Item # 23

#### Staff Report

#### REQUEST FOR AN AIRCRAFT DISPLAY AT THE AMES MUNICIPAL AIRCRAFT

January 26, 2016

#### BACKGROUND:

Hunziker Development, who has been working with the Ames Foundation, approached the City of Ames with a proposal to apply to the United States Armed Forces (USAF) Static Display Program to receive a historical aircraft to be used as a piece of public art at the Ames Municipal Airport. Section 7 of the National Museum of the United States Air Force (NMUSAF) Static Display Loan Program explains eligibility, qualification requirements, and the application process for obtaining a static display. Hunziker Development contacted one of the armed forces (the Air Force) Static Display Administrators to get more detailed information on the costs and logistics for securing a display for Ames.

The USAF staff indicated that neither Hunziker Development nor the Ames Foundation are eligible agencies under this program and, therefore, cannot receive information regarding what type of aircraft would be involved or the cost of securing the aircraft. Therefore, Hunziker Development is asking that the City of Ames request this information from the USAF on its behalf.

It is important to note that this initial step does not obligate the City to anything at this time. It is simply to determine the order of magnitude costs for the aircraft, transportation to Ames, and the size/type of footing used to secure the aircraft. This step will also help determine what type of aircraft is available as there is not a published list, which is ultimately based upon availability as determined by the respective Armed Forces branch that owns the plane. Attached to this report are some photos showing examples of these types of static displays (attachment 1).

#### Future Steps – Official Application:

Assuming an aircraft is identified and it has been determined to be financially feasible according to the Ames Foundation's budget, the City Council will be asked to make official application for and take the long-term responsibility of the aircraft. The USAF states in its program policy that the following conditions apply to all loaned aircraft:

"All historical property is made available on an 'as-is-where-is' basis. The borrower is responsible for all arrangements and in accordance with 10 USC § 2572, is required to pay all costs, charges, and expenses related incident to the loan of this property, including, but not limited to, the cost of preparation, demilitarization, hazardous material removal, disassembly, packing, crating, handling, maintenance, repair, restoration, transportation, and all other actions incidental to the movement and set up of loaned property to the borrower's location. Further, each Borrower will bear continuing monetary responsibilities to perform routine maintenance to include (but not limited to) annual upkeep, periodic painting, repair of damage, day-to-day care and management of the Property, so as to provide an acceptable appearance and to not reflect negatively on the Lender; and to display and protect the Property in accordance with the instructions set forth in the Loan Agreement with Attachment 1 and 2." (the Loan Agreement and Attachments 1, 2 referred to are in the application packet and are not included in this Staff Report)

If this project has been determined to be financially feasible, as well as desirable by the City Council, we (as a municipal corporation) will be required to submit the following:

- (1) A letter on official letterhead containing the following:
  - (a) Specific type of aerospace vehicle desired, (F-4, T-33, etc.).
  - (b) A statement of the proposed use to be made of the aerospace vehicle and where it will be located.
  - (c) A statement acknowledging that all costs associated with the loan, demilitarization, hazardous material removal, movement, setup and maintenance of the display are the responsibility of the borrower.
- (2) Proof of incorporation from the State. Provide a copy of the Act of Legislation from the State incorporating the municipality, county, etc.
- (3) Photographs of the proposed site.

## Ongoing Requirements:

The USAF's program details the responsibilities and care requirements in the draft loan agreement. Generally, the USAF makes it clear that the borrower of loaned aircraft agrees that 1) any loaned property must be restored and/or maintained to reflect favorable on the USAF, and 2) potential borrowers should recognize that in accepting an item for display, particularly an aerospace vehicle, they incur a significant maintenance responsibility including (but not limited to) annual upkeep, periodic painting, repair of damage, day-to-day care, clean up. These responsibilities collectively impose a cost to the borrower that must be considered when the request is submitted. If a borrower is located in a harsh environment (i.e. salt air) and the request proposes exterior display, the conditions of the aerospace vehicle may be unduly affected thus necessitating diligent monitoring by the NMUSAF.

There is also an insurance requirement for the loan of USAF property, as stated; "*The* Borrower shall arrange insurance coverage for the Property for an amount that equals the total full replacement value (FRV) for all items in the inventory report for as long as the Property remains in its possession. The Borrower further agrees to furnish the Lender proof of said insurance for each renewal period." City Staff will need to

determine if the insurance policy that already exist for the Airport will satisfy this requirement.

## **OPTIONS:**

1. Direct City staff to submit an inquiry to the USAF regarding the costs and availability of a historical aircraft for display at the Ames Municipal Airport as an initial exploratory and informational effort only.

This option will not bind the City to any future action, but if a decision is made to move forward with the project, it will require the future approval by City Council prior to entering into an official Loan Agreement with the USAF.

2. Reject this request, and ask Hunziker Development to work with another eligible agency to submit this informational request.

Other agencies can be the sponsor to submit this information request from the USAF, such as; a) a servicemen's monument association, b) a post of the Veterans of Foreign Wars of the United States or of the American Legion or a unit of any other recognized war veterans association, c) a local or national unit of any war veterans' association of a foreign nation which is recognized by the national government of that nation (or by the government of one of the principal political subdivisions of that nation), or d) a post of the Sons of Veterans Reserve.

- 3. Reject this request, but ask the Ames Public Art Commission to work on soliciting an appropriate piece of art to serve as an entry into the Ames Municipal Airport/ Research Park.
- 4. Reject this request completely, thereby stating that an aircraft display is not desirable at the Ames Municipal Airport at this time.

## STAFF COMMENTS:

Because little currently is known about this application process, the information request suggested by Hunziker Develop would help secure the relevant information regarding the costs and requirements associated with a static aircraft display. Considering this first step is only to secure more information, there is relatively low risk involved. At the same time, the City Council could inquire about the Public Arts Commission's interest in taking on this project and any ideas they might have about an entryway feature for the Ames Municipal Airport/ Research Park. Therefore, the City Council might want to give consideration to a modification of Options 1 and 3.

# Attachment 1





