

General Project Information

Applicant

Organization Name

City of Hermiston

Contact Person *

Mark Morgan

Address

180 NE 2nd St.

Contact Person Title *

Assistant City Manager

City

Hermiston

State

Oregon

Zip Code

97838

Phone Number *

(541) 567-5521

Email *

mmorgan@hermiston.gov

Project Name and Location

Project Name *

*Runway 23 RPZ Property Acquisition: Phase II -
Property Acquisition*

Project Location *

Hermiston, Oregon

ODOT Region:

Region 5

County tax parcel identification number(s): *

4N2813 Tax Lot 100 & 600

If you have these compiled, please upload them
here:

Airport Information

Airport Name: *

Hermiston Municipal Airport

Airport Category

Category 3

NPIAS or Non-NPIAS

NPIAS

Project Overview

Select the type of project being proposed: **Program Implementation***Select the category of project for which you are requesting funding: ****Assistance with FAA grant match*

Project Start
Date: 07/01/2024

Project End
Date: 12/31/2025

Project Summary*

Provide a brief summary of the project in the space provided below:

This Phase II project will complete the required property acquisition for Runway 23 Runway Protection Zone (RPZ) property, that will facilitate a future Phase III project that will relocate a county road (S. Ott Rd) that is currently within the existing RW 23 RPZ and is considered by FAA to be an incompatible land use of the RW RPZ.

Project Purpose and Description*

Provide a purpose and description of the project in the space provided below:

This Phase II: Runway 23 RPZ Property Acquisition project is Phase 2 of a 3 Phase FAA AIP project that will complete the Runway 23 RPZ land acquisition to facilitate a future Phase III that will relocate S. Ott Rd.

The FAA's guidance on Incompatible Land Uses within Runway RPZs discourages roads and other items within RPZs; airport control over RPZs (fee simple title) is also recommended and desired by FAA. Acquiring Fee Simple ownership of the Runway 23 RPZ property and ultimately relocating the existing S. Ott Road outside of the Runway 23 RPZ will mitigate the current Incompatible Land Use at HRI associated with Runway 23.

Clearly define the proposed project in each of the following areas:

• Does the project eliminate current deficiencies listed in the current Oregon Aviation Plan? * ☒ Yes No
Yes, the public road located within the RW 23 RPZ is identified in the OAV as a non compliant item at the Hermiston Airport. See Appendix F.

• Does the project modernize the airport by exceeding state or federal minimum standards as stated in the current Oregon Aviation Plan and identified by the Federal Aviation Administration Advisory Circulars or other regulations? * ☒ Yes No
Yes, the Runway 23 RPZ Property Acquisition project and future Road relocation project will ultimately remove an Incompatible land use item currently associated with Runway 23 at the airport. Additionally, the airports future fee simple ownership of the Runway 23 RPZ property will allow the airport to meet the FAA's desire for airport control of the Runway 23 RPZ property.

• Does the project prevent future deficiencies and preserve the existing facilities? * ☒ Yes No
Yes, the completion of the 2025 property acquisition project and future road relocation project will mitigate an existing, FAA defined, incompatible land use associated with Runway 23 and the future Runway 23.

• Does the project increase the financial self-sufficiency of the airport? * ☒ Yes No

Upon acquisition of the Runway 23 property , the Airport will lease the property back to the existing farm operator at market-rate. Preliminary estimates assume annual lease revenues from this property at approximately \$40,000 per year. Total Airport operational revenue in FY '23 was \$290,346 versus \$368,164 in operational expenses, resulting in a required local property tax payer subsidy of \$77,818. Leveraging FAA & COAR grant funding for the capital purchase of this Runway 23 RPZ land for protection from development will result in a long-term consistent new revenue stream equal to roughly 14% of current revenue.

Due to the Airport operating at a loss, the local match vs FAA grant funding will have to be borrowed from the sponsor (City). A full COAR award of \$250,000 will reduce the borrowed amount, and result in a faster ROI which will allow the airport to more quickly leverage the new revenue stream toward actual airport needs rather than debt repayment.

• Does the project have local support? *

☒ Yes No

Yes. The Airport began property acquisition discussions with the current property owner in 2018, and has settled at a tentative agreement. The Umatilla County Board of Commissioners, the Umatilla County Planning Department, and Umatilla County Road Department all support relocation of the portion of Ott Road. Neighboring property owners support the project due to ancillary impacts associated with mitigating current traffic safety issues on the roadway.

Project Documentation

Documentation and Permits

Was the Airport Layout Plan (ALP) completed within the last 10 years? *

☒ Yes ☐ No ☐ Underway

Date of Completion: 01/01/2020

Is a NEPA review required? *

Yes ☒ No

Airport Capacity

Is there an existence of Airport Zoning? *

☒ Yes ☐ No

Note any required permits, date issued or expected issue date, completion status, and required status. Permits may include, but are not limited to: right-of-way permits, land acquisition permits, building permits, etc.

Click the **"SAVE"** button to add additional rows.

Permit Type	Date Issued	Completion Status	Required Status
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Statewide Impact

Statewide Impact of Project

Per **ORS 319.023(3)(b)(A)**, the following questions apply:

- Does the proposed project reduce transportation costs for Oregon businesses or improve access ☒ Yes No to jobs and sources of labor? If yes, provide a short explanation. *

The full Runway 23 RPZ land acquisition accommodates existing RPZ conflicts with a county road, as well as RPZ conflicts created in the event of a future 500' runway extension planned for in the 2020 Airport Master Plan. KHRI is strategically positioned to facilitate future private sector investments in Transportation & Logistics due to its location adjacent to the intersection of I-84 & I-82. Hermiston is home to a 1.2M Square Foot Wal-Mart Distribution Center, a FedEx Freight terminal, and UPS Freight terminal, as well as a 600KSF Meyer Distributing autoparts warehousing operation under construction in 2021.

KHRI currently accommodates 3 to 4 flights per day by Ameriflight (FedEx). Accommodating future planned runway extensions now will allow KHRI, and Oregon, to continue playing a critical role intermodal freight movement throughout the Pacific Northwest via potential expanded air-to-ground freight transfer.

- Does the proposed project result in an economic benefit to the state? If yes, provide a short explanation. * ☒ Yes No

See response above.

- Is the proposed project a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system? If yes, provide a short explanation. * ☒ Yes No

See response above and below

KHRI is the only airport within 30 miles of the I-84/I-82 interchange, which continues to attract significant private investment in transportation and logistics assets. Meanwhile, airfreight shipments via Ameriflight/UPS continue to surge in the past several years, with package delivery leading to 2-3 times more Ameriflight flights per day to Hermiston. Proactive steps now to accommodate long-range future changes in air-freight shipments will improve the efficiency of meeting future demands on Oregon's transportation system.

- Is proposed project ready for construction or implementation within six months of grant execution? ☒ Yes No *

Yes. Phase 1 (environmental - NEPA Environmental Assessment) for this project was previously completed. Phase II (this application) is ready for implementation by FAA's planned funding for this Property Acquisition project is programmed with FAA to be completed and funded in 2025.

- Does the project have any unique construction-readiness, project implementation issues, or possible delays? * Yes ☒ No

- Does the proposed project have a useful life expectancy that offers maximum benefit to the state? ☒ Yes No Please include the minimum useful life expectancy in years in your answer. *

This project will complete the property acquisition of privately-owned agricultural land by the airport for Runway 23 RPZ protection. This protection will be de-facto permanent, with a theoretically infinite useful life.

Budget

Is this project currently listed in your approved Federal CIP? *

☒ Yes ☐ No

Federally Funded Projects *

Please attach a copy of your Capital Improvement Plan.

FAA Funding Breakdown		
FAA Grant	\$3,650,000.00	90 %
FAA Grant Match Requirement from Sponsor	\$405,556.00	10 %
Total Project Cost	\$4,055,556.00	100 %

Project Funding Breakdown

Provide the funding source and the amount of funding from that source.

		Percent of Project Cost
Minimum Program Match Requirement: \$40,555.60		? 10 %
Source of Match Funds *	Amount	Date Available
FAA grant funds	\$3,650,000.00	04/01/2025
Funding other than Sponsors	\$	
Sponsor Funds	\$155,556.00	01/01/2025
	\$	++
Total Match Funds:	\$3,805,556.00	94 %

Aviation Project Funding Request to ODAV *

Amount requested from ODAV:	\$250,000.00	6 %
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Project Budget Summary

Total applicant matching funds:	\$3,805,556.00	94 %
Funding request to ODAV:	\$250,000.00	6 %
Total Project Cost:	\$4,055,556.00	100 %

Pre-Agreement Expenditures *

Has the project incurred any expenditures prior to the completion of this agreement, if awarded? If yes, explain.

☒ Yes ☐ No

**In accordance with OAR 738-124-0080(3)(d) "Only project costs incurred on or after the effective date of the Agreement are eligible for grant funds, with the exception of Priority 1 FAA grant match projects for which all other applicable*
☒ *FAA grant requirements have been met.*

Please describe those pre-agreement expenditures.

For FAA funded property acquisitions, FAA requires that the Airport complete the property acquisition and achieves fee simple ownership of the property prior to executing a grant for the reimbursement of the acquisition expenses. For this reason, some project expenses will occur ahead of the execution of this grant agreement in early 2025.

Related Document Uploads

Please attach documents verifying source of sponsor match and other project funding.

Description	Upload	
OR 2025-2029 CIP Memo - Hermiston HRI	OR 2025-2029 CIP Memo - Hermiston HRI.pdf	++
HRI-2024 SCIP_RW 23 RPZ Property Acquisition	HRI-2024 SCIP_RW 23 RPZ Prop AcqRd Reloc-Acq Dsgn Constr.pdf	++

Miscellaneous Uploads

Project Name:

Description*

File Upload*

File Repository

Person:

Date:

Delete

Grant Agreement/Amendments

Instructions:

1. Enter the remaining project costs and project milestones. Click the **SAVE** button, then click the Status Changes link and select the next available status.
2. Wait to receive a notification indicating signature from the Authorized Representative is required. This may take 4-5 business days.
3. Click on the hyperlink on this page to generate the Grant Agreement.
4. Upload the signed agreement and click the **SAVE** button, then click the **SUBMIT SIGNATURES** button.

**Remaining
Project Costs: \$ ***

**FAA Grant
Amount: \$**

**ODAV Grant
Amount: \$**

**Sponsor
Match: \$**

**Reimbursement
Rate: %**

Please note, due to rounding the actual reimbursement percentage rate may differ slightly from the estimated rate on the grant application.

Project Milestones

**Project *
Start Date:**

**Project *
End Date:**

Milestone	Projected Start Date	Projected End Date
25% Completion		
50% Completion		
75% Completion		
100% Completion		
FAA Grant Agreement Received		

Add 'FAA Grant Agreement Received' as a milestone

Please Enter Milestones and save the page to generate the Grant Agreement

(CAUTION: You must complete Milestone entries prior to generating the Grant Agreement document)

Authorized Representative Signature

Upload
Signed
Copy:

Uploaded
By:

Date
Uploaded:

ODAV Director Signature

Upload
Signed
Copy:

Uploaded
By:

Date
Uploaded:

Agreement
Execution Date: *

**** FOR ODAV USE ONLY ****

Amendment Information

Amendment Number:

Description of Amended Items:

Attachments:

Description	Upload:
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