



CITY OF ANN ARBOR, MICHIGAN

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Municipal Airport

May 16, 2023

Re: Notice of Airport Rate Change

Dear Airport Tenant:

Last evening, the Ann Arbor City Council approved a rate increase for t-hangar, end room and tie-down rates effective July 1, 2023. The increase is approximately 8.85% across the board and reflects increased airport operating expenses that have been impacted by inflationary pressures. Unfortunately, most everything just costs more over these last few years and that has impacted the airport operations as well. Please see the rate sheet on the back of this page for specific information about your hangar.

The increase is broken down into two components, a 7% increase because of inflationary impacts and an additional 1.85% increase to offset changes approved to reduce wildlife impacts at the airport. The airport is eliminating all agriculture production inside the fence, effective the end of this current growing season, to reduce a wildlife attractant and create a safer aviation environment. Working with the USDA, we are looking at ground cover on this formerly tillable land that is unpleasant to certain bird types, including geese. Unfortunately, this safety improvement reduces airport ag revenue and will increase expenses as we'll have nearly 100 acres of additional land to mow and maintain.

Since the last t-hangar increase in 2020, the Consumer Price Index has increased over 14%. Other than t-hangars, most of the airport leases are tied to changes in the CPI. The airport continues to be mindful of rate increases and maintaining a competitive fee structure that covers the ever-increasing costs of running an airport.

Please feel free to contact me at 734.994.2841 or mjkulhanek@a2gov.org if you have any questions or need additional information.

Sincerely,

Matthew J. Kulhanek
Airport Manager

Location	Current Monthly Rate	New Monthly Rate (7/1/23)
Airport T-Hangars		
Internationals & Row C	\$235	\$256
Rows A & B	\$258	\$281
Rows D, K, L, M, N, O	\$275	\$299
Row E	\$385	\$419
Rows P & Q	\$319	\$347
Airport Hangar End Rooms		
Rows A & B	\$45	\$49
Rows D, K, L, M, N, O	\$50	\$54
Row C	\$62	\$67
Row E	\$223	\$243
Rows P & Q	\$107	\$116
Airport Tie-Downs		
All Locations	\$50	\$54