

**St. George Regional Airport**  
**Non-Commercial Hangar Pad Licensing Policy**  
**Effective Date: May 22, 2025**

1. **Purpose and Applicability.** This Non-Commercial Hangar Pad Licensing Policy (this “Policy”) establishes certain policies and procedures through which the City of St. George (the “City”) shall make available property and facilities at the St. George Regional Airport (the “Airport”) for the construction and/or maintenance of aircraft storage hangars for Non-Commercial, General Aviation use (“Hangars”). This Policy shall apply to any new Hangar pad license and to the renewal or material amendment of any existing Hangar lease. This Policy does *not* apply to the use of property or facilities by an Entity seeking to conduct Commercial Aeronautical Activity. Entities seeking to conduct Commercial Aeronautical Activity must submit an application in accordance with Section II of the Airport Minimum Standards.
2. **Definitions.** Capitalized terms used in this Policy and not defined herein shall have the meanings assigned to them in the Airport Minimum Standards and/or Rules and Regulations. All other words or phrases shall be construed in a manner consistent with common meaning or as generally understood throughout the aviation industry.
3. **General License Policies.** Each license of City-owned property for the construction or maintenance of Hangars shall be subject to the following non-exhaustive list of terms and conditions, as further detailed in the written license agreement, hereafter, (“Agreement”):
  - 3.1 **Licensed Premises.** All land at the Airport is owned by the City. The City maintains an Airport Layout Plan (“ALP”) which specifically designates those areas on which Hangars may be constructed and maintained, as revised from time to time by the City in its discretion, and as may be subject to the FAA’s approval. No Hangar may be constructed in any area not specifically designated for that purpose on the ALP. The Licensed Premises shall be clearly defined, including the total square footage of each Hangar pad and any existing improvements.
  - 3.2 **Not a Ground Lease.** The license of City-owned property at the Airport is not a ground lease of land to which any licensee has a property interest. Rather, all licenses of City-owned property at the Airport shall be construed as a license to use, with the City retaining all property interests and rights. No licensee shall have the right to record or cause any document to be recorded against the land on which license to use is located without the express written consent of the City. Negotiable instruments such as promissory notes, related to the personal property of any licensee may be recorded as a security filing, commonly known as a Uniform Commercial Code, (“UCC”) filing consistent with the Utah Division of Corporations & Commercial Code. Additional terms or conditions related to this subject will be detailed in the final Agreement between the City and each licensee.
  - 3.3 **Term and Renewal.** The City will license existing City-owned Hangars (if any) for a one-year Term. This Term shall be renewable by written agreement between the City and the licensee of the Hangar. If a private Hangar is to be constructed on

City-owned property, the Term of the license shall be thirty (30) years (“Initial Term”). The licensee shall have the right to extend the Initial Term for no more than two successive ten (10) year terms (together, the “Term”), provided (i) the City finds the Licensed Premises suitable for continued use as a Hangar, (ii) the licensee has remained in good standing with all monetary and non-monetary obligations throughout the Term, and (iii) the Hangar is in good repair and suitable for continued occupancy throughout the extended Term, each as determined by the City and further detailed in the Agreement. At the expiration of the Term, the licensee shall have a right-of-first refusal to license the City-owned property on which the Hangar is located, on the terms and conditions then offered by the City. Notwithstanding the foregoing, the City may, in its discretion offer the licensee a new license agreement under the City’s then-prevailing form at the end of the Initial Term or at the end of each successive 10 year option to renew the Agreement, as the case may be.

- 3.4 **Rate Adjustments.** The initial Hangar license rates shall be established as of the date of the Agreement and shall be increased effective January 1 of each calendar year ending in zero (0) and five (5). For example, if party A licenses City-owned Property in 2021 and party B licenses City-Owned Property in 2024 both parties will receive a rate increase effective January 1 of 2025 and 2030, regardless of the date each party entered into their respective Agreements. Notice of the rate increase shall be provided on the City’s published rate schedule.
- 3.5 **Termination.** The City may terminate an Agreement in the event of a default by licensee, after notice has been given and an opportunity to cure has been provided. The City may also terminate an Agreement as to all or a portion of the Licensed Premises upon not less than one-hundred eighty (180) days’ notice to the licensee if deemed necessary for any non-urgent critical or safety-related Airport purpose; provided that there is a corresponding reduction in rent or, if the licensee has constructed improvements on the Licensed Premises, the City compensates the lessee for the fair market value thereof as determined by independent appraisal. In the event of an immediate critical or safety-related Airport purpose, the notice time shall not apply, and the Agreement may be terminated upon written notice to licensee, which notice shall detail whether the City intends to purchase any existing Hangar or fixtures, or whether it will require removal of the personal property.
- 3.6 **Aeronautical Use Required.** The demand for Hangars at the Airport regularly exceeds available supply. Accordingly, the City will strictly require that all Hangars be used for aeronautical purposes, as set forth below:
- 3.6.1 Licensee or a corporate entity under common control with licensee must own or lease one or more aircraft (the “Based Aircraft”) which is properly registered and insured and in an airworthy condition. Licensees may own a fractional interest in Based Aircraft, provided that such interest is not less than twenty percent (20%). The City will temporarily waive this requirement if licensee intends to utilize the Hangar for the construction of an amateur-built or kit-built aircraft, provided that licensee shall be required to complete such construction and deliver a copy of the airworthiness certificate to the City within three (3) years, or such longer period as the City

and the licensee may agree based on documented progress toward completion and anticipated completion of the built aircraft. This extended period shall be detailed in the Agreement.

3.6.2 Based Aircraft shall be stored in the Hangar at least fourteen (14) days out of any twelve (12) month period, and the Hangar shall not remain vacant for a period exceeding six (6) months without written notification to the City with detailed explanation as to the reason. Based Aircraft must be flown at least once every twelve (12) months. The City may, in its discretion, permit longer compliance periods than those identified in this subsection based on reasonable delays in performing required maintenance on Based Aircraft.

3.6.3 Licensee shall comply at all times with the FAA's policy on the Non-Aeronautical Use of Airport Hangars and the Airport Rules and Regulations.

3.7 **Hangar Construction.** If a Hangar is to be constructed on the City-owned property, licensee shall complete construction of the Hangar within two (2) years of the effective date of the license agreement. Licensee may be permitted to assign or otherwise encumber the Hangar for the purpose of obtaining financing on a limited basis, with the City's prior written consent, which shall not be unreasonably denied. Persons requiring financing for the construction of a Hangar are strongly advised to consult with the Airport Director regarding the City's financing policies prior to submitting an application in accordance with Section 5 below.

3.8 **Disposition of Tenant Improvements.** Upon the expiration (without renewal) or earlier termination of an Agreement under which the licensee has constructed a Hangar, the licensee may remove the Hangar from the City-owned property, less any mitigation conducted in connection with the Hangar's construction. If the licensee elects not to remove the Hangar, the City shall, in its sole discretion, determine whether to take title to the Hangar or require the licensee, at licensee's expense and in a manner acceptable to the City, to remove the Hangar and restore the City-owned property to its original condition (except for any mitigation conducted in connection with the Hangar's construction that the City requests remain on the City-owned property).

3.9 **Subleasing and Assignments.**

3.9.1 Subletting or assignment of City-owned Hangar leases (licenses) is prohibited.

3.9.2 Licensee may sublicense all or a portion of a Hangar constructed by licensee on City-owned property only after obtaining the City's prior written consent. Licensee shall be required to pay to the City a hangar sublicense fee which represents fifty dollars (\$50.00) per month per sublicense (sublease). Licensee shall be required to pay the City a shade hangar sublicense fee which represents twenty-five dollars (\$25.00) per month per sublicense (sublease).

3.9.3 Licensee may only assign its interest in a License Agreement in connection

with the permanent sale of the Hangar constructed by licensee on City-owned property, after obtaining the City's prior written consent. Licensee shall be required to pay a transfer fee equal to one percent (1%) of the assessed value of the Hangar (personal property) at the time of sale, as determined by the Washington County Assessor's most recent assessment of the Hangar. It is the intent of the City that all fees associated with this Section shall be used by the City for asphalt improvements, taxi-way improvements and Airport construction. The City shall have the discretion, but not the obligation, to enter into a new Agreement with the purchaser on then prevailing terms.

- 3.10 **Required FAA Provisions.** The Hangar Agreement shall include all provisions required by the FAA which shall, at a minimum, include subordination of the Hangar licensee to the terms of the City's grant agreements with the United States and State of Utah, and applicable non-discrimination clauses.
4. **Commercial Use.** Persons or entities wishing to use a Hangar for Commercial Aeronautical Activities shall be required to apply for and obtain a permit in conformity with the Airport Minimum Standards for Commercial Aeronautical Activities. The use of Based Aircraft in connection with non-aeronautical commercial activities (i.e., corporate aircraft) is not considered a prohibited commercial use of a Hangar.
5. **Hangar Wait List.** Demand for Hangars at the Airport is greater than the availability. As a result, the City maintains an active waiting list for prospective Hangar licensees (the "Wait List") in accordance with the following policies and procedures.
- 5.1 **Application Required.** All Hangar applicants must complete and submit a completed hangar application form found at the [airport page](#). The City will contact persons on the Wait List prior to the Effective Date of this Policy and require them to reapply (without losing their position on the Wait List). The application must be accompanied by all supporting information and documentation requested below, including the application fee, (1) by e-mail to [sguadminpro@sgcity.org](mailto:sguadminpro@sgcity.org); (2) in person at 4508 S. Airport Parkway, St. George, Utah 84790; or (3) by US mail to the address on the application form.
- 5.1.1 Applicants must be 18 years of age or older.
- 5.1.2 Applicants must provide a current physical address, mailing address (if different), telephone number, and email address where the applicant may be contacted during business hours. It is the responsibility of the applicant to keep this information current with the City. Failure to keep this information current may result in removal from the Wait List.
- 5.1.3 Applicants must identify the make, model and registration number of the Based Aircraft. The applicant may be required to make such Based Aircraft available for inspection by airport operations personnel prior to the execution of any Hangar license. Applications may be received without identification of the Based Aircraft if accompanied by evidence that the applicant is in the process of purchasing, leasing, repairing, or constructing a

Based Aircraft.

- 5.1.4 Applicants shall identify whether they seek to license an existing City-owned Hangar, are willing to construct a Hangar, or would accept either of the first available opportunities.
- 5.1.5 Each applicant will receive an application identification number upon the City's acceptance of a complete application. The City will maintain the Wait List on the airport website listing the position of each identification number as assigned.
- 5.2 **Wait List Fees.** There is a one-time fee of five hundred dollars (\$500) which is non-refundable and represents the administrative costs of processing each application and maintaining the Wait List.
  - 5.2.1 Deposit: In addition to the application fee a refundable deposit of one thousand dollars (\$1,000) shall be required before any application shall be deemed completed. The deposit shall be held by the City Treasurer during the Wait List period until such time as the applicant executes an Agreement with the City at which time the deposit may be applied to the license or may be refunded, at the licensee's option. In the event an applicant wishes to remove their name from the Wait List, the deposit shall be refunded to the applicant in a manner consistent with the City's administrative practices.
- 5.3 **Wait List Placement.** Applicants will generally be added to the Wait List in the order a complete application is received; however, applicants which do not currently lease or license one or more parcels of City-owned property at the Airport shall receive priority over any applicant which already leases or licenses one or more parcels of City-owned property for the use of Hangars at the time of their application. A person or entity under common control may have only one position on the Wait List at a time.
- 5.4 **Notification.** Applicants will be notified via email and telephone of the availability of a Hangar or suitable site for Hangar development in the order they appear on the Wait List. If the City is unable to reach the applicant within fourteen (14) calendar days, the applicant shall forfeit the opportunity and the City shall contact the next applicant on the Wait List. If such forfeiture occurs on two consecutive occasions, the applicant will be automatically removed from the Wait List.
- 5.5 **Acceptance and Rejection.**
  - 5.5.1 **Acceptance.** An applicant electing to accept the opportunity to license must make the Based Aircraft available for the City's inspection and execute a Hangar lease no later than thirty (30) calendar days after the City's notification.
  - 5.5.2 **Unsuitability for Based Aircraft.** An applicant may reject an opportunity to lease if the Based Aircraft's dimensional requirements are larger than the

available Hangar opportunity (i.e., Hangar size or taxiway limitations for the available Hangar lot). An applicant who rejects an opportunity under this paragraph will not lose their place on the Wait List. The City reserves the right to verify applicant's ownership or control of the Based Aircraft.

5.5.3 **Other Rejections.** If an applicant does not accept the opportunity to license as provided in Section 5.5.1, and Section 5.5.2 does not apply, then, at the applicant's election, the applicant will either be moved to the end of the Wait List or removed from the Wait List. After two such rejections, the applicant will be automatically removed from the Wait List.

5.6 **Non-Transferability.** Positions on the Wait List are not fungible and may not be sold, gifted, assigned, or otherwise transferred.

5.7 **Violations.** Applicants on the Wait List who have an existing Hangar lease or license at the Airport will be removed from the Wait List in the event of a default by the applicant under the existing Hangar lease or license which continues beyond notice and an opportunity to cure pursuant to the existing lease or license. The City may refuse to add a Hangar lessee to the Wait List unless and until any existing event of default is cured.