

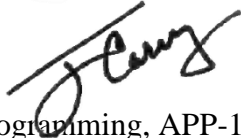


Federal Aviation Administration

Memorandum

Date: May 23, 2025

To: Office of Airports Regional Directors, AXX-600s
Regional Airport Planning and Programming, AXX-610s Airports District
Office Managers, XXX-ADOs

From: Jesse Carriger, Acting Director 
Office of Airport Planning and Programming, APP-1 (A)

Subject: Program Guidance Letter (PGL) 25-01: *Updated Companion Grant Alternative*

1. Purpose and Background

1.1 Purpose

This PGL revises and supersedes the companion grant option previously outlined in PGL 22-02: Grant Proration Alternative. The companion grant option is available for use by all sponsors, including those involved in sub-awards under the State Block Grant Program.

Upon reviewing the implementation of the original PGL, it was concluded that a revision is needed to clarify terminology, simplify reimbursement request requirements, and introduce other flexibilities to make administration less burdensome.

1.2 Background

Companion grants involve two or more grants from various programs (such as AIP, IIJA, Supplemental Discretionary, etc.) that finance a usable unit of work within a single fiscal year or across multiple fiscal years. These grants aid in funding different phases of a construction project to ensure its completion, with or without traditional phased approaches. Although funds from different grant programs, like AIP, IIJA, and Supplemental Discretionary, cannot be combined into a single grant, ARP field office staff can utilize companion grants to allocate portions of total project costs across several grants, resulting in a usable unit, such as a new terminal, building expansion, building reconfiguration, equipment acquisition, or runway/taxiway rehabilitation. Examples include:

- Multiple grants within a single fiscal year leading to the completion of a construction project phase or an entire project (Refer to Attachment 2 - Examples 1 and 2).
 - Multiple grants spanning several fiscal years that result in a completed construction project phase or entire project (Refer to Attachment 2 – Examples 3, 4, 5, and 6).
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- Individual grants over multiple fiscal years leading to the completion of a construction project phase or entire project (Refer to Attachment 2 - Examples 7 and 8).

The FAA Order 5100-38D, *Airport Improvement Program (AIP) Handbook*, does not currently reference companion grant alternatives; however, the upcoming update to the *AIP Handbook* will include this funding method. When submitting, reviewing, approving, and assessing financial reporting of companion grant documents, FAA personnel should adhere to the Office of Airports Grant Payment and Sponsor Financial Reporting Policy (Payment Policy).

2. Applicability

Staff can utilize companion grants across multiple fiscal years, provided that the construction project phase or entire project is completed before the Period of Performance (PoP) end date of the first executed companion grant. Consequently, all companion grants must share the same PoP end date, allowing for the adjustment of project cost percentages for any companion grant, if necessary, before the first companion grant's PoP concludes. See 2 CFR section 200.1. If the end date needs to be extended, standard procedures will apply, and all companion grants must be amended accordingly.

Since pre-award cost reimbursement eligibility varies among different project types, it is crucial for the sponsor and ADO to accurately track and allocate these costs according to the funding source specified in the grant agreement. Generally, costs incurred before grant acceptance may be reimbursed using apportioned funds, such as AIP passenger entitlement, cargo entitlements, AIP nonprimary entitlements, and IIJA-AIG. For reimbursement guidelines concerning competitive funds like AIP discretionary, IIJA-ATP/FCT, and Supplemental Discretionary, please consult the *AIP Handbook*.

3. Eligibility

The eligibility of work included in each grant is determined by the specific statutory funding source (e.g., AIP grants are subject to AIP eligibility criteria, while IIJA grants follow IIJA eligibility guidelines, etc.). Companion grants can only be used if the project qualifies under the applicable grant program(s). For project components that might have broader eligibility under a particular grant program (such as IIJA), those components can only be incorporated into a grant if they meet the eligibility requirements of the associated funding source.

4. Implementation

The companion grant option became available in FY 2022. The updates in this revision take effect as of the signature date on Page 1. Any previously issued companion grants must be amended if new companion grants are issued to align with this revised PGL.

5. Internal Business Process (Documentation and Process Requirements)

Attachment 1 - Companion Grant Process Information supplies FAA and sponsor staff with relevant details about the companion grant process.

6. Payment Requirements

Companion grants and their corresponding invoice summaries must comply with the current published Payment Policy. According to this revised PGL, companion grant payment requests can be submitted independently and do not need to be submitted simultaneously, regardless of when the related companion grants were executed.

Attachment 1 – Companion Grant Process Information

1.1 Documentation

Each grant must maintain separate documentation files, adhering to the same records management requirements as non-companion grants. However, documents applicable to multiple companion grants can be stored in a single grant documentation file, with their location referenced in the documentation index of the other companion grant files. Additionally, companion grant files must include extra documentation that tracks the financial relationship among the various companion grants and the overall project cost.

1.2 Applications

Each companion grant requires its own separate application.

1.3 Programming and Grant Offers

1.3.1 Project Percentage Calculation

The project percentage for each companion grant is determined by the known total project cost, calculated by dividing the total project cost by the companion grant's total contribution (federal share amount + local match + non-eligible costs, etc.). Since FAA grant programs may not fully fund projects or may include non-eligible costs, the cumulative total percentage of all companion grants may be less than 100%. Companion grants cannot exceed a cumulative total of 100%. If project costs are not fully known, estimated costs can be used, with the understanding that percentages must be amended when the costs are determined, and before closeout. While companion grants may include multiple work codes, percentages are based on the overall total project costs, so individual percentages cannot be calculated for each work code. See examples in Attachment 2.

1.3.2 Talking Points, Grant Descriptions, and Grant Offers

Refer to Attachment 2 for current examples of Talking Points and Grant Descriptions. The exact text for project talking points for companion grants must comply with the current version of the Grant Programming Assistance Resource (GPAR). The grant description in the grant offer must include an approximate percentage for that grant, using the term “about” before the percentage. Each companion grant must include a special condition ensuring that a usable unit of work is provided within a reasonable timeframe, regardless of whether future associated grants are issued. The current special condition is provided below for reference. Use the automated AIP system for the latest special condition available.

Usable Unit of Development. *The FAA and the Sponsor agree this grant only funds a portion of the overall project. The FAA makes no commitment of funding beyond what is provided herein. In accepting this award, the airport Sponsor understands and agrees that the work described in this grant agreement must be incorporated into a safe, useful, and usable unit of development completed within a reasonable timeframe [49 USC § 47106(a)(4)]. This safe, useful, usable unit of development must be completed regardless of whether the Sponsor receives any additional federal funding.*

1.3.3 Period of Performance (PoP)

The PoP end date in subsequent companion grants must be manually updated in the grant offer to match the PoP end date specified in the first companion grant. All companion grants will share the same PoP end dates.

1.4 Amendments

Funding for amendments for AIP, IIJA, or other programs is not guaranteed.

1.4.1 Increase Amendments

Before closeout, companion grants should only be amended if there is a significant change to the project. At close out, amendments must be made if required, based on the final project costs. Any additional funding for a companion grant must come from the same grant program as the original grant. For instance, if Companion Grant X was funded with IIJA-AIG, the amendment must also be financed with additional IIJA-AIG funds.

Requests to amend grants funded through competitive programs, such as IIJA-Federal Contract Tower (FCT), IIJA-ATP, or Supplemental Discretionary, will be evaluated on a national competitive basis. These grants can only be amended using funds available from the same fiscal year as the initial grant. Amendments, including adjustments to grant amounts, must adhere to the Grant Conditions of each companion grant and comply with fiscal year appropriations and any overriding reauthorization statutes.

1.4.1.1 Amendment Methods

There are two approaches for handling grant amendments:

1. Eligible cost overruns necessitating a grant amendment are distributed among the companion grants according to the percentages specified in the grant offers (preferred method).
2. Eligible cost overruns are allocated unevenly among the companion grants, within the boundaries of the Grant Conditions, and the grant descriptions are updated to reflect the revised percentages. This method requires documentation through a Formal Letter Amendment as outlined in the Grant Conditions for each companion grant. This approach should only be considered when:
 - The sponsor has expiring funds available to amend the grant.
 - The companion grants include fund types that may not have funds available for amendments (e.g., funds to amend a IIJA-FCT, IIJA-ATP, Supplemental Discretionary, etc. grant are unavailable, so the amendment to the AIP grant is increased).
 - The sponsor lacks sufficient funds at closeout to amend the companion grants while maintaining the initial percentage per the grant offers (e.g., the sponsor does not have enough AIP funds to maintain the initial percentage, so the amendment to the IIJA grant is increased).

1.4.2 Decrease Amendments

Funds are typically recovered at closeout. Ideally, each companion grant is reduced according to the percentages specified in the grant offers. However, when companion grants include both expiring and non-expiring funds, the FAA may reduce the companion grants unequally, prioritizing the use of expiring funds first. Such situations require the grants to be amended to adjust the final percentage before closeout. Unequal reduction of companion grants may necessitate a Credit Memo as outlined in the current Payment Policy.

1.5 Payments

Sponsors will submit reimbursement requests for companion grants using the U.S. Department of Transportation Delphi eInvoicing system, in accordance with the current Payment Policy.

As specified in 49 U.S.C. § 47111 Payments under project grant agreements: “Payments totaling not more than 90 percent of United States Government’s share of the project’s estimated allowable cost may be made before the project is completed if the sponsor certifies to the Secretary that the total amount expended from the advance payments at any time will not be more than the cost of the airport development work completed on the project at that time.”

Payments are not determined by the 'about' percentage in the grant description. The 'about' percentage is informational only and does not affect interim or final payments.

In cases where total project costs are not fully known, no companion grant should be drawn down more than 90% until all related companion grants for the construction project phase or complete project are drawn down to 90%. If total project costs are fully known, grants can be drawn down 100% before issuing all companion grants.

Payment requests for companion grants do not need to be submitted simultaneously. Payments exceeding 90% are processed according to the Payment Policy. Any necessary amendments should be coordinated with the sponsor before approving payments greater than 90% for any companion grant.

Payment Example 1: Companion Grant 1 is \$670,000 and Companion Grant 2 is \$330,000

Invoice Number	Description	Total Invoice Amount	Companion Grant 1	Companion Grant 2
1	Ace Engineering	\$100,000	\$90,000	\$0
2	Acme Construction	\$350,000	\$315,000	\$0
3	Acme Construction	\$425,000	\$198,000 (90% of grant amount)	\$184,500
4	Acme Construction	\$86,111	\$0	\$77,499
5	Ace Engineering	\$38,890	\$0	\$35,001(90% of grant amount)
6 (final)	Ace Engineering	\$111,111	\$67,000	\$33,000
Total		\$1,111,112	\$670,000	\$330,000

Payment Example 2: Companion Grant 1 is \$670,000 and Companion Grant 2 is \$330,000

Invoice Number	Description	Total Invoice Amount	Companion Grant 1	Companion Grant 2
1	Ace Engineering	\$100,000	\$0	\$90,000
2	Acme Construction	\$350,000	\$315,000	\$0
3	Acme Construction	\$425,000	\$175,500	\$207,000 (90% of grant amount)
4	Acme Construction	\$86,111	\$77,499	\$0
5	Ace Engineering	\$38,890	\$35,001 (90% of grant amount)	\$0
6 (final)	Ace Engineering	\$111,111	\$67,000	\$33,000
Total		\$1,111,112	\$670,000	\$330,000

Payment Example 3: Companion Grant 1 is \$670,000 and Companion Grant 2 is \$330,000

Invoice Number	Description	Total Invoice Amount	Companion Grant 1	Companion Grant 2
1	Ace Engineering	\$100,000	\$60,000	\$30,000
2	Acme Construction	\$350,000	\$300,000	\$15,000
3	Acme Construction	\$425,000	\$150,000	\$232,500
4	Acme Construction	\$86,111	\$72,499	\$5,000
5	Ace Engineering	\$38,890	\$20,501 (90% of grant amount)	\$14,500 (90% of grant amount)
6 (final)	Ace Engineering	\$111,111	\$67,000	\$33,000
Total		\$1,111,112	\$670,000	\$330,000

1.6 Closeout

As all companion grants must share the same PoP end date, the closeout process should occur simultaneously for all companion grants.

1.6.1 Sponsor Responsibilities

Sponsors are responsible for preparing closeout documentation for FAA review, following 2 CFR section 200.344, the current Airports Standard Operating Procedure (SOP)– Administrative Closeout of Airport Improvement Program Grants, along with local ADO/RO requirements.

Closeout documentation must be submitted by the sponsor within the Sponsor

Closeout/Liquidation Period specified in the grant offer; otherwise, the FAA will close the grant as described in the grant offer. Sponsors should submit closeout documentation to the local ADO/RO. The sponsor may provide a single closeout package per complete project or complete construction project phase, as described in the grant, and must include specific financial details (SF 425, SF 270/271, etc.) for each companion grant.

1.6.2 FAA Responsibilities

The ADO must prepare separate closeout packages and ensure that the final costs are accurately allocated to each companion grant, as detailed in the grant offers (as amended). The closeout package should be reviewed in accordance with 2 CFR section 200.344, the current Airports Standard Operating Procedure (SOP)– Administrative Closeout of Airport Improvement Program Grants. After processing the final payments, ADOs are required to prepare separate closeout letters for each companion grant.

Attachment 2 – Percentage Calculation, Talking Point, and Grant Description Examples

Attachment 2 offers several examples of how companion grants can be applied. While it does not cover every possible companion grant scenario, it provides foundational information that can be adapted to other situations. Utilizing companion grants is optional. Sample percentage calculation spreadsheets for each example can be provided upon request.

Example 1: Acquire Snow Removal Equipment (Truck with Plow and Broom) – Companion Grants in a Single Fiscal Year Using Multiple Grant Programs

- The total project cost (including administration, engineering, construction, etc.) is \$400,000. All costs are eligible under AIP/IIJA-AIG.
- The sponsor has \$270,000 in AIP funds available and will cover the remaining acquisition costs with IIJA-AIG funds. All companion grants have a federal share of 90%.
- Companion grants are issued within a single fiscal year and collectively provide a usable unit of work.

Example 1: Companion Grants in a single FY using multiple grant programs

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
Complete Project Cost	\$400K	\$360K	\$0	\$40K	
AIP grant -- about 75%	$\$270K / (1.0 \times 0.9) = 300K$	\$270K	\$0	\$30K	$300K / 400K = 0.75$
IIJA-AIG grant – about 25%	$\$90K / (1.0 \times 0.9) = \$100K$	\$90K	\$0	\$10K	$100K / 400K = 0.25$

Talking Points: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

AIP grant: Acquire Snow Removal Equipment (about 75% of Truck with Plow and Broom)

IIJA-AIG grant: Acquire Snow Removal Equipment (about 25% of Truck with Plow and Broom)

Example 2: Construction of Service Road, Taxiway F, and Rehabilitation of West General Aviation Apron – Companion Grants with Multiple Work Codes in a Single Fiscal Year Using Various Grant Programs

- The total project cost, including administration, engineering, and construction, is \$5.9 million. All costs are eligible under AIP/IIJA-AIG.
- The sponsor has \$4.2 million in AIP funds available and will cover the remaining costs with IIJA-AIG funds. All companion grants have a federal share of 90%.
- Companion grants are issued within a single fiscal year and collectively provide a usable unit of work.
- Construction is planned to occur simultaneously across all work codes.

Example 2: Companion Grants Utilizing Multiple Grant Programs Within a Single Fiscal Year

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
Complete Project Cost	\$5.9M	\$5.31M	\$0	\$590K	
AIP grant – about 79%	$\$4.2\text{M}/(1.0 \times 0.9) =$ \$4.67M	\$4.2M	\$0	\$467K	$\$4.67\text{M}/\5.9M $= 0.79$
IIJA-AIG grant – about 21%	$\$1.11\text{M}/(1.0 \times 0.9) =$ \$1.23M	\$1.11M	\$0	\$123K	$\$1.23\text{M}/\5.9M $= 0.21$

This example demonstrates the use of companion grants when a construction contract involves multiple work codes. Each companion grant must specify a single percentage clearly in the grant agreement. Assigning percentages to individual work codes increases the risk of incorrect payments. If the construction of each work code does not occur simultaneously, they should be funded through separate grants.

Talking Points: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

AIP grant: Construct service road, rehabilitate west general aviation apron; construct Taxiway F (about 79%)

IIJA-AIG grant: Construct service road, rehabilitate west general aviation; construct Taxiway F (about 21%)

Example 3: Expansion of Terminal Building by 47,000 Square Feet – Companion Grants Across Multiple Fiscal Years Using Various Grant Programs

- The total project cost, including design, administration, and construction, is \$46.4 million.
- The sponsor plans to fund the project through multiple grant programs and intends to seek additional federal grants in the future.
- The AIP terminal eligibility proration is 73%.
- The IIJA (ATP/AIG) and PFC terminal eligibility proration is 93%.
- The federal share for AIP and IIJA-AIG is 90%.
- The federal share for IIJA-ATP is 95%.
- The sponsor accepted a \$735,994 AIP grant in 2023.
- The sponsor accepted a \$5.2 million IIJA-ATP grant in 2023.
- The sponsor accepted a \$4.0 million IIJA-ATP grant in 2024.
- All costs for the entire project will be incurred before the PoP end date of the first executed companion grant.

Example 3: Companion Grants over multiple FYs using multiple grant programs

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
Complete Project Cost	\$46.4M				
FY 2023 AIP Grant – about 2%	$\$736\text{K}/(0.73 \times 0.9) =$ \$1.12M	\$736K	\$302K	\$81.8K	$\$1.12\text{M}/\$46.4\text{M} =$ 0.02
FY 2023 IIJA-ATP grant – about 13%	$\$5.2\text{M}/(0.93 \times 0.95) =$ \$5.89M	\$5.2M	\$412K	\$274K	$\$5.89\text{M}/\$46.4\text{M} =$ 0.13
FY 2024 IIJA-ATP grant – about 10%	$\$4.0\text{M}/(0.93 \times 0.95) =$ \$4.53M	\$4.0M	\$317K	\$211K	$\$4.53\text{M}/\$46.4\text{M} =$ 0.10
Currently unfunded – about 75%	\$34.9M	NA	NA	NA	$\$34.9\text{M}/\$46.4\text{M} =$ 0.75

In this example, the overall federal and local share cannot be precisely calculated because the federal share and terminal proration differ based on the funding source. The total cost covered by each grant and the companion grant percentage are determined as shown in the table above. Similar calculations will be performed for future grants. It is important to note that companion grants do not need to add up to 100% but cannot exceed it. For this project, the companion grants may not reach 100% if the project is not fully funded. In such cases, PFC, sponsor funds, or other sources will cover a portion of the eligible federal share.

Talking Points: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

FY 2023 AIP grant: Expand Terminal Building (about 2% of 47,000 square feet)

FY 2023 IIJA-ATP grant: Expand Terminal Building (about 13% of 47,000 square feet)

FY 2024 IIJA-ATP grant: Expand Terminal Building (about 10% of 47,000 square feet)

- Assume the sponsor receives a \$9,000,000 IIJA-AIG grant in 2025.

Example 3A: Updated to include FY 2025 IIJA-ATP grant

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
Complete Project Cost	\$46.4M				
FY 2023 AIP grant – about 2%	$\$736\text{K}/(0.73 \times 0.9) =$ \$1.12M	\$736K	\$302K	\$81.8K	$\$1.12\text{M}/\$46.4\text{M} =$ 0.02
FY 2023 IIJA-ATP grant – about 13%	$\$5.2\text{M}/(0.93 \times 0.95) =$ \$5.89M	\$5.2M	\$412K	\$274K	$\$5.89\text{M}/\$46.4\text{M} =$ 0.13
FY 2024 IIJA -ATP grant – about 10%	$\$4.0\text{M}/(0.93 \times 0.95) =$ \$4.53M	\$4.0M	\$317K	\$211K	$\$4.53\text{M}/46.4\text{M} =$ 0.10
FY 2025 IIJA-AIG grant – about 22%	$\$9.0\text{M}/(0.93 \times 0.95) =$ \$10.2M	\$9.0M	\$713K	\$474K	$\$10.2\text{M}/46.4\text{M} =$ 0.22
Currently unfunded – about 53%	\$24.66M	NA	NA	NA	$\$24.66/\$46.4 =$ 0.53

Companion grants can be utilized across multiple fiscal years only if the construction project phase or the entire project will be completed (with final costs determined) before the PoP end date of the first executed companion grant. A sponsor may request additional grants to cover extra eligible costs, as permitted by regulations. As with any reimbursement grant, the ADO/RO must keep accurate and current documentation of the financial relationship between companion grants and the final project costs to ensure that the companion grants do not exceed the eligible federal share.

Talking Points for the FY 2025 companion grant: Use current GPAR.

Grant Description:

FY 2025 IIJA-AIG grant: Expand Terminal Building (about 22% of 47,000 square feet)

Example 4: Terminal Building Expansion – Companion Grants Across Multiple Fiscal Years for Phase 1 of a Multi-Phase Construction Project

- The complete project consists of two construction phases to expand the terminal building by 70,000 square feet, with a total project cost (including design, administration, and construction) of \$75.0 million. There is a Guaranteed Maximum Price (GMP) for each phase.
 - Phase 1 includes demolition, site work, utilities, foundation, structural steel, and long lead items (such as jet bridges, elevators, electrical, mechanical, and plumbing equipment) with a cost (including design and construction administration) of \$39.0 million.
 - Phase 2 covers building exterior and roof, interior finishes, and installation of electrical, mechanical, plumbing, and equipment, with a cost (including construction administration) of \$36.0 million.
- Construction Phase 1 will be completed in FY 2026, while Phase 2 is planned for FY 2028.
- The sponsor plans to fund the project through multiple grant programs and may seek additional grant funds or use PFC funding for Phase 2.
- The AIP terminal eligibility proration is 31%.
- The IIJA (ATP/AIG) and PFC terminal eligibility proration is 87%.
- The federal share for AIP and IIJA-AIG is 90%.
- The federal share for IIJA-ATP is 95%.
- The sponsor accepted a \$11.9 million IIJA-ATP grant in 2023.
- The sponsor accepted a \$4.87 million AIP grant in 2023.
- The sponsor accepted a \$5.58 million IIJA-AIG grant in 2024.
- All costs for Phase 1 will be incurred before the PoP end date of the first executed companion grant.

Example 4: Companion grants over multiple FYs using multiple grant programs for construction project Phase 1 of a multi-phase project.

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
Construction Project Phase 1 Cost	\$39,000,000				
FY 2023 IIJA-ATP – grant about 37%	$\$11.9\text{M}/(0.95 \times 0.87) =$ \$14.4M	\$11.9M	\$1.88M	\$626K	$\$14.4\text{M}/\$39.0\text{M} =$ 0.37
FY 2023 AIP grant – about 45%	$\$4.87\text{M}/(0.9 \times 0.31) =$ \$17.5M	\$4.87M	\$12.1M	\$542K	$\$17.5\text{M}/\$39.0\text{M} =$ 0.45
FY 2024 IIJA-AIG grant – about 18%	$\$5.58\text{M}/(0.9 \times 0.87) =$ \$7.13M	\$5.58M	\$927K	\$620K	$\$7.13\text{M}/\$39.0\text{M} =$ 0.18

In this example, Phase 1 of the construction project will be completed before the PoP end date of the first executed companion grant for this phase. Phase 2 is not included in the percentages calculated above because it does not meet the PoP requirement. The sponsor may seek additional grant funds for Phase 2. The total cost covered by each grant for Phase 1, along with the companion grant percentages, is calculated as shown in the table above.

Talking Points: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

FY 2023 IIJA-ATP grant: Expand Terminal Building (about 37% of construction project phase 1 - demolition, site work and utilities, foundation, structural steel, and long lead items (jet bridges, elevators, electrical, mechanical, and plumbing equipment))

FY 2023 AIP grant: Expand Terminal Building (about 45% of construction project phase 1 - demolition, site work and utilities, foundation, structural steel, and long lead items (jet bridges, elevators, electrical, mechanical, and plumbing equipment))

FY 2024 IIJA-AIG grant: Expand Terminal Building (about 18% of construction project phase 1 - demolition, site work and utilities, foundation, structural steel, and long lead items (jet bridges, elevators, electrical, mechanical, and plumbing equipment))

Example 5: Terminal Expansion by 30,000 Square Feet – Traditional Phased and Companion Grants Across Multiple Fiscal Years Using Various Grant Programs for the Complete Project

- The total project cost, including design, administration, architecture/engineering, and construction, is \$29.8 million (with \$2.9 million for design and construction administration, and \$26.9 million for construction).
- The AIP terminal eligibility proration is 79%.
- The IIJA (ATP/AIG) and PFC terminal eligibility proration is 89%.
- The federal share for AIP and IIJA-AIG is 75%.
- The federal share for IIJA-ATP is 80%.
- Phase 1 (design) and Phase 3 (construction administration) were financed through traditional phased grants.

Example 5: Traditional phased grant summary.

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
FY 2022 AIP grant – phase 1 (design)	$\$1.0\text{M}/(0.79 \times 0.75) =$ \$1.69M	\$1.0M	\$354K	\$333K	NA
FY 2024 IIJA-AIG grant – phase 3 (construction administration)	$\$800\text{K}/(0.89 \times 0.75) =$ \$21.1K	\$800K	\$132K	\$267K	NA

- Phase 2 (construction) was funded by companion grants.
- The sponsor accepted a \$7.0 million AIP grant in FY 2023 and a \$6.0 million IIJA-ATP grant in FY 2023, and will use PFC funds, as outlined in an approved PFC application, to fund phase 2 (construction).
- All costs for phase 2 (construction) will be incurred before the PoP end date of the first executed companion grant.

Example 5: Utilization of Traditional Phased and Companion Grants Across Multiple Fiscal Years with Various Grant Programs to Complete the Project

	Total Phase 2 Cost	Federal Share	Non-eligible	Local Match	Percentage
	\$26.9M				
FY 2023 AIP grant – phase 2 (construction) - about 44% of complete construction	$\$7.0\text{M}/(0.79 \times 0.75) =$ \$11.8M	\$7.0M	\$2.48M	\$2.33M	$\$11.8\text{M}/\$26.9\text{M} =$ 0.44
FY 2023 IIJA-ATP grant – phase 2 (construction) - about 31% of complete construction	$\$6.0\text{M}/(0.89 \times 0.80) =$ \$8.4M	\$6.0M	\$927K	\$1.5M	$\$8.4\text{M}/\$26.9\text{M} =$ 0.31
Currently unfunded - about 22% of complete construction (PFC funded)	\$6.7M	NA		NA	$\$6.7\text{M}/\$26.9\text{M} =$ 0.25

Talking Points for traditional phased grants (phase 1 (design) and phase 3 (construction administration): Use current GPAR.

Talking Points for companion grants: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

FY 2022 AIP grant: Expand Terminal Building 30,000 square feet (phase 1 - design)

FY 2023 AIP grant: Expand Terminal Building (phase 2 - construction of about 44% of 30,000 square feet)

FY 2023 IIJA grant: Expand Terminal Building (phase 2 -construction of about 31% of 30,000 square feet)

FY 2024 AIG grant: Expand Terminal Building 30,000 square feet (phase 3 - construction administration)

Example 6: Construction of New Terminal – Companion Grants Across Multiple Fiscal Years Using Various Grant Programs, Combining Traditional Phased and Companion Grants with Multiple Construction Phases

- The schematic design was funded through two traditionally phased grants. This design established the layout of the new terminal, outlined the construction phases, estimated the project cost, and developed a funding plan.

Example 6: Schematic design grant summary.

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
FY 2019 AIP grant – phase 1 (schematic design)	$\$1.02\text{M}/(1.0 \times 0.9) =$ \$1.13M	\$1.02M	\$0	\$113K	NA
FY 2020 AIP grant – phase 2 (schematic design – passenger screening relocation)	$\$187\text{K}/(1.0 \times 0.9) =$ \$208K	\$187K	\$0	\$20.8K	NA

- The construction of the new 145,000 square foot terminal involves four construction phases, each with a Guaranteed Maximum Price (GMP). Each phase results in a usable unit of work.
- The AIP terminal eligibility proration is 82%.
- The IIJA (ATP/AIG) and PFC terminal eligibility proration is 89%.
- The federal share for AIP and IIJA-AIG is 90%.
- The federal share for IIJA-ATP is 95%.
- The final design and Phase 1 construction (south concourse - relocation of the TSA passenger screening area) were funded through a traditional phased grant because the remaining construction phases will not be completed by the PoP end date for the FY 2021 grant.
 - The sponsor accepted an \$8.8 million AIP grant in FY 2021.
- Construction Phase 2 (south concourse) includes demolition and the construction of ticketing, airline operating areas, outbound baggage, baggage and passenger screening, temporary baggage claim, and the south concourse, with a cost (including construction administration) of \$26.1 million.
 - The sponsor accepted a \$9.2 million AIP grant in FY 2022.
 - The sponsor accepted a \$6.7 million AIP grant in FY 2023.
 - The sponsor accepted a \$1.16 million IIJA-AIG grant in FY 2023.
 - The sponsor accepted a \$2.24 million AIP grant in FY 2024.

Example 6: Grant summary for construction project phases 1 and 2 (south concourse).

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
FY 2021 AIP grant – phase 3 (final design and south concourse phase 1 construction (passenger screening relocation))	\$8.8M/(0.82 x 0.90) = \$11.9M	\$8.8M	\$2.15M	\$978K	NA
South concourse construction cost	\$26.1M				
FY 2022 AIP grant – phase 4 (about 48% of south concourse construction)	\$9.2M/(0.82 x 0.90) = \$12.5M	\$9.2M	\$2.25M	\$1.02M	\$12.5M/\$26.1M = 0.48
FY 2023 AIP grant – phase 4 (about 35% of south concourse construction)	\$6.7M/(0.82 x 0.90) = \$9.1M	\$6.7M	\$1.64M	\$749K	\$9.1M/\$26.1M = 0.35
FY 2023 IIJA-AIG grant – phase 4 (about 6% of south concourse construction)	\$1.16M/(0.89 x 0.90) = \$1.45M	\$1.16M	\$160K	\$129K	\$1.45M/\$26.1M = 0.06
FY 2024 AIP grant – phase 4 (about 11% of south concourse construction)	\$2.24M/(0.82 x 0.90) = \$3.0M	\$2.24M	\$546K	\$2499K	\$3.0M/26.1M = 0.11

Talking Points for traditional phased grants: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

FY 2019 AIP grant – Expand Terminal Building (phase 1 - schematic design)

FY 2020 AIP grant – Expand Terminal Building (phase 2 - schematic design – passenger screening relocation)

FY 2021 AIP grant: Expand Terminal Building (phase 3 – final design and phase 1 south concourse construction (passenger screening relocation))

Talking Points for the companion grants: Use current GPAR.

Grant description for companion grants Field on the Grant Status Report (Form 5100-107):

FY 2022 AIP grant: Expand Terminal Building - phase 4 (construct about 48% of south concourse)

FY 2023 AIP grant: Expand Terminal Building – phase 4 (construct about 35% of south concourse)

FY 2023 IIJA-AIG grant: Expand Terminal Building – phase 4 (construct about 6% of south concourse)

FY 2024 AIP grant – Expand Terminal Building – phase 4 (construct about 11% of south concourse)

- Construction Phase 3 (east concourse) encompasses the construction of inbound baggage facilities, baggage claim area, and the east concourse, with a total cost of \$28.0 million.
- The sponsor accepted a \$11.0 million IJA-ATP grant in FY 2022.
- The sponsor accepted a \$3.81 million IJA-AIG grant in FY 2023.
- The sponsor accepted a \$2.34 million AIP grant in FY 2023.
- The sponsor accepted a \$6.0 million IJA-ATP grant in FY 2024.

Example 6: Grant summary for construction project phase 3 (east concourse).

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
East concourse construction cost	28.0M				
FY 2022 IJA-ATP grant – phase 5 (about 47% of east concourse construction)	$\$11.0\text{M}/(0.89 \times 0.95) =$ \$13.0M	\$11.0M	\$1.43M	\$579K	$\$13.0\text{M}/\$28.0\text{M} =$ 0.47
FY 2023 IJA-AIG grant – phase 5 (about 17% of east concourse construction)	$\$3.81\text{M}/(0.89 \times 0.90) =$ \$4.76M	\$3.81M	\$523K	\$423K	$\$4.76\text{M}/\$28.0\text{M} =$ 0.17
FY 2023 AIP grant – phase 5 (about 11% of east concourse construction)	$\$2.34\text{M}/(0.82 \times 0.90) =$ \$3.17M	\$2.34M	\$571K	\$260K	$\$3.17\text{M}/\$28.0\text{M} =$ 0.11
FY 2024 IJA-ATP grant – phase 5 (about 25% of east concourse construction)	$\$6.0\text{M}/(0.89 \times 0.95) =$ \$7.1M	\$6.0M	\$781K	\$316K	$\$7.1\text{M}/\$28.0\text{M} =$ 0.25

Talking Points: Use current GPAR.

Grant description for companion grants Field on the Grant Status Report (Form 5100-107):

FY 2022 IJA-ATP grant: Expand Terminal Building - phase 5 (construct about 47% of east concourse)

FY 2023 IJA-AIG grant: Expand Terminal Building – phase 5 (construct about 17% of east concourse)

FY 2023 AIP grant: Expand Terminal Building – phase 5 (construct about 11% of east concourse)

FY 2024 AIP-ATP grant: Expand Terminal Building – phase 5 (construct about 25% of east concourse)

- Construction Phase 4 (east concourse extension) involves building the extension of the east concourse, with a total cost of \$23.2 million.
- The sponsor accepted a \$3.43 million IJA-AIG grant in FY 2024.
- The sponsor accepted a \$2.80 million AIP grant in FY 2024.

- The sponsor may seek additional grant funds or use PFC funding for Phase 4 construction.

Example 6: Grant summary for construction project phase 4 (east concourse extension).

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
East concourse extension construction cost	\$23.2M				
FY 2024 IIJA-AIG – phase 6 (about 18% of east concourse extension)	$\$3.43\text{M}/(0.89 \times 0.90) =$ \$4.28M	\$3.43M	\$471K	\$381K	$\$4.28\text{M}/\$23.2\text{M} =$ 0.18
FY 2024 AIP – phase 6 (about 16% of east concourse extension)	$\$2.80\text{M}/(0.82 \times 0.90) =$ \$3.79M	\$2.80M	\$682K	\$311K	$3.79\text{M}/\$23.2\text{M} =$ 0.16
Currently unfunded – about 65% of east concourse extension)	15.1M	NA	NA	NA	$\$15.1\text{M}/23.2\text{M} =$ 0.65

Talking Points: Use current GPAR.

- Grant description for companion grants Field on the Grant Status Report (Form 5100-107):
 - **FY 2024 IIJA-AIG grant** – Expand Terminal Building – phase 6 (construct about 18% of east concourse extension)
 - **FY 2023 AIP grant** – Expand Terminal Building – phase 6 (construct about 16% of east concourse extension)

Example 7: Land Acquisition for Development (250 Acres) – Individual Companion Grants Across Multiple Fiscal Years

- The property has been acquired with a total project cost, including administration, surveying, appraisal/review, acquisition, and closing costs, of \$6.3 million. All expenses are eligible under AIP/IIJA-AIG.
- The sponsor has \$960,000 in AIP entitlement funds and \$3.0 million in AIP discretionary funds available in FY 2022 and will cover the remaining acquisition costs with \$1.17 million in FY 2023 IIJA-AIG funds and FY 2024 IIJA-AIG funds.
- All companion grants have a federal share of 90% and collectively complete the project.

Example 7: Individual companion grants over multiple FYs.

	Total Cost	Federal Share	Non-eligible	Local Match	Percentage
Total Project Cost	\$6.3M	\$5.67M	\$0	\$630K	
FY 2022 AIP Grant – about 70%	$\$3.96\text{M}/(1.0 \times 0.9) = \4.40M	\$3.96M	\$0	\$440K	$\$4.40\text{M}/\$6.30\text{M} = 0.70$
FY 2023 IIJA-AIG grant – about 21%	$\$1.17/(1.0 \times 0.9) = \1.3M	\$1.17M	\$0	\$130K	$\$1.30\text{M}/\$6.30\text{M} = 0.21$
FY 2024 IIJA-AIG grant – about 9%	$\$540\text{K}/(1.0 \times 0.9) = \600K	\$540K	\$0	\$60K	$\$600\text{K}/\$6.30\text{M} = 0.09$

Talking Points: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

FY 2022 AIP grant: Acquire Land for Development (about 70% of 250 acres)

FY 2023 IIJA grant: - Acquire Land for Development (about 21% of 250 acres)

FY 2024 IIJA grant: - Acquire Land for Development (about 9% of 250 acres)

Example 8: Expansion of Terminal Building by 230,000 Square Feet – Individual Companion Grants Across Multiple Fiscal Years

- The total project cost, encompassing design, administration, and construction, is \$257.1 million.
- The sponsor plans to fund the project using IIJA-ATP grants.
- The IIJA (ATP/AIG) and PFC terminal eligibility proration is 49%.
- The federal share for IIJA (ATP/AIG) is 80%.
- The sponsor accepted a \$50 million IIJA-ATP grant in 2023.
- The sponsor accepted a \$40 million IIJA-ATP grant in 2024.
- The sponsor intends to pursue a IIJA-ATP grant in 2025.
- Construction will be completed before the PoP end date of the first executed companion grant.

Example 8: Individual companion grants over multiple FYs.

	Total Cost	Federal Share	Non-eligible	Local Share	Percentage
Total Project Costs	\$257.1M				
FY 2023 IIJA-ATP grant – about 49%	$\$50.0\text{M}/(0.49 \times 0.8) =$ \$127.6M	\$50.0M	\$65.1M	\$12.5M	$\$127.6\text{M}/\$257.1\text{M} =$ 0.49
FY 2024 IIJA-ATP grant – about 40%	$\$40.0\text{M}/(0.49 \times 0.8) =$ \$102.0M	\$40.0M	\$52.0M	\$10.0M	$\$102.0\text{M}/\$257.1\text{M} =$ 0.40
Currently unfunded – about 11%	\$27.5M	NA		NA	$\$27.5\text{M}/\$257.1\text{M} =$ 0.11

Talking Points: Use current GPAR.

Grant Description Field on the Grant Status Report (Form 5100-107):

FY 2023 IIJA-ATP grant: Expand Terminal Building (about 49% of 230,000 square feet)

FY 2024 IIJA-ATP grant: Expand Terminal Building (about 40% of 230,000 square feet)

- Assume the sponsor receives \$10,783,266 of IIJA-ATP funds in 2025.

Example 8A: Updated to include FY 2025 IIJA-ATP grant

	Total Cost	Federal Share	Non-eligible	Local Share	Percentage
Total Project Costs	\$257.1M				
FY 2023 IIJA-ATP grant – about 49%	$\$50.0\text{M}/(0.49 \times 0.8) =$ \$127.6M	\$50.0M	\$65.1M	\$12.5M	$\$127.6\text{M}/\$257.0\text{M} =$ 0.49
FY 2024 IIJA-ATP grant – about 40%	$\$40.0\text{M}/(0.49 \times 0.8) =$ \$102.0M	\$40.0M	\$52.0M	\$10.0M	$\$102.0\text{M}/\$257.0\text{M} =$ 0.40
FY 2025 IIJA-ATP grant	$\$10.8\text{M}/(0.49 \times 0.8) =$ \$27.5M	\$10.8M	\$14.0M	\$2.70M	$\$27.4\text{M}/\$257.0\text{M} =$ 0.11

Talking Points: Use current GPAR.

Grant Descriptions

FY 2025 IIJA-ATP grant: Expand Terminal Building (about 11% of 230,000 square feet)