



August 7, 2026

Via Email

Molly Fierro, Compliance Specialist
FAA, Western Pacific Region
777 Aviation Blvd, Suite 150
El Segundo, CA 90245

RE: City of Mesa's Consolidated Response to Complaints About Landing Fees

Dear Ms. Fierro:

The Aircraft Owners and Pilots Association (AOPA), the Arizona Pilots Association (APA), and the Aviation Safety Advisory Group of Arizona (ASAG), appreciate the opportunity to comment on the City of Mesa's consolidated response (City's Resp.) to the Part 13 complaints about landing fees at Falcon Field (FFZ), submitted by the law firm Anderson Kreiger on July 2, 2026.

In summary, we have three general observations. *First*, the City's response demonstrates that the City failed to conduct an analysis to determine whether landing fees were necessary, reasonable, and not unjustly discriminatory *before* it adopted the fees. This failure suggests that the City's motivation to impose those fees was, at least in part, to limit flight training operations and reduce noise complaints. *Second*, and contrary to the City's claims of "extensive consultations," the City previously refused to discuss or consider alternatives to imposing landing fees before they were adopted on March 23, 2026. *Third*, the City's response refuses to acknowledge the negative impacts of the landing fees, including safety, which the City itself and others have anticipated. The City's actions in this matter unfortunately fit an emerging national pattern of airport sponsors turning to landing fees at federally obligated airports in response to community noise concerns.

I. The City Failed to Conduct the Required Analysis Before Adopting Landing Fees, and Appears Motivated to Limit Training Operations and Reduce Noise Complaints.

The City's response lacks appropriate documentary evidence that should exist detailing the data, evaluation, and methodology used to identify the economic need at FFZ for fees—if the City had engaged in such an effort before adopting the fees. Underscoring this failure, in response to the Part 13 complaints, the City has now been forced to pause the implementation of the landing fees while Anderson Kreiger "evaluate[s] the City's operational and financial data and the methodology for calculating the landing fees." City's Resp. at 2.

The currently on-going and *self-serving* evaluation being conducted by the City's legal counsel *after the fact* would not be necessary if the City had, as we requested in our letter from March 20, 2026, delayed the vote to adopt the landing fees for six months "to allow for the transparent, interactive reconciliation of the airport's financial needs in collaboration with the pilot community." The City's refusal to fairly engage with the pilot community at the time also supports the conclusion that the primary motivation for the rushed imposition of landing fees was to limit training operations and address noise complaints instead of an actual economic need.

A. The City admitted that training operations do not affect pavement costs and that it lacked important underlying data before it adopted the fees.

While the City argues that landing fees are required to “cover pavement management costs,” (City’s Resp. at 1) the City has now *admitted* that: (i) “aircraft load is a relatively insignificant factor in pavement deterioration at FFZ” and “climatic conditions are the predominant cause of pavement deterioration at FFZ” (City’s Resp., Att. A, Questions 17 and 23); (ii) it did not create the rates for the Airfield Cost Center until May 2026—*after* adopting the fees—and has not created rates for the Ground Lease Cost Center (City’s Resp., Att. A, Question 3); and (iii) it has not until recently tracked certain expenses related to hangar use, tracked any foregone revenue from the citrus groves, or tracked nonaeronautical revenues and expenses at FFZ to allocate those revenues or expenses to particular operations or facilities (City’s Resp., Att. A, Questions 4, 5, and 6).

Because pavement deterioration at FFZ is caused primarily by climate—not by aircraft operations, such as touch-and-go landings during training—the adopted landing fees are *per se* unjustly discriminatory to flight training operations. By charging a fee for every landing, including every touch-and-go, the fees specifically penalize repeated activity on the runways even though this type of activity does not create or add to the airport’s “pavement management costs.” To the extent that any additional fees for pavement costs are ever proven to be necessary, they should be borne equally by all airport users who benefit from access to the runways, across *all* cost centers.

Equally as troubling, the City adopted the landing fees before it had even created the rates for the airfield and ground lease cost centers and without necessary underlying data. Given this reality, it was not possible for the City to have conducted a proper analysis to decide if fees were necessary, fair and reasonable, and not unjustly discriminatory, because the City lacked necessary data and was unable to track and understand all revenues and expenses. Despite the inclusion in its response of what it identified as a forecast (*see, e.g.,* City Resp., Att. L), the City cannot prove that airfield revenues will not exceed airfield costs, as the FAA Airport Rates and Charges Policy requires, because it has never disclosed the airfield rate base. As an example, Attachment L to the City’s response is simply an enterprise-wide fund balance forecast with a single undifferentiated revenue line that neither separates airfield revenue from hangar or ground lease revenue nor allocates costs among the three cost centers.

B. The City’s claim that no federal or state grants will cover pavement costs is unsupported.

Without explanation, the City’s response argues that fees are necessary because of “pavement management costs **that will not be covered by federal or state grant funding.**” City’s Resp. at 1 (emphasis added). The documents submitted by the City do not explain why federal or state grant funding cannot be obtained or used to cover “pavement management costs.” Indeed, Attachment M to the City’s response simply shows that the City assumes zero grant funding and a 100 percent local share for its annual airfield pavement maintenance programs, without any analysis of eligibility for grants. The City should explain the basis for their statement and assumption.

C. The City’s recently developed FFZ cost centers appear designed to isolate revenue from areas outside the airfield cost center to justify the landing fees.

The City’s recently created cost centers appear designed to isolate excess revenue from areas outside of the airfield cost center such as, for example, the long-term ground leases. The City stated that it will not create the rates for the “Ground Lease Cost Center” until August 2027. *See* City’s

Resp., Att. A, Question 3. Those ground leases likely produce significant excess revenue for FFZ and we have been told that the tenants under those leases pay their own maintenance expenses through owners' associations which, if accurate, would eliminate most expenses associated with this cost center. According to the City's response, the "Lease of Land-Falcon Field" line item produced \$3,002,461 of \$5,085,860 (roughly 59%) in total airport operating revenue in FY 2024/25. *See City's Resp., Att. J.* Nevertheless, the City adopted the landing fees before determining whether this revenue stream bears its allocable share of airport costs, and the City apparently will not make that determination until August 2027. For this reason, the City's actions seem focused on limiting revenue allocable or available to the airfield cost center. Moreover, and despite the City's claim of an urgent need for funding, the City only raised the fuel flowage fee for 100LL and alternative fuels from \$0.14 to \$0.15 per gallon, even though this fee is the "**primary source of revenue**" for the newly created airfield cost center, and is silent about any increase in the flowage fee for Jet A. City's Resp., Att. A, Question 10 (emphasis added).

D. Noise complaints and flight training activity—not financial need—were the main topics of concern at FFZ before the rushed imposition of landing fees.

As described in our March 4, 2026, letter to the City's Mayor and Council, concerns about training flights, touch-and-go operations, and noise were the subject of neighborhood meetings and focus groups convened by Councilmember Goforth well before airport finances were raised as an issue at FFZ in late 2025. Those discussions focused almost entirely on the impact of flight school traffic and how to reduce those operations, with landing fees consistently discussed as the answer. Councilmember Goforth's social media statement in November 2025 that she had "convened a stakeholder committee earlier this year to evaluate the issues surrounding training flights, including noise impacts . . . and potential mitigation strategies — landing fees among them" is *corroboration* of a course of conduct, not an isolated remark.

Indeed, about two years before the adoption of fees at issue now, the City was already considering imposing landing fees at FFZ for the purpose of limiting flight training activity. At the time, AOPA's Airport Support Network representative (ASN) met with proponents of this initiative to explain why imposing fees to limit flight training would not be appropriate. AOPA's ASN has also reported that neighbors have demanded landing fees in various meetings over a period of many years for the purpose of reducing noise.

On November 10, 2025, representatives of APA and ASAG met with Airport Director Corinne Nystrom and Councilmember Goforth to address the many noise complaints Councilmember Goforth was receiving from residents, and to discuss the possibility of FFZ instituting landing fees using ADS-B data to address noise complaints and to allegedly ensure that FFZ would be "self-supporting." APA and ASAG representatives at the meeting provided options available to the City to address the concerns about noise and revenue at FFZ without the need to impose landing fees, but neither the Airport Director nor the Councilmember were interested in pursuing those ideas. APA and ASAG then asked to be added to the Councilmember's Stakeholder Committee to represent the general aviation community at FFZ, but the Councilmember denied the request.

The City also states in its response that there is no record of any noise or aircraft-related complaints associated with the airport land parcel located on Longbow Parkway and at the intersection of Arizona Route 202 and Recker Road. *See City's Resp., Att. A, Question 2.* The city's response, however, ignores that in 2020 the City sold a 132-acre parcel of land located at the corner of Thomas and Recker Roads for a housing development, now known as the Reserve at Red Rock. This community, about 1.8 statute miles from Runway 22L, the adjacent Red Mountain Ranch

Community, and the community of Las Sendas, are the source of the majority of noise complaints at FFZ, which started well before the adoption of landing fees.

E. The City itself forecasted a reduction in flight activity after imposition of the landing fees, which contradicts its stated purpose of recovery of costs.

As early as January 15, 2026, the City anticipated that its proposed landing fees could reduce “aircraft operations if current airport customers choose to utilize other airports instead of Falcon Field once the landing fee is imposed.” *See* FFZ Fees and Charges Report at 4 (Ex. 1, attached). In short, the City built into its own original fee schedule the expectation that operations at FFZ would decline, and then created a mechanism to raise the per-landing rate when that happened.

The City’s original fee plan is irreconcilable with a cost recovery rationale. It shows that the landing fee was derived from a revenue target rather than from an allocation of the rate base, and it also seeks to improperly shift the costs of this revenue target collection effort from departing operators onto those who remain at FFZ, which will further reduce operations at FFZ. This plan also shows the arbitrary and uninformed nature of the process used to set the fees. While the City now argues, incorrectly, that this language was simply “added in response to statements by flight schools and others that they intended to reduce operations significantly at the Airport as a result of the landing fees” (City’s Resp., Att. A, Question 9), the City’s expectations are clear.

II. Contrary to Its Claims, the City Refused to Discuss or Consider Alternatives to Imposing Landing Fees Before They Were Adopted on March 23, 2026.

The City listed in its response several meetings held between December 2025 and March 2026 as evidence of its alleged compliance with the FAA Airport Rates and Charges Policy. *See* City’s Resp. at 5. But the number of meetings is irrelevant if the participants were not provided with the necessary information to evaluate the fees, and if the City was unwilling to consider alternatives to their proposal. The FAA policy requires that users receive the information necessary to evaluate the proposed rates, the rate base, the cost allocation methodology, the supporting data, the calculations, and have a *fair opportunity* to address them *before* adoption. None of that happened here. Instead, attendees reported that the sessions were briefings on what would happen, and that it was made clear that the proposal would go to Council regardless of the input received.

A. Our organizations were excluded from the process used to adopt the fees and were also rebuffed when we asked to engage.

As previously mentioned, APA and ASAG were excluded from Councilmember Goforth’s Stakeholders Committee, and our collective requests to engage with the City on this issue were not answered. For example, with our March 4, 2026, letter to the Mayor, City Manager and Council, we asked the City, among other things, to remove the fee proposal from the Council’s March agendas to establish a Falcon Field Airport Advisory Board within thirty days, composed of representatives from all categories of airport users, businesses and residents, with a defined work program that would have provided: (1) a baseline review of airport financial statements since 2015 including calculation of the base rate; (2) a financial compliance review under the FAA Airport Compliance Manual; (3) a review of the fee proposal to ensure it is fair and equitable to all classes of users and to consider all available options; and (4) for a go-forward process for collaborative review of airport finances. AOPA’s letter from March 20, 2026, renewed the request for a six-month postponement to address the issues collectively, but the City refused our efforts to engage to find an acceptable and legally compliant solution for all interested parties.

B. The City rejected every alternative to landing fees.

During and after the previously discussed meeting that took place on November 10, 2025, APA, ASAG, and AOPA's ASN attempted to offer the City alternatives to the landing fee proposal to address *both* noise complaints and any financial concerns. Suggestions included: (i) minimum standards and SASO fees; (ii) a business-use fee structure of the kind used at other local airports; (iii) changes to the FFZ transaction privilege tax; (iv) congestion pricing under the FAA's 2008 policy; (v) a strengthened, incentive-based Fly Friendly program addressing voluntary noise abatement and pattern saturation at peak hours; and (vi) given FFZ's reliever designation and documented economic contribution, a return to the airport of a portion of the value it generates.

AOPA's ASN also met with senior City staff and with several members of the City Council in advance of the City's recent decision on landing fees to offer assistance in developing regulatory compliant alternatives to landing fees that could enhance the safe and efficient operation of the airport. He asked the City for the financial information that could help clarify the airport's financial situation, which was not provided, and offered to meet with the City's legal counsel to work out a solution to the concerns expressed by City officials. All offers of help were ignored or rejected in favor of the City's goal to impose landing fees, with one council member expressing concern that by pursuing other alternatives, the City might forego its opportunity to impose landing fees.

Despite all the alternatives suggested and help offered, in response to the FAA's questions about what alternatives to landing fees were considered, the City claims that it looked at a business licensing fee and student pilot fees, but rejected both as difficult to track and insufficient, and concluded that "[t]he implementation of landing fees was the only viable alternative." City's Resp., Att. A, Question 10. This conclusion is not supported by available evidence. The City did not even attempt to address minimum standards fees, SASO fees, congestion pricing, ground lease adjustments, and general fund participation, demonstrating—at best—the cursory nature of the City's consideration of alternatives to imposing landing fees.

III. The City Refuses to Acknowledge the Negative Safety Impacts of the Landing Fees.

The activity to be displaced from FFZ with fees will not disappear; it will move. FFZ accounted for approximately 231,000 small-aircraft landings in 2025, and about half of all operations are related to flight training, including touch-and-go landings. *See* City's Resp., Att. A, Question 18. Nevertheless, the City dismisses the concerns about the impact of the fees on safety and airspace management as "speculative." City's Resp. at 6. Forcing a significant portion of that traffic volume into neighboring traffic patterns in already congested Phoenix-area airspace is a foreseeable operational consequence of the fees, not conjecture, and it is the concern Director Helvey identified on April 13, 2026, writing that "the City's unusual landing fee structure has the potential for systemwide impacts" and could "jeopardize or disrupt the Acceptable Level of Safety under which operations are now conducted." The City's refusal to acknowledge this clear issue is concerning.

Indeed, it is likely that a substantial portion of the traffic that will be displaced from FFZ because of the fees will move to non-towered airports, where separation services are not provided, and which could increase the likelihood of mid-air collisions. Moreover, transit to and from FFZ will be even more frequent in the confined airspace between KCHD and KFFZ (east of KIWA), which is an area that is already experiencing traffic conflicts and associated noise complaints.

Other airports in the region immediately recognized the impact the fees will have on their operations. The Mesa Gateway Airport Authority, by letter dated March 31, 2026, advised the Greater Phoenix Flight Training Schools that the adoption of the landing fees at FFZ on March 23, 2026, “represents a major environmental shift for aviation in greater Phoenix that will most certainly impact other regional airports.” (Ex. 2, attached).

The City cannot credibly disclaim these operational consequences that will certainly impact safety. It accepted federal funds and, with them, the obligation to operate FFZ as a component of the national airspace system. While it is understandable that the City wants to address the complaints from residents near FFZ, the imposition of the adopted fees is not the appropriate way to do so.

IV. Conclusion and Requested Action.

From the totality of these circumstances, we conclude that: (i) the City’s financial information with respect to the airport was and remains insufficient to support its decision; (ii) the City’s objective with landing fees appears to be an attempt to regulate flight training rather than to address airport financial deficits; and (iii) although the City held several meetings about its proposed action, none of those meetings satisfied the FAA Airports Rates and Charges Policy. As a result, AOPA, APA, and ASAG respectfully request that the FAA:

1. Find that the landing fees adopted on March 23, 2026, violate the City’s federal obligations, and that the City has been and is presently in noncompliance with Grant Assurances and the FAA’s Airport Rates and Charges Policy;
2. Request the City to produce and share publicly, on a date certain, the airfield rate base and the calculations by which the fee rates were derived; the cost allocation plan and documentation of the costs each City department allocates to the airport; an analysis of how airfield costs are caused by each class of user; and an exemption-by-exemption accounting of operations exempted and revenue forgone; and
3. If the City declines to rescind the fees, initiate FAA enforcement action through 14 CFR part 16, subpart D, Special Rules Applicable to Proceedings Initiated by the FAA.

This matter arises against a national pattern of airport sponsors turning to landing fees at federally obligated airports in response to community noise concerns, often without understanding that grant assurances constrain how and why such fees may be imposed. The FAA's determination here is an opportunity to make those obligations clear, not only to the City, but to every other airport sponsor.

Sincerely,

Signed by:

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Exhibit 1



Fees and Charges Report

Date: January 15, 2026

To: Audit, Finance, and Enterprise Committee

Through: Brent Stoddard, Assistant City Manager

From: Corinne Nystrom, A.A.E., Airport Director
Sara Mercado, Fiscal Analyst

Subject: Falcon Field Airport Department Update to Schedule of Fees and Charges

Purpose and Recommendation

Falcon Field Airport is one of the most vibrant and active general aviation airports in the United States and is a major economic hub for the City of Mesa. In addition to being home to 140 businesses that employ over 1,100 people, the City owns and rents 411 aircraft storage hangars, 414 aircraft storage tiedowns, and 74 aeronautical storage rooms. The City's goal is to ensure that Falcon Field Airport continues to be a valuable, financially self-sustaining community asset.

Falcon Field Airport has been financially self-sustaining since 2006 largely due to the sale of Airport-owned land, located at Thomas and Recker Road. The sale of this Airport-owned land generated over \$4.6 million in revenue, and this revenue was applied towards the Airport's Enterprise Fund. For the past 20 years, the Airport has used the proceeds from the sale for capital and operating costs of the Airport including to help maintain and improve the airport infrastructure and facilities. However, these funds will be exhausted within the next 1-2 years, and additional airport revenue must be generated to keep the Airport financially self-sustaining. While several other Valley airports are subsidized by their governing entity, Falcon Field Airport does not receive any funding from the City's General Fund to operate the airport or to construct airport capital improvements.

The last fees and charges adjustment for Falcon Field Airport became effective August 1, 2025. The Falcon Field Airport Department is proposing additional modifications to Falcon Field Airport's Schedule of Fees and Charges. If the proposed changes are approved by City Council, the fees and charges will be effective March 1, 2026.

Background

Although the Airport is eligible to receive federal and state grant funds for essential airfield capital improvements, it must rely on the revenues that are collected from airport tenants and users to pay for all ongoing maintenance, repair, and operations

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expenses, as well as its local share for grant-funded projects and all non-grant-funded airport capital improvement projects. In FY2024-25, the Airport generated \$5.6 million in revenue. This includes operating revenue and federal and state grants for specific capital improvement projects. The Airport generates operating revenue from several sources. The two (2) largest revenue sources are rents collected on long-term ground leases and rents collected on the City-owned aircraft storage hangars, tiedowns, and storage rooms. The ground lease rental rates include CPI-U adjustments, the formula for which is set forth in the Master Tenant Lease signed between the City and the tenant. In FY2024-25, annual operating and capital improvement project costs were approximately \$5 million. While \$600,000 in net revenue is positive, it is not sufficient to pay for all the deferred maintenance and essential capital improvements projects that the Airport must complete over the next 5-10 years.

Discussion

The City must comply with Federal Aviation Administration laws, rules, regulations, and Grant Assurances which, among other things, require the airport to be as financially self-sustaining as possible. Historically, the City-owned hangar, tiedown, and storage room rental rates have been based solely on a market comparison with other general aviation airports in the Phoenix area. However, this comparison includes airports that receive supplemental funds from their municipalities. Because of this, these airports can charge less for their City-owned hangars and tiedowns than the true costs to maintain and operate them.

Over the past few years, inflation has outpaced the annual rate increases Council previously approved and implemented for Falcon Field Airport. Consequently, maintenance on City-owned Airport buildings and airfield pavement at the airport has been deferred due to inadequate funding levels.

In addition, over the next several years, the Airport-owned citrus trees in the airport buffer area, located west of Greenfield Road, will need to be removed due to age and replaced with 1-2 rows of drought-resistant trees along Greenfield and McKellips Road. This will cost approximately \$14 million. To date, the Airport has not collected enough revenue from the current airport fees and charges to set aside money for this project.

In 2024, the City established a Hangar, Tiedown, and Storage Room Cost Center, which includes the costs to maintain, repair, and improve the City-owned hangars, tiedowns, storage rooms, and pavement located on or near these facilities that is used primarily by the tenants who rent them. The Airport team researched the annual operating and maintenance costs for the City-owned hangars and storage rooms. The data showed that the current rental rates for the hangars and storage rooms only covered the costs of operating and maintaining the buildings themselves. The rental rates did not generate enough revenue to maintain the aircraft pavement between the rows of hangars that aircraft use to access the non-exclusive taxiways and runways. In addition, the rental rates do not cover the cost of re-painting the hangar/storage room exteriors to extend the buildings' lives, which will cost approximately \$2 million. To date, the Airport has not collected enough revenue from the current airport fees and charges to set aside money for this project.

In 2025, the Airport team researched the annual operating and maintenance costs for the City-owned tiedowns. The data showed that the current rental rates for the tiedowns are insufficient to maintain and manage the tiedowns and maintain the aircraft

pavement where the tiedowns are located. Currently, revenue generated from the Ground Lease Cost Center is subsidizing the cost of maintaining this pavement.

While the rental rate increase of 8%, that was previously approved and became effective on August 1, 2025, for hangars, tiedowns, and storage rooms has helped reduce the deficit in this Cost Center, it is estimated that at the end of this fiscal year, the deficit will still be approximately \$138,000, which does not include funds that will need to be applied toward operating, maintaining, and improving the non-exclusive facilities of the airfield described below (i.e. Airfield Cost Center).

In addition, in 2025, the Airport team researched the annual cost to operate and maintain the *non-exclusive* portions of the airfield, including the runways, taxiways, taxi lanes, airfield lighting, safety areas, landing aids, non-exclusive ramp areas, the terminal building, the Airport maintenance facility, and the citrus groves land buffer (i.e. Airfield Cost Center). The only current revenue source dedicated to operating this Airfield Cost Center is the fuel flowage fees collected on aircraft fuel delivered to the airport for sale. The estimated FY2025-26 amount is \$340,532 based on the current fuel flowage fee rates. However, the FY2025-26 estimated cost to operate, maintain and improve infrastructure in the Airfield Cost Center is \$2,675,802. This results in a deficit of \$2,335,270. This deficit does not include setting aside future funding for removal of the citrus trees, replacing them with 1-2 rows of drought-resistant trees, and ongoing pavement maintenance. Because of the substantial shortfall, revenue generated from the Ground Lease Cost Center is subsidizing the costs of maintaining, repairing, and improving infrastructure in the Airfield Cost Center.

Airfield pavement must be regularly maintained in order to retain a pavement condition index (PCI) that makes it possible for aircraft to use it. According to the Federal Aviation Administration (FAA), the ideal PCI is 70 or more. While some of the airport's pavement falls within this 70+ PCI range, other areas of pavement fall below this. Failure to maintain these pavements will result in further deterioration and ultimately require the pavement to be completely removed and re-constructed. The cost to re-construct these sections of pavement is substantially greater than the cost to perform ongoing maintenance to keep it at an acceptable PCI level. The cost to maintain all pavement located in both the Hangar, Tiedown, and Storage Room Cost Center and Airfield Cost Center at a PCI 70 level over the next 8 years is approximately \$46 million, or an average of \$5.75 million per year. This yearly amount of \$5.75 million exceeds the estimated FY2025-26 Airport Enterprise Fund Ending Fund Balance of \$4.2 million by over \$1.5 million.

Moving forward, the goal is to make each Cost Center financially self-sustaining. To accomplish this, it is recommended that: 1) hangar, tiedown and storage room rental rates continue to be increased until the Hangar, Tiedown, and Storage Room Cost Center becomes financially self-sustaining, including covering the cost for all the ongoing pavement maintenance that is needed; 2) landing fees be charged to help cover the costs of maintaining, repairing, and improving the infrastructure in the Airfield Cost Center, including covering the cost for the ongoing pavement maintenance that is needed, removing the citrus trees west of Greenfield Road, and planting 1–2 rows of drought-resistant trees along Greenfield and McKellips Road. However, even with adding landing fees, and increasing the hangar, tiedown and storage room rental rates, the Hangar, Tiedown, and Storage Room Cost Center and Ground Lease Cost Center will still need to contribute funds to cover all the Airfield Cost Center costs.

The proposed landing fee model is similar to how utility rates are structured. Airport users who are based at the airport (i.e. tenants) would pay a base fee to the Airport (i.e. rent) and then pay a usage fee each time the tenant lands his/her aircraft (i.e. landing fee). To comply with FAA Grant Assurance No. 22, the proposed landing fee would be charged on **all** aircraft that land at Falcon Field, including aircraft that are not based at Falcon Field. Grant Assurance No. 22 requires the airport to be available to the public on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities. This includes charging reasonable fees that are not unjustly discriminatory against any specific type of user. In accordance with the FAA's Policy Regarding Airport Rates and Charges, the only aircraft exempt from landing fees would be aircraft owned and operated by government agencies when operating official missions.

The proposed landing fee rate is based on two things: 1) a rate that is comparable to what other general aviation airports are charging across the United States. A survey conducted by the Airport of 15 airports across the United States that charge general aviation landing fees resulted in an average landing fee of \$19.44 per landing; 2) an upward adjustment to the average landing fee rate to account for a potential reduction in aircraft operations if *current* airport customers choose to utilize other airports instead of Falcon Field once the landing fee is imposed (Example: charging \$29.95 instead of \$19.44 per landing). The landing fees for aircraft weighing more than 6,000 lbs. are based on the maximum landing weight (MLW) of an aircraft, as determined by the aircraft manufacturer and certified by aviation regulatory authorities such as the Federal Aviation Administration.

Another new proposed fee is for a Terminal Advertising Board Display. While this fee will not generate a lot of revenue, it will make good use of an existing display monitor in the Airport terminal building lobby that airport tenants can rent on a monthly basis to advertise their aviation services.

The following fee adjustments and additions are recommended:

City-Owned Hangars and Storage Rooms

- 1) Increase City-owned hangar rent by 10%.
- 2) Increase City-owned small storage room rent by 30%.
- 3) Increase City-owned large storage room rent by 10%.
- 4) Increase City-owned hangar and storage room Security Deposit by amounts equivalent to 2 months of rent for each type of hangar and storage room.

City-Owned Tiedowns

- 5) Increase City-owned open tiedown fees by 23%.
- 6) Increase City-owned covered tiedown fees by 11%.
- 7) Increase City-owned tiedown Security Deposit by amounts equivalent to 2 months of rent for each type of tiedown.
- 8) Increase City-owned tiedown Transfer Fee to \$100 per transfer
- 9) Adjust Open Tiedown Facility Application Fee to \$100 per tiedown.

Fuel Flowage Fee

- 10) Increase 100LL Avgas and Alternative Fuel Flowage Fee to \$0.15 per gallon

Landing Fee (NEW)

11)Aircraft that are **based** at Falcon Field:

≤6,000 lbs. MLW	\$29.95 per landing
5 free landings per aircraft per month	
>6,000 lbs. MLW	\$ 5.50 per 1,000 lbs.
5 free landings per aircraft per month	

12)Aircraft that are **not based** at Falcon Field (i.e., itinerant aircraft):

≤6,000 lbs. MLW	\$33.95 per landing
>6,000 lbs. MLW	\$ 6.50 per 1,000 lbs.

Terminal Advertising Board Display (NEW)

13)\$100 per month

Document Transfer Fee

14)Increase the fee to \$500.00 per transaction to help cover the administrative costs of preparing and executing ground lease assignments, amendments, license agreements, estoppel certificates, and terminations that tenants request, as well as reviewing and approving other ground lease documents, such as plats and association Covenants, Conditions, and Restrictions.

Alternative

The alternative would be to leave the current fees in place and make no adjustments. If this occurs, the Airport will be unable to remain financially self-sustaining in the long-term unless: 1) funds from the City General Fund are transferred to pay for essential airport projects; or 2) essential airport projects, such as maintaining the airfield pavement in a high-quality condition, removing the citrus trees as they age, and preventive maintenance of City-owned hangars to extend their life, are deferred. None of these projects are eligible for federal or state grant funding.

Fiscal Impact

The estimated annual fiscal impact of these proposed fee adjustments is \$3,518,549.

Coordinated With

The Airport coordinated with City Engineering and Finance to gather data to estimate the annual cost of maintaining, repairing, operating, and improving the City-owned hangars, tiedowns, and storage rooms (Hangar, Tiedown, and Storage Room Cost Center), as well as the cost of maintaining, repairing, operating, and improving the infrastructure included in the Airfield Cost Center.

In addition, the City sought and received input from a Key Stakeholder Group which included representatives of general aviation/recreational pilots, airport businesses, corporate aircraft owners/off-airport businesses, flight training schools, and area residents.

Finally, the Airport worked with the Office of Management and Budget in gathering data and preparing documents to be presented to the Audit, Finance, and Enterprise Committee and City Council regarding proposed fee adjustments.

Fees & Charges Schedule – Key

Heading Configuration

<u>Schedule of Fees & Charges</u>
Department
Contact Information
HEADING 1
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

Font Indications

Font	Font Indications
Regular Font	Existing fee or language
~~Strikethrough~~	Fee or language will be deleted from the Fee Schedule
BOLD CAPS	Language is being added to Fee Schedule
Bold	New or increased Fee Amount

Schedule of Fees & Charges**Exhibit A –****Falcon Field**

480-644-2450

Description of Service	Current Fee	Proposed Fee	Unit	Total Fiscal Impact	Notes
LANDING FEES					Government Aircraft Are Exempt MLW stands for Maximum Landing Weight
<i>BASED AIRCRAFT ≤ 6,000 LBS. MLW (5 FREE LANDINGS PER MONTH)</i>		\$29.95	PER LANDING	\$1,816,849.00	New Language & Fees
<i>BASED AIRCRAFT > 6,000 LBS. MLW (5 FREE LANDINGS PER MONTH)</i>		\$5.50	PER 1,000 LBS.	\$0	New Language & Fees
<i>ITINERANT AIRCRAFT ≤ 6,000 LBS. MLW</i>		\$33.95	PER LANDING	\$1,393,725.00	New Language & Fees
<i>ITINERANT AIRCRAFT > 6,000 LBS. MLW</i>		\$6.50	PER 1,000 LBS.	\$50,948.00	New Language & Fees
Tie Downs					
~~Small Single Engine Aircraft~~					Delete, consolidating language.
~~Small Twin Engine Aircraft~~					Delete, consolidating language.
~~Large Propeller Aircraft (> 12,500 lbs. MGTW)~~					Delete, consolidating language.
~~Jet Aircraft~~					Delete, consolidating language.
~~Helicopter~~					Delete, consolidating language.
<i>OPEN TIE DOWN</i>	\$55.00	\$68.00	Month	\$17,791.00	New Language. Increased fee.
<i>Covered Tie Down</i>	\$151.00	\$168.00	Month	\$23,868.00	Increased fee.
<i>Tie Down Transfer Fee</i>	\$50.00	\$100.00	Per Transfer	\$50.00	Increased fee.
<i>TIE DOWN SECURITY DEPOSIT (MAY BE</i>					New Language.

REFUNDABLE; COLLECTED AT SIGNING OF AGREEMENT)					
OPEN TIE DOWN		\$136.00	TIE DOWN	\$136.00	New Language. New fee.
COVERED TIE DOWN		\$336.00	TIE DOWN	\$336.00	New Language. New fee.
HANGARS					
<i>Regular T-Hangar</i>	\$308.00	\$339.00	Month	\$135,036.00	Increased fee.
<i>Large T-Hangar</i>	\$465.00	\$512.00	Month	\$21,996.00	Increased fee.
<i>Small Executive Hangar</i>	\$724.00	\$796.00	Month	\$5,184.00	Increased fee.
<i>Large Executive Hangar</i>	\$1,464.00	\$1,610.00	Month	\$5,256.00	Increased fee.
HANGAR SECURITY DEPOSIT (MAY BE REFUNDABLE; COLLECTED AT SIGNING OF AGREEMENT)					New Language.
Regular T-Hangar	\$300.00	\$678.00	Hangar	\$378.00	Increased fee.
Large T-Hangar	\$350.00	\$1,024.00	Hangar	\$674.00	Increased fee.
Small Executive Hangar	\$400.00	\$1,592.00	Hangar	\$0	Increased fee.
Large Executive Hangar	\$450.00	\$3,220.00	Hangar	\$0	Increased fee.
STORAGE ROOMS					
<i>Small</i>	\$86.00	\$112.00	Month	\$22,776.00	Increased fee.
<i>Large</i>	\$204.00	\$224.00	Month	\$2,880.00	Increased fee.
STORAGE ROOM SECURITY DEPOSIT (MAY BE REFUNDABLE; COLLECTED AT SIGNING OF AGREEMENT)					New language.
Small	\$100.00	\$224.00	Each	\$0	Increased fee.
Large	\$200.00	\$448.00	Each	\$0	Increased fee.
FACILITY APPLICATION FEE					
~~<i>Open Tie Down Small Single Engine Aircraft</i>~~					Delete, consolidating language.
~~<i>Open Tie Down Small Twin Engine Aircraft</i>~~					Delete, consolidating language.

~~Open Tie Down Large Propeller Aircraft (>12,500 lbs. MCTW)~~					Delete, consolidating language.
~~Open Tie Down Jet Aircraft~~					Delete, consolidating language.
~~Open Tie Down Helicopter~~					Delete, consolidating language.
OPEN TIE DOWN	\$100.00		Tie Down		New language.
~~Late Payment Fee (Hangars, Tie Downs, Storage Rooms)~~	\$20% of Account Balance Due		Month		Delete \$ from fee.
FUEL FLOWAGE FEE					
~~100LL AVGAS & Alternative Fuels~~	\$0.14	\$0.15	Per Gallon	\$14,665.00	Increased Fee.
~~LEASE-DOCUMENT TRANSACTION FEE~~	\$300.00	\$500.00	Each	\$4,800.00	Delete 'Lease'/Update language. Increased fee.
RENTAL CAR CONCESSIONS					
~~Rental Car Parking Space - Car~~	\$30.00		MONTH		Add unit.
TERMINAL ADVERTISING BOARD DISPLAY		\$100.00	MONTH	\$1,200.00	New language. New fee.

Estimated Total Annual Fiscal Impact: \$3,518,549.00

Exhibit 2



MESA GATEWAY AIRPORT AUTHORITY
OFFICE OF THE EXECUTIVE DIRECTOR
5835 SOUTH SOSSAMAN ROAD
MESA, ARIZONA 85212-6014

PHONE (480) 988 7600
FAX (480) 988 2315

March 31, 2026

Greater Phoenix Flight Training Schools,

The Federal Aviation Administration (FAA) requires airports receiving federal grants to be as financially self-sustainable as possible, generating revenue through landing fees, facility and land leases, terminal rental fees, fuel flowage and storage fees, and airport concessions to cover operational costs rather than relying on local tax subsidies. Airports failing to maintain self-sustainability can be subject to FAA enforcement actions and potential loss of future federal funding.

Mesa Gateway Airport Authority (MGAA) is a joint-powers authority that owns and operates Mesa Gateway Airport (Airport, Gateway Airport). In 2025, Gateway Airport reported over 300,000 total aircraft operations during the twelve-month period. More than 94.5% of those aircraft operations were classified as general aviation, with a vast majority of them paying no landing fee. MGAA currently uses non-airfield revenue to subsidize an approximately \$2MM annual operating deficit in the Airport's Airfield Cost Center.

Historically, MGAA has only collected a landing fee for aircraft using Gateway Airport that weigh more than 12,500 pounds (lbs) Maximum Gross Landing Weight (MGLW). For the past several years, however, MGAA has contemplated expanding Gateway Airport's landing fee schedule to include aircraft weighing under 12,500 lbs MGLW to help address its Airfield Cost Center operating deficit. MGAA decided not to implement the landing fee change because of the impact it would have on other regional airports serving greater Phoenix.

The Mesa City Council recently approved a new schedule of landing fees for Mesa Falcon Field. The implementation of a landing fee on aircraft weighing less than 6,000 lbs MGLW represents a major environmental shift for aviation in greater Phoenix that will most certainly impact other regional airports. MGAA, for example, now views imposing a landing fee on aircraft weighing less than 12,500 lbs MGLW as a viable revenue opportunity to help address Gateway Airport's Airfield Cost Center operating deficit.

MGAA acknowledges that **based aircraft** weighing less than 12,500 lbs MGLW calling Gateway Airport home already financially support the Airport's Airfield Cost Center through land and facility leases, hangar and ramp tie-down rental fees, fuel flowage fees, fuel purchases, and other related fees. Therefore, beginning on May 1, 2026, MGAA will implement a landing fee of \$24.35/landing on **itinerant aircraft** weighing less than 12,500 lbs MGLW using Gateway Airport.

MGAA encourages all area flight training schools to please plan accordingly.

Sincerely,

J. Brian O'Neill
Executive Director/CEO
MGAA