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9 July 2024

Mayor Justin Hummel Town of Bloomsburg 301 East 2nd Street Bloomsburg, PA 17815

TRANSMITTED BY ELECTRONIC SUBMISSION

Email: jhummel@bloomsburgpa.org

Re: Proposed closure of the Bloomsburg Municipal Airport (N13)

Mayor Hummel and members of the Bloomsburg Town Council,

We write this letter to express our concerns regarding Mayor Hummel's interest in permanently closing and selling the Bloomsburg Municipal Airport (N13). My name is Sean Collins, I am the Eastern Regional Manager for the Aircraft Owners & Pilots Association (AOPA). We are the world's largest aviation membership organization representing the general aviation interests of more than 300,000 aircraft owners and pilots across the country, including more than 7,500 in the Commonwealth of Pennsylvania. On behalf of these members, we write to inform you that the failure to acquire approval from the Federal Aviation Administration (FAA) for the closure of the airport would be a violation of the town's federal grant obligations and create a \$6.4 million loss in annual economic impact for the broader region.

The Bloomsburg Municipal Airport (N13) is a regional transportation asset that provides vital access to national and international networks and the ability to connect people and businesses with goods and services, including healthcare. It serves at the forefront of national preparedness, as a staging point during manmade and natural disasters, and can serve as a rallying point in times of national crisis. According to the Pennsylvania Department of Transportation (Penn DOT) Bureau of Aviation (BOA), N13 is credited with supporting 39 jobs earning \$2.45 million in income and generating more than \$6.4 million in annual economic impact.

A recent Right To Know request filed with Penn DOT confirmed that the town of Bloomsburg has accepted more than \$6.8 million in federal airport improvement grant funding over the past 20 years including numerous grants for land acquisition, the most recent of which came in 2004 to acquire land for the protection of the Runway 26 approach. While federal airport improvement program (AIP) grant obligations typically remain for 20 years, AIP grants for the acquisition of land are <u>obligated in perpetuity</u>. As such closure of the airport at any juncture without the direct consent of the FAA would be a violation of the city's grant obligations.

Should the town of Bloomsburg insist on closing the airport, the FAA's specific guidance is outlined in the Airport Compliance Manual, Order 5190.6B – Section 22.20. Release of Entire

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Airport. To date, the FAA has never released a public airport sponsor from its obligation to remain open and permit early closure. The guidance for seeking a release from grant obligations goes on to highlight that:

The nonaviation interest of the sponsor or the local community <u>does not</u> constitute an airport benefit that can be considered in justifying a release and disposal.

In light of the fact that <u>no public airport sponsor</u> has been released from its grant obligations prematurely and armed with the knowledge that the FAA will not consider the nonaviation interest (i.e. alternative development) in justifying a release, AOPA recommends that Bloomsburg instead continue to seek to maximize the economic impact potential of the airport.

In 2022, AOPA worked with the Aviation Council of Pennsylvania (ACP) to pass legislation to create the Airport Land Development Zone (ALDZ) program. This program was established to encourage and promote the creation of new jobs on land and buildings owned by airports across the Commonwealth. The ALDZ is an incentive-based tax credit program to foster development on vacant land, accelerate economic activity, and create new revenue sources for airports. AOPA highly recommends that the town of Bloomsburg direct municipal planners to work with the region Chamber of Commerce to identify qualifying developments for vacant airport land. More information can be found online through Pennsylvania's Department of Community and Economic Development: https://dced.pa.gov/download/airport-land-development-zone-program-guidelines/?wpdmdl=116999

Lastly, we are aware that the Town Council recently passed a resolution agreeing to accept up to \$1 million for a "Local Share Account" (LSA) grant that, if awarded, would cover the local matching funds for developing 14 new T-hangars. We applaud the Council for its resolution but fear that talk of closing the airport may jeopardize the outcome of the grant process.

In 2021, in collaboration with the Pennsylvania Aviation Advisory Council (AAC), the Aviation Council of Pennsylvania (ACP), and the Bureau of Aviation (AOPA), AOPA surveyed Pennsylvania airports to better gauge the status of existing hangars. The following highlights were identified:

- On average, 40% of airport revenue is derived from aircraft hangars.
- 64% of PA airports have a waiting list for hangars.
- The average PA airport hangar is more than 30 years old.
- 703 PA aircraft owners are on waiting lists for hangars.
 - o 78% of these aircraft owners wait a year or longer for access to hangars.
- PA airports would need to build 38% more hangars to meet current demand.

Pennsylvania has a clear demand signal for new aircraft hangars. As such, Bloomsburg would be well advised to continue its efforts to develop them. Accessing an LSA grant will help to minimize the time needed to amortize expenses and accelerate revenue growth at the airport while improving self-sufficiency and tapping into a ready market. For these reasons, AOPA encourages the town of Bloomsburg to discontinue any conversation about closing the airport in

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favor of continuing to develop this important transportation asset while honoring the town's federal obligations.

If you have questions or require additional information, please contact me directly at 301-695-2090 or sean.collins@aopa.org

Sincerely,

Sean M. Collins, AOPA Eastern Regional Manager

Cc

Administrator Anthony McCloskey Bureau of Aviation, Penn DOT