# REPRESENTATIVE SAMPLES OF GENERAL AVIATION AIRPORT HANGER GROUND LEASE RATES AND FUEL FLOWAGE FEES IN MONTANA: 2016

#### **Fuel Flowage Fees:**

A fuel flowage fee is a tax assessed on the user, which is paid at the pump. Fuel flowage fee revenues are sent to the airport governing body, usually the board or authority and are then put into airport coffers for airport improvements or other expenses. The fuel flowage fee is actually an airport user fee and is the commonly accepted and fair way to raise airport revenues without placing the entire burden on local airport tenants since revenue is provided by transient aircraft using the airport. The typical fuel flowage fee for small Montana airports is  $5\phi$ /gal. Many times, an airport will place a greater fuel flowage fee on jet fuel since this will shift even more of the cost burden to the more expensive, fuel consuming transient aircraft which place more wear and tear on the airport.

#### **Hangar Ground Lease Rates:**

Hangar ground lease rates are the lease rates that an airport charges for the ground on which private or commercial hangars are built. Since many airports around the state have very few tenants, they have no set rate and will convene the airport board to determine one when an offer to build something on airport property is made. Some airports will have a different rate for commercial versus private hangar space rates since most commercial operators use apron space in the conduct of their daily commercial operations. Some airports will lease apron space to commercial operators for a smaller fee than the hangar ground lease rate. Many airports around the state do not charge anything for the hangar lease rates as a way of promoting aviation on the airport, in these cases, usually a \$1.00/yr lease is drawn up. Airports vary widely around the state in their hangar ground lease rates and sometimes have many different stipulations associated with them, as an example, an airport might have rules about how long lease rates are, how often the price may be raised and how often an option to renew will be available. A 20 year hangar ground lease with an option to renew is usually the most common type of hangar ground lease and is often the type required by lending institutions. The ideal hangar ground lease rate is one that generates the needed revenue for the airport but does not create such a cost burden that users will not build hangars.

#### **Other Notes:**

Fuel flowage fees and hangar ground lease rates are generally higher at large commercial service, certificated airports. The differences in rates and charges between big commercial airports and small general aviation airports is because large airports provide many more airport services than small airports, such as; 24 hour security, a 24 hour terminal, instrument landing systems, expansive lighting and crash fire rescue services. Even though large airports can receive funding through avenues not usually available to small general aviation airports, much of the operating revenue needed by large airports is still highly dependent on airport user fees. It should also be mentioned that the benefits created through tax revenue generated by an airport help not only the airport, but also the surrounding communities. This is because counties and cities receive considerable tax benefits from an airport through taxes on hangars and based aircraft.

| Airport      | <b>Fuel Flow Fee</b> | Hanger Ground Lease cost per year   | Other Fees or Notes   |
|--------------|----------------------|---|---|
| Anaconda     | None                 | Private - \$0.04 sq/ft/year<br>Commercial - Negotiated  | None  |
| Ashland      | None                 | None  | None  |
| Baker        | \$.10/gal            | \$50.00/year<br>Community Heated Hangar<br>\$35-\$300/night<br>Community Cold Hangar<br>\$125/ month single \$300/month multi | \$250.00 Aerial Applicator lease/year 100LL / JET A, Self Service - 24hr. |
| Boulder      | None                 | \$500/year  | None  |
| Bridger      | None                 | \$.105 sq/ft/year for hangar & apron  | None  |
| Broadus      | None                 | None  | 100LL / JET A, Self Service - 24hr.                                       |
| Canyon Ferry | None                 | None  | None  |
| Chester      | None                 | T-Hangar - \$250/Year<br>Commercial - \$.05 sq/ft/year  | 100 LL on-call  |
| Chinook      | \$.10/gal            | \$100 / year  | 100LL, Self Service - 24hr.   |
| Choteau      | \$.04/gal            | Hangar \$.04 sq/ft/year   | 100LL, Self Service<br>JET A, Full Service                                |
| Circle       | None                 | T-Hangar - \$60/month, \$600/year<br>Large Hangar - \$100/month   | 100LL Full Service  |

| Airport     | <b>Fuel Flow Fee</b> | Hanger Ground Lease cost per year                              | Other Fees or Notes                        |
|-------------|----------------------|--|--|
|             |                      |  |  |
| Colstrip    | None                 | \$100 / year   | None                                       |
| Columbus    | \$.04/gal            | Private - \$.08 sq/ft/year<br>Commercial - \$.12 sq/ft/year    | 100LL, Self Service - 24 hour              |
| Conrad      | None                 | None   | 100LL under padlock                        |
| Cut Bank    | None                 | Private - \$.10 sq/ft/year<br>Commercial - \$.10 sq/ft/year    | 100LL / Jet A, Self Service - 24hr.        |
| Deer Lodge  | \$.05/gal            | Private - \$.04 sq/ft/year<br>Commercial - \$.04 sq/ft/year    | 100LL, Self Service<br>JET A, Full Service |
| Dell        | None                 | \$.095 sq/ft/year  | None                                       |
| Dutton      | None                 | \$.07 sq/ft/year<br>T-Hangar - \$50/month                      | None                                       |
| Ekalaka     | None                 | T-Hangar - \$125/month   | 100LL, Self Service                        |
| Fairfield   | None                 | Private - \$.04 sq/ft/year<br>County Owned Hangar - \$40/month | None                                       |
| Fairview    | None                 | \$0.18 sq/ft/year  | None                                       |
| Fort Benton | None                 | \$80/month old hangars<br>\$150/month new hangars              | 100LL, Self Service - 24hr.                |
| Gardiner    | \$.05/gal            |  | None                                       |

| <u>Airport</u> | <b>Fuel Flow Fee</b> | Hanger Ground Lease cost per year  | Other Fees or Notes  |
|----------------|----------------------|--|--|
|                |                      |  |  |
| Hardin         | None                 | Small Hangar - \$200/month<br>Large Hangar - \$300/month   | None   |
| Harlem         | None                 | 100 year / TBD   | None   |
| Harlowton      | None                 | None<br>\$15.00/night  | None   |
| Hot Springs    | None                 | None   | None   |
| Hysham         | None                 | None   | None   |
| Jordan         | None                 | None   | None   |
| Kalispell City | None                 | None   | 100LL, Self Service - 24hr.<br>100LL / JET A, Full Service 0800-1700 |
| Laurel         | \$.05/gal            | Private - \$0.14 sq/ft/year<br>Commercial - \$.10 sq/ft/year<br>Apron/Ramp - \$.03 sq/ft/year  | 100 LL / JET A, Full Service / Self - 24hr                           |
| Lewistown      | \$.05/gal            | Land - \$.102-\$.16 sq/ft/year<br>Commercial \$0.995 ft ground<br>Commercial \$.144 ft building<br>T-Hangar - \$80.99/month<br>Big Hangar - \$55 Single, \$75Light Twin<br>Heated/Semi-private - \$200/month | 100LL Self Service - 24hr. JET A, Full Service                       |
| Libby          | None                 | \$.05 sq/ft/year   | 100LL / JET A, Self Service - 24 hr.                                 |

| <u>Airport</u>            | <b>Fuel Flow Fee</b>                        | Hanger Ground Lease cost per year  | Other Fees or Notes                                     |
|---------------------------|---|--|---|
|                           |   |  | Courtesy Car Available                                  |
| Lincoln                   | None  | \$.095 sq/ft/year  |   |
| Livingston                | \$.05/gal                                   | Commercial Hangars - \$.17 sq/ft/year<br>T-Hangar - \$103/month  | 100 LL / JET A, Full Service 0800-1700                  |
| Malta                     | \$.10/gal                                   | Private - \$.10 sq/ft/year<br>Commercial - \$.02 sq/ft/year<br>Mid-size T-Hangar - \$100/month<br>Large T-Hangar - \$150/month | 100LL / JET A, Self Service - 24hr.                     |
| Miles City (If aircraft o | \$.07/gal<br>wner fuels their own aircraft) | Private - \$.10 sq/ft/year<br>Community Hanger \$103/month<br>Community Heated - \$212/month<br>Terminal \$1,000/month         | 100LL Self and Full Service - 24hr. JET A, Full Service |
| Opheim                    | None  | None   | None  |
| Philipsburg               | None  | Hangar - \$120/month<br>Hangar (electricity) - \$240/month   | None  |
| Plains                    | None  | Private - \$.08 sq/ft/year<br>Commercial - \$.16 sq/ft/year  | None  |
| Plentywood                | None  | Private - \$.08 sq/ft/year<br>Commercial - \$.10 sq/ft/year  | 100LL, Self Service - 24hr.                             |
| Polson                    | None  | \$.15-\$.20 sq/ft/year   | 100LL / JET A, Self Service - 24hr.                     |
| Red Lodge                 | None  | \$.10 sq/ft/year + \$20 plowing fee/year   | 100LL, Full Service                                     |

| Airport      | <b>Fuel Flow Fee</b> | Hanger Ground Lease cost per year  | Other Fees or Notes  |
|--------------|----------------------|--|--|
|              |                      |  |  |
| Richey       | None                 | \$.095 sq/ft/year  | None   |
| Ronan        | \$.08/gal            | \$.14 sq/ft/year   | 100LL / JET A, Self Service - 24hr.  |
| Roundup      | \$.05/gal            | Private - \$.025 sq/ft/year<br>Commercial - \$.05 sq/ft/year   | 100LL / JET A, Self Service - 24hr.  |
| Scobey       | None                 | Private Ground Lot - \$100/year<br>Commercial Ground Lot - \$100/year                                  | 100LL / JET A, Self Service - 24hr.  |
| Seeley lake  | None                 | \$.095 sq/ft/year<br>\$270 / year off field access private<br>\$540 / year off field access commercial | Free Pilot Campground Free use of bicycles   |
| Shelby       | None                 | Varies, T-Hanger \$60/month FAA Hangers \$134-205/month  | JET A, Full Service<br>100LL / JET A, Self Service - 24hr.   |
| Stanford     | None                 | Private - \$.10 sq/ft/year<br>T-Hangar - \$200/month   | None   |
| Stevensville | \$.05/gal            | Hanger ground - \$.065 sq/ft/year T-Hanger\$150.00-\$300.00/month                                      | 100LL, Self Service - 24hr.<br>Tie downs:<br>Single - \$3.00/day \$15.00/month<br>Multi - \$5.00/day \$25.00/month |
| St. Ignatius | \$.08/gal            | \$.14 sq/ft/year   | 100LL, Self Service - 24hr.  |
| Superior     | None                 | Private - \$.10 sq/ft/year<br>40 X 30 hangar - \$175/month   | 100LL, Self Service - 24hr.  |

| Airport        | Fuel Flow Fee | Hanger Ground Lease cost per year | Other Fees or Notes         |
|----------------|---------------|-----------------------------------|-----------------------------|
|                |               |                                   |                             |
| Terry          | None          | None                              | None                        |
| Thompson Falls | None          | \$.08 sq/ft/year                  | 100LL, Self Service - 24hr. |
| Turner         | \$.10         | Hangar Ground Lot - \$100/year    | 100LL, Self Service - 24hr. |
| Townsend       | None          | \$.11 sq/ft/year                  | 100LL, Self Service - 24hr. |
| Winnett        | None          | None                              | None                        |

For further information, additions or corrections please contact:

Montana Aeronautics Division Attn: Tim Conway, tconway@mt.gov P.O. Box 200507 Helena, MT. 59620-0507 Phone: (406) 444-9547 Fax (406) 444-2519