

**UNITED STATES DEPARTMENT OF TRANSPORTATION**

**FEDERAL AVIATION ADMINISTRATION**

**WASHINGTON, DC**

**ABOVE ALL AVIATION, INC.,**  
**COMPLAINANT,**  
**v.**  
**CITY OF SANTA BARBARA,**  
**CALIFORNIA,**  
**RESPONDENT.**



**FAA Docket: 16-25-05**

**ORDER**

**I. INTRODUCTION**

This matter is before the Federal Aviation Administration (FAA) based on a complaint filed on May 5, 2025, under Title 14 of the Code of Federal Regulations, Part 16 (Part 16) by Above All Aviation, Inc. (Complainant or Above All) against the City of Santa Barbara (Respondent or City), sponsor and operator of the Santa Barbara Municipal Airport (Airport or SBA).

Above All alleges that the City violated: Grant Assurance 22, *Economic Nondiscrimination* and Grant Assurance 23, *Exclusive Rights* by: 1) allowing independent operators to conduct flight training out of the Airport without permits and required insurance mandated by the revised Minimum Standards Requirements (MSRs); and 2) allowing flying clubs to act as commercial aeronautical service providers without meeting the MSRs and FAA guidelines for nonprofit flying clubs (FAA Exhibit 1, Item 2, pp. 3-4).

The City argues that the Complainant has failed to meet its burden of proof and has provided no evidence that independent operators are providing flight training without a permit or that the flying club is acting as a commercial service provider (FAA Exhibit 1, Item 8, pp. 1-4).

Based on the allegations presented in this Complaint, the circumstances described at the Airport, and the evidence in the record of this proceeding, the Director finds that the City is not in violation of Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, regarding the allegations that independent operators are not meeting the MSRs.

The Director finds that the City is in violation of Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, by allowing the flying club to advertise and hold itself out as a flight training provider in competition with Above All, while not being required to meet the MSRs for a commercial flight training provider.

The FAA's decision in this matter is based on applicable federal law, FAA policy, and review of the pleadings and supporting documentations submitted by the parties, which comprise the Administrative Record reflected in the attachment FAA Exhibit 1.

## II. PARTIES

### A. Complainant

Above All is a commercial aeronautical service provider at the Santa Barbara Municipal Airport.<sup>1</sup> Above All offers a FAA Certificated Part 141 flight school training program and a full-time maintenance facility (FAA Exhibit 1, Item 2, p. 2). Above All has 12 airplanes, and a full-motion flight simulator. It provides charter flight services, fixed-wing aircraft maintenance, tie-down rental, flight training, aircraft rental, aircraft management, and storage services (*Id.*).

### B. Respondent

Santa Barbara Municipal Airport (SBA) is a federally obligated airport owned and operated by the City of Santa Barbara, California (FAA Exhibit 1, Item 2, p. 2). The Airport is a commercial service airport with itinerant and local air carrier, air taxi, general aviation, and military operations totaling 102,666 for calendar year 2024 (FAA Exhibit 1, Item 16). The Airport has 140 based aircraft including single-engines, multi-engines, jets and helicopters (FAA Exhibit 1, Item 17). SBA 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 ("the Act"), as amended, 49 U.S.C. § 47101, et seq. Since 1982, the SBA has received \$129,222,797 in AIP grant funding (FAA Exhibit 1, Item 15). The Airport received federal surplus property under the Surplus Property Act of 1944 and is obligated through restrictive deed covenants from the 1947 and 1948 quitclaim deeds.

## III. PROCEDURAL HISTORY

1. On May 5, 2025, Above All Aviation, Inc. filed a Complaint (FAA Exhibit 1, Item 2).
2. On May 13, 2025, the FAA docketed the Complaint as 16-25-05 (FAA Exhibit 1, Item 3).
3. On May 16, 2025, the City of Santa Barbara filed a Motion for Extension of Time to file Answer or Other Responsive Pleading (FAA Exhibit 1, Item 4).
4. On May 19, 2025, the FAA issued an Order of Extension of Time until June 16, 2025 (FAA Exhibit 1, Item 5).

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<sup>1</sup> <https://www.aboveallsba.com/>

5. On June 11, 2025, the Respondent filed an Unopposed Motion for a Second Extension of Time to file an Answer or Other Responsive Pleading until June 26, 2025 (FAA Exhibit 1, Item 6).
6. On June 11, 2025, the FAA issued an Order of Extension of Time until June 26, 2025 (FAA Exhibit 1, Item 7).
7. On June 26, 2025, the Respondent filed an Answer to the Complaint and Memorandum of Points and Authorities in Support Thereof (FAA Exhibit 1, Item 8).
8. On July 2, 2025, Above All filed an Unopposed Motion for Extension of Time to file Reply Brief or Other Responsive Pleading or Motion until July 21, 2025 (FAA Exhibit 1, Item 9).
9. On July 7, 2025, the FAA issued an Order of Extension of Time until July 21, 2025 (FAA Exhibit 1, Item 10).
10. On July 21, 2025, Above All filed a Reply Brief (FAA Exhibit 1, Item 11).
11. On July 26, 2025, the City of Santa Barbara filed a Motion for an Extension of Time to August 7, 2025, to file a Rebuttal to Complainant's Reply (FAA Exhibit 1, Item 12).
12. On July 29, 2025, the FAA issued an Order Granting Extension of Time until August 7, 2025 (FAA Exhibit 1, Item 13).
13. On August 7, 2025, the City of Santa Barbara filed a Rebuttal to Complainant's Reply (FAA Exhibit 1, Item 14).

All other notices and orders can be found in the Index of the Administrative Record of this proceeding, noted as FAA Exhibit 1.

#### **IV. FACTUAL BACKGROUND**

The undisputed facts of this matter are as follows:

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| June 17, 2020     | Joel Sullivan (Above All, Co-owner) submitted an informal complaint under 14 CFR part 13 to the FAA Airport Compliance Program Manager, Western – Pacific region (AWP) alleging that the City was allowing the Channel City Flying Club (CCF) to act more like a commercial operator. <sup>2</sup> During this time, the Acting Airport Director initiated an audit of CCF (FAA Exhibit 1, Item 2, p. 5, Exhibit 2). |
| November 20, 2020 | The Acting Airport Director sent a letter to the FAA AWP regarding resolution of the Part 13 complaint and actions taken against CCF to correct and address the compliance issues which ultimately led to CCF  |

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<sup>2</sup> The Part 13 submission was an attempt to bring an informal resolution to the Complaint regarding CCF.

- halting operations at SBA on March 30, 2025 (FAA Exhibit 1, Item 2, Exhibit 2).
- February 7, 2023 The City adopted new Minimum Standards Requirements (“MSRs”) for SBA (FAA Exhibit 1, Item 8, Exhibit 4).
- March 9, 2023 Above All President/CEO e-mailed SBA’s new Airport Director and Airport Operations Manager regarding Mike Fountaine providing unpermitted and uninsured flight instruction from a tie down rented to another Fixed Base Operator at the Airport (FAA Exhibit 1, Item 2, p. 6, Exhibit 9).
- August 23, 2023 Above All President/CEO e-mailed Airport Director alleging Mr. Fountaine’s use of N924DS for flight training, which is an aircraft owned and operated by a third party and tied down near Above All’s leased tie down (FAA Exhibit 1, Item 2, p. 6).
- October 23, 2023 Above All co-owner wrote to the Airport Director complaining that Mr. Fountaine continued to provide commercial aeronautical services using N924DS “directly in front of [Above All’s] place of business.” (FAA Exhibit 1, Item 2, p. 7, Exhibit 10).
- January 3, 2024 Mr. Fountaine is not listed as a member of Santa Barbara Flying Club. Mr. Fountaine specified that he’s neither a Club member “nor an authorized commercial operator.” (FAA Exhibit 1, Item 2, p. 7, Exhibit 13).
- February 21, 2024 Above All President/CEO e-mailed the Airport Director a detailed analysis of FAA Order 5190.6B<sup>3</sup> (Order), the MSRs and Santa Barbara Flying Club’s (SBFC) bylaws. She made two claims: 1) SBFC membership structure violates the Order and the MSRs require the property rights of the members must be equal and 2). CCF might be renting its aircraft to Mr. Fountaine in violation of the MSRs and in direct competition with Above All’s aircraft rental operations (FAA Exhibit 1, Item 2, p. 7).
- February 29, 2024 Above All President/CEO e-mailed the Airport Director, questioning Mike Fountaine’s unfettered access to the Airport Operations Area considering he is not a flying club member, did not own an aircraft, and did not hold a permit to provide flight instruction (FAA Exhibit 1, Item 2, pp. 7-8, Exhibit 14).
- February 29, 2024 Ms. Terry Harris, an independent flight instructor sent an e-mail to the Airport Operations Manager stating that during her flight instruction, she

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<sup>3</sup> FAA Order 5190.6C was issued in February 2026 and replaces version 5190.6B

would depart from SBA to carry out instruction at a nearby airport, claiming that “only then flight instruction begins” and then return to SBA where her instruction ends (FAA Exhibit 1, Item 11, pp. 9-11 and Item 8, Exhibit 17).

June 6, 2024 Above All President/CEO once again contacted the Airport Director with the same concerns “about unpermitted flight instruction and unpermitted flying club operations.” (FAA Exhibit 1, Item 2, p. 8, Exhibit 15).

January 28, 2025 Above All President/CEO e-mailed the Airport Director a photograph that it alleges shows Mr. Fountaine providing flight instruction at the Airport (FAA Exhibit 1, Item 2, p. 8, and Item 8, Exhibit 17).

## V. ISSUES

Upon review of the allegations and the relevant airport-specific circumstances summarized above, the FAA has determined that the following two issues require further analysis to provide a complete review of the Airport sponsor’s compliance with applicable federal law and policies.

**Issue 1 - Whether the City violated Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, by allowing independent operators to provide flight training without a permit and without meeting the insurance standards in the Minimum Standards Requirements, thereby unjustly discriminating against Above All and granting an exclusive right to the independent operator.**

**Issue 2 - Whether the City violated Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, by allowing a nonprofit flying club to act as a commercial operator in competition with Above All.**

## VI. APPLICABLE FEDERAL LAW AND POLICY

### A. Airport Sponsor Grant Assurances

As a condition precedent to provide airport development assistance under the Airport Improvement Program (AIP), established by the Airport and Airway Improvement Act of 1982 as amended, 49 U.S.C. § 47107, *et seq.*, the Secretary of Transportation and, by extension, the Federal Aviation Administration (FAA), must receive assurances from the airport sponsor. Title 49 U.S.C. § 47107(a) sets forth assurances to which an airport sponsor agrees as a condition of receiving Federal financial assistance. Upon acceptance of an AIP grant by an airport sponsor, the assurances become a contractual obligation between the airport sponsor and the Federal government. The FAA has a statutory mandate to ensure that airport owners comply with these sponsor assurances (FAA Exhibit 1, Item 1).

## **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. The Federal role in civil aviation has been augmented by various legislative actions which authorize programs for providing funds and other assistance to local communities for the development of airport facilities. In each such program, the airport sponsor assumes certain obligations, either by contract or by restrictive covenants in property deed and conveyance instruments, to maintain and operate its airport facilities safely and efficiently and in accordance with specified conditions. 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 reasonable public access to the airport. Pursuant to 49 U.S.C. § 47122, the FAA has a statutory mandate to 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.

## **D. FAA Policy Regarding Nonprofit Flying Clubs**

The FAA provides specific requirements for nonprofit flying clubs to distinguish them from commercial operators, so as not to compete with commercial operators and to allow sponsors to have different minimum standards for each without violating Grant Assurances 22 and 23.<sup>4</sup> FAA Order 5190.6C, *Airport Compliance Manual*, states "...flying clubs will not be subject to

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<sup>4</sup> "These conditions [nonprofit flying club requirements] are designed to ensure that FBO's do not masquerade as flying clubs in order to evade an airport sponsor's minimum standards for commercial operators providing aeronautical services to the public." [*GFK Flight Support, Inc v. Grand Forks Reg'l Airport Auth.*, FAA Docket No. 16-01-05, Director's Determination, p. 19, (March 22, 2002)].

commercial FBO requirements provided the flying club fulfills the conditions contained in the stated airport standards or requirements satisfactorily.” (FAA Order 5190.6C p. 10-5).

FAA Order 5190.6C, *Airport Compliance Manual* Chapter 10, para. 10.6 *Flying Clubs* defines a flying club:

*as a nonprofit entity (e.g., corporation, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only.*

Paragraph (b) provides general requirements concerning ownership rights:

*The ownership of the club aircraft must be vested in the name of the flying club or owned by all its members. The property rights of the members of the club shall be equal; no part of the net earnings of the club will inure to the benefit of any individual in any form, including salaries, bonuses, etc. The flying club may not derive greater revenue from the use of its aircraft than the amount needed for the operation, maintenance and replacement of its aircraft.*

Paragraph (c) provides additional club and sponsor rights and restrictions, including the airport sponsor’s right to take reasonable steps to ensure the flying club’s nonprofit status:

*A flying club qualifies as an individual under the grant assurances and, as such, has the right to fuel and maintain the aircraft with its members. The airport owner has the right to require the flying club to furnish documents, such as insurance policies and a current list of members, as may be reasonably necessary to assure that the flying club is a nonprofit organization rather than an FBO or other commercial entity.*

## VII. ANALYSIS

**Issue 1 - Whether the City violated Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, by allowing independent operators to provide flight training without a permit and without meeting the insurance standards in the Minimum Standards Requirements, thereby unjustly discriminating against Above All and granting an exclusive right to the independent operator.**

### **Above All’s Position**

Above All alleges that the City,

economically discriminates against Above All by imposing the MSRs’ insurance and permitting requirements upon it, while allowing competing unpermitted commercial operators to provide their Commercial Aeronautical Services without meeting the MSRs’

prerequisites. And KSBA grants to the unpermitted independent operators identified herein exclusive rights to ignore the MSRs.

(FAA Exhibit 1, Item 2, p. 4).

Above All further alleges that the City failed to enforce the MSRs requiring commercial aeronautical service providers and independent operators to obtain liability insurance coverage valued at no less than \$2 million per occurrence and that “not one independent operator flight instructor has obtained the required insurance, and multiple such unpermitted independent operators... continue to operate out of KSBA....” (*Id.* at 4).

Above All claims, as a result of the City allowing independent operators to engage in “commercial aeronautical services without meeting the MSRs prerequisites,” it is at a competitive disadvantage to the independent operators (*Id.*). Above All believes that the City is not doing enough to monitor and enforce its permit requirements and has not reigned-in independent operators from providing unpermitted aeronautical services at the Airport (*Id.* at 3). Specifically, Above All claims that the City allowed Mr. Fountaine, an alleged independent operator, unfettered access to conduct “unpermitted and uninsured flight instruction from a tie down rented to another [Fixed Base Operator] commercial aeronautical service provider.” (*Id.* at 6).

To further support its allegations of failed enforcement against unpermitted independent operators and to demonstrate that individuals are acting as unpermitted independent operators, Above All provided the following evidence:

**1. Photographs** - Above All referred to a photograph included in an e-mail to the City, dated January 28, 2025, that it claims proves that Mr. Fountaine is conducting flight instruction at the Airport as an unpermitted independent operator and that the flight instruction activities have been carried out with aircraft owned by CCF, a flying club that no longer has operating privileges at the Airport (FAA Exhibit 1, Item 2, p. 8).

**2. FlightAware<sup>5</sup> Images** - Above All provided FlightAware images dated May 12, 2025, that it claims proves that Mr. Fountaine conducted flight instruction as an independent operator using SBFC aircraft N80643 for instrument approaches. To supplement the FlightAware images, Above All’s co-owner, Joel Sullivan states he “witnessed the airplane with 2 occupants on the ramp today for an extended period without the motor running” and claims Fountaine’s van was parked at the Airport at that time (FAA Exhibit 1, Item 11, Exhibits C, D, and E).

**3. Flying Club Membership List** - Above All provided the SBFC membership list, dated January 3, 2024, to show that Mr. Fountaine’s name is not on the list proving he is not a member of SBFC and therefore should not be allowed to provide flight instruction

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<sup>5</sup> FlightAware is a company that provides flight tracking for general aviation aircraft - [www.flightaware.com](http://www.flightaware.com)

in a flying club aircraft as a nonmember<sup>6</sup> and unpermitted independent operator (FAA Exhibit 1, Item 2, Exhibit 13).

**4. Advertisement** - Above All states that Mr. Fountaine advertises his flight instruction business on his personal van, that states, “*Born to Fly...Text Me! Let’s get started....*” Above All claims this is evidence Fountaine is acting as an unpermitted independent operator (FAA Exhibit 1, Item 2, Exhibit 6, Appendix B).

**5. Mr. Fountaine’s Alleged Admission** - Above All refers to Mr. Fountaine’s e-mail to the Airport Director dated September 28, 2023, which states,

as I’m sure you know I currently have no active permit with KSBA as an Independent Instructor since that option has not been available for several years...Since I have no agreement to work from I am not clear exactly what I am and am not allowed to do, other than my long and tiresome experience over literally decades with this issue...Since I have no agreement with the Airport, strictly speaking my activities with 924DS, as well as several other aircraft, are all in violation.

(FAA Exhibit 1, Item 2, pp. 6-7 and Item 11, Exhibit A).

Above All suggests this is an admission supporting its allegations.

**6. Ms. Harris Circumventing the Permitting Requirement** - Above All refers to a statement from Ms. Terry Harris to the City’s Airport Operations Manager dated February 29, 2024, that allegedly demonstrates how she circumvents the independent operator permit requirements and provides unpermitted flight instruction at the Airport (FAA Exhibit 1, Item 11, pp. 9-10).

### **City’s Position**

The City refutes Above All’s claims and maintains that since the revised MSRs were adopted, no “actionable evidence of unauthorized flight instruction” has been discovered and therefore there is no violation of Grant Assurance 22 (FAA Exhibit 1, Item 8, p. 10). To support its position, the City states that they have developed enforcement procedures to ensure independent operators are in compliance with the permitting requirements (FAA Exhibit 1, Item 8, p. 9). For example, the City claims on occasion, they dispatched City officials to include “airport security to question Fountaine about his activities at the Airport” and further claimed they have “done its best to balance its obligations to investigate reports of unauthorized activity with its obligations to avoid unjust discrimination among all airport users, including Fountaine himself.” (FAA Exhibit 1, Item 8, pp. 11-12). The City maintains that there are no independent operators providing flight training from the Airport and claims the Complainant has not provided conclusive evidence to

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<sup>6</sup> FAA guidelines and City requirements allow for flying clubs to permit members to provide flight training to other members in club aircraft with specific compensation limitations. In addition, the City’s flying club rules allow only authorized independent operators to provide flight training to club members in club aircraft.

demonstrate that independent operators are providing flight training without a permit since City officials put in place protocols to prevent unauthorized flight instruction (FAA Exhibit 1, Item 8, pp. 8-9).

The City also denies unfounded issues of unjust discrimination stating the City will only offer permits to tenants who can meet the insurance coverage requirement (FAA Exhibit 1, Item 8, pp. 9-10). The City notes in the revised MSRs, commercial operators along with independent operators are required to have minimum insurance “not less than \$2 million” in coverage per occurrence to conduct commercial services at the Airport (FAA Exhibit 1, Item 8, pp. 6-9).

The City refutes Above All’s claim of Grant Assurance 23 violation and offered that “the Complaint merely bootstraps its Assurance 22 theory without offering additional facts or arguments specific to the requirements of Assurance 23. Above All’s failure to offer any argument in support of its claim that the City violated Assurance 23 is sufficient to warrant dismissal.” (FAA Exhibit 1, Item 8, p. 8, fn. 5).

The City states Ms. Harris, an independent operator, communicated to Airport officials she is no longer seeking to operate at the Airport because the insurance requirement is “not feasible.” (FAA Exhibit 1, Item 8, p. 11). The City claims they are working closely with independent operators to help them acquire insurance coverage in the marketplace and resume permitted flight training activities (FAA Exhibit 1, Item 8, pp. 9-10). The City argues that the,

insurance requirements are reasonable, which is why it continues to insist they be met. It is undisputed that as of yet, no independent flight instructor has obtained the required insurance coverage, whatever their reasons may be, and the City has accordingly refused to issue a permit to any such individual.

(FAA Exhibit 1, Item 14, p. 7).

The City refutes the specific evidence that Above All claims prove that unpermitted independent operators are conducting flight training as follows:

**1. Photographs** - The City claims Above All refers to a January 28, 2025, email including a photo of Mr. Fontaine allegedly providing flight training but did not include it as an exhibit in the Complaint. The City did, however, include similar e-mails from Above All that included two different photographs (FAA Exhibit 1, Item 8, p. 13, Exhibits 17, 18, and 19). The City stated it “took these [Above All’s] claims seriously and investigated them.” (FAA Exhibit 1, Item 8, p. 13). It concluded that while the photographs did show Mr. Fontaine on the airfield, there was no clear evidence to prove that he was offering unauthorized flight instruction (FAA Exhibit 1, Item 8, p. 13).

**2. FlightAware Images** - The City claims it examined the aircraft flight path data from FlightAware and concluded that, even if Above All was confident in the information provided was conclusive that Mr. Fontaine was in the aircraft with others, the City maintains that it is not convincing proof of unpermitted flight training activity (FAA Exhibit 1, Item 14, p. 6). The City refutes the allegation by Above All and argues that “a

pilot may choose to fly certain patterns for purposes of practice or currency rather than instruction.” (*Id.*).

**3. Flying Club Membership List** - The City affirms that Mr. Fontaine is not a member of SBFC, and he has not “obtained the required permit and may not provide instruction in an SBFC aircraft.” (FAA Exhibit 1, Item 14, p. 10).

**4. Advertisement** -The record does not show that the City offered any counter arguments to Mr. Fontaine’s advertisement on his van.

**5. Mr. Fontaine’s Alleged Admission** - The City claims that Mr. Fontaine’s “statement from nearly two years ago is no proof of an ongoing violation. That is especially true because, at that time, the City was still in the process of implementing its revised Minimum Standards.” (FAA Exhibit 1, Item 14, p. 4). Further, the City claims it did not ignore that statement and warned Mr. Fontaine and other independent operators that they must obtain a valid permit to conduct commercial aeronautical operations at the Airport (*Id.*).

**6. Ms. Harris Circumventing the Permitting Requirement** - The City states they investigated the allegation that Ms. Harris had circumvented flight instruction requirements and found she had conducted instruction away from SBA, only to conclude lessons back at SBA for which the City stated was a violation of its MSRs and Santa Barbara Municipal Code (FAA Exhibit 1, Item 8, pp. 10-11, Exhibit 17). The City argues they communicated both with Mr. Fontaine and Ms. Harris regarding this matter and provided additional clarity on the MSRs. The City claims one year after the communication, they found no “evidence of Ms. Harris or any other individuals attempting such an end-run” operation (FAA Exhibit 1, Item 14, pp. 5-6).

### **Director’s Determination**

Grant Assurance 22(a) states in part,

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

Grant Assurance 23 states in part,

[the airport 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.

(FAA Exhibit 1, Item 1).

The FAA's position is that any unreasonable requirement or standard that is applied in an unjustly discriminatory manner may constitute the granting of an exclusive right. Courts have

found the grant of an exclusive right where a significant burden has been placed on one competitor that is not placed on another. *See Pompano Beach v. FAA*, 774 F.2d 1529, 1544 (11th Cir. 1985).

FAA Advisory Circular 150/5190-8, Section 1.3, *Minimum Standards for Commercial Aeronautical Activities*, dated December 7, 2023, states,

[i]f individual operators are to be allowed to perform a single-service aeronautical activity on the airport (aircraft washing, maintenance, etc.), the airport sponsor should have a licensing or permitting process in place that provides a level of regulation and compensation satisfactory to the airport. Frequently, a yearly fee or percentage of the gross receipts fee is a satisfactory way of monitoring this type of operation.

The City's defense is that there are no unpermitted independent operators currently providing flight training at the Airport and therefore there can be no grant assurance violations. The Director agrees that if there are no independent operators at the Airport, as claimed, then that could be the result of the City enforcing its minimum standards in a nondiscriminatory manner.<sup>7</sup> In such a circumstance, the Director's evaluation then hinges on whether Above All provides sufficient evidence to prove that alleged independent operators are conducting unpermitted flight training.

The Director evaluated the evidence provided by Above All.

**1. Photographs** - The Director examined the photographs in the record and notes one photograph shows two individuals standing beside an aircraft, presumably including Mr. Fountaine. The Director agrees with the City that it is difficult to draw a conclusion that the photograph depicts Mr. Fountaine conducting flight instruction. It appears that in regard to that photograph, Mr. Fountaine e-mailed the Airport Director claiming that he was not conducting flight training at that time, and their flight started at a different airport and stopped briefly at SBA, then continued to another airport to work on his experimental plane (FAA Exhibit 1, Item 8, Exhibit 16). In another photograph, an aircraft (N3299V) which is registered to the no longer active flying club CCF, was shown in a tie down spot (FAA Exhibit 1, Item 8, Exhibit 19). Neither photograph is conclusive evidence of a violation of the City's failure to enforce its MSRs regarding independent operators. At best, the photos support Above All's contention that Mr. Fountaine continues to fly from SBA in some capacity, and that the CCF aircraft was at the Airport. In the absence of any more detail on the circumstances related to the CCF aircraft being tied down, or the photograph of Mr. Fountaine standing near an aircraft with another person, the Director cannot conclusively determine that unpermitted commercial activity was taking place at the Airport.

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<sup>7</sup> The Director has found "Once the airport sponsor has established minimum standards, it should apply them objectively and uniformly to all similarly situated on-airport aeronautical service providers. The failure to do so may result in a violation of the prohibition against exclusive rights and/or a finding of unjust economic discrimination for imposing unreasonable terms and conditions for airport use." [*Aircraft Mgmt. Servs., Inc. v. Santa Rosa County, Florida*, FAA Docket 16-12-02, Director's Determination, p. 14, (March 27, 2015)].

**2. FlightAware Images** – Aircraft operations in the terminal airspace are not subject to review under 14 CFR part 16. The City’s federal grant obligations do not require it to monitor or track air traffic as a component of compliance with reasonable and not unjustly discriminatory access to the airport. The Director acknowledges the information contained in the images may support Above All’s contention on the use of aircraft, but the Director declines to evaluate the FlightAware images as a source of evidence in determining airport sponsor compliance with federal grant obligations.<sup>8</sup>

**3. Flying Club Membership List** - Both parties agree that Mr. Fontaine is not a listed member of the SBFC, and the Director has no basis from the record to conclude otherwise (FAA Exhibit 1, Item 2, Exhibit 13).

**4. Advertisement** - The advertisement on the van specifically states that Mr. Fontaine is a flight instructor, but the advertisement is generic overall and not specific to any airport (FAA Exhibit 1, Item 2, Exhibit 6, Appendix B). While the record substantiates that Mr. Fontaine has previously provided flight training at SBA for many years – and the advertisement is likely related to his intent to provide instruction at SBA, it is not conclusive evidence that he is currently operating as an unpermitted independent operator at SBA.

**5. Mr. Fontaine’s Alleged Admission** - In reviewing the record, the Director has no reason to dispute that Mr. Fontaine does not have a permit to provide commercial flight training from SBA. On this point, both parties agree, and the record shows that Mr. Fontaine has interacted with Airport management on attempting to obtain the requisite permits. The record further substantiates that the City has provided guidance to individuals on the interpretation of the MSRs and have conducted ramp checks to ensure compliance (FAA Exhibit 1, Item 8, Exhibits 15, 16, and 20). Likewise, the record shows that Mr. Fontaine’s alleged admission was made before the City fully implemented its revised MSRs (FAA Exhibit 1, Item 11, Exhibit A) and that the statement does not provide proof of a current violation of the MSRs.

**6. Ms. Harris Circumventing the Permitting Requirement** - The Director notes that the City has seemingly taken action and addressed Ms. Harris’ admitted behavior to circumvent the independent operator requirements and Above All provides no further evidence to indicate that Ms. Harris has continued these actions since the City clarified the policy.

To the degree that Above All alleges Mr. Fontaine provides flight instruction and thus acts as an unpermitted independent operator in competition with Above All, the burden of proof rests with Above All to demonstrate that the City has failed in its oversight and application of its MSRs in violation of its federal obligations (*See* § 16.23(k)). The record substantially demonstrates that Mr. Fontaine had performed flight training at SBA for a number of years, including with the now inactive CCF flying club which was proven by an Airport audit to have

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<sup>8</sup> Also, while there is no evidence that the aircraft operator intended to limit access to ADS-B aircraft flight data, the Director need not rely on imagery portraying ADS-B derived flight data to make a compliance finding here.

violated FAA guidelines and Airport policies regarding nonprofit flying clubs (FAA Exhibit 1, Item 2, Exhibit 3). However, Mr. Fountaine is not a party to this proceeding and the Director finds that Above All fails to provide substantive evidence to outright prove the City is currently allowing unpermitted independent operators to provide flight training from the Airport. Therefore, there is insufficient evidence to support the allegations that the City is unjustly discriminating against Above All in violation of Grant Assurance 22 or granting an exclusive right in violation of Grant Assurance 23.

Likewise, the Director finds the City has taken appropriate actions to enforce its requirements by sending Airport officials and Airport security to investigate suspected unauthorized activities at the Airport (FAA Exhibit 1, Item 8, pp. 11-12). Above All suggests that the City should be doing more, including but not limited to reviewing logbooks and assessing compensation for flight instruction. However, based on the record, the Director finds that the City's action to investigate allegations and conduct ramp checks is a reasonable response for investigating individual aeronautical users that have the right to access the Airport but have no specific agreement with the City. Accordingly, the Director believes that the City has demonstrated that it has so far taken sufficient enforcement actions to administer its MSRs as they apply to independent operators.

In the absence of conclusive evidence that unpermitted independent operators are providing commercial flight training, and that the City is not enforcing its MSR against unpermitted independent operators in competition with Above All, there is no violation of Grant Assurances 22, *Economic Nondiscrimination* and 23, *Exclusive Rights*.

The Director recommends that the City continue to actively monitor airfield operations to ensure that Airport users are not providing unpermitted flight training in competition with on-field commercial tenants and to immediately require the corrective actions necessary to mitigate such activity. Failure to reasonably and equitably enforce Airport minimum standards exposes the City to allegations of unjust economic discrimination and potential FAA enforcement, if so proven.

### **Ancillary Concerns Regarding Access for Independent Operators**

The Director is concerned that the insurance requirements may be unreasonable and could ultimately prevent independent operators from providing flight training activities at the Airport. For example, Ms. Harris, who is not a party to this proceeding, states,

after an eight weeks of research we have found only one carrier willing to insure an independent instructor and name the city as well." She continued, "this policy has a one million dollar cap. There is no such policy with a two million dollar coverage as I have explained.

(FAA Exhibit 1, Item 8, Exhibit 11).

Likewise, Mr. Fountaine states, "nobody I've contacted in the insurance industry can understand how the city requirements apply to the scenario of a(n) independent instructor, so I'm having a tough time getting a policy written." (FAA Exhibit 1, Item 8, Exhibit 12). He concluded, "I think

one broker has managed to find a solution for me and that policy should be coming online in the next week or so.” (*Id.*). The Airport Director states his “staff has determined however that policies providing the minimum coverage requirements are commercially available.” (FAA Exhibit 1, Item 8, Exhibit 10, p. 2). While no specific evidence such as statements from insurance providers, of the availability of the MSR insurance coverage for independent operators is provided by the City or individuals seeking to be independent operators, the availability of such coverage is unclear. The Director has found insurance requirements that are not found in the competitive marketplace to be unreasonable and in violation of Grant Assurance 22. *See Jason Theuma and Paragon Skydive, LLC v. State of Arizona*, FAA Docket No. 16-19-16, Final Agency Decision, (March 2, 2023).

The Director questions whether applying the same insurance requirement for independent operators as for a full service commercial aeronautical service provider offering flight training and other services is equitable considering the two are not similarly situated for the purposes of Grant Assurance 22. For example, FAA Advisory Circular 150/5190-8 *Minimum Standards* provides guidelines for the development of minimum standards for flight training and provides items that should be considered including the type of flight training, whether flight training will be provided full-time or part-time, and the type and number of aircraft to name a few (FAA Advisory Circular 150/5190-8, *Minimum Standards*, p. 2-2).

The City believes that the insurance requirements are available for independent operators and states it will continue to work with individuals desiring to provide flight training as an independent operator (FAA Exhibit 1, Item 8, Exhibit 10, p. 2). The Director supports that approach, and if insurance is found to not be available in the competitive marketplace, the City should adjust the requirement to an attainable level in order not to deny reasonable and not unjustly discriminatory access to this kind of aeronautical user, in accordance with Grant Assurance 22 and precedent in *Paragon*.

**Issue 2 - Whether the City violated Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, by allowing a nonprofit flying club to act as a commercial operator in competition with Above All.**

### **Above All’s Position**

Above All alleges that “flying clubs at KSBA act more like commercial flight schools and commercial rental facilities and, accordingly, fail to meet FAA’s definition of a flying club.” (FAA Exhibit 1 Item 2, p. 9).

Above All further alleges that allowing the flying clubs to act as commercial operators while not meeting the MSRs for commercial operators is a violation of Grant Assurances 22 and 23. Above All states,

KSBA economically discriminates against Above All, and all other would-be permitted Commercial Operators providing Flight Training or aircraft rental services by allowing Commercial Operators to masquerade as nonprofit Flying Clubs.

(FAA Exhibit 1, Item 2, p. 9).

Above All provides the following evidence and explanation to demonstrate that SBFC is acting as a commercial operator instead of a nonprofit flying club.

**1. Advertising for Flight Training** - Above All states that SBFC advertises its operation in a Facebook post as a lower cost alternative to the FBO flight school at the Airport (FAA Exhibit 1, Item 2, p. 11). Above All alleges that the City continues to violate the MSRs and allows SBFC to advertise itself as “more cost-effective than local flight school that include aircraft rental rates.” (*Id.*). Above All claims that such blatant approach to offer a cheaper alternative for students to earn their licenses clearly shows that the Flying Club is not operating as a nonprofit entity, but as a commercial aeronautical operator (*Id.*).

**2. SBFC Allowing Nonmember Unauthorized Independent Operators to Provide Instruction** - Above All alleges that the City fails to enforce the MSRs and that SBFC is allowing unauthorized independent operators that are not members of the Flying Club to provide flight instruction (FAA Exhibit 1, Item 2, pp. 12-13). For example, Above All argues Mr. Fountaine, who is not a member of SBFC but is a certified flight instructor, has used SBFC aircraft to conduct flight instruction (FAA Exhibit 1, Item 2, pp. 12-14, Exhibit 13). It provides the membership list to demonstrate that Mr. Fountaine is not a member of the flying club and provides FlightAware images as evidence to suggest that Mr. Fountaine is providing unpermitted training in SBFC aircraft (FAA Exhibit 1, Item 2, Exhibits 13 and 23). Above All offers that the City should exercise the measure of FAA’s policy on flying clubs through monitoring to ensure flying clubs do not disadvantage commercial operators (FAA Exhibit 1, Item 12, pp. 20-21). Above All seeks, among other relief, that the City should require “flying clubs to track all flight instruction and to report the same to KSBA on a monthly basis.” (FAA Exhibit 1, Item 2, p. 18).

**3. No Long-term Membership Requirement** - Above All claims SBFC membership structure competes with fixed base operators and puts them at an economic disadvantage. It states, “it converts ‘membership’ into a revolving door access fee, indistinguishable in practice from commercial aircraft rental.” (FAA Exhibit 1, Item 2, p. 14). It further states,

[a]ccording to the website, a new member completes an application, pays a \$300 ‘Initiation Fee’, provides a ‘fully refundable deposit’ and pays \$260 in order to obtain access to the club’s aircraft for one month. These attributes - refundable memberships, short-term access and a lack of ongoing obligations - are hallmarks of aircraft rental transactions.

(*Id.* at 13-14).

Above All states that when SBFC “recruit[s] members with a promise of refundable fees, it undermines [their] core nonprofit, member-driven spirit upon which FAA policy is founded.” (*Id.* at 14). It claims that a “Flying Club membership implies long-term participation, shared financial responsibility for aircraft ownership and maintenance, and shared absorption of risk of loss.” (*Id.*).

**4. Not Requiring Conformance with Insurance Requirements in MSRs** - Above All alleges that although the City requires all commercial operators at the Airport to meet the mandatory insurance requirements, flying clubs are not required to abide by this requirement (FAA Exhibit 1, Item 2, p. 16). Above All states, “despite the City’s ... assessment that the very nature of Flying Clubs increases the likelihood of loss, the City allows SBFC to operate without the requisite insurance coverage.” (FAA Exhibit 1, Item 11, p. 15).

**5. Aircraft Leasing** - Above All claims that the City allows flying clubs to be “structured like commercial aircraft rental companies and allows them to profit from aircraft and equipment sales or leasing between them and the flying clubs.” (FAA Exhibit 1, Item 2, p. 10). Furthermore, Above All alleges that within the flying club community, “flying club members are able to use Flying Clubs to finance their own private purchases and ownership” as a means to avoid airports’ minimum standards and as such “club members benefited financially from these member loan transactions.” (*Id.* at 14-15). Above All purports that the City does not seek proper information from flying clubs to determine “procurement and/or ownership... whether any part of the flying club earnings inures to the benefit of any individuals – members or otherwise.” (*Id.* at 14). Above All alleges that the MSRs provides no option for flying clubs to “disclose the financial benefits that Flying Club members, officers, and operators receive from selling or leasing their owned aircraft to flying clubs of which they are members.” (*Id.* at 4). Above All provides tax records for SBFC alleging to show that they have outstanding loans (FAA Exhibit 1, Item 2, pp. 15-16, Exhibits 24, 25, and 26).

### **City’s Position**

The City alleges “the facts belie Above All’s allegations and demonstrate that the City has taken steps to ensure that any flying club operating at the Airport does so in a manner consistent with FAA guidance and in material compliance with the Minimum Standards.” (FAA Exhibit 1, Item 8, p. 15). For example, the City claims they have “worked closely with SBFC to ensure that its activities do not cause unjust discrimination” and that “City officials have continued to work with SBFC to assist it in obtaining that insurance.” (FAA Exhibit 1, Item 8, pp. 15-16).

The City maintains that in as much as they made an “exception” to SBFC insurance requirements by granting the Club a temporary relief from insurance, it does not “constitute a violation of Grant Assurance 22, because the Club and commercial operators are not similarly situated (FAA Exhibit 1, Item 14, pp. 8-10). Furthermore, the City claims,

the Minimum Standards ensure fair and reasonable access to airport services and facilities for all aeronautical users. They strike a balance that reflects the different models of commercial flight instruction, as between Commercial Operators with a fixed place of business, like Above All..., and account for the unique non-profit status of flying clubs, while recognizing and guarding against the potential for Commercial Operators to use clubs to evade compliance obligations.

(FAA Exhibit 1, Item 8, p. 23).

The City claims it satisfies its “obligations under the FAA Grant Assurances including Assurances 22 and 23. The Complaint fails to prove otherwise.” (*Id.*). In response to Above All’s categorical allegations, the City responded with the following:

**1. Advertising for Flight Training** - The City states the MSRs prevent flying clubs from becoming “*de facto*” flight training operators and they are not allowed to “advertise” in the public space as “commercial operators” or indicate in any form of marketing as a “flight school.” (FAA Exhibit 1, Item 8, p. 7). The City argues “[t]he only advertisement included in the Complaint—a Facebook post—falls far short of demonstrating a violation.” (*Id.* at 23). The City further asserts that the main focus of the advertisement was merely pointing to “cost of aircraft rental...as an alternative to traditional aircraft rental models,” and as a result, the allegation has not proven any violation (*Id.* at 21).

**2. SBFC Allowing Nonmember Unauthorized Independent Operators to Provide Instruction** - The City cites to its MSRs that state “both the instructor providing instruction and person receiving instruction are members of the club owning the aircraft” or, alternatively, if “the instruction is given by an authorized Commercial Operator and the person receiving the training is a member of the Flying Club.” (FAA Exhibit 1, Item 8, Exhibit 4, Sec. 10-1(d)(3)). The City states “it is not aware of any unauthorized flight instruction being offered by the club or to club members, and Above All has not offered evidence to the contrary.” (FAA Exhibit 1, Item 8, p. 17, Exhibit 10, pp. 3-5). The City claims that it has sufficient documentation to ensure the flying club is acting in accordance with the MSRs and FAA guidelines and has the right to request additional information (*Id.* at 22-23). The City contends that since there is “no credible evidence of the fact,” there is no reason to investigate the “form of compensation that instructors may receive.” (FAA Exhibit 1, Item 14, p. 8). Finally, the City claims that “Above All’s proposed requirements would go well beyond what is reasonable or customary and involve burdensome and intrusive monitoring not justified by Above All’s unsupported allegations.” (FAA Exhibit 1, Item 8, p. 22).

**3. No Long-term Membership Requirement** - The City claims that Above All misrepresents the membership requirements and misinterprets the FAA *Airport Compliance Manual* to suggest that flying club membership must be long term. The City claims that the FAA guidance does not require this and states “[i]f the FAA wanted to require flying club membership to be ‘long-term,’ it would have said so.” (FAA Exhibit 1, Item 8, p. 18). It claims Above All’s request that the City monitor flying club membership turnover is not justified (*Id.* at 19).

**4. Not Requiring Conformance with Insurance Requirements in MSRs** - The City claims it continues to work with the SBFC to secure MSR-required insurance coverage and as a temporary measure has allowed SBFC to maintain a \$1 million per occurrence insurance coverage. The City claims this is not unjustly discriminatory since the flying club is not similarly situated to a commercial operator such as Above All (FAA Exhibit 1, Item 8, p. 16, Exhibit 10, p. 4; and Item 14, pp. 8-10). The City cites *Aircraft Mgmt. Servs., Inc., v. Santa Rosa County, Florida*, FAA Docket No. 16-12-02, Director’s Determination, (March 27, 2015) and *Asheville Jet, Inc. v. Asheville Reg’l Airport Auth.*,

FAA Docket No. 16-08-02, Director's Determination, (October 1, 2009) stating, "determining compliance" is based on the "same latitude"...or "all tenants under the same circumstances" for which the City purports that "Above All and SBFC are not similarly situated." (FAA Exhibit 1, Item 8, p. 17).

The City further claims, the FAA *Airport Compliance Manual* and the MSRs provide a clear justification that nonprofit flying clubs are not similarly situated to commercial flight schools or aircraft rental operators and the City's new MSRs provide greater emphasis on flying club requirements and their nonprofit status (FAA Exhibit 1, Item 8, p. 6).

**5. Aircraft Leasing** - The City states a "club may acquire aircraft by purchase or long-term lease, including from club members, so long as the rights to the aircraft are held by the club or by club members equally." (FAA Exhibit 1, Item 8, p. 19). The City cites *GFK Flight Support, Inc. v. Grand Forks Reg'l Airport Auth.*, FAA Docket No. 16-01-05, Director's Determination, p. 24, (March 22, 2002), that states a "lease from flying club member to club does not *per se* violate FAA policy." (*Id.* at 19). Further, the City states that "SBFC submitted ownership certificates for each of the four aircraft in its possession, and SBFC is listed as the registered owner of each one." (*Id.* at 20). The City also references the FAA *Airport Compliance Manual*, to support club aircraft ownership rights.

The City states,

the additional information that Above All claims the City requires disclosing names of club members that hold beneficial interest in club aircraft or underlying transactions in which a member sells or leases aircraft to the club goes beyond the information that the City needed to determine compliance.

(FAA Exhibit 1, Item 8, p. 20).

Finally, the City assessed Above All's requested relief and contends that such requirements are "burdensome and intrusive." (*Id.* at 21).

### **Director's Determination**

Grant Assurance 22, *Economic Nondiscrimination*, states in part,

[the airport 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.

Grant Assurance 23 states in part,

[the airport 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.

The Director has found,

Long-standing FAA policy permits but does not require airport sponsors to exempt flying clubs from regular FBO requirements upon the satisfactory fulfillment of specific conditions. Those conditions include, among other things, that the flying club be a non-profit entity (i.e. not derive greater revenue from the use of its aircraft than the amount necessary for operations, maintenance and replacement of its aircraft), and be prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of the flying club. These conditions are designed to ensure that FBO's do not masquerade as flying clubs in order to evade an airport sponsor's minimum standards for commercial operators providing aeronautical services to the public.

[*GFK Flight Support, Inc. v. Grand Forks Regional Airport Authority*, FAA Docket No. 16-01-05, Director's Determination, p. 19, (March 22, 2002)].

The Director has found a sponsor in noncompliance with Grant Assurances 22 and 23 when it failed to take action to enforce its minimum standards for a nonprofit flying club [*See GFK*, at 30]. This analysis hinges on whether or not the City is in fact allowing the nonprofit flying club (SBFC)<sup>9</sup> to not follow FAA guidelines and instead act substantially similar to or in competition with a commercial operator. The Director reviewed the evidence provided by Above All, as follows:

**1. Advertising for Flight Training** - Above All alleges that SBFC overtly advertises its operation and includes as evidence a copy of the SBFC's Facebook post, from October 2024, which states "more cost-effective than local flight school aircraft rental rates." (FAA Exhibit 1, Item 2, pp. 10-11). The City claims that the advertisement on Facebook does not arise to a violation (FAA Exhibit 1, Item 8, p. 21). The City does not deny that the flying club is not allowed to advertise, they simply claim that the advertisement does not rise to a violation.

On its face, the Facebook advertisement is clearly an effort to generate interest in lower cost aircraft rental compared to on-airport flight schools who also rent aircraft for recreational use. We note that SBFC's website does not contain such language.<sup>10</sup> A February 2026 review of SBFC's Facebook site shows a second Facebook advertisement dated December 5, 2025, that is more conspicuous in its intent and casts significant doubt on the City's contention that SBFC is not *de facto* performing as a commercial operator. Specifically, the Facebook post states, among other questionable marketing language, "Done with your local flight school and looking for a better way to fly?" (FAA Exhibit 1, Item 19). It is without question to the Director that the underlying intent of the advertisement is to compete with commercial flight schools – such as Above All. While flight training is allowable within a flying club, with specific compensation restrictions, FAA policy and economic nondiscrimination restrictions limit the ability of flying clubs

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<sup>9</sup> The Director notes that CCF is no longer authorized to operate as a nonprofit flying club at the Airport and therefore is not part of this analysis, which is limited to SBFC.

<sup>10</sup> Santa Barbara Flying Club, <https://santabarbaraflyingclub.org/>, accessed April 9, 2026.

to hold themselves out to the public as a flight training provider. Specifically, FAA Order 5190.6C, *Airport Compliance Manual* prescribes the following:

(c)(8). Flying Clubs may not hold themselves out to the public as fixed based operators, a specialized aviation service operation, maintenance facility or a flight school and are prohibited from advertisements as such or be required to comply with the appropriate airport minimum standards.

(c)(9). Flying Clubs may not indicate in any form of marketing and/or communications that they are a flight school, and Flying Clubs must not indicate in any form of marketing and/or communications that they are a business where people can learn to fly.

[FAA Order 5190.6C, *Airport Compliance Manual*, p. 10-6].

Further, FAA policy reiterates that the “FAA expects that sponsors of federally-obligated airports will take appropriate action to ensure that commercial operators and flying clubs are properly classified, and the sponsor's actions are consistent with its grant assurances, specifically Grant Assurance 22, *Economic Nondiscrimination*.” [81 FR 13719 (March 15, 2016)].

SBFC’s intent and the City’s inaction to properly monitor and mitigate violations of FAA policy and restrictions on flying clubs is unambiguous. SBFC’s actions in holding itself out to the public – whether intentional or not – result in competition with Above All flight training operations in a manner permissible only to other commercial operators – which SBFC is not. Defying FAA requirements for nonprofit flying clubs by holding itself out as a provider of flight training (and a competitor of Above All) makes SBFC essentially similarly situated to Above All and therefore should be held to the same MSRs as a commercial operator that provides flight training, which SBFC is not.

Also, the December 2025 advertisement appears substantially similar to the 2024 advertisement, suggesting a pattern by SBFC to – at a minimum – holding itself out to the public as a flight training provider in defiance of FAA policy and the City’s own MSRs for flying clubs. The Director finds this to be unreasonable and results in economic discrimination against Above All in violation of Grant Assurance 22. The Director has found “that if the Flying Club is permitted to provide its commercial services to the public without meeting the Airport's Minimum Standards, the Complainant will be at an economic disadvantage to the Flying Club.” [*GFK* at 20]. Likewise, the City’s failure to mitigate results in the constructive granting of an exclusive right to SBFC to defy FAA policy and the City’s own MSR for the purpose of conducting flight instruction.

In summary, the Director finds that the City’s multi-year failure to monitor SBFC advertisements and to take mitigating actions results in a violation of Grant Assurances 22, *Economic Nondiscrimination*, and 23, *Exclusive Rights*. As previously noted, the Director has found a sponsor in violation of Grant Assurances 22 and 23, when it failed

to address flying club behavior that was contrary to the FAA nonprofit flying club guidelines [*GFK*, at 30].

**2. SBFC Allowing Nonmember Unauthorized Independent Operators to Provide Instruction** - As determined in Issue 1, the Director agrees with the City that Above All does not provide sufficient evidence to prove that the SBFC aircraft are being used for flight training involving nonmembers that are not authorized independent operators.

Above All suggests the City should do more to monitor the training activities of the flying club. The City disagrees. However, the Director reviewed the SBFC flying club application policy which states “7. A Flying Club must keep records including tax returns, insurance policies, membership lists, and flight training logs. Such records shall be made available to the Airport Director upon request.” (FAA Exhibit 1, Item 8, Exhibit 21). This requirement is consistent with FAA guidelines and indicates that SBFC is required to keep documentation on flight training activities and provide it to the Airport Director upon request. Based on this, the Director disagrees with the City that monitoring the flight training activities of the flying club is too “burdensome or intrusive.” The City has the right and responsibility to review the flight training activities and SBFC has an obligation to provide the information.

Although Above All did not provide sufficient evidence to prove SBFC allows nonmember unauthorized independent operators to provide flight training in its aircraft, in accordance with federal grant assurances, the Director expects the City to provide appropriate oversight of nonprofit flying clubs to ensure it is not operating as a commercial operator. Particularly in light of the grant assurance violations identified above regarding advertisements, the City must exercise its authority and be proactive in ensuring that all flight training by SBFC aircraft meet Airport and FAA policies for nonprofit flying clubs, including potentially reviewing the flight training logs. Failure to effectively monitor the flying club’s training activities and to take necessary corrective actions could result in an additional Grant Assurance 22 violation, if so proven. Further, the City’s reluctance to adequately monitor SBFC raises concerns of Grant Assurance 5, *Preserving Rights and Powers* violations. Unlike in Issue 1 where the City demonstrated that they are actively enforcing its minimum standards with correspondence and ramp checks of alleged independent operators, with the flying club the City has not demonstrated that it is taking appropriate actions to ensure the flying club is acting in accordance with its agreement and guidelines. A review of the SBFC flight training logs on a periodic basis is within its authority and is an appropriate action in order to avoid further noncompliance.<sup>11</sup>

**3. No Long-term Membership Requirement** - Neither the FAA’s Policy Concerning Flying Club Operations at Federally Obligated Airports (81 FR 13719) nor FAA Order 5190.6C establish an appropriate length of flying club membership. However, the

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<sup>11</sup> The Director notes that the previous Airport Director conducted an Audit of a flying club and followed up with appropriate corrective actions to ensure compliance with flying club guidelines. An audit of SBFC is not unreasonable.

Director has found an investment in a properly structured flying club is required and that “[t]his investment would ordinarily deter members of the public seeking occasional, on-demand aeronautical services (i.e., individuals not interested in becoming a pilot that would regularly use club aircraft for their personal enjoyment), from seeking membership in a flying club.” [GFK at 22]. The Director reviewed SBFC investment requirements outlined in the record and SBFC’s website<sup>12</sup> which states a new member is required to pay an initial fee of \$300.00, a refundable deposit [\$1,750.00] and then a monthly dues of \$250.00 (FAA Exhibit 1, Item 2, pp. 13-16). Above All asserts that “These attributes - refundable memberships, short-term access and a lack of ongoing obligations - are hallmarks of aircraft rental transactions” (FAA Exhibit 1, Item 2, p. 14).

On its face, the Director does not find these investment requirements to be contrary to FAA guidelines. FAA policy does not prescribe membership term lengths or minimum investment requirements beyond ownership equitability among members. Nor does the FAA concern itself with many of the operating variables of a flying club including the number of members, the level of investment for membership, the type of pilot certificates of the members, or the volume of specific types of flying club aircraft operations,<sup>13</sup> as long as the ownership is equally distributed among the members, the use is for the enjoyment of the members, and flying club or any individual members are not profiting from the use.

However, the City as Airport sponsor has a right and a responsibility to evaluate SBFC financials to ensure that FAA and Airport policies are adhered to, including 1) ownership of SBFC aircraft is vested in the name of the flying club or owned by all its members, 2) property rights of SBFC are equal; no part of the net earnings of SBFC will inure to the benefit of any individual in any form, including salaries, bonuses, etc., and 3) SBFC may not derive greater revenue from the use of its aircraft than the amount needed for the operation, maintenance and replacement of its aircraft. *See* FAA Order 5190.6C, Chapter 10 paragraph c. It remains unclear whether the City has audited SBFC financials for compliance with FAA and City requirements, but absent an audit or similar, the City having sufficient visibility on SBFC financial compliance is tenuous at best. Nonetheless, Above All fails to sufficiently demonstrate that the terms of investment for SBFC membership result in a violation of the City’s federal obligations.

The Director strongly recommends the City periodically review SBFC membership lists and SBFC financials to ensure the flying club is meeting the nonprofit flying club requirements.

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<sup>12</sup> Santa Barbara Flying Club Membership, <https://santabarbaraflyingclub.org/membership/>, accessed April 9, 2026.

<sup>13</sup> The CCF audit and City’s proposed corrective action plan (FAA Exhibit 1, Item 2, Exhibit 3) attempted to limit the type of members and the number of specific types of operations by flying club members. The FAA policy on nonprofit flying clubs does not suggest that this type of restriction is warranted and such limitations on an aeronautical use are contrary to Grant Assurance 22.

**4. Not Requiring Conformance with Insurance Requirements in MSRs** - Above All alleges that the City required “Fixed Base Operators including Above All to meet the insurance requirements, while giving exemptions to flying club (SBFC).” (FAA Exhibit 1, Item 2, pp. 16-17). The City states that they are temporarily allowing less insurance coverage while working with the flying club to obtain the correct coverage and that this is acceptable since the flying club and Above All are not similarly situated (FAA Exhibit 1, Item 8, pp. 15-16).

The Director agrees that SBFC is not similarly situated to Above All, if it is in fact being held to the nonprofit flying club requirements outlined in the MSRs and FAA guidance. The violation discussed above involving the SBFC advertisement suggests that this may not be the case. Nonetheless, pending corrective action on that issue, the Director presumes SBFC and Above All are not similarly situated and different insurance requirements may be reasonable. In any case, the Director notes that the City is working with SBFC to obtain the required insurance coverage and a temporary reprieve from existing insurance requirements may be acceptable and not rise to a violation. The City should assess the risk and ensure the insurance requirement for a nonprofit flying club is adequate to cover the identified risk.

**5. Aircraft Leasing** - Above All claims that “members are able to use the flying club to finance their own private aircraft purchase and ownership.” (FAA Exhibit 1, Item 8, p. 14). The City refutes the allegations and suggests that this is in direct conflict with FAA policy. The Director has found that a sponsor,

... by failing to take corrective action with respect to the Flying Club's aircraft leasing practices, is in violation of its Federal obligations to establish such fair, equal, and not unjustly discriminatory conditions to be met by all users of the airport, as stipulated under 49 USC§ 47107(a) (1) and related grant assurance 22, the FAA is persuaded that the Respondent has granted an exclusive right in violation of 49 USC 40103 (e) and 47107(a)(4) and related grant assurance 23.

[GFK at 30].

In *GFK* the Director found that the leasing structure mimicked “a retail transaction between the Flying club member owning the aircraft and the Flying club member using the aircraft” since the aircraft owner rented the aircraft to the flying club on an hourly basis [GFK at 24].

As discussed in the FAA *Airport Compliance Manual*, “the ownership of the club aircraft must be vested in the name of the flying club or owned by all its members. The property rights of the members of the club shall be equal; no part of the net earnings of the club will inure to the benefit of any individual in any form, including salaries, bonuses, etc.” [FAA Order 5190.6C, *Airport Compliance Manual*, February 20, 2026, (Chapter 10, para 10.6(b))].

The Director confirms the FAA interprets aircraft ownership to include a long-term, exclusive use agreement with equal access to all members. As such, the Director agrees with the City that FAA Order 5190.6C indicates that flying clubs should own the aircraft used by their members and the ownership may include a long-term, exclusive use agreement if the lease is vested in the name of the flying club. The City's claim is further validated in GFK that states, "to interpret this provision otherwise would effectively prohibit a flying club from leasing an aircraft directly from an aircraft manufacturer, for example, that was not located at an airport upon which a flying club is based." Additionally, "It would not be prudent or practical to disallow a long-term exclusive leasing arrangement since we believe this to be a common industry practice." (GFK at 24).

The record shows that the SBFC aircraft are registered in the SBFC's name (FAA Exhibit 1, Item 8, p. 20, Exhibit 24). Above All speculates that SBFC members are purchasing aircraft and entering into a long-term lease with the SBFC, but provides no evidence to support this claim, other than tax returns that show the SBFC has outstanding loans (FAA Exhibit 1, Item 2, Exhibits 22, 24, 25, and 26). Further, Above All does not provide evidence that the speculative flying club members that may have entered into a lease agreement with the flying club are receiving an exclusive right to use the aircraft over other members or that they are profiting in some way. As long as all flying club members have equal access and equal ownership rights to the leased aircraft and the lease is a long-term lease, the flying club meets the FAA guidelines. Considering the lack of evidence, the Director finds no Grant Assurance 22 or Grant Assurance 23 violation regarding SBFC's leasing of aircraft.

The Director notes that the City provides no direct evidence that the aircraft ownership structure of the flying club meets FAA guidelines other than noting that the aircraft are registered in the flying club's name. The MSRs give the City the authority to review "the books and all other associated records involving the Flying Club's operations" which would include the ownership structure of the flying club aircraft (FAA Exhibit 1, Item 8, Exhibit 4, p. 42). The City has a responsibility to ensure nonprofit flying clubs meet the FAA guidelines and the aircraft ownership structure is an element of this. The City should exercise its authority and review the aircraft ownership arrangement(s) of the flying club and ensure that it meets the MSRs and FAA guidelines.

## **Conclusion**

The Director reviewed the record and finds that SBFC holds itself out as a flight training provider contrary to FAA policy and City guidelines for nonprofit flying clubs. Consequently, the Director finds the City, as the Airport sponsor, to be in violation of Grant Assurances 22, *Economic Nondiscrimination* and 23, *Exclusive Rights*, since the City is allowing SBFC to hold itself out as a flight training commercial operator while not meeting the minimum standards for a commercial operator. This unjustly discriminates against Above All and grants an exclusive right to SBFC. Although the other evidence provided by Above All is insufficient to find a violation, the advertisement calls into question if SBFC is indeed a commercial operator "masquerading"

as a nonprofit flying club in relation to the other allegations. It also raises questions about the City's overall hesitancy to provide appropriate oversight of the flying club's training logs, financials, membership lists, and aircraft leasing/ownership structure. The FAA expects airport sponsors to properly monitor nonprofit flying clubs and take appropriate corrective action as necessary to maintain compliance with its federal obligations.

Although Above All did not meet its burden of proof<sup>14</sup> on most issues, whether or not SBFC meets all FAA and City requirements is not conclusively proven by the record either. Further, the City plainly states that it is reluctant to conduct appropriate monitoring to ensure compliance with the requirements (FAA Exhibit 1, Item 8, p. 22).

As directed in the Order below, a Corrective Action Plan is required to resolve the identified violation. However, it is strongly recommended that the City also include a plan to provide greater oversight of SBFC's activities to ensure it is not acting as a commercial operator in competition with legitimate aeronautical service providers and is in fact meeting all FAA and City nonprofit flying club requirements. Appropriate oversight may include monitoring training logs kept by SBFC to ensure that it is not allowing nonmembers and nonpermitted independent operators to provide flight training, reviewing SBFC financials, reviewing aircraft ownership structure to ensure compliance, and periodically reviewing membership lists. The City should also review its insurance requirements for flying clubs to ensure they are available in the competitive marketplace and appropriate for the risk that it is intended to cover.

## 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,

**Issue 1** - The City is not in violation of Grant Assurance 22, *Economic Nondiscrimination* or Grant Assurance 23, *Exclusive Rights* regarding independent operators. The Director finds that Above All did not provide conclusive evidence that the City is allowing independent operators to provide flight training without a permit and without meeting the insurance requirements.

The Director recommends that the City continue to be diligent to ensure that unpermitted independent operators are not providing unauthorized flight training. The Director also recommends the City ensure that the insurance requirements for independent operators are available in the competitive marketplace and reasonable so as not to deny this type of aeronautical user access to the Airport.

**Issue 2** - The City is in violation of Grant Assurances 22, *Economic Nondiscrimination*, and 23, *Exclusive Rights* regarding the SBFC advertisement. The Director finds that the City is allowing the SBFC to advertise as a commercial operator outside of the FAA

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<sup>14</sup> 14 CFR § 16.23(k)(1)

policy regarding flying clubs. Further, the City should establish a plan to provide greater oversight of the flying club including reviewing the flying club's advertising, training logs, membership lists, financials, aircraft ownership structure, as well as the insurance requirements to ensure that it is acting in accordance with FAA's policy for flying clubs to avoid any future investigation.

### **ORDER**

ACCORDINGLY, it is ordered that:

1. Within 30 days of the issuance of this Determination the City will provide a corrective action plan that will outline the actions the City will take to address the Grant Assurances 22 and 23 violations including removal of the noncompliant SBFC advertisements on Facebook, and other digital or non-digital advertisements that may exist containing prohibited marketing of activities and services (Issue 2).
2. Notwithstanding the lack of a current grant assurance violation on all other issues related to the flying club investigated here, the Director recommends that the City include a plan on how it will monitor and review the SBFC actions to ensure it meets all FAA and City nonprofit flying club requirements (Issue 2).

Pending the FAA's approval of a corrective action plan and implementation by the City, this office will recommend to the Director, of the Office of Airport Planning and Programming, to withhold approval of any applications submitted by the City for funding for projects authorized under 49 U.S.C. § 47115.

3. All other Motions not expressly granted in this Determination are denied.

### **RIGHT OF APPEAL**

This Director's Determination 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). Any party to this proceeding adversely affected by the Director's Determination may file an appeal with the FAA 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, 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  
Federal Aviation Administration

**Above All Aviation, Inc., Complainant**

v.

**City of Santa Barbara, Respondent.****Docket 16-25-05****INDEX OF ADMINISTRATIVE RECORD**

The following items constitute the administrative record in this proceeding:

## FAA Exhibit 1

- Item 1**                    **FAA Grant Assurances**  
[https://www.faa.gov/airports/aip/grant\\_assurances](https://www.faa.gov/airports/aip/grant_assurances)
- Item 2**                    **Above All Aviation’s Complaint against the City of Santa Barbara alleging directly and substantially affected by Santa Barbara Airport (SBA) non-compliance with GA 22 and GA 23, dated May 5, 2025**
- Exhibit 1                FY23 FAA Airport Improvement Program (AIP) Grant Report, dated October 20, 2023
- Exhibit 2                Henry Thompson’s, Acting Airport Director, Santa Barbara Airport (SBA), letter to Brian Armstrong, Manager, Airport Safety, Standards & Compliance Branch, FAA Western-Pacific Region regarding Channel City Flying Club at SBA, dated November 20, 2020
- Exhibit 3                Acting Airport Director’s, SBA, letter to Channel City Flyers regarding Notice of Intent to Suspend and Order to Cease and Desist, Notice of Conditional Termination of T-Hangar and the Tie Down Licenses, dated November 30, 2020
- Exhibit 4                Insurance Requirements (Revised), dated November 2023
- Exhibit 5                Christopher Hastert’s, [New] Airport Director, SBA, e-mail to Shawn Sullivan, President/CEO, Above All Aviation regarding Airport Access and Permits, dated February 29, 2024
- Exhibit 6                George Aiken’s, Airport Compliance Program Manager, FAA Western Pacific Region (AWP), letter to Acting Airport Director, SBA regarding Informing the Airport Manager of a Part 13 Complaint filed, dated June 17, 2020

- Appendix A            How to Advertise Your Alternative to Traditional Flight Schools on the Internet, Without even being Identified, dated August 22, 2018
- Appendix B            Local Permitted Flying Club Founding Member Advertising on his Van
- Appendix C            An Example of State Sales Tax Fraud, dated March 1, 2018
- Appendix D            An example of an aircraft purchased by an investor and "sold" to a "not for profit flying club" in short order, and the associated lien (Channel City Flyers, Inc)
- Exhibit 7              President/CEO's, Above All Aviation, e-mail to Airport Director, SBA regarding Permits, dated August 23, 2023
- Exhibit 8              Aviation Management Consulting Group (AMCG) Santa Barbara Municipal Airport Flight Instruction - Task Force Working Group (Summary Report), dated August 30, 2021
- Exhibit 9              President/CEO's, Above All Aviation, e-mail to Airport Director and Michael "Mike" Smith, Airport Operations Manager, SBA regarding Michael Fountaine, dated March 9, 2023
- Exhibit 10             President/CEO's, Above All Aviation, e-mail to Airport Operations Manager, regarding Michael Fountaine (Independent Operator) is at his usual place of work this morning, dated November 16, 2023
- Exhibit 11             Terry Harris's (Independent Operator) e-mail to Airport Director regarding Independent Flight Instructor Permit - Terry Harris, dated August 21, 2023
- Exhibit 12             Santa Barbara Flying Club (SBFC) Bylaws 3.10 with FAA 5190.6B as of September 2023
- Exhibit 13             SBFC 2023-2024 Permit Application - Membership Roster, dated January 3, 2024
- Exhibit 14             Airport Director's e-mail to President/CEO, Above All Aviation regarding Permits, dated February 29, 2024
- Exhibit 15             President/CEO's, Above All Aviation, e-mail to the Airport Director regarding Independent Operators, dated June 6, 2024
- Exhibit 16             Acting Airport Director's letter to Erwin Green, Channel City (CCF) Flyers regarding Operational Audit Plan of Channel City Flyers, dated July 1, 2020

- Exhibit 17            Acting Airport Director’s e-mail to Maureen Graham regarding Independent Flight Instruction, dated November 8, 2019
- Exhibit 18            December Sunset over the Santa Barbara Channel, dated September 3, 2008
- Exhibit 19            Brett Locker’s, Attorney, Schley Look Guthrie & Locker LLP, Attorney (Complainant) letter to SBA Public Records Officer regarding Freedom of Information Act and California Public Records Act Information Request, dated July 26, 2024
- Exhibit 20            Ian Moore’s Memorandum to Attorney (Complainant), regarding Santa Ynez Valley Airport Authority Meeting April 2, 2025, dated April 4, 2025
- Exhibit 21            *Question of the Month: What are the Pros and Cons of Equity and Non-Equity Flying Clubs?* (Article) By Stephen Bateman, AOPA Magazine, dated November 21, 2021
- Exhibit 22            CCF 2020 Short Form Return of Organization Exempt From Income Tax (Form 990EZ), dated February 6, 2025
- Exhibit 23            FlightAware Regarding N3299V Aircraft Registration (including Aircraft Summary)
- Exhibit 24            SBFC 2017 Short Form Return of Organization Exempt From Income Tax (Form 990EZ), dated May 15, 2018
- Exhibit 25            SBFC 2018 Short Form Return of Organization Exempt From Income Tax (Form 990EZ), dated November 14, 2019
- Exhibit 26            SBFC 2019 Short Form Return of Organization Exempt From Income Tax (Form 990EZ), dated November 16, 2020
- Exhibit 27            FAA Advisory Circular: Minimum Standards for Commercial Aeronautical Activities (AC No: 150/5190-8), dated December 7, 2023
- Item 3                FAA’s Notice of Docketing, dated May 13, 2025**
- Item 4                City of Santa Barbara’s Unopposed Motion for Extension of Time to File Answer or Other Responsive Pleading Until June 16, 2025, dated May 16, 2025**
- Item 5                FAA’s Order of Extension of Time to June 16, 2025, dated May 19, 2025**

- Item 6**                    **City of Santa Barbara’s Unopposed Motion for a Second Extension of Time to File an Answer or Other Responsive Pleading Until June 26, 2025, dated June 11, 2025**
- Item 7**                    **FAA’s Order of Extension of Time to June 26, 2025, dated June 11, 2025**
- Item 8**                    **City of Santa Barbara’s Answer to the Complaint and memorandum of Points and Authorities in Support Thereof, dated June 26, 2025**
- Exhibit 1                FAA Airport Compliance Program Manager’s, FAA Western - Pacific Region (AWP), letter to Aaron Keller, Interim Airport Director, SBA, regarding a verbal complaint involving independent flight instruction at SBA, dated November 20, 2018
- Exhibit 2                FAA Airport Compliance Program Manager’s, FAA Western - Pacific Region (AWP), letter to Acting Airport Director, regarding potential violation of Grant Assurance 22, dated November 7, 2019
- Exhibit 3                FAA Airport Compliance Program Manager’s, FAA Western - Pacific Region (AWP), letter to Acting Airport Director regarding Complaint from Mr. Joel Sullivan (Co-Owner, Above All) and offered the City an opportunity to reply to the allegations, dated June 17, 2020
- Appendix A              How to Advertise Your Alternative to Traditional Flight Schools on the Internet, without even being Identified, dated August 22, 2018
- Appendix B              Local Permitted Flying Club Founding Member Advertising on his Van
- Appendix C              An example of state sales tax fraud, dated March 1, 2018
- Appendix D              An example of an aircraft, purchased by an investor and "sold to a not-for-profit flying club" in short order, and the associated lien
- Exhibit 4                SBA Minimum Standards Requirements: For Airport Aeronautical Activities at the Santa Barbara Municipal Airport, dated October 11, 2022
- Exhibit 5                Airport Operations Manager’s e-mail to Karl Zittel, FAA Airport Compliance Specialist, FAA Western - Pacific Region (AWP) regarding Independent Operators at SBA, dated November 13, 2023
- Exhibit 6                Anthony Garcia’s, FAA Airports, Los Angeles, CA FAA Western - Pacific Region (AWP), e-mail to Hazel Johns regarding Information related to Flying Club Policy, dated May 4, 2017

- Exhibit 7 Insurance Requirements (Revised): Airport Commercial Activity Permit - Mobile Trade Services, dated November 2023
- Exhibit 8 Airport Director's e-mail to Airport Operations Manager regarding Independent Flight Instructor Permits, dated October 23, 2023
- Exhibit 9 Airport Operation Manager's e-mail to Gregory Goodsell regarding Airport Permit Enforcement, dated July 8, 2024
- Exhibit 10 Declaration of Christopher Hastert, *Above All Aviation v. City of Santa Barbara*, dated June 26, 2025
- Exhibit 11 Airport Operations Manager's e-mail to Terry Harris, Independent Flight Instructor regarding Professional Liability Coverage for CFI, dated December 15, 2023
- Exhibit 12 [SBA] Airport Permits (Office) e-mail to Mike Fountaine regarding Airport Permit Status - Flight Instruction, dated December 15, 2023
- Exhibit 13 Declaration of Mark Howard, Risk Manager, City of Santa Barbara, *Above All Aviation, Inc v. City of Santa Barbara*, dated June 26, 2025
- Exhibit 14 Terry Harris's, Independent Flight Instructor e-mail to Risk Manager, City of Santa Barbara regarding Request for Insurance Waiver - Terry Harris, dated September 21, 2023
- Exhibit 15 Airport Operations Manager's e-mail to Mike Fountaine regarding Independent Flight Training Operator - Originating Airport SBA, dated May 28, 2024
- Exhibit 16 Mike Fountaine's e-mail to Airport Operations Manager regarding What's the Issue? dated January 29, 2025
- Exhibit 17 Airport Director's e-mail to Airport Operations Manager regarding Permits, dated February 29, 2024
- Exhibit 18 Airport Director's e-mail to President/CEO, Above All Aviation, Airport Operations Manager, Randy Rowse, and FAA Airport Compliance Specialist, FAA Western – Pacific Region (AWP) regarding Permits, dated February 29, 2024
- Exhibit 19 President/CEO's, Above All Aviation e-mail to the Airport Director, Cassandra Corral, Airport Operations Manager, and Randy Rowse regarding FYI, dated May 23, 2024

- Exhibit 20 E-mails between the Airport Director and Above All Aviation, Inc. and others regarding Flying Clubs, dated between March 15 -16, 2023
- Exhibit 21 Airport Permit Application -Aviation, City of Santa Barbara Airport Department (SBFC, Inc.), dated December 5, 2023
- Exhibit 22 City of Santa Barbara, Aeronautical Activity Operating Permit - Santa Barbara Flying Club, Inc. - SBA Aeronautical Activity Operating Permit, dated August 1, 2024
- Exhibit 23 AIG Aerospace Insurance Services, Inc. (SBFC) Certificate of Insurance, dated April 30, 2025
- Exhibit 24 FAA Registry: N-Number Inquiry Results – SBFC
- Exhibit 25 State of California, Office of the Secretary of State, Statement of Information CA Non-Profit Corporation, (SBFC), dated October 14, 2024
- Item 9 Above All Aviation’s Unopposed Motion for Extension of Time to File Reply Brief or Other Responsive Pleading or Motion until July 21, 2025, dated July 2, 2025**
- Item 10 FAA’s Order Granting Extension of Time until July 21, 2025, dated July 7, 2025**
- Item 11 Above All’s Reply Brief, dated July 21, 2025**
1. Declaration of Shawn Sullivan in Support of Complainant’s Reply, *Above All Aviation v. City of Santa Barbara*, dated July 21, 2025
  2. Declaration of Joel Sullivan in Support of Complainant’s Reply, *Above All Aviation v. City of Santa Barbara*, dated July 21, 2025
  3. Declaration of Brett Locker in Support of Complainant’s Reply, *Above All Aviation v. City of Santa Barbara*, dated July 21, 2025
- Exhibit A Airport Director’s e-mail to Mike Fountaine regarding Introduction/SBA Activity, dated October 16, 2023
- Exhibit B Louis Farah’s, Jr., President, SBFC e-mail to Airport Operations Manager regarding Social Media Posts, dated October 1, 2024
- Exhibit C Co-owner’s Above All Aviation e-mail to President/CEO, Above All Aviation and Attorney (Complainant) regarding ("Fountain") Fountaine scored 2 instrument flight lessons in SBFC's N80643 Today...It's business as usual, dated May 12, 2025
- Exhibit D FlightAware Image: N80643 Flight Schedule - Landed over 2 months Ago (View Track Log), dated July 19, 2025 (2:36 PM)

- Exhibit E FlightAware Image: N80643 Flight Schedule - Landed over 2 months Ago (View Track Log), dated July 19, 2025 (4:46 PM)
- Exhibit F IFR Approach Chart: ILS or LOC RWY 7, Santa Barbara Municipal Airport (SBA)
- Exhibit G IFR Approach Chart: VOR RWY 25, Santa Barbara Municipal Airport (SBA)
- Exhibit H President/CEO's, Above All Aviation e-mail to Airport Manager, and Airport Operations Manager regarding Flying Clubs, dated May 23, 2024
- Exhibit I President/CEO's, Above All Aviation e-mail to Airport Director, Airport Operations Manager, Co-Owner, Above All Aviation and FAA Airport Compliance Specialist, FAA Western - Pacific Region regarding Michael Fountaine, dated May 30, 2024
- Exhibit J President/CEO's, Above All Aviation, e-mail to Attorney (Complainant) regarding Flying Clubs, dated July 16, 2024
- Item 12 City of Santa Barbara's Motion for an Extension of Time to August 7, 2025, to file a Rebuttal to Above All's Reply, dated July 26, 2025**
- Item 13 FAA's Order Granting Extension of Time until August 7, 2025, dated July 29, 2025**
- Item 14 City of Santa Barbara's Rebuttal to Above All's Reply, dated August 7, 2025**
- Item 15 Federal Aviation Administration (FAA), Office of Airports (ARP), Grant History Report, dated October 1, 2024**
- Item 16 FAA OPSNET Report, dated April 6, 2026**
- Item 17 SBA Airport Master Record, dated April 6, 2026**
- Item 18 FAA's Notice of Extension of Time, dated December 4, 2025**
- Item 19 Santa Barbara Flying Club's Post, Facebook, dated December 5, 2025**
- Item 20 FAA's Notice of Extension of Time, dated February 4, 2026**
- Item 21 FAA's Notice of Extension of Time, dated March 5, 2026**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on April 9, 2026, I caused to be emailed a true copy of this Order for FAA Docket No. 16-25-05 addressed to:

**FOR THE COMPLAINANT**

Brett Locker, Esq.  
Schley Look Guthrie & Locker, LLP  
311 East Carrillo Street, Suite D  
Santa Barbara, California 93101  
blocker@slgl-law.com

**FOR THE RESPONDENT**

Steven L. Osit, Esq.  
Caitlin McCusker  
Caroline Jaschke, Esq.  
Kaplan Kirsch, LLP  
1634 I (Eye) Street NW, Suite 300  
Washington, DC 20006  
sosit@kaplankirsch.com  
cmccusker@kaplankirsch.com  
cjaschke@kaplankirsch.com

**Copy to:**

FAA Part 16 Airport Proceedings Docket (AGC-600)  
FAA Office of Airport Compliance and Management Analysis (ACO-100)  
FAA Office of Airports Western Pacific Region (AWP-600)



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Jennifer Dermody  
Office of Airport Compliance and Management  
Analysis