# STATEWIDE AVIATION GRANT PROGRAM

# MARYLAND AID TO PRIVATE AIRPORTS (MAPA) PROJECTS

Guide for Grant Sponsors



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#### \*\*\* **GENERAL** \*\*\*

Maryland Department of Transportation Maryland Aviation Administration's (MAA) Statewide Aviation Grant Program offers financial assistance to private-owned/public-use airports. Maryland Aid to Private Airports (MAPA) grant assistance is available for airport projects that are ineligible for aid through other State aviation programs. Projects that are non-revenue generating and considered reasonable for the improvement, development and/or preservation of public-use areas on the airport are eligible for MAPA grant. Appendix A details the regulatory framework for MAPA.

This guide has been assembled to provide Airport Owner (Sponsor) with an easy-to-read description of the financial assistance available under the Statewide Aviation Grant program. This guide also provides important information regarding eligibility requirements, application procedures, reimbursement procedures and Sponsor responsibilities.

Aviation grant funds are made available through the MDOT Consolidated Transportation

Program (CTP). Appropriation for an individual airport project will be administered by MAA's

Office of Regional Aviation Assistance (ORAA). A MAPA grant is not intended for
development of new landing facilities. Sponsors must be in good-standing with MAA and
satisfy any airport operating license discrepancy. MAPA grant is capped at 90% of eligible
project cost. Funds will be distributed on a reimbursement basis. MAA may issue interim
program policy memorandums to supplement this guidance.

MAPA grant requests will be evaluated on past grant performance and resolution of open airport operating license issues in accordance with the Code of Maryland Regulations (COMAR).

Absence of grant funding does not relieve Sponsor from compliance with COMAR 11.03.04, *Aeronautical Regulations* and COMAR 11.03.05, *Obstructions to Air Navigation*.

### \*\*\* PROJECT PLANNING \*\*\*

- 1. MAPA grant is a contractual agreement between MAA and the Sponsor for up to 90% of the eligible cost of a capital improvement project.
  - Only the landowner(s) on record may seek a grant. FBO operators, tenants, leaseholders, and airport employees are not eligible.
- 2. MAPA grant is not intended for use in the development of new landing facilities. MAPA grant is designed for repairs, improvements and preservation of public-use areas.
- 3. Sponsors are required to submit an Airport Capital Improvement Program (ACIP) showing all capital improvement projects planned at your airport. A comprehensive ACIP takes time to develop but provides foundation for Sponsor and MAA to plan for improvement needs.
  - ACIP update is due before April 1 each year. Updates to the ACIP, outside the annual update cycle, should be shared with MAA.
  - ACIP should include at a minimum: State fiscal year, project title, total cost, Sponsor, Federal (as applicable) and State dollar share and percentage of total cost. For each project, a separate detail project description is required. An ACIP template is available from ORAA.
- 4. Early coordination with MAA is necessary to develop eligible scope of work, project specifications and schedule. Cost eligibility will be determined after obtaining bids. A complex project will require design, permitting and bid services separate from the construction phase.
- 5. Prior to any grant submission, all enabling tasks are required to be completed. These tasks may include, but not limited to design, local permit, Clearinghouse determination, bids, etc.
- 6. The Sponsor must obtain a <u>property tax exemption</u> from the governing county for all airport property lying within the primary area; i.e. runways, taxiways and respective safety areas. See Appendix B.
- 7. For project costs greater than \$250,000 *and* grant request for minimum 25% MAA share, Sponsor is required to comply with Maryland's prevailing wage rate (COMAR 21.11.11, Sec 17201-17226). Sponsor must obtain a wage rate determination from Maryland Department of Labor prior to soliciting bids. Reference Appendix F for more detail.

- 8. For any project subject to Maryland Intergovernmental Review and Coordination (MIRC) (aka State Clearinghouse) review, Sponsor must obtain determination letter from Clearinghouse prior to grant application. Sponsor must demonstrate project scope will satisfy any comments received from the Clearinghouse. Reference Appendix G for more detail.
- 9. Grant funding will be based on lowest eligible bidder in accordance with the Sponsor-prepared/MAA-approved bid specifications. Sponsor should <u>obtain at least 3 cost estimates</u>. Development of bid specifications and bid forms is strongly encouraged. Copy of all bids must be shared with MAA under separate cover. MAA grant funding will be based on responsive low bid.
- 10. Sponsor must determine and/or obtain local permit(s) prior to seeking grant funding.
- 11. Grant eligibility of soft costs needs to be determined <u>in advance of</u> application. Sponsor should proactively exercise their authority to review and negotiate fees. Airport Cooperative Research Program Report 87, *Procuring and Managing Professional Services for Airports*, complements FAA Advisory Circular 150/5100-14E (or its recent revision) in the Sponsor's management of engineering services.
  - a. Architectural/Engineering (A/E) services and fees require MAA review and consent <u>prior to</u> grant application. Provide scope, fee summary, hourly rates as well as fee schedule in Sponsor submission to MAA. Delayed submission will delay MAA review and possible ineligible determination.
    - i. Project Administration (PA) fees are capped at 12% of the total A/E service fee (including A/E subs, fixed fee, overhead and profit).
      - 1. If PA fees exceed 12% of total A/E fee, then the total A/E fee will not be MAA grant eligible. Sponsor must reduce grant request accordingly.
    - ii. Profit for A/E services are capped at:
      - 1. 15% of total labor fee for construction administration; and
      - 2. 10% of total labor fee for design, planning, environmental or land acquisition services.
      - 3. Total labor includes fully loaded or audited overhead rates.
      - 4. Profit calculations on fixed expenses (travel, per diem, printing, mailings, etc.) is not MAA grant eligible.
      - 5. Profit calculations on subconsultant cost (also known as mark-up) is not MAA grant eligible.
      - 6. If profit exceed (1) or (2) and/or includes a mark-up, then the **total** A/E fee will not be MAA grant eligible.
- 12. Quality Control (QC) and/or Inspection Services are the responsibility of the Sponsor. Depending on the project, these services ensure product delivery is within the tolerance(s) defined in the construction documents and performance specifications. If

Sponsor does not have qualified internal staff capability to ensure QC, overall project scope should include task item for QC and/or Inspection services.

13. Sponsor has control over *method and means* of project execution. MAA will expect Sponsor to demonstrate proposed *method and means* will meet grant agreement terms. For example, a paving project that requires a 20-year pavement lifespan will be defined in the grant agreement, but the Sponsor will have to determine best construction solution to meet that requirement.

Certain services or tasks require professional certification. Land valuation require certified appraiser. Obstruction survey require certified surveyor. Construction drawings require professional engineer. MAA will not accept Sponsor-submitted products without the requisite professional certification. Grant eligibility determination will be made solely by MAA. Sponsor should obtain eligibility determination prior to initiating any service or task.

- 14. MAA strongly recommends being prepared to submit new grant application package in early July to maximize the full fiscal year. Appendix C provides list of eligible projects and their respective priority rating.
- 15. Upon notice-to-proceed (NTP), Sponsor should take great care in ensuring that the project remains <u>on budget</u>, <u>on schedule</u> and <u>on scope</u>.
- 16. Overrun costs are not guaranteed and will be considered eligible for funding at the sole discretion of MAA. The Sponsor will be responsible for completion of grant-funded project(s), regardless of overrun costs.

Grant eligibility of overrun costs will be based on funding availability and scope justification.

Overrun costs less than \$2,000 will not be considered for additional funding.

17. Project cost incurred prior to grant execution will not be eligible for grant reimbursement. The MAA highly recommends securing the grant agreement prior to any NTP. Funds will be disbursed on a reimbursement basis.

MAA can only reimburse Sponsor for paid invoices; therefore, owner should plan for sufficient capital to complete the entire project. Sponsor must certify that he/she has sufficient funds to cover the full project cost.

18. After project completion, the airport <u>must remain open to public use</u> in accordance with grant terms.

#### \*\*\* ELIGIBILITY REQUIREMENTS \*\*\*

- 1. MAPA provides grant funds for capital improvements and major repairs to private-owned/public-use airports that:
  - are open to the general public;
  - are licensed by the Maryland Aviation Administration; and
  - have received an exemption from real property taxes by the governing county.
- 2. Because of the tax exemption requirement, MAPA grants will <u>only</u> be available <u>to the owner</u> of the land on which the airport is located.
- 3. Eligible Capital Projects

Type of Improvement	Available <u>Grant</u>	Grant <u>Guaranty</u>
AIRFIELD LIGHTING	90%	10 Years
LAND ACQUISITION: Easements or fee-simple	90%	20 Years
OPERATING EQUIPMENT: Fire, snow removal, mowing, etc.	90%	10 Years
PAVEMENT: New Overlays	90% 90%	15 Years 10 Years

- 4. Reference Appendix C for list of eligible project types and priority rating.
- 5. Depending on the overall project scope, it may be prudent to divide design/permitting scope from the actual construction scope. MAA may recommend a phasing solution due to the complexity of the overall project and Sponsor's ability to manage.

For land acquisition, Sponsor should plan for a two-phase acquisition strategy. First phase should be for land appraisal, review appraisal, survey, and negotiation services. Second phase will include the cost to acquire the land. The grant will be based on actual cost at settlement and limited to fair market value. If negotiated settlement price is higher than review appraisal, then Sponsor is responsible for any costs above the review appraisal amount.

6. Costs associated with taxes and/or interest finance charge(s) are not grant eligible.

#### \*\*\* PROPERTY TAX EXEMPTION \*\*\*

- 1. In passing the legislation which created MAPA, the Maryland General Assembly included a requirement that local political subdivisions (Counties, Cities or Towns) also play a role. Hence, there is a requirement for tax relief, as authorized by Section 8-302 of the Tax and Property Article of the Annotated Code.
- 2. MAA will not consider a MAPA grant until this exemption is obtained.
- 3. The exemption applies only to that portion of the airport property that is necessary for basic airport functions; i.e. runways, taxiways, and runway clear zones. Since there are a wide variety of airport layouts, no standard dimensions can be prescribed for tax exemption purposes. Each airport must be evaluated independently. Reference Appendix B.
- 4. All property lying within the Runway Primary Area for each active runway is considered necessary for basic airport function. In those instances where common-use taxiways lie outside the Primary area, the area extending 35 feet to each side of the taxiway centerline is eligible for tax exemption.
- 5. The portion of the runway approach zone abutting the primary area and extruding outward with a 10:1 flare on each side to the edge of the airport owner's property is eligible for tax exemption.
- 6. The local Supervisor of Assessments can provide the owner with a copy of the assessor's worksheet for the airport property. Using this worksheet, the owner can determine that portion of the total acreage, which is eligible for exemption under Section 8-302 of the Annotated Code.
- 7. Upon request, MAA Office of Regional Aviation Assistance (ORAA) will aid in defining the runway, taxiway and related safety areas.
- 8. Each Sponsor will be responsible to ensure property tax exemption has been authorized by the local jurisdiction and a copy of tax exemption is to be forwarded to MAA with every grant application.
- 9. Appendix B provides more information on property tax exemption.

#### \*\*\* GRANT OBLIGATIONS \*\*\*

- 1. Upon accepting a MAPA grant agreement, Sponsor accepts certain obligations. Generally, the airport must:
  - a. Remain open to public use for a set number of years, depending upon the nature of the project. (see Eligible Capitol Projects List); and
  - b. Meet the public-use airport operating license standards as defined in COMAR 11.03.04, Aeronautical Regulations.
- 2. If an airport with an active grant obligation is removed from public access before the expiration of the full guaranty period, the Sponsor will be required to repay an amount equal to the original grant, less an amount equal to the proportion of the expired term of the guaranty period.
- 3. If Sponsor decides to sell or otherwise transfer its ownership interest in the airport property, and if the grant obligation period has not expired, the Sponsor shall:
  - a. Notify any prospective transferee of the continuing obligation in accordance with grant agreement terms to operate the airport as public-use facility. Copy of this written communication must be provided to MAA.
- 4. If the airport is to be closed after sale of land on which airport sits, Sponsor must reimburse MAA the pro-rated amount of the actual payments commensurate to the time remaining on the grant obligation.
- 5. New owner of lands on which the airport sits with active MAPA grant obligation(s) will be expected to accept the obligations of the former owner when seeking a new MAPA grant.
- 6. The Sponsor shall notify MAA immediately in all cases where project facilities are used in a manner substantially different from that described in the project description.
- 7. MAA will consider Sponsor's adherence to grant obligations when considering future grants.

#### \*\*\* APPLICATION PROCEDURES \*\*\*

- 1. A formal grant request application for an MAA grant is required.
  - a. Submit application via email to ORAA Director.
  - b. Submit as a single .PDF file not to exceed 10 pages.
  - c. Submit prior to date set by ORAA or no later than January 31 of the current fiscal year.
- 2. Sponsor should include the following information in the electronic application package:
  - a. Signed cover letter with project description and benefits to be derived; i.e., what the airport wants to do, why the airport wants to do it, proposed timeline and benefits for the airport and community.
  - b. Project schedule (including major milestones).
    - i. Plan accordingly so as to allow completion, reimbursement and close-out prior to June 30 of the same fiscal year in which the special grant is issued
  - c. Exhibit(s) of project work area(s), drawing(s), and/or photos of current condition.
  - d. Bid Table showing, at least 3, responsive contractor bids. Selected bid should be part of the grant request application.
    - i. Copy of all bids should be shared with MAA under separate cover. MAA grant funding will be based on responsive low bid.
    - ii. Projects requiring Prevailing Wage Rate compliance should include copy of wage rate determination.
  - e. Grant amount requested (include both total dollar amount and the percentage of total requested).
    - i. Taxes are not eligible and finance charges are not eligible.
    - ii. For complex projects, include a summary table showing individual task costs (i.e. A/E fees, survey fees, construction, permit, etc.).
  - f. Statement of sufficient available funds to cover the entirety of costs to ensure Sponsor can pay full invoice(s) prior to seeking reimbursement.
  - g. For construction projects, need copy of permit and/or zoning approval from local governing body and copy of final determination letter from Maryland Clearinghouse.

- i. If no permit is required, attach a written statement from the local jurisdiction indicating a formal permit is not needed.
- ii. If permit(s) are to be acquired during the project, Sponsor needs to define task, provide schedule milestones and cost to obtain permit.
- h. Copy of property tax exemption in accordance with COMAR 11.03.08.2(A)(1). See Appendix A. Note, an application to local governing body seeking tax exemption is not acceptable. MAA requires an approved tax exemption prior to submitting grant request application.
- i. Statement that Sponsor has compatible land-use zoning in place for the protection of the airport from tall structures and incompatible land-uses.
  - i. If adequate zoning is not in place, provide statement as to what Sponsor is doing to achieve protective airport zoning.
  - ii. This statement is not specific to the project but focused on the overall protections for the airport. Sponsor should be able to demonstrate proactive efforts to safeguard the accessibility and usability of the landing facility.
- 3. If there is a need to exercise a priority ranking, MAA will use ACIP project list to determine ranking in accordance with the MAA's airport grant priority rating structure (Appendix C).
- 4. MAA will utilize the DocuSign platform for electronic review and signature of the formal grant agreement. See Appendix D. Steps in the MAA grant approval process include:
  - a. Grant agreement circulated through MAA for draft coordination and approval;
  - b. Grant agreement sent to Sponsor via DocuSign for review and signature;
  - c. Grant agreement sent to MAA leadership and MDOT Secretary for final signatures;
- 5. Distribution and announcement of the signed grant:
  - a. Upon full execution, Sponsor will receive an email notification from ORAA. Email will include .PDF copy of executed grant agreement. Hard copy will not be sent. Sponsor may make additional copies at your discretion.
  - b. A grant project manager will be assigned by ORAA.
  - c. A separate formal grant award announcement letter from MDOT Secretary will follow.
- 6. Sponsor should plan 2 months from submittal of clean application to final signatures. NTP should be planned accordingly.

#### \*\*\* GRANT COORDINATION \*\*\*

- 1. Grant agreement terms require Sponsor to provide project correspondences.
  - Ensure all correspondences (letters, reports, drawings, change orders, etc.) from Sponsor or Sponsor's representative includes the appropriate MAA grant number.
- 2. Project meetings and/or updates shall be coordinated in advance with the MAA. Allow 3 weeks for meeting coordination due to variable demands on ORAA staff.
- 3. If the Sponsor elects to issue a Notice to Proceed (NTP) prior to grant execution, then Sponsor must be prepared to absorb all costs.
  - a. Only under safety critical situations may MAA authorize grant eligibility of costs prior to grant execution.
  - b. Sponsor must obtain written approval prior to beginning any work.
  - c. If the state grant agreement is not signed, then MAA has no obligation to the Sponsor for incurred costs.

#### 4. Project change orders:

- a. In accordance with MAA grant agreement terms, Sponsor is required to inform MAA of any changes to project scope, cost or schedule.
- b. Sponsor must coordinate through assigned ORAA grant project manager for contract change order review and approval.
- 5. Contingency expense must have written pre-approval from MAA.
  - a. Submit request and supporting documents via email to assigned ORAA grant project manager.
  - b. Sponsor should plan 2 weeks for review/determination.
  - c. Any expenditure of contingency without prior written approval is not eligible for reimbursement.

#### 6. Grant Overrun

a. A formal grant addendum is needed to receive State funds over the original grant agreement.

- b. Sponsor must provide the same level of detail and supporting information as in the original grant request application.
- c. State grant addendum requires the signatures of original grant agreement parties.
- d. State share for eligible grant overrun costs are not guaranteed and subject to fiscal appropriation limits.
- e. State share of eligible overrun cost less than \$2,000 will not be considered.

#### 7. Grant Closeout

- a. Final project report/deliverables are required prior to any release of final reimbursement.
- b. Prior to MAA grant close-out, Sponsor should ensure all previous reimbursement requests have been received and any outstanding items have been resolved.
- c. If project is subject to Prevailing Wage Rate requirements, Sponsor shall ensure all reporting and compliance requirements of Maryland Department of Labor are satisfied prior to final reimbursement request.

#### \*\*\* REIMBURSEMENT PROCEDURES \*\*\*

- 1. All drawings, reports, correspondence(s) and/or reimbursement requests <u>must</u> include respective MAA grant number.
- 2. MAA will promptly process requests for grant reimbursement(s) once the grant agreement is fully executed. Forms are available in Microsoft Excel (.XLSX) format upon request.
- 3. MAPA grant payments are made on a reimbursement basis only and against invoices paid in full by the Sponsor to a contractor or supplier.
- 4. Any costs incurred prior to grant execution is eligible for reimbursement only with prior coordination and written concurrence from MAA. The airport maintains full obligation and risk until the grant agreement is fully executed.
- 5. Prior to reimbursement, Sponsor must demonstrate any Clearinghouse comment(s) is/will be satisfied.
- 6. Reimbursement eligibility of contingency funds requires advance MAA review and written approval.
- 7. All grant reimbursement requests should be submitted via email to assigned ORAA grant program manager as a single .PDF file.

#### REIMBURSEMENT REQUEST PACKAGE:

- 1. Package file (.PDF) should not exceed 10 pages.
- 2. Package should include:
  - a. Signed cover letter highlighting:
    - i. progress/completion to date;
    - ii. project schedule update;
    - iii. cost update including reimbursement amount requested;
    - iv. any unexpected delays and or changes to scope, cost or schedule.
  - b. MAPA Grant reimbursement form (see Appendix E).
    - i. All reimbursements will be rounded to nearest cent using general accounting practices.
    - ii. Add the "multi-task summary" form if there are multiple tasks.
    - iii. Fillable .pdf form is available.

- c. Progress photos.
- d. Copy of Contractor invoice(s).
- e. Copy of Sponsor payment (i.e. bank report or cleared check) to Contractor invoice(s).

#### **PARTIAL REIMBURSEMENT:**

- 1. Upon receipt of email reimbursement request:
  - a. ORAA grant project manager will ensure accuracy of submitted material. Any questions will be forwarded to Sponsor for resolution. Repeat error will cause the reimbursement request to be returned to Sponsor;
  - b. ORAA will authorize release of funds to MAA's Accounts Payable;
  - c. MAA Accounts Payable will validate funds and instruct State Treasurer's office to release funds;
  - d. State Treasurer's Office will make electronic payment to Sponsor.
- 2. The payment process averages 3-4 weeks for a check, so please be patient.
  - a. Electronic transfer option is available for a quicker turnaround and is recommended. Please contact your ORAA grant project manager for more information.
- 3. Should a reimbursement payment require an adjustment, Sponsor should request adjustment in future reimbursement request.
- 4. Multiple grant reimbursement payments to Sponsor may appear as a single lump sum payment.
  - a. Sponsor should develop a tracking system if multiple grants are open at the same time.

#### **FINAL REIMBURSEMENT**:

1. The final reimbursement request will be reviewed and approved after a final inspection of all project deliverables. A final site inspection should include Sponsor, Engineer, MAA, and the Contractor as appropriate.

- 2. All work must be satisfactory, complete, and acceptable to both the MAA and the Sponsor in accordance with grant terms.
- 3. Any deliverables associated with the project (i.e. reports, documents, surveys, drawings, etc.) should be submitted for review/acceptance <u>prior</u> to the final reimbursement request.
- 4. Pictures/documentation of post construction and/or equipment purchase is required <u>prior</u> to final reimbursement.
- 5. If project is subject to Prevailing Wage requirements, a copy of final report to Maryland Department of Labor is to be submitted with the final reimbursement request package.
- 6. Sponsor should plan project acceptance and contractor payment in advance of final reimbursement request. For time management, MAA recommends submit final reimbursement request no later than June 15 of the fiscal year in which the grant will close.
- 7. If project remains incomplete at sunset date of grant agreement, grant balance remaining will not be available. Sponsor will be expected to complete the project.

#### \*\*\* ACCOUNTING AND AUDIT REQUIREMENTS \*\*\*

- 1. In accordance with grant terms, Sponsor must establish and maintain an adequate accounting record for each grant project. MAA may request these records to verify the eligibility of all incurred costs charged against the grant.
- 2. Reimbursement requests from Sponsor must be accompanied by proof of Sponsor payment of invoice(s). A copy of the cancelled check or bank statements showing respective payment has been cleared must be included in the respective reimbursement request.
- 3. The Sponsor shall retain documentary evidence such as invoices and cost estimates which support all reimbursement requests charged to State funds for a period of five years following the final grant payment.
- 4. The Sponsor shall permit an authorized representative of the State of Maryland access to any of the books, documents, papers and records that are pertinent to the grant.
- 5. Sponsor will benefit from accurate and transparent record keeping. Audit exceptions may trigger additional requirements to Sponsor for future grant requests. If severe audit exceptions are discovered, MAA retains discretion to cancel open grants.
- 6. If in doubt of any project and/or cost eligibility, please communicate with MAA early in the project effort.

# Appendix A

COMAR 11.03.08

### Title 11 DEPARTMENT OF TRANSPORTATION

#### Subtitle 03 MARYLAND AVIATION ADMINISTRATION

#### Chapter 08 Maryland Assistance to Private Airports (MAPA) Program

Authority: Transportation Article, §§5-204, 5-208, and 5-421, Annotated Code of Maryland

#### .01 Airport Facility Improvements in Maryland.

- A. An effective air transportation system is essential to the continued economic health of the State of Maryland and is crucial to the success of any efforts to attract new industry and commerce.
- B. The key element of an effective air transportation system is sufficient, strategically placed airports that provide safe entry into, and exit from, the airspace above Maryland for the scheduled air carriers, the operators of corporate and privately registered aircraft within the State, and transient aircraft traversing the State for business and recreational purposes.
- C. The predominant portion of airports upon which the State relies to accommodate the needs of the general public are privately owned and ineligible for federal assistance in the form of tax support grant programs.
- D. The Administration is empowered by law to make grants and loans for equipment, improvements, and the rehabilitation of facilities at those airports serving the public and that are deemed to be essential to the air transportation system of the State.

#### .02 Eligibility Requirements — General.

- A. The Administration may provide grants and loans for the acquisition of land and the improvement or rehabilitation of airport facilities at those privately owned airports open to the general public, provided the:
- (1) Governing body of the county in which the airport is located has granted exemption to the airport owner from county property taxes as authorized by the Tax-Property Article, §8-302, Annotated Code of Maryland; and
- (2) Airport has been found to be essential in meeting the needs of the public and is included in the Maryland Aviation System Plan developed by the Maryland Department of Transportation.
- B. Project grants and loans shall be made as reimbursement for a fixed percentage of eligible project costs, not in excess of that stated in Regulation .03.
  - C. The award of project grants and loans shall be made subject to the following conditions:
    - (1) Availability of State funds;
- (2) A written determination by the Administration that the proposed project is prudent, cost effective, timely, and in conformance with acceptable airport design standards;
- (3) Assurances are obtained from the airport owner and any successive owner or owners that the airport will remain available to serve the public for a period of time commensurate with the useful life of the improvements obtained with the funds:
- (4) If the airport closes for public use, the airport owner shall be required to reimburse the Administration for the unamortized portion of the funds, as determined by the Administration;
- (5) The unamortized remaining balance of grants and loans may be secured by the use of recorded liens or bonds and shall be paid to the Administration if the airport closes for public use;
- (6) A determination by the Administration that the airport owner has sufficient funds to finance, on a timely basis, that portion of the project costs not provided by the State.

#### .03 Project Grant and Loan Allowances.

- A. Subject to the conditions outlined in Regulation .02, the Administration shall provide grants and loans not in excess of the percentages stated in Regulation .05 for approved projects.
- B. Grants or loans for any project other than those stated in §A of this regulation shall be at the sole discretion of the Administration and at a combined total not in excess of 90 percent.

#### 11.03.08.04

#### .04 Guidelines and Procedures.

- A. The Administration shall provide detailed guidelines on the operation of the Maryland Assistance to Private Airports (MAPA) Program.
- B. The Administration shall provide procedures for obtaining project grants and loans. These procedures shall contain detailed application, processing, and accountability requirements to be followed by each participating private airport.

#### .05 Table A.

The following table reflects State aid for development of public-use

airports:

			Available Loans	
Type of Improvement	Available Grant	Grant Guaranty	Percentage	Payback Period
(a)	(b)	(c)	(d)	(e)
Airfield lighting	90%	10 years	90%	10 years
Fueling facilities		_	100%	10 years
Hangars			100%	10 years
Land acquisition:			"	
Easements and in-fee operating equipment:	90%	20 years	90%	20 years
Fire, snow removal, mowing, etc.	90%	10 years	90%	10 years
Pavement:				
New	90%	15 years	90%	15 years
Overlays	90%	10 years	90%	10 years

- (a) Interest on loans provided by DOT will be 1 percent above the prime commercial rate at the time loan agreement is executed.
  - (b) Loan and grant obligation of the airport owner may be secured by
  - a lien or mortgage on the improvement or existing property.

#### **Administrative History**

Effective date: December 26, 1988 (15:26 Md. R. 2984)

Regulation .02C amended effective February 4, 1991 (18:2 Md. R. 150)

Regulation .03 amended effective December 10, 2001 (28:24 Md. R. 2129)

Regulation .05 amended effective February 4, 1991 (18:2 Md. R. 150); December 10, 2001 (28:24 Md. R. 2129)

## Appendix B

Tax Exemption Detail

### MARYLAND DEPARTMENT OF TRANSPORTATION MARYLAND AVIATION ADMINISTRATION

#### **Tax Exemption for Private Airports**

The Maryland Aviation System Plan (updated February 2009) developed by the Maryland Department of Transportation has identified 35 public-use airports as essential to the State's air transportation system. Airports are landing facilities that include: airports, heliports, seaplane bases, etc as defined in Code of Maryland Regulations 11.03.04, Aeronautical Regulations. Of these, 18 are owned by either by the State of Maryland, various counties or municipalities. As a result, they are immune from property taxation under the provisions of Section 7-210 (a) of the Tax-Property Article of the Annotated Code of Maryland. The remaining 17 airports, being privately-owned, are not afforded this same tax immunity.

Recognizing the importance of the privately-owned airports to the State's air transportation system, and the disadvantage under which those airports are placed by the lack of this tax immunity, the Maryland General Assembly, by Section 8-302 of the Tax-Property Article, authorized partial tax exemption at the discretion of the local governing bodies. Furthermore, in approving direct, State financial support to these privately-owned airports, the 1988 Session of the General Assembly conditioned such support on the granting of the partial tax relief by the local governing bodies. The purpose of this document is to assist the local authorities in identifying which portions of the eligible airports are considered essential and thereby entitled to tax exemption.

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#### **General Description of Essential Airport Areas**

For the purpose of granting tax exemption, the essential portions of any airport are considered to be those areas and improvements needed for the landing, take-off, and runway ingress and egress of aircraft. The extent of these areas are defined clearly by Federal and State criteria. These criteria's also impose limitations on the use of the land in question in order to maintain acceptable levels of air safety. The specific areas are those which follow:

- (a) Runway safety areas;
- (b) Taxiway clearance areas;
- (c) Runway approach areas; and
- (d) Improvements to the above areas.

<u>Runway Safety Area</u> – This is the area on the airport designated for the landing and take-off of aircraft and the immediately adjacent area which must be maintained clear of obstructions. The physical dimensions of the Runway Safety Area are governed by the type of instrument landing approach approved for the runway and the type of surface (i.e. paved, turf, etc.) available for landings and take-off.

Width of Runway Safety Area (based on type of instrument approach)

No instrument approach

Non-precision instrument approach

Precision instrument approach (ILS, MLS)

1,000 feet

#### Length of Runway Safety Area

Unpaved runway - Coincides with the length of the usable runway;
Paved runway - Extends 200 feet beyond each end of the paved surface.

<u>Taxiway Clearance Area</u> - This is the area needed for the ingress and egress from any designated runway on the airport that <u>is not included</u> within the confines of the Runway Safety Area. It does not include those taxiway areas required only for access to hangar storage or aircraft parking areas. The related taxiway must be clearly identified by appropriate edge markers, lights or paved surfaces and be depicted on airport layout drawings. The Taxiway Clearance Area shall extend the full length of the taxiway, and 35 feet to each side of the taxiway centerline, but shall not extend into the Runway Safety Area.

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Runway Approach Area - This is the portion of the airport property beyond the ends of a runway that must be maintained free of obstructions to landing aircraft. It is in the form of a trapezoid with the inner edge equal in length to, and abutting, the end of the Runway Safety Area. The sides of the Area flare outward at an angle of 10:1 from the end of the Runway Safety Area. The length of the Runway Approach Area is the distance between the end of the Runway Safety Area and the boundary of the airport owner's property.

<u>Improvements to Essential Areas</u> - The assessed value of all improvements related to, and included within, the Runway Safety, Taxiway Clearance, and Runway Approach Areas should be considered eligible for tax exemption. This includes such improvements as:

- (a) Paved surfaces;
- (b) Runway, taxiway and obstruction lighting;
- (c) Landing guidance aids owned by the airport owner; and
- (d) Storm water drainage installations.

#### **Exemption for Essential Areas**

After a determination has been made as to the area on each eligible airport that is considered essential using the above criteria, a comparison should be made with the total area of the airport. The percentage so derived should then be applied to the assessed valuation of the land to arrive at the portion of the <u>value</u> to be considered exempt. A similar calculation should be made wherein the assessed value of the property includes paved surfaces as a separate item. To the extent revealed by the assessor's worksheet, a deduction from the assessed value should also be made for other improvements in the essential area such as airfield lighting, landing aids and storm water drainage installations.

#### **Eligibility for Exemption**

Section 8-302 of the Tax-Property Article lists the following three conditions necessary for receipt of tax exemption:

- (a) The airport must be located on privately owned land;
- (b) The airport must be used by the public; and

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(c) The airport must be licensed by the State Aviation Administration under Title 5 of the Transportation Article.

The Maryland Aviation Administration recommends that, in addition to the foregoing conditions, the exemption be granted <u>only</u> to those privately-owned airports that are recognized in the Maryland Aviation System Plan as being essential to the State's air transportation system. This will preclude the granting of exemption for the many small, private airstrips that offer negligible benefit to the air transportation system and the general public.

#### Chapter 8-302. Same – Airplane Landing Strips

For purposes of the county property tax only, in any county in which authorized by the governing body of the county, an improved airplane landing strip may not be assessed to the owner of the real property on which it is located if the landing strip is:

- (1) located on privately owned land;
- (2) used by the public; and
- (3) licensed under Title 5 of the Transportation Article. (An. Code 1957, art. 81, § 19; 1985, ch. 8, § 2.)

#### **Recommended Local Ordinance**

Precise wording of local ordinances to accomplish the intent of Section 8-302 of the Tax-Property Article must be tailored to local requirements. However, the following is offered as a suggested language:

"For purposes of the county property tax only, the essential portions of airplane landing strips, as certified by the Maryland Aviation Administration, are exempt from taxation if the landing strip is:

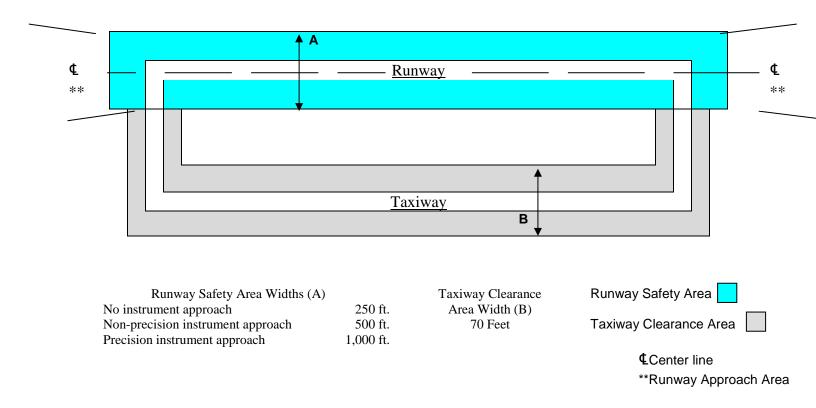
- (a) Located on privately owned land;
- (b) Used by the public;
- (c) Licensed under Title 5 of the Transportation Article; and
- (d) Identified in the Maryland Aviation System Plan as essential to the State's air transportation system."

\*\*\*\*\*

The Maryland Aviation Administration is prepared to assist local authorities in tabulating the basis for tax exemption and, if desired, will provide a certification as to the essential portions of the airport property.

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#### ESSENTIAL AIRPORT AREAS FOR TAX EXEMPTION



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## Appendix C

Airport Grant Priority Rating

#### **Maryland Aviation Administration**

#### **Priority Rating System**

		i momy naming cyclom
Project Merit	(se	elect only one)
	Safety / Security	
	55	obstruction removal to meet FAA or COMAR Ch 04 or 05 standards
	52	repair of inoperative lighting systems / relocation of lights / special lighting needs
	50	airfield pavement rehab/repair IAW airfield maintenance plan, improve rwy friction surface
	48	TSA 1542 or CFR 139 requirements, minimum safety/security equipment at GA airports
	46	airside security improvements (requires existing airport security plan)
	44	V/PD access control system to AOA
	43	RSA improvements
	42	safety condition identified by professional evaluation or accident statistics
	41	AWOS, rotating beacon, segmented circle, NAV aids/visual aids
	Preservation of Ex	sisting System
	40	landing area improvements to handle operation capacity problems (ie: new txwy or rwy)
	39	landing area improvements for larger critical aircraft (ie: lengthen/strengthen rwy)
	38	taxi area improvements for larger critical aircraft (ie: lengthen/strengthen txwy)
	37	apron expansion for additional parking capacity
	36	apron expansion for critical aircraft consideration
	35	taxiway to new part of airport development area
	34	auto access road capacity increase
	33	auto parking
	32	terminal capacity improvements
	Upgrades to Stand	
	30	primary runway
	29	primary taxiway
	28	apron/parking facilities
	27	secondary runway
	26	secondary taxiway
	Planning	
	40	master plans, alp, site selections
	30	airport feasibility and management plans
	25	terminal area and building plans
	23	air service and air cargo plans / marketing plans
	20 15	multimodal plans
		other special plans (business plan, economic study, F&E, land-use, etc)
	Land/Easement A	land/easement acquisition for obstruction removal
	50 40	land/easement acquisition for RPZ
	30	land/easement acquisition for noise control reg'd project
	25	land/easement acquisition for operational capacity
	20	land acquisition for new airport
	15	land/easement acquisition for future expansion
	Environmental	iand/easement acquisition for future expansion
	40	EA or EIS
	35	wetlands delineation/mitigation
	30	SWPPP, SPCC, SWM, etc.
	25	part 150 studies
	20	other special studies (EDDA, surveys)
	Airfield Maintenan	
	20	tractor / multi-purpose vehicle
	15	snow blade unit
	14	mower unit
	13	sprayer unit
	12	maintenance shed

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#### **Maryland Aviation Administration**

#### **Priority Rating System**

Situational Considerations	(select as many as appropriate)
Special Project	Factor
50	phased project construction or design
25	mandated by federal or state law
10	MDOT/MAA policy
Federal Fundin	
20	existing FAA tentative allocation or ACIP project
10	FAA funds requested
0	not FAA eligible
-10	FAA eligible, but funds not requested
Compatible Lar	
20	Yes, zoning in place
10	Zoning under development review/approval
O	No zoning at local jurisdiction
	lopment potential
10	yes
O Project retains	no
	or attracts air service
10	yes
Dispretionary of	NO
Discretionary co	
	local funding participation exceeding minimum requirement * - 1pt is assigned for each percent exceeding the minimum requirement
Airport Factors	(select as many as appropriate)
Airport Operation	
25	project will assist in meeting minimum safety standards
10	minimum safety standards have been established
0	minimum safety standards have not been met
Service Role	
20	air carrier airport
15	reliever airport
10	general aviation airport
0	general aviation airport (local)
Ownership Role	
10	Public-owned
0	Private-owned
Airport mainten	
0	satisfactory
-10	insufficient maintenance
Airport Activity Level	(select as many as appropriate)
Based Aircraft	100.
25	100+
20	50 to 99
15	20 to 49
10	11 to 19
Operations 5	0 to 10
Operations	25 004 .
25	25,001 + 7,501 to 25,000
20	7,501 to 25,000
15	2,001 to 7,500

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10

0 to 2,000

#### **Maryland Aviation Administration**

#### **Project Priority Evaluation Worksheet**

Airport:	SAMPLE	City:	xyz	
Project Number:	123			
Project Title:	xyz			
Project Description:	XVZ			

#### **Airport Priority Summary**

Category	Item Scc	ore
Project Merit	-Select from list in Rating Category sheet-	
Situational Considerations	Special project factor	
	Federal funding availability	
	Compatible Land Use Zoning	
	Economic development potential	
	Project retains or attracts air service	
	Discretionary considerations	
Airport Factors	Airport operational conditions	
	Service role	
	Ownership role	
	Airport maintenance	
Airport Activity	Based aircraft	
	Operations	

# Appendix D

DocuSign Process

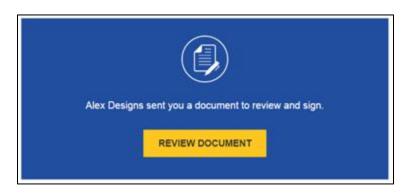


#### **E-Signature Procedures for MAA Grants**

(effective 2020-06-15)

Grant agreements will be sent to the Official authorized to sign the grant on behalf of the Airport Sponsor. Electronic signature will be requested via email from DocuSign (on behalf of the MDOT MAA Office of Regional Aviation Assistance). A DocuSign account <u>is not</u> required to review or sign documents.

1. Review the DocuSign email. Open the email and review the message from the sender. Click **REVIEW DOCUMENT** to begin the signing process.



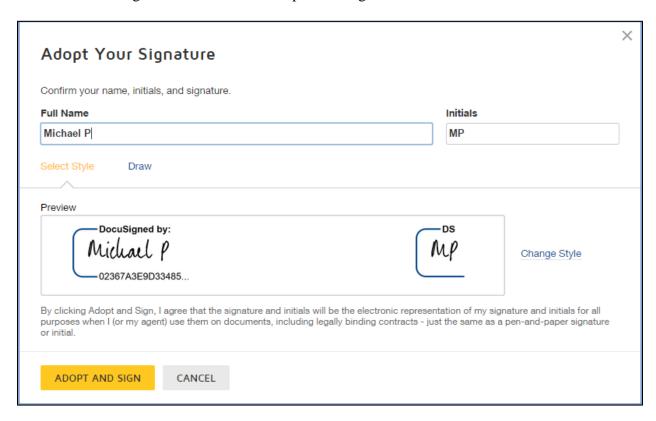
2. Agree to sign electronically: Review the consumer disclosure and select the checkbox I agree to use Electronic Records and Signatures. Click CONTINUE to begin the signing process.



3. Start the signing process: Click the **START** tag on the left to begin the signing process. You are taken to the first tag requiring your action.



Click the **SIGN** tag. You are asked to Adopt Your Signature.



- 4. Verify your name: Verify that your name and initials are correct. If not, change them as needed.
- 5. Adopt a signature.
- 6. Click **ADOPT AND SIGN** to adopt and save your signature information and return to the document.
- 7. Confirm signing: When you finish clicking all signature tags in the document, confirm signing by clicking **FINISH.** A message appears stating that you have completed your document. You can now download a PDF copy or print a copy of the document. The MDOT MAA will receive an email with the signed document attached for final execution.

Any questions on the DocuSign e-signature process, please contact:

MDOT MAA Office of Regional Aviation Assistance

Ashish J. Solanki, A.A.E

Director

410.859.7064

443.996.1060 (cell)

asolanki@bwiairport.com

## Appendix E

Reimbursement Request Form

### Maryland Aviation Administration MAPA Grant Reimbursement Request

Type of Payment:	M	1AA Grant Number :	
Partial	Р	ayment Request # :	
Final	D	ate of Request :	
Grantee Name:			
Address:			
State	Grant Share :		
Previous Pay Requ (State share of paid invoices fm pa			
State Grant Balance Avail	lable to date :	\$ -	_
Present Pay Requ (State share of paid invoices for t			
			=
MAA GRANT BALANCE F	REMAINING :	\$ -	

<sup>\*</sup> Complete only gray shaded boxes, round to nearest cent.

### Maryland Aviation Administration MAPA Grant Reimbursement Request - Multi Task Summary

MAA Grant Number :	
Pay Request # :	
Date of Request :	

Name of task	Total Project Budget	Previous Invoice(s)	Present Invoice(s)	State Grant Percentage	State Grant Share	Previous Pay Request Amount	Present Pay Request Amount	Grant Balance remaining	Percent Complete
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
					\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
TOTAL GRANT :	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!

<sup>\*</sup> For grants with 2 or more projects within a single grant. Use in conjunction w/ Reimbursement Shell.

<sup>\*</sup> Complete all shaded boxes for pay request #1, for subsequent pay requests update only the "Previous Invoice(s)" and "Present Invoice(s)" columns accordingly.

### Appendix F

Maryland Prevailing Wage Rate

#### \*\*\* PREVAILING WAGE RATE \*\*\*

For any construction project estimated to be greater than \$250,000 *and* MAA funding assistance is 25% or more of the project, Sponsor is required to comply with Maryland's Prevailing Wage Rate Law. Detail on the Prevailing Wage Rate Law, frequently asked questions and request for rates may be found at the Maryland Department of Labor web site for <u>Prevailing Wage</u>.

Before a project can be bid, Sponsor shall request an official wage rate determination from Maryland Department of Labor. Public-owned airports should utilize their respective Procurement Officer. Private-owned airports should coordinate directly with Maryland Department of Labor at 410-767-2342 or <a href="mailto:dldliprevailingwage-labor@maryland.gov">dldliprevailingwage-labor@maryland.gov</a>.

Sponsor will obtain an official wage rate determination and case number. Sponsor must include the wage rates as part of the bid specifications. Any bid results not using the prevailing wage rates would be considered ineligible. The burden of review/confirmation of bids rests with the Sponsor. Sponsor's bid summary and/or tabulations to MAA should state low bidder's adherence to the prevailing wage rates.

Upon selection, Contractor will have to register with Maryland Department of Labor as contractor-on-record for the assigned case number. When a pre-construction meeting is held, both MAA and Maryland Department of Labor should be at the meeting. As the project progresses, Contractor shall report certified payroll statements to Maryland Department of Labor. Sponsor should ensure Contractor invoice rates are consistent to the bid rates and invoice for work completed. Sponsor should periodically check with Maryland Department of Labor to ensure Contractor is following the reporting requirements of Maryland Department of Labor. This will prevent any cumulative impacts near the end of a project. In each reimbursement request to MAA, Sponsor should affirm the invoice is consistent to prevailing wage rates.

### Appendix G

# Maryland Intergovernmental Review and Coordination (MIRC) / Clearinghouse

#### \*\*\* MIRC / CLEARINGHOUSE \*\*\*

For construction projects seeking MAA grant assistance, Sponsor is required to submit project detail to the Maryland Intergovernmental Review and Coordination (MIRC) office. MIRC is also known as the State's Clearinghouse. The Clearinghouse is the single point of contact for the State of Maryland to ensure that any construction project, funded by any State agency, is consistent with known Maryland laws, regulations and policies. To obtain more information about the Clearinghouse, please contact the Clearinghouse at 410.767.4490 or mdp.clearinghouse@maryland.gov.

Clearinghouse notification is required for construction-type projects seeking any percentage of MAA grant share and not limited to a minimum dollar amount. Clearinghouse is applicable to both public and private Sponsors. If Sponsor is performing a project design effort, then Clearinghouse coordination should be planned in both the design phase and again in the construction phase. Expect to receive Clearinghouse comments within 30 days.

Sponsor will receive determination from Clearinghouse on any law(s), regulation(s) or policy(s) that need to be addressed for the proposed project. MAA recommends incorporating any Clearinghouse comments into the final design before proceeding to project bid. If there are any questions on the comments received, Sponsor should coordinate early with the commenting State agency. This will ensure the scope of work adequately covers not just the project, but also any required mitigation. In turn, costs associated with compliance can be incorporated within the grant agreement. If Sponsor does not define additional scope of work for compliance/mitigation in grant application, then Sponsor will be responsible for that portion of the compliance effort.

If the comments are to be addressed through the construction phase, Sponsor should ensure and demonstrate project schedule identifies task and milestones for compliance. To prevent construction delay, early coordination is essential. Lack of compliance will jeopardize MAA grant reimbursement.