligations in regards to Reynolds' existing lease, dated July 15, 2013
FAA Exhibit 3	Complainant's Reply in Support of 14 C.F.R. Part 16 Complaint, dated December 19, 2019
FAA Exhibit 4	Respondent Grayson County's Rebuttal, dated December 30, 2019
FAA Exhibit 5	FAA Notice of Docketing, dated November 19, 2019
FAA Exhibit 6	FAA Notice of Extension of time to issue a determination to August 3, 2020, dated May 5, 2020
FAA Exhibit 7	Grayson County/North Texas Regional Airport FAA Grant History
FAA Exhibit 8	FAA Form 5010, Airport Master Record for GYI
FAA Exhibit 9	FAA Notice of Extension of time to issue a determination to September 10, 2020, dated August 17, 2020

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 4, 2020, I sent via electronic mail and FedEx a true copy of the foregoing document addressed to:

FOR COMPLAINANT

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Copy to:
FAA Part 16 Airport Proceedings Docket (AGC-600)
FAA Office of Airport Compliance and Management Analysis (ACO-100)
FAA AEA Region

Viola Cijntje
Office of Airport Compliance
and Management Analysis