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| *The purpose of this form is to offer guidance to Great Lakes Region Airports District Offices (ADO’s) in evaluating the eligibility of a given project or facility for AIP funding. This form does not replace or supersede any statute or regulation, and it is not required; however, it may help expedite the evaluation by ADO and/or Regional Office staff. In order to make a final determination, the FAA may require further information.*  |
|  **TO BE COMPLETED BY SPONSOR** |
| **Airport and Location** | [insert name] |
| **Airport Sponsor** | [insert organization] |  |  |
| **Proposed Project** | [type brief description including type of facility and location] |
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| --- | --- | --- | --- |
| **Date of Current ALP** | [insert] | **Proposed Project on ALP?** |  |
| *If proposed project not on current ALP, attach explanation including timeframe for amendment/submission.* |
| **Lowest Current Pavement Condition Index (PCI) or Equivalent Standard Metric** | [insert, if known] |
| **All Pavement and navaid Project Funding Identified for Next Three (3) Years\*?** |  |
| **All other Critical Airside Project Funding Identified for Next Three (3) Years\*?** |  |

**Will the Airport Sponsor Own the Facility?**  |
| **Will the Airport Sponsor Operate the Facility?** |
| **If “No,” Describe Business Arrangement With Facility Manager** | [insert explanation—describe major commercial terms, duration of commitment, selection process, and whether facility manager functions on an at-risk or fee-for-service basis] |
| **Will the Facility be Available for Public Use?** |
| **Describe Other Existing, Comparable Facilities, Ownership and Demand** | [insert brief description if applicable—if the purpose of the proposed project is to establish on-airport facilities, please indicate—if there is a waiting list, please attach it] |
| **Projected Finances** | **Annual Costs[[1]](#footnote-1)** | [$x,xxx,xxx] | **Annual Revenues** | [$x,xxx,xxx] |
| **Justification** | [insert justification for the project including financial plan to fund airside needs over the next 3 years] |
| **Date Submitted** | [insert date] |
| **Prepared By** | [insert printed name] | **Signature[[2]](#footnote-2)** |  |
|  | [insert title] | **Telephone** | [999] 999-9999 |
|  | [insert organization] |
|  |  |

**Background:** The reauthorization for the FAA, “Vision100 – Century of Aviation Reauthorization Act of 2004,” included a provision that allowed the use of Federal AIP funds for revenue-producing facilities, such as hangars or fuel farms. The “FAA Modernization Act of 2012,” further defined revenue-producing facilities to include: “… fuel farms, hangar buildings, self-service credit card aeronautical fueling systems, airplane wash racks, major rehabilitation of a hangar owned by a sponsor, or other aeronautical support facilities that the Secretary determines will increase the revenue producing ability of the airport.” Specifically, the law states “The Secretary may decide that the construction costs of revenue producing aeronautical support facilities are allowable for an airport development project at a nonprimary airport if the Government’s share of such costs is paid only with funds apportioned to the airport sponsor under section 47114 (d)(3)(A) and if the Secretary determines that the sponsor has made adequate provision for financing airside needs of the airport.”The intent of the law is to provide for the construction of facilities to generate additional revenue for the operation, maintenance, and development of nonprimary airports.

**Project funding:** The Federal share of the cost of these revenue-producing facilities can only be funded with nonprimary entitlements. State apportionment or discretionary funds cannot be used for the Federal share of these project costs. See AIP Handbook (FAA Order 5100.38D) Table 4-5, Project Restrictions by Fund Type.

**Types of facilities:** Current policy limits eligibility to fuel farms, hangar buildings, self-service credit card aeronautical fueling systems, airplane wash racks, and major rehabilitation of a hangar owned by a sponsor. Except for major rehabilitation of hangars and facilities being funded by MAP, note that only the initial construction of a revenue producing facility is eligible for AIP. For further clarification on these and other project restrictions, please refer to the current AIP Handbook. Other types of facilities may be addressed on a case-by-case basis.

See AIP Handbook (FAA Order 5100.38D) Table A-1: Definition of Terms Used in This Handbook, Table 3-47: Examples of Allowability of Costs for Facilities Impeding an AIP Project, Paragraph 6-45: Typical Map Projects, Table C-2: Examples of Prohibited Projects/Costs for Construction, Appendix D: Miscellaneous Projects, and Paragraph N-3: Revenue Producing Eligibility and Conditions for Terminal Buildings.

**Airside development needs:** The law requires that the FAA must determine if the sponsor has made adequate provision for funding the airport’s airside needs before a grant can be issued for the construction of these revenue-producing facilities. In order for that determination to be completed, the sponsor must document the airport’s airside development needs and a financial plan for addressing those needs. As an example, a low PCI rating would indicate a need to invest in the airport’s runways before investing in a revenue-producing facility. The financial plan can include AIP funding, but such funding should not be relied on as the primary means for financing since it would appear that the sponsor would be using its entitlements for lower priority work in order to fund revenue-producing facilities*.* In addition, if an airport’s capital improvement plan identifies a need for discretionary funding in the next three years, then the use of AIP funds for revenue-producing facilities will generally not be approved. \*Note: If this project is assigned a multi-year grant, this timeline will be extended to the next three years after the last amendment for the multi-year grant is issued.

1. Including any ongoing capital costs (e.g., debt service) [↑](#footnote-ref-1)
2. Signature not required if completed form is transmitted via email from the named preparer [↑](#footnote-ref-2)