ATTACHMENT #1



U.S. Department of Transportation Federal Aviation Administration Alaskan Region Airports Division (AAL-600) 222 W. 7th Avenue #14 Anchorage, AK 99513-7587

December 3, 2024

Ms. Patty Wahto, Airport Manager Juneau International Airport 1873 Shell Simmons Dr., Ste. 200 Juneau, AK 99801

Dear Ms. Wahto,

This letter is in response to your October 2, 2024, request for approval of a coffee shop currently operating at your airport. The Federal Aviation Administration (FAA) does not object to the proposed non-aeronautical use of airport property if the non-aeronautical use is included as an amendment to the tenant's authorized uses under the airport lease between Juneau International Airport and Kalinin Facilities, LLC, and the following conditions are met:

- The tenant using and/or subleasing the property for non-aeronautical purposes will be required to pay no less than fair market value rent to the Airport Sponsor as required under Grant Assurance 25;
- The increased non-aeronautical use rate shall be charged effective the date of the installation of the coffee shop within the Alaska Seaplanes cargo facility; and
- The Airport Sponsor expressly agrees to update its Airport Layout Plan, and revise its Exhibit A, within 90 days of the date of this letter to depict the completed mixed-use facility by forwarding digital copies of these documents to the FAA Airports Division, Alaskan Region (AAL-600) for review and approval.

The FAA Airports Division, Alaskan Region will not issue a letter of approval/consent as the FAA does not issue approvals or consent to concessions in the terminal building. Per 49 CFR section 23.3, a concession is defined as:

A business, located on an airport subject to this part, that is engaged in the sale of consumer goods or services to the traveling public under an agreement with the recipient, another concessionaire, or the owner or lessee of a terminal, if other than the recipient... A concession may be operated under various types of agreements, including but not limited to the following: (i) Leases; (ii) Subleases; (iii) Permits; (iv) Contracts or subcontracts; or (v) Other instruments or arrangements.

The inclusion of the Alaska Seaplanes hangar as part of the terminal is supported by the language in the Airport Lease that includes "Accommodation of New Entrant Air Carriers" which is a requirement for competition plans for airports receiving federal grants. This is also covered under Grant Assurance 22 – Economic Nondiscrimination. Also please refer to 49 CFR section 23.75.

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The FAA Office of Civil Rights concurs with our definition of the coffee shop as a concession so it will have to meet their requirements as well, specifically Grant Assurance 30 – Civil Rights, and Grant Assurance 37 – Disadvantaged Business Enterprises. If you have any questions, please contact me at 907-271-5439.

Sincerely,

MOLLY C FIERRO Date: 2024.12.03 10:55:11 -09'00'

Molly Fierro Compliance Program Lead Alaskan Region Airports Division Federal Aviation Administration