The topic of this presentation is FAA Grant Assurances. It was given on Thursday April 25th, 2013 at 6:00 PM at the Coast International Inn in Anchorage Alaska. The presenter was Evan Pfahler. The presentation was followed by an open question and answer session.
The purpose of this seminar and presentation is to define and describe what FAA Grant Assurances are and why FAA Grant Assurances restrict how airports use property. This seminar and presentation are a continued effort to promote open dialogue between Ted Stevens Anchorage International Airport and the community. It is a follow up to a series of workshops held in early 2010 as part of the West Anchorage District Plan.
This presentation was given by Anchorage International Airport Master Plan Update Project Manager Evan Pfahler.

Evan was joined, during the Q&A session, by John Parrott – Manager of Anchorage International Airport and Gabriel Mahns – FAA Alaskan Region Airport Compliance Specialist

The Q&A session was facilitated by Katherine Wood – Master Plan Update Public Involvement Lead
ANC Master Plan Update // FAA Grant Assurances
Presentation Agenda

1. Airport and FAA missions and relationship
2. Define FAA Grant Assurances
3. Describe how Grant Assurances restrict airport land use
4. FAA Grant Assurances and Anchorage International Airport
5. Post Master Plan Project Implementation Steps

The presentation includes five topics.
| 1. | Airport and FAA missions and relationship |
| 2. | Define FAA Grant Assurances |
| 3. | Describe how Grant Assurances restrict airport land use |
| 4. | FAA Grant Assurances and Anchorage International Airport |
| 5. | Post Master Plan Project Implementation Steps |

The first presentation topic is describing the Airport and FAA missions and their relationship.
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Federal Aviation Administration (FAA) Definition

- An agency within the U.S. Department of Transportation
- The national aviation authority of the United States
- Regulatory authority for U.S. civil aviation

The Federal Aviation Administration is commonly referred to as “FAA.” FAA is an agency within the United States Department of Transportation. FAA is the national aviation authority of the United States. FAA is the regulatory authority for civil aviation within the United States. In general, FAA oversees the nation’s air transportation system.
The mission of the FAA is to provide the safest, most efficient aerospace system in the world. This is the extent of the FAA's mission.
Ted Stevens Anchorage International Airport is commonly referred to as ANC. ANC is the largest and busiest civil airport in the State of Alaska serving more Alaskans than any other airport. The Airport serves intrastate, interstate, and international air transportation and commerce.
The mission of Ted Stevens Anchorage International Airport is to develop, operate, and maintain the Airport for Anchorage, Alaska, and the World.
Ted Stevens Anchorage International Airport was built when Alaska was still a territory and opened in 1951. It was built by authorization from Congress as a part of the Alaska Public Airports Act, passed by Congress in May 1948. This action also allocated funds to construct an airport in Fairbanks.

The Airport was built, owned, and operated by the Civil Aeronautics Administration (CAA), a predecessor to the Federal Aviation Authority (FAA) which came into existence in 1958.

The Airport was transferred to the State of Alaska in June 1959 approximately 6 months after Alaska entered the Union as the 49th state. The State of Alaska did not purchase the Airport but received it and responsibility for its operation and maintenance from the Federal government.
ANC is one part of the United States national air transportation system. The Airport is one of more than three thousand airports that make up FAA’s National Plan of Integrated Airport Systems (NPIAS). Airports that are in the NPIAS are eligible to receive FAA grant monies for certain eligible planning and development projects under a specific program called the Airport Improvement Program (AIP). Any airport that participates in AIP and accepts grant monies is required by law to meet certain obligations. These obligations are called Grant Assurances and are the primary topic of this presentation. Ted Stevens Anchorage International Airport, while located in Anchorage Alaska, is a part of a national air transportation system and, as a participant in AIP, must serve the interests of the national air transportation system.
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ANC and FAA Mutual Benefits

航空界与国民的相互关系

 Participation in AIP is mutually beneficial to ANC and to the FAA.

Benefits to ANC include:

• Funding for eligible planning and development projects
• Oversight of certain airport operations
• Airline and user trust engendered by the assurance that the Airport is operated and maintained according to the standards set forth by FAA

As an example, in 2012, the Airport received about 40 Million dollars in AIP grant money to support capital improvements necessary for the continued safe and efficient operation of the Airport. This is more than 90% of the total funding for AIP eligible projects.

Benefits to the people of the United States (as represented by FAA) include a safe, efficient airport serving a large U.S. state with varied economic and cultural resources of value to all Americans.

The FAA and the Airport share common goals and work together to meet those goals.
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FAA & ANC Relationship

- Annual FAA Certification Inspection
  
  Ensures the Airport meets FAA's operating standards

- FAA reviews and approves planning, environmental, and some development programs
  
  Ensures planned improvements meet FAA's standards and criteria

- FAA operates and manages air traffic
  
  Ensures the air traffic is handled safety and efficiently within the larger air transportation system both locally and nationally

The relationship between the Airport and FAA is regular and ongoing. Examples include the FAA’s annual certification inspection which ensures that the Airport is operated and maintained according to the FAA’s standards. Secondly, FAA reviews and approves planning, environmental and some development programs also ensuring they are conducted according to FAA’s standards and criteria. Finally, FAA operates and manages all air traffic movement on the ground and in the air in the vicinity of Anchorage International Airport. This ensures the safety and efficiency of both the national and local air transportation system.
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FAA Grant Assurances will now be defined.
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What are FAA Grant Assurances?

- 39 detailed obligations protecting the Federal government’s investment in any airport
- Airports must comply with all 39 Grant Assurances by law (Title 49, United States Code)
- Airports must agree to all 39 Grant Assurances when accepting Federal grant funds

FAA Grant Assurances include 39 detailed obligations protecting the Federal government’s investment in any airport. Once an airport chooses to accept FAA grant monies, the airport must comply with all 39 Grant Assurances. This requirement is set out in Federal law approved by U.S. Congress and articulated in Title 49 of the United States Code.
FAA Grant Assurances were designed to accomplish the following:

1. They ensure that airports are maintained and operated safely, efficiently, and fairly.
2. They protect the Federal government’s long-term aviation investment.
3. They ensure airport actions are in the best interest of the national air transportation system.

In effect FAA Grant Assurances regulate and protect the national investment in airport facilities.
This presentation covers five of the 39 Grant Assurances that relate most directly to land use decision making at airports. However, all 39 Grant Assurances are critical and must be adhered to by airports at all times.
5. Preserving Rights and Powers

Summary: The airport must not take any action that interferes with the operation of the airport without FAA approval.

Preserving the rights and powers of an airport to operate and requires that all other Grant Assurances are adhered to at all times. This requires that any major change to the airport facility is reviewed and approved by the FAA.
The Compatible Land Use Grant Assurance requires that the Airport protect its environs. To the extent reasonable, the airport shall promote compatible land use in and around the airport and, if possible, restrict incompatible land uses from occurring.
24. Fee and Rental Structure

Summary: The Airport shall maintain a fee and rental structure making the airport as self-sustaining as possible.

The Fee And Rental Structure Grant Assurance requires that the airport maintain a fee and rental structure that makes the Airport as self-sustaining as possible.
The Airport Revenues Grant Assurance requires that airport revenue is expended for the benefit of the airport. Some examples include capital or operating costs, facilities costs, and noise mitigation.
The Airport Layout Plan Grant Assurances requires that the airport maintain an Airport Layout Plan that is up to date and illustrates airport boundaries, existing and proposed facilities and structures, and existing and proposed aircraft movement areas. The Airport Layout Plan is regularly submitted by the airport to the FAA for review and approval to ensure any existing or proposed facility is in compliance with FAA standards.

29. Airport Layout Plan

Summary: The Airport shall maintain an Airport Layout Plan that is approved by the FAA and take no action that deviates from the plan without approval of the FAA...including land use designations.
The primary purpose of airport land is to support aviation and the airport’s continued safe and efficient operation. However, in some cases airport lands may be temporarily used for non-aeronautical purposes. Several criteria must be met and include:

1. The use must be temporary and it must be clear that the land in question is not currently needed for aeronautical use.

2. The proposed use must not interfere with the continued safe and efficient operation of the airport.

3. Any proposed temporary non-aeronautical use must be reviewed and approved by the FAA prior to implementation.

4. Finally, the airport must be compensated for the use at fair market lease rates or fees in support of Grant Assurance 24. There is a limited exception to the requirement that the airport be compensated for the use (see following slides for details on this exception).
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Providing Property for Public Community Use

“Making airport property available at less than fair market rental value for public recreational and other community uses, for the purpose of maintaining positive airport-community relations, can be a legitimate function of an airport proprietor in operating the airport.”

- 1999 Federal Register (p.7721, VII. D)

*Italics added for emphasis

The text above is a direct quote from the Federal Register that gives details on when it is acceptable for airport property to be made available without fair market value compensation.
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Providing Property for Public Community Use

“The contribution of the airport property enhances public acceptance of the airport in a community in the immediate area of the airport; the property is put to general public use desired by the local community; and the public use does not adversely affect the capacity, security, safety or operations of the airport.”

- 1999 Federal Register (p.7721, VII. D)

*Italics added for emphasis

The text above is a direct quote from the Federal Register that gives details on when it is acceptable for airport property to be made available without fair market value compensation.
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Providing Property for Public Community Use

“The community use does not preclude reuse of the property for airport purposes if, in the opinion of the airport sponsor, such reuse will provide greater benefits to the airport than continuation of the community use.”

- 1999 Federal Register (p.7721, VII. D)

*Italics added for emphasis

The text above is a direct quote from the Federal Register that gives details on when it is acceptable for airport property to be made available without fair market value compensation.
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FAA Grant Assurances relating to Anchorage International Airport will now be discussed.
Anchorage International Airport currently allows nearly 10% of its total property – about 400 acres – to be used for the benefit of the Municipality of Anchorage and the Anchorage community. Likewise, the Airport has rights to some Municipal property for its benefit.

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Cooperating Nature of MOA & Airport

- Municipal benefits
  - Snow dump
  - Access road to AWWU and Clitheroe Center
- Community benefits
  - Over 2 miles of the Tony Knowles Coastal Trail
  - Additional public parks and recreation areas
- ANC benefits
  - Access to airport materials disposal site
Airport owned lands currently available for public recreation and park use include:

1. **Lion’s Club Park** (Airport maintained since Lion’s Club stopped maintenance in 2005)
2. **Spenard Beach Park**
3. **Connors Lake Park Land**
4. **Northern Section of Delong Lake**
5. **Little Campbell Lake**
6. **SW corner of Runway 7R Protection Zone** (includes Sisson Loop ski trail)
7. **West Airpark Tract south of Point Woronzof Park**
8. **Point Woronzof Overlook**
9. **Airport Park**
## ANC Master Plan Update // FAA Grant Assurances

### Buffer Considerations

- **Buffers** would need to be in support of the FAA and the Airport’s mission.

- **Permanent Buffers**
  - Would require a permanent FAA release and proof that the land would *never* be needed
  - Would require receipt of fair market value
  - Only guarantee of permanent buffer is the Airport doesn’t own it

- **Temporary Buffers**
  - Would create an encumbrance on Airport land and an additional risk to future Airport development
  - Would require FAA approval

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Members of the public have asked on many occasions if the Airport can designate buffers on Airport land that would be protected from future airport development. The Master Plan Update will examine land use needs and opportunities. We anticipate that maintaining a buffer will be a priority for the community, and our planning will strive to balance that desire with the need to maintain economical and efficient airport operations in the future. All airport land is held in reserve to support the Airport’s aeronautical function and may be developed to support future growth in aviation.

In order to establish a permanent buffer the Airport would have to:

- Decide to permanently remove property from potential development
- Demonstrate to the FAA that the Airport does not believe the land would ever be needed for Airport purposes
- Receive a permanent release of the land from the FAA
- Find a buyer who would pay fair market value for the property

In short, the only way to establish a permanent buffer is for the Airport to no longer own the property.

In order to establish a temporary buffer the Airport would have to:

- Decide to temporarily remove property from potential development interfering with and complicating the Airport’s ability to convert the land to an aviation-use when required (this would add an additional encumbrance/burden to future development)
- Demonstrate to the FAA that the Airport does not believe the land is currently needed for Airport purposes
- Receive FAA approval
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Major additional approval process steps that may be required upon completion of the Master Plan Update will now be presented.
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Additional Project Approvals Likely Required

- Internal Airport Approval
- State Dept. of Transportation Approval
- Airline Tenant Approval
- If using Federal Funds → FAA approval
  - National Environmental Policy Act (NEPA)
  - Section 4(f) of USDOT Act
  - Possible Benefit Cost Analysis (BCA)
- If wetlands affected → USCOE Approval
- If State capital funds required → State Legislative Governor approval

If a project is included in the Master Plan, there are still additional project approvals that may be required. These include the following:

- Internal Airport staff approval
- State of Alaska Department of Transportation and Public Facilities (DOT&PF) approval
- Airline/tenant approval
- If federal funds are used, FAA approval is required and these additional approvals may be necessary:
  - National Environmental Policy Act (NEPA) Process (Categorical Exclusion, Environmental Assessment, or Environmental Impact Statement)
  - Section 4(f) of USDOT Act (if properties are determined to be under Section 4(f) protection)
  - Possible benefit cost analysis (BCA) via FAA
- If wetlands are affected, a US Army Corps of Engineers (USCOE) permit is required
- If State capital funds are required, they would need to be appropriated by the Alaska State Legislature and approved by the Governor of Alaska
In summary, the Grant Assurances substantially impact the Airport’s decision-making on land use, and require that the Airport operates strictly to serve the needs of the US air transportation system, as defined by the FAA.
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Additional Information

http://www.faa.gov/airports/airport_compliance/

http://www.faa.gov/airports/aip/grant_assurances/


Additional information is available from the FAA at the above links.
Thank you for your attendance and attention. A question and answer session was facilitated by Katherine Wood, Master Plan Update Public Involvement Program Lead.
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Upcoming Public Meetings

✈ Working Group Meeting #5:
Wednesday, May 8 from 11:00am-1:00pm
First Floor Conference Room, CIRI Building
2525 C Street, Anchorage AK

✈ Technical Advisory Meeting #4:
Thursday, May 9 from 1:30pm-3:30pm
ANC Badge Office, North Terminal Room NA165
4600 Postmark Drive, Anchorage, AK

✈ Public Open House #5:
Thursday, May 23 from 5:30pm-8:00pm,
Presentation at 6:15pm
Coast International Inn, McKinley Room
3450 Aviation Avenue, Anchorage, AK 99502

✈ Online Open House:
May 24 – June 7, 2013
Accessible at www.ancmasterplan.com