

**UNITED STATES DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION  
WASHINGTON, D.C.**

**SAVE A CONNIE, INC.  
d/b/a AIRLINE HISTORY MUSEUM**

**COMPLAINANT,**

**v.**

**KANSAS CITY AVIATION DEPARTMENT  
CITY OF KANSAS CITY, MISSOURI**

**RESPONDENT.**



**FAA Docket No. 16-24-04**

**DIRECTOR'S DETERMINATION**

**I. INTRODUCTION**

This matter is before the Federal Aviation Administration (FAA) based on a complaint filed under Title 14 of the Code of Federal Regulations, Part 16 (14 CFR part 16) by Save a Connie, Inc. d/b/a Airline History Museum (AHM or Complainant) against the Kansas City Aviation Department (KCAD) and the City of Kansas City, Missouri (City or Respondent), the sponsor of the Charles B. Wheeler Downtown Airport (Airport or MKC) (FAA Exhibit 1, Item 2, p. 1).

AHM alleges the City violated Grant Assurance 5, *Preserving Rights and Powers*; Grant Assurance 11, *Pavement Preventive Maintenance-Management*; Grant Assurance 19, *Operation and Maintenance*; Grant Assurance 22, *Economic Nondiscrimination*; Grant Assurance 23, *Exclusive Rights*; and Grant Assurance 25, *Airport Revenues*. Broadly, AHM argues the City inappropriately transferred its rights and powers to Executive Beechcraft/Signature Flight Support (EB/SIG) through a "Master Lease" Fixed Base Operator (FBO) agreement in violation of Grant Assurance 5 (FAA Exhibit 1, Item 2, p. 1). AHM argues the City violated Grant Assurance 22 by deferring all decision-making of the subleased property to EB/SIG, by allowing two other non-profit aviation museums to operate at the Airport while refusing to negotiate a lease with AHM, and by refusing to allow AHM to land and park an operational DC-8 aircraft at MKC (FAA Exhibit 1, Item 2, p. 1 & p. 20). AHM further contends the City empowered and allowed Signature to make these decisions through a Master Lease, thereby granting an exclusive right to the FBO and violating Grant Assurance 23 (FAA Exhibit 1, Item 2, p. 21).

AHM also claims the City neglected to ensure proper pavement maintenance in violation of Grant Assurance 11 and failed to maintain Airport facilities in violation of Grant Assurance 19 (FAA Exhibit 1, Item 2, pp. 16-17 & Exhibit 45). Finally, AHM alleges the City violated Grant

Assurances 24 and 25 by allowing Signature to retain the rental abatement originally intended for AHM, as a non-profit aviation museum (FAA Exhibit 1, Item 2, p. 21).

The City denies it violated any grant assurances and characterizes the Complaint as a “garden variety tenant-landlord dispute” (FAA Exhibit 1, Item 6, p. 1). The City also suggests the Complaint is both stale due to a recent amendment to the City’s code revoking AHM’s previous rent abatement and outside the jurisdiction of the FAA since the lease issue was previously settled in court (FAA Exhibit 1, Item 6, ¶ 107 & ¶ 110).

With respect to the allegations presented in this Complaint, under the specific circumstances at the Airport as discussed below and based on the Administrative Record in this proceeding, the Director finds that the City is currently in compliance with its federal grant obligations. The FAA’s decision in this matter is based on applicable federal law, FAA policy, and review of the pleadings and supporting documentation submitted by the parties, which comprise the Administrative Record reflected in the attached FAA Exhibit 1.

## **II. PARTIES**

### **A. Complainant**

Save A Connie, Inc., d/b/a Airline History Museum (AHM), is a not-for-profit aviation museum organization located at the Charles B. Wheeler Downtown Airport. It has been a tenant of the Airport since 1986, operating as a museum in Hangar 9 (FAA Exhibit 1, Item 2, p. 2). It originally signed a sublease with Master Tenant Executive Beechcraft (EB) in 2000, which was subsequently acquired by BBA U.S. Holdings, Inc., but is now operating as Signature<sup>1</sup> (FAA Exhibit 1, Item 2, Exhibit 5). According to its website (<https://airlinehistory.org/>), AHM owns and houses several vintage airliners, including its namesake Lockheed Constellation, and has two classic flight simulators, one of which was open for public use.

### **B. Respondent**

Kansas City, Missouri, is the sponsor of Charles B. Wheeler Downtown Airport (Airport or MKC), a public-use airport. MKC is categorized as a general aviation reliever airport. The Airport is certificated under 14 CFR part 139 to allow unscheduled air carrier service. There are presently 190 aircraft based at MKC, and the City reported 124,214 total operations in 2023 (FAA Exhibit 1, Item 11). The development of the Airport has been financed, in part, with funds provided by the FAA 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 2014, the City has accepted \$40,941,785 in AIP funds for the Airport (FAA Exhibit 1, Item 10). Thus, the City is obligated to comply with the FAA sponsor grant assurances and related federal statute, 49 U.S.C. § 47107.

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<sup>1</sup> BBA U.S. Holdings, Inc. purchased Beechcraft Executive Inc.’s parent corporation. Another organization, Signature Flight Support, took over operation and management of the Master Tenant lease, subsequently rebranding all Master Tenant assets as Signature Flight Support (FAA Exhibit 1, Item 2, p. 2).

### III. PROCEDURAL HISTORY

1. On April 15, 2024, AHM filed a formal Complaint with the FAA (FAA Exhibit 1, Item 2).
2. On May 6, 2024, the FAA issued a Notice of Docketing for AHM's Complaint (FAA Exhibit 1, Item 3).
3. On May 24, 2024, the City filed a Motion to Dismiss and, in the Alternative, Motion for Summary Judgment (FAA Exhibit 1, Item 4).
4. On June 3, 2024, AHM filed an Answer to the City's Motion to Dismiss and, in the Alternative, Motion for Summary Judgment (FAA Exhibit 1, Item 5).
5. On July 26, 2024, the City filed its Answer to the Complaint (FAA Exhibit 1, Item 6).
6. On August 5, 2024, AHM filed a Reply to the Answer (" Rebuttal and Protest to Respondents [sic] Late Answer") (FAA Exhibit 1, Item 7).
7. On August 11, 2024, the City filed a Response to Motion to Deem Allegations Admitted and Judgment on the Pleadings (FAA Exhibit 1, Item 17).
8. On August 15, 2024, AHM filed Suggestions in Support of Complainant's Motion to Deem Allegations Admitted (FAA Exhibit 1, Item 18).
9. On August 23, 2024, the City filed a Request for Nunc Pro Tunc Docketing or, in the Alternative Commence Review Determination Window (FAA Exhibit 1, Item 8).
10. On September 3, 2024, AHM filed its Response to Respondent's Request for Nunc Pro Tunc (FAA Exhibit 1, Item 9).

All other motions and notices, including extensions of time, are included in the Index to the Administrative Record, identified as FAA Exhibit 1.

### IV. FACTUAL BACKGROUND

The undisputed facts in this matter are as follows:

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|-------------------|---|
| 1986              | AHM was established (FAA Exhibit 1, Item 2, p. 2).  |
| June 5, 2000      | AHM signed a sublease agreement with Executive Beechcraft (EB) to operate an airline history museum in Hangar 9. The sublease was entered into in accordance with the terms of the July 16, 1973, Master Lease between the City and EB, later amended on August 24, 1993. Via the sublease, AHM agreed to be subordinate to the terms of the 1993 "Master Lease." (FAA Exhibit 1, Item 2, p. 2) (FAA Exhibit 1, Item 2, Exhibit 5). |
| December 28, 2005 | The City executed a Fixed Base Operations and Lease Agreement with EB. This agreement established the premises and services operated by EB and included a provision for reduced ground and hangar rental rates for AHM so long as it is operated as a non-profit aviation history facility (FAA Exhibit 1, Item 2, Exhibit 8). The agreement was amended on April 30, 2007, to remove and relinquish                                |

- land known as Parcel G from the EB leasehold (FAA Exhibit 1, Item 2, Exhibit 8).
- July 9, 2007 BBA U.S. Holdings, Inc., purchased Topeka Aircraft, Inc., the parent company of EB. BBA U.S. Holdings, Inc. (also known as BBA Aviation) subsequently rebranded its FBO operations to Signature Aviation (FAA Exhibit 1, Item 2, Exhibit 9).
- December 11, 2009 Signature executed a sublease amendment with AHM establishing a \$1 per year ground and hangar rate (FAA Exhibit 1, Item 2, Exhibit 6).
- May 15, 2014 AHM proposed that the display of a DC-8 aircraft scheduled to arrive on June 14, 2014, to be parked on the ramp adjacent to a L-1011 aircraft. AHM stated their intent to maintain an active registration and airworthiness certificate (FAA Exhibit 1, Item 2 Exhibit 31, p. 5).
- May 30, 2014 Bryan Orr, Signature’s Area Director, denied AHM’s request to park a second aircraft (DC-8) on the ramp outside its hangar, citing Section 4(b) of the sublease, which designated this ramp area for non-exclusive use. However, Mr. Orr stated Signature would consider an amendment to the sublease to accommodate the aircraft with additional parking or rental fees (FAA Exhibit 1, Item 2, Exhibit 31).
- June 12, 2014 Joe Behling, Signature’s Duty Manager, replied to John Roper (AHM), claiming Bryan Orr previously “clearly stated that Signature does not authorize the NAHM to bring the DC-8 to MKC.” However, Mr. Behling agreed to discuss lease revisions during a July 1, 2014, meeting (FAA Exhibit 1, Item 2, Exhibit 31).
- June 12, 2014 Mark VanLoh, Director of the Kansas City Aviation Department, e-mailed John Roper stating: “...we cannot park this aircraft [the DC-8] on the city ramp...”. Mr. VanLoh suggested instead parking at Kansas City International Airport (MCI), but at “full cost.” Mr. VanLoh then stated that parking arrangements at MKC would need to be made through Signature. Signature admits it denied AHM aircraft access to MKC, therefore, this aircraft never flew to MKC (FAA Exhibit 1, Item 2, Exhibit 32).
- June 9, 2016 FAA Office of Airports Central Region sent a letter to the City stating that the differences in the rental rates being charged to AHM and the TWA Museum (a second aviation museum operating at MKC) may violate Grant Assurance 22. It requested a response from the City (FAA Exhibit 1, Item 4, Exhibit 3).<sup>2</sup>

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<sup>2</sup> FAA researched the FAA Central Region’s source for the “concerns” listed in the letter. However, the Region was unable to provide any further information beyond the letter itself.

- July 11, 2016 The City responded to the FAA’s letter by acknowledging that AHM was not being charged rent but claimed the FAA Revenue Use Policy allowed them to do so. Further, the City claimed that because neither the TWA museum nor the AHM museum was aeronautical, there could be no violation under Grant Assurance 22 (FAA Exhibit 1, Item 4, Exhibit 3, p. 15).
- February 23, 2017 The City passed Resolution #170131 directing the City Manager to work with MKC’s museums to create a plan to “best promote, locate, combine, and coordinate” all their facilities. In addition to AHM, the TWA Museum has also operated at MKC, since 2010 (FAA Exhibit 1, Item 2, Exhibit 46, p. 14).<sup>3</sup>
- May 2, 2018 Astra Enterprises, a marketing and public relations firm under contract with the City, published a *Strategic Marketing Plan for MKC Non-profits*. This report included interview summaries with the respective MKC museum representatives<sup>4</sup> (FAA Exhibit 1, Item 17, Appendix H).
- December 20, 2018 The FAA Office of Airports Central Region advised the City in a letter that all MKC aviation museums must pay similar rates. This letter also noted the AHM lot appeared to be ideal for aeronautical use based on the existence of a hangar and apron (FAA Exhibit 1, Item 4, Exhibit 4).
- August 29, 2019 The City passed Ordinance #190701 revoking all abatements on Airport property, including the one associated with AHM’s leasehold (FAA Exhibit 1, Item 2, Exhibit 46, p. 14).
- September 9, 2019 In response to the City’s August 29 Ordinance, the City and Signature executed a sixth amendment to the FBO Lease, terminating Signature’s obligation to continue its sublease with AHM (FAA Exhibit 1, Item 4, Exhibit 1, p. 6).
- December 2019 AHM failed to pay rent and utilities to Signature, and, at some point after the abatement was revoked, utility services were discontinued. The museum continued to miss these rent and utility payments through 2020 (FAA Exhibit 1, Item 4, Exhibit 1, pp. 6-8). At an unspecified time, locks on AHM’s hangar were replaced, preventing AHM access to the building and its aircraft inside (FAA Exhibit 1, Item 2, p. 17; FAA Exhibit 1, Item 4, ¶ 19).

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<sup>3</sup> Based on information from the TWA Museum website: <https://twamuseum.org/about>

<sup>4</sup> Among the interviews, the TWA Museum reported the FAA “inquired if they are being treated fairly” to which TWA responded because they are the only museum at MKC paying rent, they “do not believe that is a fair arrangement”.

December 15, 2020	The FAA Office of Airports Central Region issued a 14 CFR part 13 decision instructing the Airport to remove rental abatements for all museum tenants. The Region also found the Airport was under no obligation to provide the museum or any other tenant below fair market value rental rates (FAA Exhibit 1, Item 2, Exhibit 3).
April 30, 2021	A Notice of Merger of EB with Signature was filed with the State of Missouri. The new company took Signature's name (FAA Exhibit 1, Item 5, Exhibit 50).
December 3, 2021	Signature prevailed against AHM in the 7th Judicial Circuit Court of Clay County, Missouri. The court's decision affirmed the City's abatement revocation and eviction against AHM (FAA Exhibit 1, Item 4, Exhibit 1).
March 21, 2022	The 7 <sup>th</sup> Judicial Circuit decision was affirmed by the Missouri Court of Appeals for the Western District (FAA Exhibit 1, Item 4, Exhibit 2).

## V. ISSUES

Upon review of the allegations and the relevant airport-specific circumstances, the FAA has determined that the following issues require analysis to provide a complete review of the Respondent's compliance with applicable federal law and policy:

**ISSUE 1 – Whether AHM has standing to file a formal complaint under 14 CFR part 16.**

**ISSUE 2 – Whether the City's actions deprived AHM of reasonable access to MKC in violation of Grant Assurance 5, *Preserving Rights and Powers*; Grant Assurance 22, *Economic Nondiscrimination*; and Grant Assurance 23, *Exclusive Rights*.**

**ISSUE 3 – Whether the City unreasonably denied AHM nominal rates, less than market rental rates, or rent abatements in violation of Grant Assurance 24, *Fee and Rental Structure*; and Grant Assurance 25, *Airport Revenues*.**

**ISSUE 4 – Whether the City, through its FBO Lease with EB/SIG as an agent of the City via its sublease with AHM, has violated Grant Assurance 5, *Preserving Rights and Powers*.**

**ISSUE 5— Whether the City violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing Signature to evict AHM and then refusing to negotiate a new lease.**

**ISSUE 6 - Whether the City violated Grant Assurance 11, *Pavement Preventive Maintenance-Management*, and Grant Assurance 19, *Operation and Maintenance*, by failing to ensure Airport pavements and Airport facilities are maintained in a safe and serviceable condition.**

## **VI. APPLICABLE FEDERAL LAW AND POLICY**

### **A. Airport Sponsor Grant Assurances**

As a condition precedent to providing airport development assistance under the AIP, the FAA must receive certain assurances from the airport sponsor. Title 49 U.S.C. § 47107(a) sets forth certain sponsorship requirements to which an airport sponsor receiving federal financial assistance must agree. The FAA has a statutory mandate to ensure that airport owners comply with these sponsor assurances. See FAA Exhibit 1, Item 1 in the Index for a list of all the grant assurances.

### **B. FAA Enforcement Responsibilities**

The Federal Aviation Act of 1958, as amended, 49 U.S.C. § 40101, assigns the FAA Administrator broad responsibilities for the regulation of air commerce in the interests of safety, security, and development of civil aeronautics. Commitments assumed by airport owners or 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. Pursuant to 49 U.S.C. § 47122, the FAA must ensure that airport owners comply with their federal grant assurances.

### **C. The Complaint and Investigative Process**

Pursuant to 14 CFR §§ 16.23, a person directly and substantially affected by any alleged noncompliance may file a complaint with the FAA. The complainant should provide a concise but complete statement of the facts relied upon to substantiate each allegation and describe how the complainant was directly and substantially affected by the things done or omitted by the respondents. The regulations governing Part 16 proceedings provide that, if the parties' pleadings supply "a reasonable basis for further investigation," the FAA should investigate "the subject matter of the complaint." 14 CFR §§ 16.29(a).

In accordance with 14 CFR § 16.33(b) and (e), "a party adversely affected by the Director's Determination may file an appeal with the Associate Administrator for Airports within 30 days after the date of service of the initial determination." If no appeal is filed within the time period specified in paragraph (b) of this section, the Director's Determination becomes the final decision and order of the FAA without further action.

## **VII. ANALYSIS**

### **ISSUE 1 – Whether AHM has standing to file a formal complaint under 14 CFR part 16.**

#### **AHM's Position**

AHM argues, among other things, that it "is a person doing business with an airport and paying fees or rentals to the airport" and therefore "has standing" (FAA Exhibit 1, Item 5, pp. 2-3).

#### **City's Position**

The City argues that AHM lacks standing to file a Part 16 complaint and notes AHM never directly asserts it is an aeronautical user. The City claims AHM must be an aeronautical user to file a Part 16 complaint (FAA Exhibit 1, Item 4, p. 13; pp. 16-22).

### **Director's Determination**

14 CFR part 16, subpart B describes the procedural and documentary requirements for filing a formal complaint, and Subpart C provides, in part, special rules applicable to the complaint. 14 CFR §§ 16.23 states:

(a) A person directly and substantially affected by any alleged noncompliance or a person qualified under 49 CFR 26.105(c) may file a complaint under this part. A person doing business with an airport and paying fees or rentals to the airport shall be considered directly and substantially affected by alleged revenue diversion as defined in 49 U.S.C. 47107(b).

The rulemaking that established 14 CFR part 16 *Rules of Practice for Federally-Assisted Airport Enforcement Proceedings* provides:

Nonaeronautical users of airports are subject to the same “directly and substantially affected” standard as aeronautical users and could foreseeably have standing to file a complaint under Part 16. For example, an airport duty free shop could have standing to file a part 16 complaint alleging revenue diversion, and an airport concession that is a disadvantaged business enterprise (DBE) could have standing to file a part 16 complaint alleging noncompliance with the applicable DBE regulation. However, most of an airport’s obligations are intended for the benefit of aeronautical users. A complaint alleging that an airport operator’s treatment of a nonaeronautical user violates such obligation would be dismissed even though the nonaeronautical user was directly and substantially affected by the alleged practice. For example, the assurance against unjust discrimination by an airport operator only applies to aeronautical users, so a complaint by a nonaeronautical user alleging unjust discrimination by an airport operator would be dismissed.

61 FR 54004 (October 16, 1996).

In reviewing a complaint for procedural deficiencies, the Director may ascertain the sponsor’s compliance disposition from the complaint (14 CFR §§ 16.11 and 16.25). Here, AHM alleges it “has been deprived of the use of its aircraft” and has “been deprived of the use of the airport for its own aircraft” (FAA Exhibit 1, Item 2, p. 5). AHM’s complaint provides evidence that it was deprived of authorization by Signature to “bring the DC-8 to MKC” (FAA Exhibit 1, Item 2, p. 11). These allegations of a restriction on the use of, or access to, a federally obligated airport by an operational aircraft are sufficient to deem AHM to be directly and substantially affected.<sup>5</sup> AHM

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<sup>5</sup> Airports are required, among other requirements under Grant Assurance 22, Economic Nondiscrimination, to: (a) ...make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport. AHM’s intent to fly an aircraft into MKC clearly qualifies as an aeronautical activity, regardless of whether it is a transient or based operation, and is protected under this assurance. While an airport could prohibit a particular aeronautical activity under 22(i), no affirmative defense was offered under this subsection of the assurance. Therefore, §16.23 applies, and the Director finds that AHM is directly and substantially affected, providing the basis for a Part 16 investigation.

alleges it was denied access to MKC for its operational aircraft in violation of Grant Assurance 22(a). The Director finds this claim is appropriate to docket and for investigation under Part 16.<sup>6</sup>

**ISSUE 2 – Whether the City’s actions deprived AHM of reasonable access to MKC in violation of Grant Assurance 5, *Preserving Rights and Powers*; Grant Assurance 22, *Economic Nondiscrimination*; and Grant Assurance 23, *Exclusive Rights*.**

**AHM’s Position**

AHM argues that it is an “aeronautical service” provider entitled to treatment and protection under the grant assurances stating:

[AHM] is in fact an aeronautical service provider. While there is no discrete definition of aeronautical service provider, the Complainant provides aeronautical activities as defined in FAA Order 5190.6B, Appendix Z, the activities in the definition “include but are not limited to...” “pilot training”, “aircraft storage”, and “repair and maintenance of aircraft”.<sup>7</sup> In addition, the complaint provides aviation-based community events, aerospace education, and has been home to a Civil Air Patrol Squadron.

(FAA Exhibit 1, Item 5, III[5], p. 3).

AHM also claims Signature “has denied access to the airport for pour [sic] aircraft” (FAA Exhibit 1, Item 2, p. 2).

**City’s Position**

The City disputes AHM’s identification as an “aeronautical service” and insists AHM is a nonaeronautical operation (FAA Exhibit 1, Item 6, p. 14). The City argues that AHM does not have an operational aircraft and does not provide services to aeronautical users (FAA Exhibit 1, Item 4, Exhibit 12). The City also cites a ruling from the Missouri Circuit Court finding that the City’s actions were not tantamount to a denial of access (FAA Exhibit 1, Item 4, p. 21).

**Director’s Determination**

***Aircraft Museums as an Aeronautical Activity***

The FAA defines an “aeronautical activity” as “[a]ny activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations” (FAA Order 5190.6C, *Airport Compliance Manual*, Appendix G). The FAA does not include “aviation museums” as an aeronautical activity under this definition.

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<sup>6</sup> The Director must first determine whether a complainant meets the docketing requirements outlined in 16.23(c), including standing, as well as determine whether to proceed with a Part 16 investigation under 16.29. For the purposes of docketing the complaint for investigation, allegations supported by substantive evidence of a restriction on the use of, or access to, a federally obligated airport will generally confer standing to file a complaint, provided the remaining Part 16 procedural requirements are met.

<sup>7</sup> On February 20, 2026, the FAA published Order 5190.6C, *Airport Compliance Manual*, replacing 5190.6B, Change 3.

Conversely, FAA's *Policy and Procedures Concerning the Use of Airport Revenue* ("Revenue Use Policy") does discuss aviation museums, as a nonaeronautical use from a fee/revenue generation perspective. The Revenue Use Policy describes six categories of nonaeronautical airport users that may be offered exemptions from the FAA's revenue use restrictions. Among these operations are aviation museums (*Policy and Procedures Concerning the Use of Airport Revenue*, 64 FR 7696, 7711, VII(E), February 16, 1999).

Part 16 precedent provides that operating the airport for aeronautical use is not a secondary obligation; it is the primary obligation. This obligation includes the opportunity for leaseholders to develop airport property for aeronautical use, *See BMI Salvage Corp. et al. v Miami-Dade County, Florida*, FAA Docket No. 16-05-16, Final Decision and Order on Remand, p. 30, (April 4, 2011). The Director in *BMI Salvage* also affirmed that the "aeronautical activity" determination can be fluid. For example, while:

"...the receipt of aircraft onto the leasehold for demolition, along with a reasonable time period after the aircraft is last parked under its own power, is an aeronautical activity, that activity consists of a single flight operation. Clearly, that one operation is an aeronautical activity, but the lengthy business of disassembling the aircraft after that flight is not."

[*BMI Salvage*, p. 21].

Like *BMI Salvage*, here the arrival of aircraft under its own power for inclusion in the AHM aircraft gallery appears to be a single-flight activity for the purpose of inclusion as a static display, and once in the museum, there is no longer a direct relationship to the aircraft's operation.

There is no substantive evidence in the record that AHM now or in the near past operated aircraft. Further, AHM's sublease with EB/SIG, as amended, does not require it to provide aeronautical services to aeronautical users of the Airport (FAA Exhibit 1, Item 2, Exhibits 5, 6, & 7). All these factors are consistent with the Director's findings in *BMI Salvage*.

Under these circumstances, if it were still in operation, AHM's aviation museum does not currently meet the FAA's longstanding definition of "aeronautical activity" and therefore is not guaranteed reasonable access protections to a federally obligated airport pursuant to Grant Assurance 22 in a manner equivalent to undisputed aeronautical activities. Importantly, this finding represents a threshold matter, meaning the analysis on this point provides the underlying basis for the remainder of the findings in this Director's Determination.

### ***Effect of the City's and Signature's Denial of Access to Flyable Museum Aircraft***

Grant Assurance 22(a) states the sponsor will:

...make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

Similarly, Grant Assurance 23 states the sponsor will:

...permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.

In considering whether AHM was denied aeronautical access, AHM's request to fly (and park) a DC-8 museum aircraft to MKC, and the City's response, are central to the analysis. On May 15, 2014, AHM made the following request:

Here are some concepts of the location to park the DC-8. We currently have a proposed arrival of June 14 to coincide with our Flag Day Celebration sponsored by Jackson County Executive Mike Sanders.

The aircraft is to be located north of the L-1011 and placed in a position that keeps it shadowed by the L-1011 and the hangar. With a [sic] tail high [sic] of 43' and hangar height of approximately 55', we do not see any issues of interference with the VOR.

We do intend for the short term to maintain an active registration and airworthiness certificate. The aircraft will be placed on a short-term preservation maintenance schedule until such time we determine the ultimate use. This will include periodic engine runs and weekly activation of aircraft systems. We will work with the tower and airport ops on those occasions to ensure we do not create a hazard to other airport tenants or aircraft.

Please let me know if you have any questions or concerns about this location within our leasehold.

(FAA Exhibit 1, Item 2, Exhibit 31).

On May 30, 2014, Signature's response to the request specifically denied AHM aircraft parking access for the DC-8 aircraft on the ramp surrounding AHM's leasehold stating:

Upon review of notice below and the AHM lease with Executive Beechcraft, we do not authorize the addition of another aircraft to the ramp surrounding the AHM hangar (hangar 9). Per sublease agreement Section Four, b, the ramp is designated for non-exclusive use, which you also recognized and addressed in a letter to Joe Behling in January of 2014.

If the museum is interested in parking or storing aircraft on the ramp surrounding the museum for longer than a temporary basis, an amendment to the lease is possible with the payment of applicable rent or parking fees, but would require execution prior to placement of aircraft on the ramp.

(FAA Exhibit 1, Item 2, Exhibit 31).

On June 12, 2014, the City's response to the request specifically denied AHM access to MKC stating:

Bryan Orr replied to your initial email back on May 30, 2014 and clearly stated that Signature does not authorize the NAHM to bring the DC-8 to MKC. We have not changed our position as of this email. We also cannot give any guarantee that there will be "final negotiations" on July 1st, but that we look forward to discussing the lease in place on that date.

And, again on June 12, 2014, the City reaffirmed the denial of access:

We cannot park this aircraft on the city ramp. KCI may have space but that would be at full cost. Arrangements must be made with Signature for this operation.

(FAA Exhibit 1, Item 2, Exhibit 32).

Under this part of the Director's analysis, flying into and landing the aircraft at MKC is the primary action being considered. AHM stated clearly it intended to hold an active registration and an airworthiness certificate for this aircraft, which would *unquestionably* constitute AHM's intent to operate the aircraft in a manner in accordance with the FAA's aeronautical activity definition (FAA Order 5190.6C, *Airport Compliance Manual*, Appendix G). How and where to park the aircraft at MKC and any requisite lease terms are the *secondary consideration* and may require thoughtful review by the sponsor (or Signature as its agent) but cannot be used as rationale for denying AHM the ability to fly to, land, and park the aircraft at MKC. Just as the City cannot deny transient general aviation or commercial users access to fly an aircraft to MKC, the City has no authority under Grant Assurance 22 or Grant Assurance 23 to deny access to AHM to fly, land, and park its aircraft, even if negotiated lease terms are not yet executed. As an appropriate accommodation measure, the City could have charged AHM for the temporary use of airport parking facilities until long-term parking options were identified, but the record does not reflect that the City substantively evaluated those options.

Regardless, the dispute centers on 1) whether Signature, through its sublease with AHM, inappropriately prohibited parking on the AHM sub-leasehold, and 2) whether the City properly evaluated options for AHM to park the aircraft elsewhere, either on the Signature leasehold, City-operated areas of the airport, or even another FBO facility. The record is devoid of any evidence that either the City or Signature tried to accommodate the aircraft; instead, both the City and Signature deferred decision-making to the other. While the City's claim that AHM failed to provide evidence it sought aircraft parking space from FBOs other than Signature may be true, the record clearly shows: 1) AHM sought parking space from the City, and 2) the City specifically told AHM to negotiate with Signature or consider parking the aircraft at MCI, a different airport sponsored by the City (FAA Exhibit 1, Item 2, Exhibit 32).

Signature noted that parking the DC-8 on AHM's apron would require a lease amendment and revised fees. The Director finds this position reasonable due to AHM's existing lease relationship with Signature. (FAA Exhibit 1, Item 2, Exhibit 31, pp. 4-5). However, the record contains no evidence that Signature engaged in any further substantive discussions even after AHM signaled its interest. Further absent from the record is evidence to support the City's decision-making, including an evaluation of City or Signature operated ramp capacity, safety, or efficiency-related parking constraints, or other available apron space on the Airport. The City simply stated that "[w]e cannot park this aircraft on the city ramp" and then deferred to Signature's position. Pointedly, the City states that Signature denied AHM's request to fly an aircraft into MKC and reiterates that the City "has not changed its position," and even refused to confirm any new negotiation would take place (FAA Exhibit 1, Item 2, Exhibit 31). These statements led the Director to conclude the City had no interest in accommodating AHM's request. By all appearances, the City abstained from the very type of airport management practices expected of a federally obligated airport sponsor in response to a legitimate request for aeronautical accommodation – as required by Grant Assurance 22. As a result, the City's abdication of its Grant Assurance 22 obligations ultimately led to the aircraft being denied access.

The Director finds both the City's actions and inactions to be substantially problematic. The City – not Signature – ultimately controls the use of airport property and is responsible for its federal grant obligations. With limited exception for safety or operational reasons, the City cannot pick and choose which aircraft it wishes to accommodate.<sup>8</sup> Furthermore, the existence of a sublease does not mean the City can simply delegate to EB/Signature the ability to permit or deny aircraft access to the Airport. Grant Assurance 5 prevents the City from contracting away its rights and powers to operate the airport for airport purposes, and Grant Assurance 22(b) requires agents of the sponsor to provide reasonable access without unjust discrimination. Where the aeronautical service provider is unable or unwilling to accommodate an aeronautical user, the federally obligated airport sponsor has a responsibility to evaluate the failure to accommodate and to take affirmative steps to mitigate the denial of access as is reasonably necessary under Grant Assurance 22(a) and Grant Assurance 5. This federal obligation includes accommodating transient and/or tenant aircraft for parking purposes.

Relatedly, Grant Assurance 23 generally prohibits a sponsor from granting particular rights to one or more aeronautical users while denying a similarly situated user those same rights. For example, providing transient users or tenants landing and parking access to MKC, while denying the same access to AHM, could be construed as a prohibited exclusive right in violation of Grant Assurance 23. Understanding that it is the impact of the activity, rather than the airport sponsor's intent, that constitutes an exclusive rights violation is essential to understanding the FAA's exclusive rights

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<sup>8</sup> A sponsor's ability to deny aeronautical access to the airport is limited, primarily to reasonable safety or efficiency justifications. However, the FAA must be involved in and approve such denials. See FAA Order 5190.6C, Section 14.3 and [(FAA Docket 16-09-02, *Drake Aerial Enterprise, LLC v. City of Cleveland, Ohio*, Director's Determination, p. 14, (February 22, 2010); *Skydive Paris Inc. v Henry County, Tennessee*, FAA Docket 16-05-06, (Director's Determination) p. 15, (January 20, 2006); *Florida Aerial Advertising v St. Petersburg-Clearwater International Airport*, FAA Docket 16-03-01 (Director's Determination) p. 11, (December 18, 2003); and *In the Matter of Compliance with Federal Obligations by the City of Santa Monica, California*, FAA Docket No. 16-02-08, (July 8, 2009) (Final Agency Decision)]

policy (FAA Advisory Circular, 150/5190.6, *Exclusive Rights and Federally Obligated Airports*, Section 1.2).

Under these circumstances, the record substantiates the City's explicit denial of access to AHM's aircraft is sufficient to find the City violated Grant Assurance 22 and Grant Assurance 23 at that time in 2014. And given the City's near total deference to Signature on whether and how to accommodate AHM's DC-8 parking request, the Director finds the City also likely violated Grant Assurance 5 at that time in 2014. The impact of the City's actions in 2014 was clearly detrimental to AHM, and its consequences are far-reaching, as discussed in more detail below.

### ***Timeliness of the Allegations and Director's Determination***

The FAA's role in the Part 16 process is to determine whether the Respondent is in current compliance with its federal obligations, *See Platinum Aviation and Platinum Jet Center BMI v. Bloomington-Normal Airport Authority*, FAA Docket No. 16-06-09, Final Decision and Order, p. 24 (November 28, 2007).

The Director confirms that the City (and Signature) denied AHM's request to fly its DC-8 (which, based on AHM's claim, was airworthy and intended to remain operable) into MKC. There is nothing in the record that justifies AHM's denial, which, if in the alternative were granted, AHM's status as an "aeronautical activity" would have been sufficiently demonstrated and not in question. However, under the circumstances, the Director declines to find a violation of Grant Assurance 22, Grant Assurance 23, or Grant Assurance 5, due to the fact that the denial of access to AHM's donated DC-8 occurred in 2014, more than twelve years ago. Accordingly, the Director finds that the issue is now stale, *See Luis A. Feliciano and Yellow Hangar v. Puerto Rico Ports Authority*, FAA Docket 16-24-08, p. 11, September 17, 2025. As a result, the delay in filing these allegations effectively renders AHM a nonaeronautical user for the purpose of access to a federally obligated airport, which has far-reaching implications for the remainder of the Director's investigation.

By all appearances, AHM is not a current tenant of MKC, does not operate aircraft at MKC, and is not currently being denied access to fly aircraft into MKC for transient or tenant purposes.<sup>9</sup> The Director finds AHM's allegation that the City denied its DC-8 access to MKC in 2014 – which is demonstrated by the record that it did indeed violate its obligations at that time – is now moot for the purposes of this investigation. Accordingly, the Director declines to impose a retroactive compliance violation, *See Richard Steere v. County of San Diego, California*, FAA Docket 16-99-15, p. 22, (July 21, 2004).

**ISSUE 3 – Whether the City, through its FBO lease with EB/Signature, or otherwise, is compelled to offer aviation museums (such as AHM) nominal rates, less than market rental rates, or rent abatements in conformance with Grant Assurance 24, *Fee and Rental Structure*, and Grant Assurance 25, *Airport Revenues*.**

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<sup>9</sup> The Director recognizes the Circuit Court of Clay County, Missouri's Final Judgment upholding Signature's eviction action against AHM for reasons unrelated to aircraft access.

### **AHM's Position**

AHM claims its former rental abatement is now being used by Signature for its own benefit. That is, AHM believes Signature is profiting from the reduced rate intended for AHM's benefit, as a non-profit museum on the Airport. AHM further asserts Signature is paying less than fair market value for AHM's hangar, which AHM alleges constitutes revenue diversion in violation of Grant Assurance 25. AHM argues the reduction in rental rate runs counter to the Airport's ability to operate in a self-sufficient manner (FAA Exhibit 1, Item 2, p. 21).

AHM also suggests "the City allowed insurance proceeds and/or other funds available to repair a damaged building to be retained by the Master Tenant. Other buildings were damaged and repaired in a timely manner." (FAA Exhibit 1, Item 2, Exhibit 43, pp. 1-2) and (FAA Exhibit 1, Item 2, p. 21).

### **City's Position**

The City states AHM's allegation is unsupported by sufficient evidence (FAA Exhibit 1, Item 6, ¶196). It further explains that the same allegation was made in the Missouri court case and was found to have no merit (FAA Exhibit 1, Item 6, ¶197). Additionally, the City suggests that the rent abatement ended in 2019 and is no longer applicable to any allegations under Grant Assurance 24 (FAA Exhibit 1, Item 6, 198).

The City claims not only that the fee and rental structure is subject to additional evaluation for aeronautical users, but AHM's assertion is also contradicted by its Answer (FAA Exhibit 1, Item 6, ¶204). Further, the City asserts that any insurance proceeds paid to a third party cannot be considered airport revenue (FAA Exhibit 1, Item 6, 210).

### **Director's Determination**

Grant Assurance 24 states:

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, considering such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

Grant Assurance 25 states:

All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport.

In December 2005, the City executed a *Fixed Base Operations and Lease Agreement* (FBO lease) with Executive Beechcraft, later assigned to Signature Aviation in 2007. The 30-year agreement leased Airport property to Signature for the purpose of conducting its FBO business to include: 1) fuel, oil, and transient aircraft services; 2) line service, pilot, and passenger facilities; 3) airframe and powerplant maintenance; and 4) Signature’s choice of permitted uses identified by the City. The agreement also included a provision for reduced ground and building hangar rental rates (i.e., rent abatement) for AHM “so long as it is a non-profit aviation-history facility” (FAA Exhibit 1, Item 2, Exhibit 8). The Director recognizes that reduced rental rates for aviation museums are allowable in the FAA’s *Revenue Use Policy* and are aligned with Congressional intent to promote aviation museums as a community resource.<sup>10</sup>

The record shows that the City subsequently executed six amendments to the FBO lease agreement. The Second Amendment directed EB to charge AHM (Parcel D-2) \$0.00 rent retroactive to June 1, 2009, “as long as it operated as the not-for-profit museum” (FAA Exhibit 1, Item 2, Exhibit 7). This amendment was executed in accordance with the passage of City Ordinance No. 090370, which eliminated the rent on the portion of the premises subleased to AHM.<sup>11</sup> (FAA Exhibit 1, Item 2, Exhibit 28). However, on September 9, 2019, the Sixth Amendment modified the lease to “delete in its entirety” *Section 2.5, Airline Museums*, which is the section that originally conferred AHM an opportunity to sublease from EB/Signature a hangar to operate the museum. In its Answer, the City confirms that the “rent abatement” was discontinued in 2019 because of AHM’s failure to pay its rent and the court action terminating AHM’s lease (FAA Exhibit 1, Item 7, p. 2).

Part 16 precedent provides that denying or threatening to deny rights under an agreement that describes terms of tenancy or minimum standards is a reasonable denial of access in a situation of default by the airport user. Failing to pay rent or, in some cases, following minimum standards are reasonable bases for a finding of defaults and to justify eviction, *See Rick Aviation, Inc. v. Peninsula Airport Commission*, FAA Docket 16-05-18, Director’s Determination, p. 38, (May 8, 2007). Sections 4, 5, and 6 of AHM’s sublease described its rights and responsibilities, including expectations for paying fees, rentals, and utilities for the use of its leased premises (FAA Exhibit 1, Item 2, Exhibit 5). The Director acknowledges that AHM’s rental rate varied through the years based on rent abatements formally offered, and later rescinded, by the City through its lease with EB/Signature. However, the City provided evidence of a state court judgment against AHM for unpaid rent from December 2019 to December 2020 (FAA Exhibit 1, Item 2, Exhibit 7, pp. 2-3).

AHM’s sublease, Section 18, *Default by Lessee*, states the “[l]essee shall be in default in the payment of any installment of the monthly rental amount reserved herein or for the fees or insurance herein and such default shall continue for ten (10) days after the written notice to Lessee by registered mail...” (FAA Exhibit 1, Item 2, Exhibit 4, p. 8). Notwithstanding the court judgment, actions to terminate AHM’s leasehold access due to a full year of unpaid rent are consistent with *Rick Aviation*, and the City’s actions to terminate its business relationship with AHM are reasonable.

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<sup>10</sup> *Policy and Procedures Concerning the Use of Airport Revenue*, 64 FR 7696, §VII(E) at 7721; Public Law 104-264, Federal Aviation Administration Authorization Act of 1996 (July 26, 1996); H. Report 104 (July 26, 1996)

<sup>11</sup> Both AHM and the City refer to the reduced rental rate as a “rent abatement”.

The Director highlights that the City's decision to rescind AHM's rent abatement was potentially due in part to multiple inquiries from the FAA's Central Region Airports Office (ACE), which strongly suggested that the City may be violating Grant Assurance 22 if it failed to ensure similar treatment between the multiple aviation museums on the Airport. For example, on June 9, 2016, ACE sent a letter suggesting that the differences in the rental rates being charged to the two museums may be a violation of Grant Assurance 22. The City responded on July 11, 2016, acknowledging in part that AHM was not being charged rent, but claimed that this action was allowed in the FAA Revenue Use Policy. It also claimed that neither museum was an aeronautical activity, so there could be no violation under Grant Assurance 22 (FAA Exhibit 1, Item 4, Exhibit 3, p. 15). ACE responded by letter on December 20, 2018, advising the City to ensure all MKC aviation museums pay similar rates, and on August 29, 2019, the City passed Ordinance #190701 revoking all abatements on Airport property, namely the one associated with AHM's leasehold (FAA Exhibit 1, Item 2, Exhibit 46, p. 14) and (FAA Exhibit 1, Item 4, Exhibit 4).

While the August 2019 ordinance (and Signature's corresponding action to evict AHM) appears related to AHM's failure to pay rent and utilities, the 2016 and 2018 letters from ACE strongly suggest that the threat of a Grant Assurance 22 violation may have altered the City's stance on the Museum's rent abatement.<sup>12</sup> This assumption is bolstered by the City in its Answer (FAA Exhibit 1, Item 6, ¶ 66). Indeed, a February 3, 2020, email from ACE confirms that removing the rent discount for AHM effectively allowed ACE to close out its complaint. Subsequently, ACE responded on December 15, 2020, to AHM's informal complaint, confirming that the sponsor may at its discretion, set rates for non-profit museums at, above, or below fair market value (FAA Exhibit 1, Item 4 Exhibit 5) and (FAA Exhibit 1, Item 2, Exhibit 3).

Upon review, the Director confirms the 2016 and 2018 positions taken by ACE regarding inequitable or disparate rates and charges for the two museums to be, at least in part, in error. Grant Assurance 22 is specifically limited to "aeronautical activities." As discussed above, aviation museums without operational aircraft are considered nonaeronautical activities, and therefore, Grant Assurance 22 requirements for reasonable access without unjust discrimination do not apply.<sup>13</sup>

AHM also alleges that the City has "discriminated or allowed discrimination through deferring all decision[s] to Signature" because it has "allowed two other non-profit organizations to operate at the airport, the TWA Museum and Tristar History."<sup>14</sup> (FAA Exhibit 1, Item 2, p. 19). However, AHM's argument misses the point. There is no sponsor obligation or responsibility to evaluate whether nonaeronautical users are similarly situated or otherwise treated equitably (e.g., two aviation museums) because the sponsor is not required to provide nonaeronautical user access to a

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<sup>12</sup> In an interview published in the May 2018 study from Astra Enterprises, the TWA Museum reported the FAA "inquired if they are being treated fairly" to which TWA responded, because they are the only museum at MKC paying rent, they "do not believe that is a fair arrangement." (FAA Exhibit 1, Item 17, Appendix H)

<sup>13</sup> Alternatively, if AHM operated aircraft, Grant Assurance 22 reasonability requirements would apply. However, as noted in Issue 2 above, AHM was deprived of the opportunity to gain "aeronautical activity" status through the DC-8 access denial.

<sup>14</sup> AHM asserts that "both organizations have aircraft" but the record includes no evidence to indicate that either museum operates aircraft or stores and maintains operational aircraft. Rather, it appears likely that both museums simply store nonoperational aircraft. As noted previously, these factors are necessary in determining whether a museum is an aeronautical activity.

federally obligated airport. This extends to aeronautical agents of the sponsor (e.g., Signature). Likewise, disparate fees and rentals – and lack of access to the airport itself – among certain nonaeronautical users are acceptable without consequence to the sponsor for exercising that discretion.<sup>15</sup>

Further, where an airport sponsor provides an aviation museum access to the airport, the FAA *Revenue Use Policy* specifically recognizes not-for-profit aviation museums as being eligible for below-market rental rates, including nominal rates, to the extent the reduction is reasonably justified by the tangible and intangible benefits to the airport or civil aviation (64 FR 7711, VII(E), at 7721). This eligibility is at the sole discretion of the airport sponsor, and reduced fees are not a requirement (*Id.*). The FAA *Revenue Use Policy* further describes several other categories of not-for-profit airport users that may be offered a reduction in fees, including the Civil Air Patrol (CAP). Importantly, the FAA *Revenue Use Policy* states that reduced fees are only available for “those CAP units operating aircraft at the airport.” (64 FR 7712, February 16, 1999). This distinction is relevant in that a not-for-profit user lacking an operational aircraft at the airport would not ordinarily qualify for a fee reduction since the “presence at the airport is not critical” (64 FR 7712, VII(E), at 7721). While the airport sponsor retains discretion with respect to fee setting methodology, the sponsor could apply this logic to an aviation museum without violating Grant Assurance 25.

Given these circumstances, the City’s decision to offer a rental abatement was well within its discretion. It was also within the City’s discretion to rescind the abatement. Neither decision is contrary to Grant Assurance 24 or Grant Assurance 25, as implemented by the *Revenue Use Policy*. Further, as a nonaeronautical user, AHM does not retain any standing under the grant assurances to challenge the City’s decision. Accordingly, the City is not in violation of Grant Assurance 24 or Grant Assurance 25 by rescinding AHM’s rental abatements.

With respect to the revenue diversion claim, the Director finds no substantive evidence in the record to establish that airport revenue was diverted for prohibited purposes. Without such evidence, AHM failed to meet its burden of proof pursuant to 14 CFR § 16.19(d), *See Christopher D. Zwingle v. San Mateo County, California*, FAA Docket 16-23-11, p. 8, (September 29, 2025). Accordingly, the Director dismisses the allegation that the City is in violation of Grant Assurance 25 as well as any related claim under Grant Assurance 24.

**ISSUE 4 – Whether the City, through its FBO Lease with EB/Signature as an agent of the City, has violated Grant Assurance 5, *Preserving Rights and Powers*.**

**AHM’s Position**

AHM made several allegations about the veracity of the sublease agreement with Executive Beechcraft and, later, Signature, related to the actions or inactions of the City in its oversight role. First, AHM states the original 2000 sublease (FAA Exhibit 1, Item 2, Exhibit 5) was never signed by the City (FAA Exhibit 1, Item 2, p. 5). Second, AHM claims the “First Amendment to the

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<sup>15</sup> Notwithstanding airport access for nonaeronautical concessionaires provided for in 49 CFR Parts 23 & 26, governing the treatment of disadvantaged businesses.

Sublease” (FAA Exhibit 1, Item 2, Exhibit 6) in 2009 was never signed by any AHM board member and should therefore be considered non-binding (FAA Exhibit 1, Item 2, p. 6). Third, AHM claims the “Second Amendment to the Sublease”, dated 2009 (FAA Exhibit 1, Item 2, Exhibit 7) was “counterfeit” (FAA Exhibit 1, Item 2, p. 6). Fourth, AHM suggests the 2005 Fixed Base Operator Lease (aka the “Net Lease”) (FAA Exhibit 1, Item 2, Exhibit 8) conflicted with the terms of the AHM sublease agreement with Signature (FAA Exhibit 1, Item 2, pp. 5-6).

AHM also alleges the City transferred its rights and powers to its Master Tenant through a “Net Lease.” (FAA Exhibit 1, Item 2, Exhibit 8). AHM claims the lease effectively shifts all responsibility for operations and maintenance to the Master Tenant, originally EB. AHM further alleges “Respondent has allowed Signature, who is not a party to the Master Lease, to negotiate the property description” (FAA Exhibit 1, Item 2, p.15). AHM’s general position is that Signature has been unsuccessful at ensuring the City’s grant assurance obligations are fulfilled. In turn, AHM alleges the City failed its responsibility as sponsor to “ensure airport facilities are operated and maintained in accordance with Grant Assurances.” (FAA Exhibit 1, Item 2, p. 16). AHM also suggests the City refused to exercise its rights and powers, provided under Grant Assurance 5, by allowing Signature to “unreasonably and unjustly deny Complainant access to the airport.” (FAA Exhibit 1, Item 2, p. 16). AHM cites *FAA Order 5190.6B*, §§ 6.3(b) and 6.7(a) to support its claims.

AHM also refers to the Director’s findings in *Gina Michelle Moore, individual and d/b/a/ Warbird Sky Ventures, Inc. v. Sumner County Regional Airport Authority*, FAA Docket 16-07-16, Director’s Determination, (Feb. 27, 2009):

[I]nformal business practices, ad hoc procedures, and non-transparent decision-making processes” constitute a “casual approach to airport management [that] erodes a sponsor’s ability to ... address its respective grant obligations” and, accordingly, “[a] ceding of the sponsor’s ability to preserve its rights and powers occurs.

(FAA Exhibit 1, Item 2, p. 15).

### **City’s Position**

The City accuses AHM of misrepresenting FAA Order 5190.6B, Change 3, Chapter 6, §§ 6.3b and 6.7.a (recently updated to 5190.6C). It indicates these provisions refer specifically to “transferring title to a tenant, not responsibilities under a lease.” It also states, “Section 6.3.b specifically warns against ‘Providing developers with an option to acquire a fee interest in a federally obligated airport property...’”. The City notes, Section 6.7(a) refers specifically to airport property releases (FAA Exhibit 1, Item 6, ¶145).

The City suggests that “the transfer of operation and maintenance to a tenant is a common practice in the airport industry.” Also, the City states AHM’s belief that “net leases” are inappropriate for an airport business environment and should be discontinued to avoid harming the airport is simply wrong. The City claims “[l]easehold net leases reduce the cost to the airport and shift financial burdens to an aeronautical tenant that is making money on the use of the facility. Net leases allow airports to obtain self-sustainability.” (FAA Exhibit 1, Item 6, ¶146).

The City also asserts that a “net lease” at an airport is “not a unique federal question.” It also states AHM never alleged “a transfer of ownership of the property or an abdication of authority to act on an issue of federal significance, such as safety of air operations or restriction of aviation operations.” (FAA Exhibit 1, Item 6, ¶148). The City also argues this matter was already litigated in two Missouri courts and AHM is simply attempting to use the Part 16 process to relitigate the same issues (FAA Exhibit 1, Item 4, p. 1).

### **Director’s Determination**

As a threshold matter, whether Signature is or is not a party to the Master Lease is not a matter to be adjudicated by the Director under 14 CFR Part 16. Any claims, allegations, or other assertions as to the validity of Signature’s contractual presence at MKC are solely within the discretion of the Missouri state courts. As such, the Director declines to take a position on any aspect of the condition, size, location, facilities, premises, or property description, as outlined in the EB/SIG leases, as amended. This includes any condition, size, location, facility, premise, or property description attributable to the AHM sub-leasehold, as amended.

On the issue of the City’s alleged lack of leasing oversight, AHM’s allegations pertain to after-the-fact concerns it has with subleases it long ago entered into with the EB/SIG. However, as noted, contractual issues are to be addressed in state courts and, from a federal obligation perspective, the issue is moot because EB/Signature provided AHM access to MKC to operate as an airline history museum with the with full knowledge of the City (FAA Exhibit 1, Item 2, Exhibit 5, Section 2.5). Accordingly, the Director declines to find a violation of Grant Assurance 5.

Nonetheless, the Director reminds the City that a failure to exercise signature/approval authority undermines the accuracy and authenticity of its Airport contracts. These deficiencies also expose the City to allegations of inadequate rights and powers under Grant Assurance 5 to control and operate the Airport. Effective airport management practices are the best safeguards against such claims.

After considering AHM’s concerns regarding the “Master Lease” or “Net Lease,” which the City entered with EB/Signature, the Director disagrees with AHM’s characterization that the lease arrangement violates the City’s obligations.<sup>16</sup> In this case, the “Master Lease” is simply a reference to EB/Signature having contractual rights to provide aeronautical services (since 1973) and to sublease to other users (e.g., AHM). AHM’s rights are subordinate to EB/Signature’s rights in its lease. Regarding “Net Lease” concerns, this too is a common lease arrangement, whereas FBOs generally assume responsibility for maintenance and repairs for the FBO premises. The Director agrees with the City that this is a common industry practice and is often necessary to provide services demanded by airport users, which often consists of substantial acreage (FAA Order 5190.6C, *Airport Compliance Manual*, Section 12.2(c)). It is also common to delegate responsibility to the FBO tenant to manage subleases. This is not itself a violation of any grant assurance (FAA Order 5190.6C, *Airport Compliance Manual*, Section 6.13(c)). The Director reviewed the December 28, 2005, EB FBO lease (later assigned) and identified nothing to suggest the

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<sup>16</sup> In numerous pleadings, the City refers to the lease between EB/Signature as the “Master Lease” or “Net Lease.”

arrangement is contrary to the City's federal grant assurance obligations, and AHM does not demonstrate otherwise.

Notwithstanding the above, the Director is concerned with one particular condition outlined in *Sec. 1.1 Leased Premises* of the *First Amendment to Fixed Base Operations and Lease Agreement*, dated April 30, 2007, which specifically states,

Lessee has relinquished its lease of Parcel G in Exhibit "A" which Lessee leased under the Prior Lease ("Relinquished Land") but not under this Lease. **City agrees that in consideration of Lessee relinquishing the Relinquished Land, City will not use or permit the use of the Relinquished Land for a fixed based operation while Lessee is the Tenant of the premises leased hereunder.** Provided, however, the City may use the Relinquished Land for general aviation purposes, including but not limited to, general aviation hangars, sale of AVGAS, pilot instruction and sale of general aviation supplies and equipment, food and beverage sales and such other activities as City deems these reasonable and necessary.

(FAA Exhibit 1, Item 2, Exhibit 10) (emphasis added).

The City's December 28, 2005, FBO lease with EB identifies "Parcel G" as a large apron and hangar complex directly adjacent to the Runway 1 threshold and taxiways A, B, and G1. This parcel appears to be the current location of the Signature FBO at MKC. FAA airport diagrams, aerial imagery, and Airport Layout Plan documents suggest a sizeable portion of "Parcel G" adjacent to the Signature facility remains undeveloped. Similar language is repeated in the Fourth Amendment of the FBO Lease, though in this case, altering Parcel C, which appears to be unrelated to AHM's leasehold and, therefore, unlikely to directly and substantially affect them (FAA Exhibit 1, Item 2, Exhibit 13, p. 1). On this point, AHM's claims of the City's land banking is not necessarily misplaced. The Director agrees that the language in both amendments referenced above appears to shield Signature from competition by barring other FBO development on the property the City reclaimed from Signature.

Through its Answer, the City denies that it is "banking land" and states that it has issued RFPs for airport development (FAA Exhibit 1, Item 6, ¶91). However, the Director's review of the RFP submitted into the record shows that the cited airport development is for Hangar 5B, which is approximately 3,300 feet away at the approach end of Runway 2 on the same side but opposite end of the airfield. An RFP was also presented for an additional 21 acres of proposed development in the vicinity of Hangar 5B (FAA Exhibit 1, Item 4, Exhibit 10). These RFP's do not alleviate the Director's concerns regarding Parcels G and C.

While it is true that the City permits Signature and at least one other FBO to operate at MKC<sup>17</sup>, the City appears to have deprived itself of adequate rights and powers to control airport property by contractually eliminating its ability to consider a request for a competitor FBO to locate on relinquished Parcel G (and to a lesser degree, Parcel C). These provisions further suggest that the City may have risked creating a prohibited exclusive right for EB/Signature. Nevertheless, in the absence of evidence that a competitor FBO has been deprived of access to MKC, particularly for

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<sup>17</sup> See <https://flymkc.com/services>

use of the relinquished land described as Parcel G, the Director declines to find a violation of Grant Assurance 5 or, relatedly, Grant Assurance 23, at this time. The Director cautions the City that the existence of such language could be in violation of its federal obligations should a similarly situated user seek and be denied use of the relinquished land.

**ISSUE 5— Whether the City violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing Signature to evict AHM and then refusing to negotiate a new lease.**

**AHM’s Position**

AHM claims Signature allows two other non-profit organizations to operate at the Airport while refusing to negotiate a lease with AHM. AHM contends that, when space is available and a demonstrable need exists, the Airport sponsor must negotiate in good faith and lease that space on reasonable terms to comply with the airport sponsor’s grant obligations (FAA Exhibit 1, Item 2, p. 19).

**City’s Position**

The City argues it is under no obligation to further negotiate with AHM, much less offer it a new lease and renewed tenancy at the Airport. The City notes that its request to evict AHM was approved by the 7<sup>th</sup> Judicial Circuit Court of Clay County, Missouri (FAA Exhibit 1, Item 6, ¶115). It further claims:

[E]ven if the Complainant was a person doing business directly with the airport, “A sponsor is under no obligation to continue a business relationship with a tenant if the tenant is not meeting its obligations under the terms of a lease agreement. Not adhering to minimum standards or not paying rent are reasonable basis for a finding of default. A material breach may be a valid basis for removing an airport tenant without violating the grant assurances.” See *Rick Aviation, Inc., v. Peninsula Airport Commission*, FAA Docket No. 16-05-18, (November 6, 2007). P. 21.

(FAA Exhibit 1, Item 6, ¶¶114-118)

**Director’s Determination**

As determined in *Issue 1*, the Director confirmed AHM had standing (e.g., did not dismiss the complaint with or without prejudice) and may ascertain from the complaint the City’s initial compliance disposition with regard to its federal obligations. However, there is a distinction between standing to file a complaint, along with the Director’s decision to docket the complaint for investigation, and whether the complainant is directly and substantially affected by the alleged noncompliance. As identified in *Issue 1*, Grant Assurance 22 applies only to “aeronautical activities” and aviation museums lacking operational aircraft are considered “nonaeronautical activities.”

While AHM may be directly affected by the eviction or the City’s refusal to negotiate a new lease, nonaeronautical activities are not guaranteed protection under Grant Assurance 22. Accordingly, the

Director dismisses all claims related to the City or EB/Signature's alleged refusal to negotiate a lease with AHM, including whether the City's refusal to negotiate unjustly discriminates against AHM, even considering other aviation museum leaseholds on airport property. The City is not in violation of Grant Assurance 22, *Economic Nondiscrimination*, on this issue.

**ISSUE 6 - Whether the City violated Grant Assurance 11, *Pavement Preventive Maintenance-Management* and Grant Assurance 19, *Operation and Maintenance*, by failing to ensure airport pavements and airport facilities are maintained in a safe and serviceable condition.**

**AHM's Position**

AHM claims the City ignored its Grant Assurance 11 obligation by failing to maintain pavement or ensure Signature, as its agent, fulfilled its responsibility through its "net lease" with the City (FAA Exhibit 1, Item 2, p. 16). AHM also alleges the ramp pavement in its leasehold has not been maintained. To support its claim, AHM provides undated photographs of the ramp's pavement sections (FAA Exhibit 1, Item 2, Exhibit 45, p. 17).

AHM also asserts that the City failed to maintain the Museum's hangar door in violation of Grant Assurance 19. They allege the door motor became inoperable, effectively jamming the door closed, and the City refused to fix it. AHM suggests it was then unable to remove its aircraft from the hangar (FAA Exhibit 1, Item 2, Exhibit 45, p. 17). According to AHM, the City requested Signature to stop electrical service to the hangar during the winter months, which AHM alleges caused the hangar's plumbing to freeze and eventually burst and flood the building. AHM also claims Signature changed the hangar's locks, thereby preventing access to the Museum. AHM suggests these actions lead to the hangar falling into a state of disrepair in violation of Grant Assurance 19 (FAA Exhibit 1, Item 2, Exhibit 45, p. 17). Finally, AHM states the City's reference to a 2023 Part 139 inspection is inaccurate and fails as an affirmative defense, since this inspection "does not declare any compliance with the Grant Assurances" (FAA Exhibit 1, Item 5, pp. 6-7).

**City's Position**

The City claims that a net lease is "not a per se violation of Grant Assurance 11." It defends its pavement maintenance program by insisting an "[a]irport sponsor is charged with prioritizing the repair and maintenance of pavement based on available resources...Grant Assurance 11 does not require that all pavement on an airport be in pristine condition." The City also argues its exclusive-use lease agreements with Signature provide that Signature directly funds maintenance work on the exclusive-use leaseholds, thereby allowing the Airport to spend money on "common use areas" (FAA Exhibit 1, Item 6, ¶ 154).

The City asserts the issues surrounding the maintenance of hangar doors are a "landlord-tenant dispute and was already settled in [state] court... outside the FAA's jurisdiction" (FAA Exhibit 1, Item 6, ¶160). In addressing AHM's claim about flood damage to their hangar, the City describes the building as "a mixed-use Hangar" which has been historically subject to flooding and other issues. Those issues made this specific hangar inappropriate for aeronautical use and is the reason the City only offers this particular hangar for nonaeronautical business (FAA Exhibit 1, Item 6, ¶¶ 163-165).

The City further contends that AHM’s assertion that MKC’s 2023 FAA Part 139 Inspection “does not declare any compliance with the Grant Assurance” is incorrect. Rather, the City argues the “Part 139 inspection demonstrates that the airport is addressing operational concerns. The airport received guidance from the FAA during its Part 139 inspection.” (FAA Exhibit 1, Item 5, ¶ 153) and (FAA Exhibit 1, Item 4, Exhibit 6).

### **Director’s Determination**

The Director analyzes a Complaint only to determine grant assurance compliance and other related federal obligations. Disputes regarding contracts or local government regulations are generally a matter of state law and not covered under the Part 16 process, *See Arlet Aviation v. Puerto Rico Airports Authority*, FAA Docket 16-17-17, (October 24, 2018). As an initial matter, whether Signature has adequately maintained its leasehold facilities in accordance with its lease, including hangars and pavements associated with the AHM sublease, is generally not a matter to be adjudicated by the Director under 14 CFR part 16. Any claims, allegations, or other assertions as to the legality of Signature’s contractual responsibilities at MKC have already been addressed by Missouri state courts. Additionally, the Director has previously established that the grant assurances and the FAA compliance process are not shields from otherwise valid commercial leases with a sponsor, *See AmAv, Inc. v. Maryland Aviation Administration*, FAA Docket 16-05-12, p. 17, (March 20, 2006). As such, the Director declines to take a position on any aspect of the condition, size, location, facilities, premises, or property description, as may have been outlined in the EB/Signature leases, including hangars. This also includes any condition, size, location, facility, premise, or property description attributable to the AHM leasehold, including hangars.

As for the apron’s pavement condition, the Director notes that *Sec. 3.1 Repairs* of the 2005 EG/Signature FBO lease assigns responsibility for maintenance and repairs of all leasehold facilities and aprons to Executive Beechcraft and requires it to “repair aircraft aprons whenever they fail to meet federal standards as set forth 14 CFR Part 139.305 *Paved Areas* and Advisory Circular 150/5320-6, *Airport Pavement Design and Evaluation*” (FAA Exhibit 1, Item 2, Exhibit 8). Under the 2007 Estoppel and Consent Agreement, Signature assumed this responsibility along with other responsibilities assigned through the existing subleases (FAA Exhibit 1, Item 2, Exhibit 9).

Grant Assurance 19, *Operation and Maintenance*, states:

The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation...It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions.

Grant Assurance 11, *Pavement Preventive Maintenance-Management* states:

...for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport.

Grant Assurances 11 and 19 place a priority on the upkeep and repair of all pavement surfaces in the aircraft operating areas to ensure continued safe aircraft operations. Maintenance is a continuous responsibility of the airport sponsor. A series of scheduled periodic inspections or surveys conducted by experienced engineers, technicians, or maintenance personnel is required for an effective maintenance program (FAA Order 5190.6C, Section 7.6). From a compliance perspective, the FAA will consider a sponsor compliant with its federal maintenance obligation when the sponsor does the following:

- a) Fully understands that airport facilities must be kept in a safe and serviceable condition.
- b) Makes available the equipment, personnel, funds, and other resources, including contract arrangements, to implement an effective maintenance program.
- c) Adopts and implements a detailed program of cyclical preventive maintenance adequate to carry out this commitment.

(FAA Order 5190.6C *Airport Compliance Manual*, Section 7.5; see also *Frederick McGuire v. City of Liberty, Texas*, FAA Docket No. 16-16-18, at 7, (May 4, 2017)).

However, the record is devoid of evidence that the allegedly deficient pavements were federally funded, necessitating a maintenance-management plan required by Grant Assurance 11. While MKC is subject to Part 139 requirements and inspections by virtue of holding Part 139 certification, the Director's authority is limited to assessing the condition of federally funded pavements to the degree that reliable, probative, and substantial evidence is provided demonstrating such pavements have failed or present a safety issue in violation of either Grant Assurance 19 (14 CFR § 16.31(b)(2); Grant Assurance 11; FAA Exhibit 1, Item 2, pp. 16-18). All Part 139 pavement inspection findings remain within the purview of the FAA Office of Airport Safety and Standards, and AHM did not provide evidence to support a failed Part 139 pavement inspection. Nonetheless, images provided by AHM show aged pavements with cracks, some spalling, and vegetation surrounding the AHM hangar, but provide no evidence of the pavement funding source or whether any useful life of the pavement remains (FAA Exhibit 1, Item 2, Exhibit 45).

Accordingly, the Director concurs with the City's position that the 2023 Part 139 inspection addressed maintenance issues at the Airport. Notably, pavement problems were absent from this report. Likewise, no hangar issues were cited in the 2023 Part 139 inspection report (FAA Exhibit 1, Item 4, Exhibit 6). The Director declines to find the City to be in violation of Grant Assurance 19 or Grant Assurance 11 on this issue.

## VIII. CONCLUSION AND FINDINGS

Upon consideration of the submissions, responses by the parties, the administrative record herein, applicable law and policy, and for the reasons stated above, the Director of the FAA Office of Airport Compliance and Management Analysis finds and concludes:

- 1) The Complainant has met the pleading requirements to file a formal complaint under 14 CFR part 16 (see Issue 1).
- 2) The Respondent is currently not in violation of Grant Assurance 5, *Preserving Rights and Powers*; Grant Assurance 22, *Economic Nondiscrimination*; or Grant Assurance 23, *Exclusive Rights* as it pertains to Issue 2.
- 3) The Respondent is currently not in violation of Grant Assurance 24, *Fee and Rental Structure*, or Grant Assurance 25, *Airport Revenues*, as it pertains to Issue 3.
- 4) The Respondent is currently not in violation of Grant Assurance 5, *Preserving Rights and Powers*, as it pertains to Issue 4.
- 5) The Respondent is currently not in violation of Grant Assurance 22, *Economic Nondiscrimination*, as it pertains to Issue 5.
- 6) The Respondent is currently not in violation of Grant Assurance 11, *Pavement Preventive Maintenance-Management*, or Grant Assurance 19, *Operation and Maintenance*, as it pertains to Issue 6.

Notwithstanding the lack of current grant assurance violation, the Director recommends the following:

- 1) In light of Signature's previous denial of access to AHM's aircraft, it is evident that the City must play a more active role in the oversight of airport operations. The City should monitor EB/Signature's actions to ensure it provides reasonable access to aeronautical users in compliance with Grant Assurance 22, *Economic Nondiscrimination*.
- 2) The City's past participation in a denial of access to AHM's aircraft and its potential action and inaction in exercising its signature/approval authority regarding AHM's subleases demonstrates a potential lack of due diligence on behalf of a federally obligated airport sponsor. Accordingly, the City should review and monitor its airport management practices. Such actions should include:
  - a. taking steps to ensure the fulfillment of its obligations under Grant Assurance 22, *Economic Nondiscrimination*;
  - b. ensuring Signature and any other tenants are maintaining their leaseholds in a safe and serviceable condition, consistent with Grant Assurance 19, *Operation and Maintenance*;
  - c. formalizing a lease and sublease review and approval processes; and
  - d. reviewing its land management and leasing practices to prevent potential land banking and to ensure competitive opportunities for interested FBOs to do business at MKC.

- 3) The City should review its pavement preventative maintenance program, including coordination with the relevant FAA 14 CFR part 139 inspector for input on maintenance and condition of airport pavements subject to Part 139 inspection requirements, including the EB/Signature leasehold, as applicable.

While the Director does not find the City to be in current violation with its grant assurance obligations, the Director notes that Congress expressly supported an airport revenue use exception that allows airport sponsors to provide incentives to aviation museums in recognition of the value of “aviation human infrastructure” and the contributions such museums make to the understanding and support of aviation. Through this Determination, the Director reaffirms the value of showcasing aviation history, provided this activity is in compliance with a sponsor’s federal obligations.

### **ORDER**

ACCORDINGLY, it is ordered that:

1. The Complaint is dismissed.
2. All Motions not expressly granted in this Determination are denied.

### **RIGHT OF APPEAL**

This Director’s Determination under FAA Docket No. 16-24-04 is an initial agency determination and does not constitute final agency decision and order subject to judicial review under 49 U.S.C. § 46110 [14 CFR §§ 16.247(b)(2)]. A party to this proceeding adversely affected by the Director’s Determination may file an appeal with the Associate Administrator within 30 days after the date of service of the initial determination. If no appeal is filed within the time period specified, the Director’s Determination becomes the final decision and order of the FAA without further action. A Director’s Determination that becomes final because there is no administrative appeal is not judicially reviewable. [14 CFR §§ 16.33.]

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Michael Helvey  
Director, Office of Airport Compliance  
and Management Analysis

**Save A Connie, Inc.  
d/b/a Airline History Museum, Complainant**

**v.**

**Kansas City Aviation Department  
City of Kansas City, Missouri, Respondent**

Docket No. 16-24-04

**INDEX OF ADMINISTRATIVE RECORD**

The following items constitute the administrative record in this proceeding:

**FAA Exhibit 1**

**Item 1 – FAA Sponsor Grant Assurances**

[https://www.faa.gov/airports/aip/grant\\_assurances](https://www.faa.gov/airports/aip/grant_assurances)

**Item 2—Save a Connie’s (AHM) Complaint, dated April 15, 2024**

- Exhibit 1 — Part 13 Informal Complaint to FAA
- Exhibit 2 — E-mail correspondence with FAA about Part 13 Complaint
- Exhibit 3— FAA’s Part 13 Decision in favor of the City
- Exhibit 4 — AHM’s e-mail response to FAA about the Part 13 Complaint decision
- Exhibit 5— 2000 Sublease between Executive Beechcraft (EB) and AHM
- Exhibit 6 — 2009 Sublease First Amendment between EB and AHM
- Exhibit 7 — 2009 Sublease Second Amendment between EB and  
AHM
- Exhibit 8 — 2005 Fixed Base Operator (FBO) Lease Agreement between the City and  
EB
- Exhibit 9 — 2007 Estoppel and Consent Agreement between BBA U.S. Holdings and  
the City
- Exhibit 10 — 2007 First Amendment to Lease
- Exhibit 11 — 2010 Second Amendment to Lease allowing AHM rent abatement
- Exhibit 12 — 2011 Third Amendment to Lease with map depicting Parcel D, subleased  
to AHM
- Exhibit 13 — 2012 Fourth Amendment to Lease, allowing optional extensions until  
2050 and setting rent abatement amounts for the period of 2013-2018
- Exhibit 14 — 2019 Sixth Amendment to Lease (Fifth Amendment excluded), removing  
the 2005 FBO Lease provision requiring EB to sublease Parcel to AHM  
“for as long as it remains a non-profit airline museum”
- Exhibit 15 — Kansas City Ordinance 190701, passed on August 29, 2019, removing  
the rent abatement for AHM

- Exhibit 16 — 1<sup>st</sup> e-mail from Brett Robinson, Properties and Commercial Development, Kansas City Aviation Department sharing Parcel D map and the lack of any documentation of the boundaries of the D1 section, dated April 2, 2014
- Exhibit 17 — April 2, 2014, 2<sup>nd</sup> e-mail from Brett Robinson, Properties and Commercial Development, Kansas City Aviation Department, stating his office was unable to find copies of the original 1973 EB Master Lease and the 1993 Amendment
- Exhibit 18 — April 15, 2024, e-mail from Brett Robinson, Properties and Commercial Development, Kansas City Aviation Department, providing the first and fourth amendments to the Master Lease. This e-mail also states that the airport has no minimum standards, but does apply standard lease conditions to all tenant leases.
- Exhibit 19 — July 10, 2014, e-mail from David Long, an unspecified City employee, describing the termination of the original 1973 Master Lease in 2006. He identified the original tracts of land included in the lease and states the new 2006 lease provides for an abatement of up to 300,528 square feet, which AHM will have “full benefit”.
- Exhibit 20 — October 7, 2014, e-mail to Mark Van Loh (MKC) from Bob Glover (AHM) stating that the City, AHM, and Executive Beechcraft agreed to a new definition of the AHM leasehold (designated Parcel D2). Mr. Glover then requested the Airport add this definition to its Master Plan, and the lease between the City and EB and the sublease between AHM and EB.
- Exhibit 21 — October 16, 2014, e-mail from Brett Robinson
- Exhibit 22 — August 11, 2017, e-mail from Melissa Cooper
- Exhibit 23 — Original 2005 Base Map
- Exhibit 24 — Updated Base Map with Parcel D
- Exhibit 25 — Updated Base Map separating Parcel D into D-1 and D-2
- Exhibit 26 — Overlays between updated Base Map and Master Tenant Claimed Sublease Property
- Exhibit 27 — City Resolution #030548
- Exhibit 28 — City Ordinance #090370
- Exhibit 29 — City Resolution #140438
- Exhibit 30 — City Resolution #170131
- Exhibit 31 — June 12, 2014, e-mail from Joe Behling
- Exhibit 32 — June 12, 2014, e-mail from Mark Van Loh
- Exhibit 33 — September 17, 2015 e-mail from Michael Roper
- Exhibit 34 — September 18, 2015 e-mail to Joe Behling
- Exhibit 35 — March 15, 2013 e-mail to Joe Behling
- Exhibit 36 — April 15, 2013 e-mail to Joe Behling
- Exhibit 37 — Photos of alleged non-aeronautical use

- Exhibit 38 — March 18, 2013 e-mail from Joe Behling
- Exhibit 39 — November 12, 2013, e-mail from Joe Behling
- Exhibit 40 — November 12, 2013, second e-mail from Joe Behling
- Exhibit 41 — December 15, 2021, e-mail from Greg Fotovivh
- Exhibit 42 — December 21, 2021, e-mail from Rob Dewinkler
- Exhibit 43 — December 22, 2021, e-mail from James Orefice
- Exhibit 44 — March 16, 2022, e-mail to James Orefice
- Exhibit 45 — Photos of the alleged present condition of Parcel D
- Exhibit 46 — AHM Contracted Compliance Review
- Exhibit 47 — Estimated abatements diverted to Master Tenant (Signature)
- Exhibit 48 — Present available property for development from Airport Layout Plan

**Item 3--Notice of Docketing, dated May 6, 2024**

**Item 4--Motion to Dismiss/Motion for Summary Judgement, dated May 24, 2024**

- Exhibit 1 — Save a Connie, Inc., d/b/a Airline History Museum v. Executive Beechcraft, Inc. and the City of Kansas City, Missouri, 19CY-CV06456 (Cir. Clay MO 2022), Final Judgement
- Exhibit 2 — Save a Connie, Inc., d/b/a Airline History Museum v. Executive Beechcraft, Inc. and the City of Kansas City, Missouri,
- Exhibit 3 — June 9, 2016, Letter from Jim Johnson of the FAA Central Region about possible grant assurance violations
- Exhibit 4 — December 20, 2018, Letter from Jim Johnson (FAA) about museum rental rates
- Exhibit 5 — February 3, 2020, e-mail from Jim Johnson (FAA) about AHM's lease agreement.
- Exhibit 6 — October 18, 2023, FAA Part 139 Inspection Letter
- Exhibit 7 — Airline History Museum (AHM) website, <https://airlinehistory.org> linked on May 9, 2024
- Exhibit 8 — Request for Proposals by the City "for Developer for City Aviation Property Contract for Contract/Project No. 6223010001 Aviation Department, January 6, 2023
- Exhibit 9 — Declaration of Property Development Steps for Hangar 5B, from Peter Fullerton, May 20, 2024
- Exhibit 10 — Declaration of Property Development, Lima Development Area RFP from Pete Fullerton, May 20, 2024
- Exhibit 11 — FAA Aircraft Registry from May 24, 2024
- Exhibit 12 — Statement Regarding the Status of Lockheed L-1049 Constellation N6937C and other Airline History Museum assets, May 14, 2024
- Exhibit 13 — *Airline History Museum owners hope FAA will help solve lease issues at KC's Downtown Airport*, KMBC.com, May 14, 2024
- Exhibit 14 — Statement regarding Hangar 8 by Rod Dewinkler, May 14, 2024

**Item 5—Answer to the Motion to Dismiss/Motion for Summary Judgement, dated June 3, 2024 (exhibits are listed according to AHM’s actual numbering system)**

- Exhibit 49 — EBI—EBLLC Conversion
- Exhibit 50 — EB LLC Merger
- Exhibit 51 — Motion to Dismiss Kansas City
- Exhibit 52 — Surplus Cash
- Exhibit 53 — Supersedeas Bond

**Item 6 — Answer to the Complaint, dated July 26, 2024**

**Item 7 — Reply to the Answer (titled Rebuttal and Protest to the Respondent’s Late Answer), dated August 5, 2024**

**Item 8 — Request for Nunc Pro Tunc Docketing or, in the Alternative, Commence Review Determination Window, dated August 23, 2024**

**Item 9 — Complainant’s Response to Respondent’s Request for Leave, dated September 3, 2024**

**Item 10 — Airport Improvement Grant History, dated August 14, 2024**

**Item 11 — FAA Form 5010 for MKC, dated August 8, 2024**

**Item 12 — FAA Airfield Pavement Engineer, Safety and Standards (AAS-110) pavement assessment of the AHM hangar apron.**

**Item 13 — MKC Airport Layout Plan**

**Item 14 — MKC Land Use Map**

**Item 15 — Kansas City Code of Ordinances—Section 6—Airports and Aviation**

**Item 16 — FAA Notices of Extension of Time**

- Exhibit 1 – Extension to February 7, 2025, dated December 9, 2024
- Exhibit 2 – Extension to April 8, 2025, dated February 7, 2025
- Exhibit 3 – Extension to June 9, 2025, dated April 8, 2025
- Exhibit 4 – Extension to August 8, 2025, dated June 10, 2025
- Exhibit 5 – Extension to October 7, 2025, dated August 11, 2025
- Exhibit 6 – Extension to November 11, 2025, dated October 8, 2025
- Exhibit 7 – Extension to December 19, 2025, dated November 21, 2025
- Exhibit 8 – Extension to January 19, 2026, dated December 19, 2026
- Exhibit 9 – Extension to February 18, 2026, dated January 20, 2026
- Exhibit 10 – Extension to March 5, 2026, dated February 20, 2026

Exhibit 11 – Extension to March 20, 2026, dated March 10, 2026

**Item 17--Response to Motion to Deem Allegations Admitted and Judgment on the Pleadings, dated August 11, 2024 (exhibits below are listed according to AHM's actual numbering system)**

Exhibit 54 – FAA Website-Dos and Don'ts  
Exhibit 55 – Communication with City Leaders  
Exhibit 56 – Ethics Complaint

Appendix A – Loar: Letter of Resignation  
Appendix B – FAA Aircraft Registration: King's Aircraft  
Appendix C – King Demand Notice  
Appendix D – Photograph of King's Aircraft Parked on City Property  
Adjacent to Fire Station  
Appendix E – USA v. King et al Court Records  
Appendix F – RFP per Resolution 170131  
Appendix G – Resolution 170131  
Appendix H – Hinkle's (Astra Enterprises) Report to the Aviation  
Department  
Appendix I – AHM's Rebuttal to the Contents of the Report  
Appendix J – Thinking Big Article  
Appendix K – Save a Connie v. Executive Beechcraft  
Appendix L – Master Lease Section 2.5  
Appendix M – Resolution 090370: Reduced Rates for AHM  
Appendix N – Master Lease Second Amendment: Zero Rent  
Appendix O – FAA Order 5190.6B, Section 17.16.a. Reduced Rent  
Appendix P – Resolution 190701  
Appendix Q – Resolution 140438  
Appendix R – Resolution 030548  
Appendix S – Kansas City Air Show Charities  
Appendix T – Loar Appointment by Sly James

Exhibit 57 – Affidavit of John Roper  
Exhibit 58 – Affidavit of Christopher Stout

**Item 18—Suggestions in Support of Complainant's Motion to Deem Allegations Admitted, dated August 15, 2024 (exhibits below are listed according to AHM's actual numbering system)**

Exhibit 59 – Calculation of Time: Respondent's Answer  
Exhibit 60 – Calculation of Time: Motion to Dismiss/Summary Judgment  
Exhibit 61 – Calculation of Time: FAA Can Act on MDSJ  
Exhibit 62 – Calculation of Time: Answer to the Complaint  
Exhibit 63 – Calculation of Time: Response Date if Answer was Filed on Time  
Exhibit 64 – Calculation of Time: Complainant's Reply Due  
Exhibit 65 – Calculation of Time: All Responses Due per 14 CFR § 16.19(c)

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on March 25, 2026, I caused to be emailed a true copy of this foregoing Order for FAA Docket No. 16-24-04 addressed to:

**FOR THE COMPLAINANT**

Gary A. Scholtz  
AHM Board Secretary  
BOD@airlinehistory.org

John Roper, President Board of Directors  
Save A Connie, Inc.  
d/b/a Airline History Museum  
JRoper@airlinehistory.org

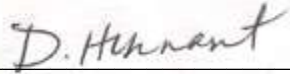
**FOR THE RESPONDENT**

Jetlaw, LLC  
C. Edward Young  
1350 Connecticut Ave NW  
Washington DC 20036  
CEYoung@jetlaw.com

Jetlaw, LLC Kent S. Jackson  
1350 Connecticut Ave NW  
Washington DC 20036  
kjackson@jetlaw.com

**Copy to:**

FAA Part 16 Airport Proceedings Docket (AGC-600)  
FAA Office of Airport Management and Management Analysis (ACO-100)  
FAA Office of Airports Central Region (ACE-600)

  
\_\_\_\_\_  
Danielle Hinnant  
Office of Airport Compliance  
and Management Analysis