



CITY OF CONCORD

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REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Martha Drukker, Associate Engineer – Capital Projects
Matthew R. Walsh, Deputy City Manager – Development

DATE: August 22, 2024

SUBJECT: Municipal Airport Grant Acceptance and Funding Appropriation – CIP #383 Airport Terminal Building, Environmental Assessment

Recommendation

1. Accept this report;
2. Authorize the City Manager to accept and enter into a Grant Agreement with the New Hampshire Department of Transportation (NHDOT), Bureau of Aeronautics for the purpose of completing an Environmental Assessment related to the new Airport Terminal Building (CIP #383); and,
3. Set the attached resolution appropriating the sum of \$250,000 dollars, of which 90% is eligible Federal (\$225,000), 5% eligible State (12,500) and 5% eligible City (\$12,500) for public hearing on October 15, 2024.

Background

The Concord Municipal Airport is a general aviation airport which was established in 1918. The facility is owned by the City.

The airport contains approximately 575 acres of land and features two runways (6,005 and 3,200 feet in length, respectively). Approximately 100 aircraft are based at the airport. Earlier this year, United Therapeutics Corporation, a publicly traded biotechnology company, completed a new 36,000SF corporate aircraft hangar on land leased from the City at the Airport.

The current terminal building was constructed in 1937, and later expanded in 1965. The building is obsolete, fully depreciated, and inadequate to support this growing general aviation airport. Additionally, the building is not compliant with modern building codes, including the Americans with Disability Act.

Due to these shortcomings, it has been a long-standing City goal to demolish and replace the current terminal with a new, modern facility that will support the airport for decades to come. Specifically, the goal of replacing the current terminal has been carried in various City Airport Master Plans since at least 1996.

Subject to State and Federal permitting processes, upon completion of the new terminal, the existing building would be demolished. Once demolition is completed, the property occupied by the current terminal will be used for additional hangar development at the Airport.

Reuse of the existing terminal building site for hangar development is important for two reasons. First, of the 575+/- acres that comprises that Concord Municipal Airport, only 12+/- acres remains available for aviation development as much of the airport property is off limits to development due to agreements with the Federal government to protect threatened and endangered species at the property. These agreements were mandated as a result of past environmental reviews in accordance with the National Environmental Protection Act for various federally funded projects at the Airport, including the New Hampshire Army Air National Guard facility at 26 Regional Drive. Secondly, there is an acute shortage of hangar space at general aviation facilities in southern and central New Hampshire. Recognizing the importance of general aviation to the State's economy, Concord desires to maximize hangar opportunities on remaining developable land at our Airport. In turn, additional hangar development will help the Airport, which is operated as a special revenue fund, remain financially self-sufficient from the City's General Fund.

Historically, Federal funding to assist in replacing the existing 1937 Terminal Building has been unavailable as the FAA has generally prioritized airfield infrastructure improvements over terminal improvements at general aviation facilities.

However, in February 2024, the City was notified it was the recipient of a project intent to award for \$2.51M toward the construction of a new Terminal as part of Federal Aviation Administration (FAA)'s FY24 Bipartisan Infrastructure Law – Airport Terminal Buildings Grant Program. The potential \$2.51 million in federal grant is a key financial component of making the long-desired project a reality in the coming years.

On March 11, 2024, the City Council approved Resolution #9622 which appropriated City, State, and Federal funds to proceed with design, permitting and bidding of the new terminal building and associated parking in anticipation of the aforementioned grant funding for construction of these improvements.

Following the approval of Resolution #9622, staff and project consultants then began the process of designing the project, including presentation to the Planning Board in May 2024, and have currently completed the preliminary design phase.

Discussion

In 2011, the City completed a “master” environmental assessment (EA) for the Airport pertaining to natural, cultural, and historic resources at the property. The goal of this document was to satisfy regulatory requirements for all future capital improvement projects at the airport which are financed with federal funds.

As design of the new terminal and related improvements progressed in early to mid-2024, the City was informed by FAA that the 2011 environmental assessment is insufficient for the new Terminal Project. Specifically, the 2011 environmental assessment determined portions of the Airport are eligible for inclusion as a historic district under the National Register of Historic Places. While the Airport is not listed on the National Register, nor is it a locally designated Historic District, the FAA has decreed that an additional environmental assessment must be completed in order for the proposed terminal building and related improvements to proceed.

The environmental assessment (EA) process can take up to 12 months to complete. It is anticipated that the updated EA will include an alternatives analysis for the proposed new Terminal Building, demolition of the existing Terminal Building, as well as other projects programmed in the City’s current Capital Improvements Program.

Representatives of the City, FAA, NHDOT, and Jacobs Engineering (the City’s on-call airport consultant) are working on an accelerated schedule to complete the EA update. Once completed, design of the new terminal building and related improvements will resume.

It is important to note that the updated EA process may affect design details for the terminal building and related improvements. As such, findings of the updated EA, as well as any potential modifications to the terminal project resulting therefrom, will be presented to the City Council prior to resumption of design efforts.

During its August 12, 2024 meeting, the City Council approved a consent resolution which authorized the City Manager to apply for Federal and State funding in an amount up to \$605,000 for various purposes, including the completion of an updated environmental assessment for the Airport pertaining to the proposed terminal project.

The Engineering Division of Community Development has received tentative notification that the FAA and NH Department of Transportation are recommending

approval of the City's grant application for additional EA at the Airport. Final grant awards are expected in November 2024.

As such, in order to expedite this project, as well as comply with certain FAA / NHDOT pre-award grant requirements, City Administration recommends that City Council approve the attached resolution accepting and appropriating Federal and State grant funds, as well as appropriating City matching funds. Outside of normal and customary pre-award activities mandated by FAA / NHDOT, such as completion of independent fee estimates for the project which are fully reimbursable by these grant funding, no work will proceed until final award of FAA and NHDOT funds occurs.