

February 29, 2016

Mr. Tony Vazquez
Mayor of the City of Santa Monica
1685 Main Street, Room 209
Santa Monica, CA 90403
tony.vazquez@smgov.net

RE: Santa Monica Municipal Airport

Dear Mayor Vazquez:

I write on behalf of the National Business Aviation Association (NBAA). As you know, NBAA represents over 10,000 member companies which own and operate over 11,000 general aviation aircraft to facilitate the conduct of their businesses or which are otherwise involved with business aviation. Those members include numerous tenants and users of the Santa Monica Municipal Airport (SMO), who continue to be strongly interested in its future accessibility and viability.

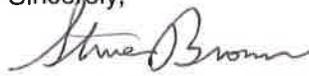
We understand that the City Council recently terminated the lease of Gunnell Properties at SMO, and informed Gunnell's sub-tenants (in a letter under the signature of Nelson Hernandez) that they each must submit applications to remain as direct tenants of the City, subject to its "discretion as landlord and property owner."

As the City is well aware, it has entered into and is bound by certain agreements with the federal government, which sharply limit its discretion in its oversight of the airport. Most notably, grant assurance no. 22 – which the FAA recently confirmed will remain in effect at SMO through 2023 – obligates Santa Monica to make the airport accessible to aeronautical activities "on reasonable terms and without unjust discrimination."

Accordingly, we expect that Santa Monica will offer new leases to all current Gunnell sub-tenants that are engaged in aeronautical businesses on appropriate terms – e.g., at fair market rents (consistent with the appraisal recently conducted by the City) and without restrictive terms on their activities (e.g., on business hours, types of operations, or irrelevant insurance mandates). Moreover, although the FAA's grant assurances typically do not regulate non-aeronautical activities – and, indeed, aeronautical activities at airports must be prioritized – Santa Monica also is under a general obligation to ensure that SMO is self-sustaining, a goal which would not be consistent with widespread eviction of airport tenants.

Finally, I remind you that Santa Monica's past failure to live up to its obligations has wasted millions of taxpayer dollars – and continuing to do so may lead to severe sanctions, such as the termination of all federal transportation grants to the City. I once again urge you to stop enabling a vocal-but-misguided minority of Santa Monica residents (some of whom we understand have recently in direct correspondence with Nelson Hernandez urged him to take plainly illegal measures) from driving an anti-aviation agenda that benefits no one. The City – like most communities across the U.S. – should recognize that its airport is a valuable asset, and on that basis act as a good steward of SMO – a policy which would benefit its residents.

Sincerely,



Steve Brown
Chief Operating Officer

CC:

Santa Monica City Council, council@smgov.net

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