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September 13, 2022

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents, including any necessary amendments, with the Federal Aviation Administration, to accept the Bipartisan Infrastructure Law Airport Terminal Program Grant award for federal Fiscal Year 2022 funding, for the Roadway Improvements Project at the Long Beach Airport, in an amount not to exceed \$12,800,000. (Districts 4, 5)

DISCUSSION

The Long Beach Airport (Airport) receives grant funds annually from the Department of Transportation, Federal Aviation Administration (FAA) Airport Improvement Program (AIP) for capital improvement projects. The FAA regularly provides more than \$3.18 billion annually in AIP entitlement and discretionary grant funds for a network of more than 3,300 eligible airports. AIP entitlement funds are allocated to airports based on their number of enplaned passengers. AIP discretionary funds are allocated to airports based on need and national priority, as determined by the FAA. Airports submit grant applications for AIP entitlement and discretionary funds to pay for major airport infrastructure projects.

On February 25, 2022, the FAA announced the opportunity for airports to apply for approximately \$1 billion in Fiscal Year (FY) 2022 discretionary funds for the newly established Airport Terminal Program (ATP) grant, made available under the Infrastructure Investment and Jobs Act of 2021 (IIJA) Public Law 117-58, referred to as the Bipartisan Infrastructure Law (BIL) enacted on November 15, 2021. On March 28, 2022, the Airport applied for FY 2022 ATP discretionary funding for the Roadway Improvements Project (Project). ATP grants under BIL are awarded competitively and may be used for justified terminal development projects.

The Project will include the construction of new crosswalks in front of the Historic Terminal building, widening of Donald Douglas Drive adjacent to the Historic Terminal building, modifications to the intersection of Barbara London Drive and Donald Douglas Drive, new signage, asphalt pavement, concrete sidewalks, roadway striping, and various accessibility and landscaping improvements. The Project will improve passenger inbound and outbound movement as well as the overall customer experience.

On July 7, 2022, the FAA released a Notice of Intent to fund selected projects, including the Airport's submission, for FY 2022. ATP grant funding is pending a formal grant offer from the FAA. The estimated cost for the Project is \$11,150,465, of which \$10,592,942 will be federally funded. The ATP grant requires 5 percent shared financial participation by the Airport, which

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is estimated at \$557,523, and funded by Airport funds available in the Airport Fund Group in the Airport Department. The final amount of the ATP grant for FY 2022 may be higher or lower, depending on the actual construction bid amount.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on August 9, 2022 and by Budget Analysis Officer Greg Sorensen on August 24, 2022.

TIMING CONSIDERATIONS

City Council action is requested on September 13, 2022, so the grant may be fully processed in the timeframe required by the FAA. Failure to meet the FAA's deadlines could result in loss of funding.

FISCAL IMPACT

The proposed recommendation would authorize the Airport to accept funding of up to \$12,800,000 from the FAA ATP grant, based on the estimated project cost plus a 15 percent project contingency. An appropriation increase for the grant and matching funds will be requested after funding is awarded. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. It is anticipated the Project will have a positive impact on the local job market.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CYNTHIA GUIDRY DIRECTOR, LONG BEACH AIRPORT

APPROVED:

THOMAS B. MODICA CITY MANAGER