

CRC Infrastructure Sub-Committee

Project Identification Template and Instructions

I. What – Project Information/Basic Facts

1. Project Scope - The Mobile Airport Authority, in partnership with nine organizations from around the region, hopes to offer a clean, safe and modern airport environment. To do so they believe a 930-space intermodal parking facility should be constructed at Mobile Regional Airport. The new facility would operate as a multi-use parking facility and incorporate: rental car concessions, mass transit (City of Mobile) and covered public parking. The mass transit terminal would be located within the intermodal facility and would extend the City's bus route to its farthest point west within the city limits and would be constructed adjacent to the existing 1,064-space surface parking lots. This terminal would also have the capability to provide the population living in west Mobile County access to a "park and ride" facility. (Exhibit B for location).
2. Project duration or schedule by phase and status of any work in progress - The intermodal parking facility project would take approximately 5 years from beginning to end. Please see case studies (Exhibit A) for more examples of project duration.
 - 2.1. Conceptual and Feasibility Planning, Engineering, Construction - Additional feasibility planning, engineering and/or construction information not available at this time.
3. Estimated Cost (plus or minus 30%) - Based on current construction cost averages and a construction inflation rate of 3%, it is estimated the 930-space facility will cost approximately \$16,000,000 from design to build. Since this facility is projected to be utilized as an intermodal facility with access to city transit routes, it is proposed that Federal funding be obtained to cover \$12,800,000, which represents the 80% Federal Funds matching program. The balance of \$3,200,000 would be paid from local funds.
 - 3.1. Indicate level of confidence in accuracy of these estimates – 60%

II. Why – Project Description relative to Impact and Criteria

1. Identify what need, threat or opportunity that this project, study, or recommendation will address - Over the past five years, the Mobile Bay region has experienced tremendous economic growth. In fact, Mobile was listed on Forbes.com's Top 10 Best Mid-Sized Cities for Jobs, citing continued job growth in numerous business sectors. Mobile was also ranked No. 5 by Forbes Magazine in April 2010 for projected economic growth and projected job growth. These impressive rankings are evidenced by the numerous economic

development investments being made in Mobile and is expected to create some 3,090 new jobs with the potential for an additional 3,500 jobs if Austal USA is awarded a contract by the U.S. Navy and 5,000 supplier jobs if EADS is awarded the U.S. Air Force Tanker project. The capital investment that has been made in Mobile has reached \$5.819 billion in the last three years. Companies making these investments include Airbus North America Engineering, Aker Solutions, Austal USA, EADS North America, Kimberly-Clark, Regent Aerospace, SSAB, ThyssenKrupp Stainless USA and ThyssenKrupp Steel USA. This expansive growth is predicted to continue. To fully capitalize on the recent economic growth, the Mobile Airport Authority must continue to add air service and continue to expand and modernize its facilities. An intermodal center at Mobile Regional would provide transportation, inter connectivity and enable the airport to remain competitive with airports in neighboring states.

2. How does this project or recommendation address and impact the recommended evaluation criteria:

2.1.1. Coastal Recovery - An intermodal facility would improve the region's ability to react quickly to impending storms or other disasters by providing one more means to evacuate passengers from a natural or health disaster. The intermodal facility would add connectivity between the City's mass transit system and the airport, helping citizens with few travel options.

2.1.2. Resiliency - A region with a strong airport would be able to react quicker to an economic, societal or environmental calamity. Though the creation of an intermodal facility today is a want, the lack of covered parking makes it easier for passengers to utilize nearby airports and long-term this could be detrimental to the region. When passengers support other airports, those airports grow and subsequently Mobile Regional shrinks. Without a robust airport, economic development might suffer.

2.1.3. Transformational - The addition of an intermodal facility would change the look of Mobile Regional and improve transportation options available out of Mobile Regional. The facility could greatly improve the aesthetics of the building exterior as it would be located at the front of the terminal building. The intermodal facility could also grow when transportation needs evolve as the footprint would already be formed.

2.1.4. Regionalism - A new intermodal facility would offer the region better access to the airport and opportunities for future development. Long-term this facility could be extended and link Alabama with counties in Mississippi via mass transit.

- 2.1.5. Economic Diversification - Should the intermodal facility result in better connectivity with our region's mass transit systems then new business opportunities may surface. Persons, who were unable to start businesses due to transportation issues, now could be afforded that opportunity.
3. Project Economics - Two nearby airports offer a good indication of where Mobile Airport's parking needs would be should we "achieve the level of air service our community deserves" and reach 1,000,000 passengers. The two airports surveyed are located within 8 hours of Mobile Regional, in Alabama and Mississippi, and serve approximately 1 to 1.5 million passengers per year. Both these markets are business markets, much like Mobile Regional. (Exhibit A).
4. Identify Direct Project benefits to Coastal Alabama, including avoided costs, consequence of "No Build" alternative. - When these airports attracted a low-fare carrier, passenger counts increased dramatically. With an increase in passengers comes an increase in parking and a greater need for connectivity between the airport and region. Below is information on two nearby airports and the total cost, space allotment and maintenance costs for similar parking facilities constructed in the last 10 years. The only major consequence of a "no build" alternative would be that some people would still believe it is easier, all things equal, to travel to a neighboring airport with a parking garage. (Exhibit A).
- 4.1. Impact on employment, job training and development, both short term and permanent Employment opportunities would be minimal as would job training and development as companies with trained employees already exist in the area.
- 4.2. Oil spill mitigation outside of claims process - N/A
5. Identify Indirect benefits and costs
- 5.1. Collateral Benefits to the objectives of Healthy Environment, Healthy Economy and Healthy Society (subjective responses allowed) - Benefits of such a facility exist; including the ability for car rental companies to increase the number of cars available for rent, greater accessibility to mass transit and covered parking. Extra capacity and accessibility to mass transit are the two primary factors but covered parking is also important as this area often has excessive heat in the summer and rain all year around.
- 5.2. Collateral Costs or impacts to the objectives of Healthy Environment, Healthy Economy and Healthy Society (subjective responses allowed) - The largest indirect cost would be the opportunity cost of planning and implementing this project in-lieu of another project.

- 5.3. Connectivity and Linkage to other projects or initiatives: Does this project complement or compete with other projects? What other projects would be precluded if this project is funded? - This project does not compete with any projects but would complement the addition of a low-fare carrier by providing additional covered parking, rental car space and access to the City's mass transit system.

III. Who/How – General Information

1. Name and contact information for Entity, Collaboration or Person submitting project or recommendation nomination. - Mobile Airport Authority respectfully submits this project request for an intermodal facility to be built, managed and maintained by the Mobile Airport Authority totaling \$3,200,000. Mobile Airport Authority, William B. Sisson, Executive Director; 1891 Ninth St., Mobile, AL 36615, 251-438-7334.
 - 1.1. *Entities and communities sharing a common threat or need are encouraged to collaborate for a joint/combined project submittal to raise the profile of the issue and solution to be addressed. Also please indicate the level of community support or resistance and hurdles to collaboration –* Supporting regional partners include: Mobile Airport Authority, Mobile Area Chamber of Commerce, Mobile Area Chamber of Commerce Foundation, Inc., Mobile Transportation Coalition, Mobile Area Chamber of Commerce Air Service Development Task Force, Mobile Bay Convention and Visitors Bureau, Downtown Mobile Alliance, Mobile County Commission and Baldwin County Economic Development Alliance.
2. Identify Sponsoring Entity for oversight and accountability if different from above.
 - 2.1. Existing or to be created? - Existing.
 - 2.1.1. If to be created, what parties or interests must be involved and what level of effort is required to do so? - N/A
 - 2.2. Describe governance, organizational capacity, availability of skills, experience of sponsoring entity to implement the Project – The Mobile Airport Authority would take responsibility for this project and for all maintenance expenses. The Authority has the ability to plan and implement this project from beginning to end.
 - 2.3. Project complexity: Hurdles and barriers to project implementation, completion and sustainability. Identify regulatory issues. - The only barrier would be lack of funds.

3. Identify any known or anticipated administrative, regulatory, or legislative action that would be required at either the local, state, or federal governmental level. - The only known action that would require assistance from the local, state and/or federal level is obtaining Federal funding for the intermodal facility. Without Federal funding this project may not move forward in the short-term but would be included in projects to be completed long-term. Should Federal funding not be provided the parking garage project would commence once passenger counts reach the needed level for expansion. Federal funding would be the only known hurdle to project implementation.
4. Requested funding from Coastal Recovery Fund (CRF) - \$3,200,000
5. Identified potential funding sources other than the CRF - Federal funding.
 - 5.1. Leverage or multiplier on CRF investment: matching funds, public or private N/A
 - 5.2. Public Private Opportunities, user fees, Federal funds, private foundation grants, bonding capacity, etc. - Federal funds.
6. Forecast of ongoing maintenance or operating costs and source of funding if not self-sustaining – According to case studies, maintenance costs could range from \$50,000 - \$200,000 per year.

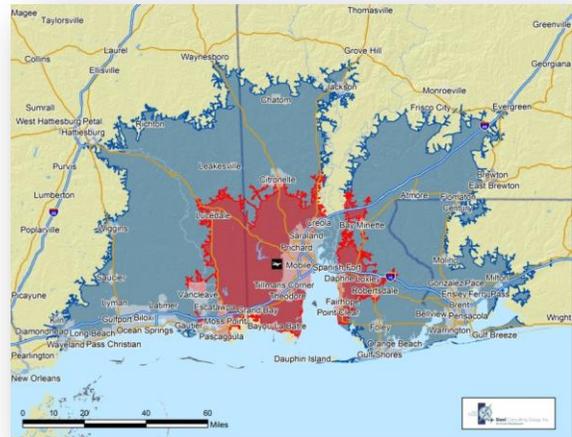
Exhibit A – Case Studies

Project	Number of Parking Spaces	Timeframe	Total Cost	Maintenance Cost / Year	Note
AL Airport Parking Garage (estimates)					
Deck #1	1,600	18 months (construction time only)	\$ 15,000,000	\$ 100,000	title of \$150,000 / year
Deck #2	1,330	15 months (construction time only)	\$ 22,000,000	\$ 50,000	
MS Airport Parking Garage (estimates)					
Deck #3 (+repairs to levels 1&2)	602	42 months	\$ 18,000,000.00	TBD	
Mobile Regional Airport Parking Garage (estimates)					
Total Facility	930	60 months	\$ 16,000,000.00	TBD	
<i>*Note: These figures are estimates only.</i>					

Appendix A – Background on Mobile Regional Airport

The Mobile Regional Airport is currently served by Delta Air Lines, Continental Airlines, US Airways and American Eagle Airlines with 25 daily departures to five major hubs: Atlanta, Memphis, Houston, Charlotte and Dallas/Fort Worth.

The population within a one hour drive of Mobile Regional Airport is 1.26 million, shown in red, and the population within a two hour drive is 2.4 million, shown in blue. The combined Mobile-Daphne-Fairhope MSA population is 592,000 or about 40% of the population along the Gulf Coast; Gulfport, MS to Fort Walton, FL. Although the combined Mobile MSA has the largest population, Mobile Regional carries just 17% of the passenger traffic at Gulf Coast Airports.



Mobile Regional Airport currently serves approximately 600,000 passengers per year and 30,000 meeters/greeters (customers picking up or dropping off passengers). Based on population, the Mobile Regional Airport should be serving closer to 1,000,000 passengers yearly. However, nearly 40% (around 400,000) of local passengers drive to nearby airports to access lower fares or non-stop service currently not offered at Mobile Regional Airport. The reason for this is clear, Mobile Regional Airport’s fares and lack of non-stop flights force Gulf Coast travelers to drive to or fly from neighboring airports. Even though fares and frequency of flights are the primary catalysts to attract passengers, access and convenient parking facilities have also been identified as deficiencies and are one more challenge to retaining passengers.

In focus groups, concluded in June 2009, participants were asked to “grade” their parking experience at various airports, “A” for excellent, “B,” “C,” “D” or “F” for fail. Only 20% of leisure travelers and 67% of business travelers rated Mobile Airport an “A” or “B” in parking. Conversely, when asked the same question about Pensacola’s Airport (with a parking garage), 100% of leisure travelers and 72% of business travelers rated Pensacola’s parking an “A” or “B.” 18% of participants rated the Mobile Airport parking experience a “D” or “F” and no participants rated the Pensacola Airport parking experience as such. Mobile’s average grade for airport parking was a “C-” and Pensacola’s a “B+.”

Exhibit B – Location of Intermodal Facility

