

Memo

To: City Council
From: Bryan Myrkle, Community Development Director
Date: March 22, 2019
Re: USDA Rural Development Grant – Beach Airport

Opportunity

The City of Charlotte recently learned about a grant opportunity that we believe can help solve a persistent problem at Beach Airport.

USDA Rural Development has three grants of up to \$500,000 available for spending in this region. The City is eligible to apply for these grants, and we have been advised that they are expecting few, if any, applicants this round, which would put us in a more competitive position to obtain the funds. There are no matching funds requirement for this grant.

Unfortunately, the time between us learning about this opportunity and the time to submit is very short – approximately two weeks. The grant application is due March 28.

Need

As Councilmembers likely remember, it has been our long-term goal to increase the revenue generated by hangar rentals and fuel sales at the airport. Over the past few years, we have learned that the greatest amount of flight activity occurs when there is an active flight school at the airport.

Over the past 10 years, there have been 4 significant attempts to launch a flight school at Beach Airport with varying degrees of success. This has demonstrated to us that there is a desire among flight school operators to locate here.

The most successful operation was Great Lakes Air Ventures, which at its peak was renting several T-Hangars and buying a large quantity of fuel. However, every flight school operator, including Great Lakes Air Ventures has faced the same problem – lack of decent classroom space. In at least two cases, despite attempting to base a flight school in Charlotte, the majority of the teaching was done in Mason. This obviously does not help us at Beach Airport.

It is our belief that no flight school will reach its potential in Charlotte without better accommodations.

Impact

It is well-documented that there is a shortage of qualified commercial pilots in the United States. People who earn the necessary certifications are able to find quality employment opportunities throughout the nation right away.

There are different types of flight schools and different pilot qualifications, but training for commercial flight operation has more stringent requirements than can be met at our current facility.

It is our belief that using these grant funds to construct a modest flight school building, along with basic accommodations for transient pilots, will be a worthwhile and valuable addition to the airfield. This is supported by both the continued interest in Beach Airport by flight school operators, and our ongoing strategic planning process.

There will be both direct and indirect employment and economic benefits. A good flight school, for which we already have prospects, will create several jobs directly. It would base planes at our airport, using our rental hangars and buying our fuel. And, perhaps just as importantly, give young people in this area a chance to earn certifications that will be a long-term career benefit to them – helping secure and improve their future quality of life.

Furthermore, a new structure would come with several ancillary benefits that could improve operations at the airport and solve several other persistent problems that have been identified many times. Being on an old water well and using an old, very small septic system, there are water quality and sewage problems at the current terminal building. It is likely that sometime in the near term, the city might be forced to replace these aging systems. If they can be replaced in conjunction with a new building, that would 'kill two birds with one stone' as the saying goes.

Another limitation of the current terminal building that can be addressed with a new structure is the lack of basic accommodations for transient pilots. Like truck drivers and other transportation professionals, pilots are limited in the amount of time they can spend in the air safely. When they look for a place to land, refuel and rest, they often choose an airport that has a decent pilot's lounge, which Beach Airport does not. This means we are losing out on fuel sales to pilots flying cross country. Similarly, corporations that fly into the area often have a pilot who is left behind while executives attend meetings. A pilot's lounge can be very valuable to these users who may have to spend several hours at the airport while waiting to fly the corporate representatives home.

Support

This proposal has been developed in conjunction with the Airport Advisory Board, Charlotte Air Services (our Fixed Base Operation). In a perfect situation, we would be applying for this grant upon the completion of our strategic planning process, however the desire for flight school space is not going to change during this process, and the potential grant opportunity is presenting itself now.

While there are likely going to be future grant funding rounds the City and airport would qualify for, they may be more competitive.

We will be submitting numerous letters of support for this grant from current and prospective airport users; and all of the project elements will be reflected in the airport's upcoming strategic and business plan when it is complete.

We will be presenting more information about this opportunity at your meeting on Monday evening.