

**23-047**

City Council Action and Executive Summary

Type of Action:

☒ Resolution☐ Ordinance☐ TIDD Resolution

District:	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> N/A	Adopted:	October 17, 2022
1st Reading:		Department:	Financial Services
Drafter:	Amy Bassford	Line of Business:	Fiscal Management
Program:	Grants Administration		

Title: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES (CITY) TO SUBMIT A GRANT APPLICATION; AND APPROVE A CASH MATCH COMMITMENT FOR THE GRANT AWARD FOR THE FOLLOWING: PROJECT NAME: FFY23 AIRPORT TERMINAL DEVELOPMENT PROJECT; GRANTING AGENCY: FEDERAL AVIATION ADMINISTRATION; GRANT APPLICATION DUE DATE: OCTOBER 24, 2022; GRANT REQUEST: UP TO \$8,360,000; CASH MATCH REQUIRED: UP TO \$440,000 SHARED WITH NEW MEXICO DEPARTMENT FOR A TOTAL PROJECT AMOUNT OF UP TO \$8,800,000.

TYPE OF ACTION: ☒ Administrative ☐ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:

Approve a grant application and match funding.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The City relies on grant funding for many of the critical programs provided each year for the residents of Las Cruces. As per the Grant Policy approved by City Council on May 7, 2018; the Council will be presented with a Resolution to approve cash match requests for grant applications in excess of \$250,000.00 or in excess of a 1:1 match ratio prior to the grant application being submitted.

The Las Cruces International Airport (LRU) would like to submit an application to the Federal Aviation Administration (FAA) to develop a terminal building to provide services to interstate customers for passenger air services, as well as for private charters and aircraft. The FAA released on September 22, 2022, the second round of Airport Terminal and Tower Program funding opportunity through the Bipartisan Infrastructure Law to provide \$1B per year for the next 5 years to develop airport terminals and airport owned control towers. The request will be for up to 8,360,000, with a required 5% match of \$440,000. The grant submission is due October 24, 2022.

For several years, the primary goal of the LRU has been to implement air service for both intrastate and interstate travel. The intrastate travel will be accomplished through funding from the NM Rural Air Service Enhancement Act that will provide a two-year subsidy to begin air service within New Mexico. The next phase is to provide interstate service. The existing buildings at the LRU are insufficient to accommodate air travelers and the related amenities for travelers. This funding would allow the LRU to develop a terminal for interstate travel complete with the required TSA screening component. The project includes the renovation of 8960 Zia Dr. and the construction of a TSA control building, which will provide areas for ticketing, baggage, TSA screening, rental cars, administrative offices, and a parking lot expansion.

The request for City Council is to: approve the cash match request of up to \$440,000 for this grant application as shown on the Fund Summary for the City's FY2022, Exhibit "A". The required match amount is expected to be split with New Mexico Department of Transportation Aviation Division (NMDOT-A). The funds for the match will come from a grant from NMDOT-A; and capital outlay funding from the NM State Legislature 2022 Session. Once the grant is awarded, the City Council will be presented with a budget adjustment to accept the award and budget the cash match in the appropriate fiscal year – anticipated in early 2023.

This project aligns with Elevate Plan CL-10.1.2 Work with the private sector, MVMPO, and the state and federal agencies to make facility improvements to the Las Cruces Airport to increase utilization. And CL-10.1 – Support investments in freight to better connect the regional economy to global markets.

SUPPORT INFORMATION:

[Exhibit A - Proposed Match Fund Summary](#)

PLAN(S):

Elevate Las Cruces

COMMITTEE/BOARD REVIEW:

None

DOES THIS AMEND THE BUDGET?:

☐ Yes

☒ No

BUDGET / FISCAL IMPACT:

BUDGETED AMOUNT:

AVAILABLE AMOUNT:

EXPENDITURE AMOUNT:

Funding Source(s):

Reference "Exhibit A" PROPOSED SOURCE OF MATCHING FUNDS

Does this action amend the Capital Improvement Plan (CIP)?

☐ Yes

☒ No

Does this action align with Elevate Las Cruces?

☒ Yes

☐ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; will approve the submission of a grant application to the FAA for the design and construction of an airport terminal by the submission deadline.
2. Vote "No"; will not approve the submission of the grant application and no application will be submitted for this FFY2023 opportunity.
3. Vote to "Amend"; will require Council direction and approval.
4. Vote to "Table"; is not an option as the grant submission deadline is October 24, 2022.

REFERENCE INFORMATION:

CL-10.1.2; CL-10.1

RESOLUTION 23-047

A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES (CITY) TO SUBMIT A GRANT APPLICATION; AND APPROVE A CASH MATCH COMMITMENT FOR THE GRANT AWARD FOR THE FOLLOWING: PROJECT NAME: FFY23 AIRPORT TERMINAL DEVELOPMENT PROJECT; GRANTING AGENCY: FEDERAL AVIATION ADMINISTRATION; GRANT APPLICATION DUE DATE: OCTOBER 24, 2022; GRANT REQUEST: UP TO \$8,360,000; CASH MATCH REQUIRED: UP TO \$440,000 SHARED WITH NEW MEXICO DEPARTMENT FOR A TOTAL PROJECT AMOUNT OF UP TO \$8,800,000.

The City Council is informed that:

WHEREAS, the City of Las Cruces (City), Las Cruces International Airport desires to submit an application to the Federal Aviation Administration (FAA), Airport Terminal and Tower Program funding opportunity for FY2022 in the amount of up to \$8,360,000 for the development and construction of an Airport Terminal for inter-state air service; and

WHEREAS, the City proposes to design, construct, equip, and furnish a multi-use terminal at the Las Cruces International Airport to include the renovation of the existing building at 8960 Zia Dr.; the construction of a TSA control building; and

WHEREAS, the proposed improvements will provide for the implementation of interstate travel to neighboring states; and

WHEREAS, the grant application is for the project requires a 5% cash match in the amount of up to \$440,000 for a total project amount of up to \$8,800,000, with said match coming from the 2022 NM Legislative Capital Outlay and the NM Department of Transportation Aviation Division; and

WHEREAS, the FAA requires submission of the application by October 24, 2022.

NOW, THEREFORE, Be it Resolved by the Governing Body of the City of Las Cruces:

(I)

THAT the City Council approves the submission of the grant to the FAA, Airport Terminal and Tower Program funding for FY2023, the amount of \$8,360,000 to design, construct, equip, and furnish an airport terminal at the Las Cruces International Airport.

(II)

THAT the City will provide a cash match in the amount of \$440,000, as shown on Exhibit "A", the Proposed Match Funds Summary, attached and made a part of this Resolution, is hereby approved.

(III)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this 17 day of October 2022

APPROVED

Mayor

ATTEST:

City Clerk

Moved by: Tessa Abeyta

Seconded by: Becky Corran

AYES Kasandra Gandara, Ken Miyagishima, Yvonne Flores, Johana Bencomo, Becki Graham,
Becky Corran, Tessa Abeyta

NAYS

[illegible]