

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	June 08, 2009
	Agenda Item No. 45 Roll Call No. <u>09-</u> Communication No. <u>09-374</u> Submitted by: Craig Smith, Aviation Director and Jeb E. Brewer, P.E., City Engineer	

AGENDA HEADING:

Approving and Authorizing the Execution of Federal Aviation Administration AIP Grant Agreement, Project Number 3-19-0027-51 Airport Runway 13R-31L Land Acquisition, Phase 8.

SYNOPSIS:

Recommend the City Council approve the FAA Grant and authorize the Mayor to execute a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant 51 in a 95% Federal share amount of \$451,250 along with City acceptance and ratification of all associated grant assurances, warranties, covenants, and agreements contained in the project application for the funding of the Airport Runway 13R-31L Land Acquisition, Phase 8. This Grant 3-19-0027-51 includes Federal reimbursement for the acquisition of Tract 2002-017 at 5261 SW McKinley Avenue.

FISCAL IMPACT:

Amount: \$475,000

Funding Source: 2009-2010 CIP, Page Airport-26, Runway 13R-31L – Land Acquisition AIR117, being \$451,250 (95%) in FAA funds through this AIP Grant 51 or any additional money that FAA may make available and \$23,750 (5%) in Passenger Facility Charge (PFC) funds included in approved PFC Application Number 9.

ADDITIONAL INFORMATION:

On July 29, 2003, the Federal Aviation Administration approved a Finding of No Significant Impact (FONSI) and Section 4(f) Determination for the proposed Runway 13R-31L construction. The Federal Aviation Administration’s approval of the FONSI and Section 4(f) Determination constitutes the Federal approval for the actions identified and any subsequent actions approving a grant of Federal funds for the project beginning with land acquisition. The acquisition of approximately 283 acres of property, including 22 residential properties, needed for the proposed runway and its approaches is included in the finding. The FONSI specifies, and Federal Regulations require, that acquisition of residences and farmland must conform to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Land acquisition as well as the construction of the new runway and taxiways will depend upon the availability of Federal and Airport funds.

The Airport is required by the FAA Airport Improvement Program (AIP) process to acquire properties prior to their inclusion in a Federal Grant project that would ultimately fund the acquisition expense. For this reason, Engineering and Aviation Department staff work closely with FAA staff in an attempt to time the acquisitions so that they will occur just prior to the availability of an FAA AIP grant in order to

minimize the City's carrying costs required until 95% of the property expense can be reimbursed by an FAA AIP grant.

On December 2, 2003, under Resolution No. A03-285, the Airport Board approved and authorized the design of a public improvement project to construct Runway 13R/31L and authorized the City Manager to proceed with the acquisition of properties needed for the project by purchase, or gift, or by eminent domain when appropriate and needed.

FAA staff notified the Airport in separate October 6, 2004, and October 18, 2004, letters that approximately \$1 million in AIP entitlement grant funds and \$1.5 million in additional AIP discretionary funds be programmed for Runway 13R-31L land acquisition. Further they recommended that the City initiate final actions necessary to have this much property acquired in time for the release of 2005 AIP grants. On January 6, 2004, the Airport initiated a voluntary Acquisition Program to acquire the property for replacement Runway 13R-31L by approving Resolution A04-16. Approval of replacement Runway 13R-31L property acquisition by condemnation was recommended by the Airport Board on March 1, 2005, by Resolution A05-42 and approved by City Council Roll Call 05-541 on March 7, 2005.

On February 15, 2005, FAA Staff notified the Airport that FAA was initiating the Congressional release of funds for an FAA AIP grant in an amount of \$1,295,351 to initiate the first AIP grant funding of land acquisition for replacement Runway 13R-31L. The Airport Board recommended that the City Council accept an AIP grant by Resolution A05-56 on March 1, 2005. The City of Des Moines executed the first grant offer by authorization of Roll Call 05-1845 on August 3, 2005. Since that project grant initiation, six (6) subsequent offers for additional Runway 13R-31L property acquisition have been approved by Council Roll Calls 05-2129, 06-1258, 07-1681, 08-1008, 08-1436 and 09-296 bringing the total 95 percent Federal share amount of reimbursement for the first seven phases of acquired land to \$15,088,597.

Fair Market Value was established for the Van Patten property by Airport Board Resolution A05-153 on July 6, 2005, in an amount of \$325,000 for the residential property at 5261 SW McKinley. City Council approved the negotiated settlement in an amount of \$375,000 plus closing costs by City Council Roll Call 09-295 on February 23, 2009 for the purchase of this property. This Grant 3-19-0027-51 includes Federal reimbursement for the acquisition, relocation, and demolition costs for Tract 2002-017 at 5261 SW McKinley Avenue, which are expected to total \$475,000. With the acquisition of 5261 McKinley Avenue, the Airport will have ownership of all the necessary residential properties required for this project. There is one large parcel of undeveloped property that is presently being negotiated and must be acquired prior to starting construction. There are several large easement acquisitions, which also must be acquired to conclude all of the property acquisition requirements for the project.

PREVIOUS COUNCIL ACTION(S):

Date: February 23, 2009

Roll Call Number: 09-295

Action: Real estate documents for property at 5261 McKinley Avenue from George N. Van Patten for the Airport Runway 13R-31L Project, \$375,000, plus closing costs. (Council Communication No. 09-111) Moved by Hensley to adopt. Motion Carried 7-0.

Date: March 7, 2005

Roll Call Number: 05-541

Action: Authorization to proceed with acquisition of the necessary right-of-way for the Airport Runway 13R/31L Project, (Estimated \$16,000,000). (Council Communication No. 05-112) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): Airport Board

Date: June 2, 2009

Resolution Number: A09-103

Action: Recommend to City Council Acceptance of FAA Airport Improvement Grant No. 3-19-0027-51 in a Federal Share Amount of \$451,250.00 or Any Additional Money that FAA May Make Available for the Runway 13R/31L Land Acquisition, Phase 8

Date: July 6, 2005

Resolution Number: A05-153

Action: Establishing Fair Market Value and Authorizing Acquisition of the Van Patten property at 5261 McKinley Avenue for Runway 13R-31L project

Date: March 1, 2005

Resolution Number: A05-42

Action: Recommendation that City Council Authorize City Manager to proceed with acquisition of properties by voluntary gift, purchase or condemnation where necessary for Runway 13R-31L.

Date: January 6, 2004

Resolution Number: A04-16

Action: Approval of Voluntary Acquisition Program on a Hardship Basis for Properties Needed for Future Construction of Runway 13R/31L

Date: December 2, 2003

Resolution Number: A03-285

Action: Approving and Authorizing the Design of a Public Improvement Project to Construct 13R/31L and authorizing the City Manager to Proceed with the Acquisition of Agricultural Properties and Property Interests Required for Said Project

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

None for this grant. Three remaining acquisitions to approve as well as acceptance of grants for these properties and the future runway construction grants.

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