

RESOLUTION 25-21

A RESOLUTION TO ADOPT AIRPORT LEASING POLICY

WHEREAS, it is important to ensure fair, transparent, and consistent practices with respect to leasing of real property at the Dalton Municipal Airport;

WHEREAS, the City desires that all leases comply with the approved Airport Layout Plan;

WHEREAS, proposed leases, construction, and other development should not conflict with current or future Airport operations;

WHEREAS, the City desires that proposed leases, construction, and other development have a positive economic impact on the City and be in the best interests of the City;

WHEREAS, the City has determined that in order to meet the above stated goals, guidelines should be established for the review and evaluation of proposed leases of land at the Dalton Municipal Airport; and

WHEREAS, the City, in conjunction with the Dalton Municipal Airport Authority, has developed the Dalton Municipal Airport Ground Leasing Policy, which is attached hereto as Exhibit A (the “Policy”);

NOW THEREFORE BE IT RESOLVED, that the Mayor and Council of the City of Dalton hereby adopt the Policy;

BE IT FURTHER RESOLVED, that all resolutions or parts thereof of the City of Dalton in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

BE IT FURTHER RESOLVED, that these Resolutions shall take effect immediately upon their adoption.

SO RESOLVED, this ____ day of _____, 2025.

CITY OF DALTON, GEORGIA

Mayor/Mayor Pro Tempore

ATTESTED TO:

City Clerk

EXHIBIT A

Dalton Municipal Airport Ground Leasing Policy

1. Purpose

This policy (“Policy”) establishes guidelines for leasing land at Dalton Municipal Airport (DNN) (“Airport”) to ensure fair, transparent, and consistent practices that support the airport’s operational, safety, and economic objectives. The Policy includes a ground lease rate table, application process, and additional considerations for prospective lessees. While this Policy is intended to provide the standard method for considering prospective leases, the Mayor and Council (“Mayor and Council”) of the City of Dalton (“City”) have final authority for approval of all such leases, and the Dalton Municipal Airport Authority (“Authority”) has authority to recommend deviations from this Policy which are in the best interests of the Airport and City. Nothing in this Policy should be construed to limit or restrict the power of the Mayor and Council to enter into any lease which the Mayor and Council deem appropriate.

2. Scope

This Policy applies to all ground leases for non-aeronautical and aeronautical uses on airport property, including but not limited to hangar construction, commercial aviation facilities, and other approved developments.

3. Authority

The Authority oversees the application process for leasing at the Airport, subject to approval of the Mayor and Council. All leases must comply with Federal Aviation Administration (FAA) regulations, Georgia Department of Transportation (GDOT) guidelines, and local ordinances.

4. Ground Lease Rate Table

The following rates are standard rates for ground leases at the Airport, effective as of August 17, 2021, which shall be adjusted on a yearly basis pursuant to the Consumer Price Index (CPI) from August 17, 2021, to the present. All rates are subject to further adjustment based on market conditions, airport operational needs, or as may otherwise be determined by the City.

Land Lease Size (acre)	Rate per Square Foot per Year	Escalation Clause	Fuel Farm Allowed
<1	\$0.60	CPI-based annual increase	No
1-1.99	\$0.55	CPI-based annual increase	No
2-2.99	\$0.45	CPI-based annual increase	Yes
3-3.99	\$0.35	CPI-based annual increase	Yes
4-4.99	\$0.25	CPI-based annual increase	Yes
5+	\$0.15	CPI-based annual increase	Yes

Notes:

- Rates are exclusive of taxes, utilities, or maintenance fees, which are the lessee's responsibility.
- Discounts may be considered for large-scale developments benefiting airport operations, subject to approval of Mayor and Council.

5. Ground Leasing Application Process

Prospective lessees must submit a completed written application to the Authority for review. The application ensures that proposed developments align with airport goals, FAA regulations, and community interests. No applicant will be considered for a lease until all materials set forth herein and as otherwise requested by the Authority have been submitted.

Application Requirements

Applicants must provide the following:

1. **Completed Ground Leasing Application Form** (see Appendix A).
2. Detailed site plan, including proposed structures, access points, and utilities.
3. Business plan outlining the intended use, projected economic impact to the City, employees, management, and operational details.
4. Estimated cost of any structure proposed to be built and documents sufficient to show the method of financing the complete construction of any such structure.
5. A list of any assets intended to be stored or used on the leased premises.
6. Proof of financial capacity to complete construction, operate, and fulfill all obligations of the lease.
7. Personal and professional references (minimum of two personal and two professional references).
8. Any additional documentation as may be reasonably requested by the Authority in connection with the application.

Application Review Process

1. **Submission:** Applications are submitted to the Airport Manager's office.
2. **Initial Review:** The Airport Manager verifies completeness within 20 business days.
3. **Authority Review:** The Authority evaluates the application based on the criteria set forth in Evaluation Criteria listed in paragraph 6 below.
4. **Decision:** The Authority recommends approval denial, or requests modifications within 60 days of a complete submission unless the Authority determines additional time is needed to evaluate an application.
5. **Lease Negotiation:** Approved applicants negotiate lease terms with the Airport Manager, subject to the approval of the Mayor and Council.
6. **Execution:** Final lease agreements are executed upon approval of the Mayor and Council.

6. Minimum Standards and Considerations for Approval

6.1. FAA and GDOT Compliance

- The proposed use must comply with all applicable FAA and GDOT requirements.
- All leases must adhere to all FAA Grant Assurances, including but not limited to those related to non-discrimination, exclusive rights, and revenue use.
- Aeronautical uses take precedence over non-aeronautical uses.
- Non-aeronautical uses require FAA approval and must not interfere with Airport operations.

6.2. Compatibility with Airport Plan and Operations

- The proposed use must comply with the Airport Layout Plan (“ALP”) and all zoning regulations.
- The Authority shall assess whether the proposed use aligns with the long-term operational plans of the Airport. No proposed use should interfere with future expansion or other aeronautical activities.
- The Authority shall assess the impact of any proposed use on current and expected airport operations, including traffic, parking, and access. The proposed use shall not compromise the safety or efficiency of current or expected Airport operations.
- The authority shall also consider the assets which the applicant proposes to use at the Airport, which must be compatible with current and future Airport operations.

6.3. Safety and Security

- The Authority shall consider safety and security protocols of the applicant, including surveillance systems, fire suppression systems, access control systems, and such other items as the Authority determines necessary to ensure compliance and compatibility with the Airport’s current and future security requirements.

6.4. Environmental Requirements

- Lessees shall comply with all federal, state, and local environmental regulations, including stormwater management and hazardous materials handling.
- An environmental assessment may be required for developments impacting Airport grounds.

6.5. Experience and Financial Responsibility

- All applicants must sufficiently demonstrate the financial ability of the applicant to complete construction of all improvements and to comply with all terms and conditions of the proposed lease.
- The Authority shall consider the current and past financial conditions of the applicant and may request all documents which it deems reasonable and necessary to make a determination as to the applicant’s financial ability, including but not limited to credit reports, letters of credit, loan agreements, bank guarantees, certified financial statements, and other such documents as the Authority may determine to be reasonable and necessary.

- The Authority may require any applicant to provide an irrevocable letter of credit, bond, or other suitable guarantee to secure any and all obligations of the applicant prior to entering into a lease.
- All applicants shall also submit to a background check.
- The Authority may also consider the applicant's prior history with respect to airport property leasing, hangar construction, property management, and all other relevant background and experience of the developer, and the Authority may require the applicant to provide proof of the same.

6.6. Construction and Improvements

- Lessees are responsible for all construction costs, including utilities and infrastructure connections.
- All improvements must be pre-approved by the Authority and comply with the Airport Design Standards.
- Ownership of improvements shall revert to the City upon lease termination, unless otherwise specified.

6.7. Economic Benefit to the City

- The Authority shall consider the economic impact of the proposed use and all benefits to the City from the proposed use.
- Any request for commercial subleasing must be stated in the application. The Authority will evaluate whether the proposed commercial sublease is in the best interest of the Airport and the City.
- No lease should be approved which is likely to have a negative financial impact on the City as determined by the Authority in its review.

6.8. Oversight and Management

- All applicants must demonstrate to the satisfaction of the Authority that appropriate management and oversight will exist for the proposed use.
- The Authority may also require assurances of the applicant's ability to meet obligations for inspection, maintenance, and other requirements of the lease.

6.9. Credibility and References

- The Authority may consider references submitted in connection with the application.
- Any application which contains any statement which is false or misleading at the time of submission or which becomes false or misleading shall be grounds for denial of an application.

6.10. Subleasing

- All applicants shall consent that subleasing is prohibited without prior written approval from the Authority.

- The Authority shall require any prospective subtenant to complete an application and the review process described herein prior to consideration of a request for a sublease. If a sublease is approved, at a minimum, it shall require the sublessee to meet all original lease conditions.

6.11 Insurance and Liability

- If approved for a lease, lessees shall maintain adequate insurance coverage as described in the ground lease, including:
 - General liability: Minimum \$1,000,000 per occurrence.
 - Property insurance: Full replacement value of improvements.
 - Environmental liability (if applicable): As determined by the Authority.
- The City and the Authority shall be named as additional insureds.
- Lessees shall indemnify and hold harmless the City for all loss of any kind arising out of or in connection with the lease and use of the premises.

6.12 Termination

- Applicants must acknowledge that leases may be terminated for non-compliance, default, failure to maintain the leased premises, or any other lawful reason.
- Lessees are responsible for site restoration upon termination per Authority standards.

7. Action on Application

Any application conditionally approved by the Authority shall be submitted to Mayor and Council, which shall make the final determination on whether or not to enter into a lease in an open meeting.

Grounds for Denial of an Application include but are not limited to the following:

- 7.1. The applicant does not meet qualifications, standards and requirements established by these Minimum Standards.
- 7.2. The applicant's proposed operations or construction will create a safety hazard at the Airport.
- 7.3 The granting of the application will require the expenditure of local funds, labor or materials on the facilities described in or related to the application, or the operation may result in a financial loss to the Airport.
- 7.4. There is no appropriate or adequate available space or building on the Airport to accommodate the entire activity of the applicant.
- 7.5. The proposed operation, Airport development or construction does not comply with the approved Airport Layout Plan.

7.6. The development or use of the area requested will result in a congestion of aircraft or buildings, or will result in unduly interfering with the operations of any present fixed base operator on the Airport, such as problems in connection with aircraft traffic or service, or preventing free access and egress to the existing fixed base operator area, or will result in depriving, without the proper economic study, an existing fixed base operator of portions of its leased area in which it is operating.

7.7 The proposed use conflicts with the current or expected operations of the Airport.

7.8 The proposed use is likely to have a negative economic impact on the City.

7.9 The proposed use otherwise interferes with or conflicts with any interest of the City in the Airport or its operations.

7.10. Any party applying, or interested in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.

7.11. Any party applying, or having an interest in the business, has a record of violating the Rules, or the Rules and Regulations of any other Airport, Civil Air Regulations, Federal Aviation Regulations, or any other Rules and Regulations applicable to this or any other Airport.

7.12. Any party applying, or having an interest in the business, has defaulted in the performance of any lease or other agreement with the Airport or any lease or other agreement at any other airport.

7.13. Any party applying, or having an interest in the business, is not sufficiently credit worthy and responsible in the judgment of the Authority to provide and maintain the business to which the application relates and to promptly pay amounts due under the lease or pursuant to any proposed construction.

7.14. The applicant does not have the finances necessary to conduct the proposed operation for a minimum period of one year.

7.15. The applicant has committed any crime, or violated any local ordinance rule or regulation, which adversely reflects on its ability to conduct its proposed use in the judgment of the Authority.

8. Contact Information

For inquiries or to submit an application, contact: **Dalton Municipal Airport Manager**

Address: 4483 Airport Road SE, Dalton, GA 30721

Phone: (706) 259-2200

Email: airport@daltonga.gov

Appendix A: Ground Leasing Application Form

Dalton Municipal Airport Ground Leasing Application

1. Applicant Information

- Name: _____
- Business Entity (if applicable): _____
- If business entity, identify the name, address, and telephone number of all owners holding an interest of ten percent (10%) or more in the entity _____
- Address: _____
- Phone: _____
- Email: _____

2. Proposed Use

- Describe the intended use of the leased land:

- Aeronautical or Non-Aeronautical: _____

3. Lease Details

- Requested Commencement Date and Lease Term: _____
- Proposed Square Footage: _____
- Estimated Development Cost: _____
- Assets to be located or used at the proposed leased premises: _____

4. References

- **Personal References** (provide at least two):
 - Name: _____
Relationship: _____
Contact Information: _____
 - Name: _____
Relationship: _____
Contact Information: _____
- **Professional References** (provide at least two):
 - Name: _____
Organization: _____
Contact Information: _____
 - Name: _____
Organization: _____
Contact Information: _____

5. Attachments

- ☐ Site Plan
- ☐ Business Plan
- ☐ Costs and Details of Structure
- ☐ List of Assets to be Located at Premises
- ☐ Authorization for Background Check
- ☐ Proof of financial capacity
- ☐ Personal and Professional References
- ☐ Other: _____

6. Certification

I certify that the information provided is accurate and complete. I understand that submission does not guarantee approval and that all leases are subject to Dalton Airport Authority, City of Dalton, Georgia Department of Transportation and Federal Aviation Administration rules and regulations.

Signature: _____

Date: _____

Submit to: Dalton Municipal Airport Manager, 4483 Airport Road SE, Dalton, GA 30721 or airport@daltonga.gov