



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of August 20, 2025

Title/Subject

Resolution 2393 – Airport Property Acquisition Reimbursement

Summary and Background

Resolution 2370 authorized purchase of 140.06 acres of farmland underneath the airport's Runway Protection Zone. That sale has since closed, and the City took possession of the property on August 15.

The main source of revenue for acquisition has always been anticipated to be an FAA grant, which according to FAA standards for property purchases must come in the form of a reimbursement after the sponsor (City) actually acquires the property.

This resolution authorizes the City Manager to accept FAA grant funding awarded for this purpose, which will be subject to all standard "[Grant Assurances](#)" from the FAA. Probably most important among those grant assurances for this instance is how they relate to possible sale or transfer of any of the property or property rights, which essentially guarantee that any and all proceeds from future disposition of the land must be reinvested in the airport, or be repaid to the FAA.

Tie-In to Council Goals

CITY FACILITIES: PUBLIC FACILITIES THAT MEET THE COMMUNITY NEEDS OF TODAY AND THE FUTURE

Fiscal Information

The financial plan was well covered in the staff report for resolution 2370, but now that the purchase has closed, final numbers are available for the grant award, which covers not only the land itself, but all closing costs and consulting fees associated with acquiring the property.

The total cost of the land plus consulting fees was \$2,294,845. Due to the long rollout of Federal policies, this year is actually the beneficiary of a COVID-era policy to boost FAA grants from 90% to 95%. Therefore, the FAA grant award will be \$2,180,103; leaving approximately \$114,742 to be covered locally by the City. Again, the local portion is anticipated to be equivalent to net lease revenues from leasing back out the land for 3-5 years.

Alternatives and Recommendation

Alternatives

1. Approve resolution 2393
2. Reject resolution 2393

Recommended Action/Motion

Motion to approve Resolution 2393

Submitted By:

Mark Morgan