

# National Perspective

Prepared for: FAA Southwest Region  
Airport Consultants Conference  
Fort Worth, Texas

Presented by: Elliott Black  
Director  
Office of Airport Planning and Programming

Date: June 29, 2017



Federal Aviation  
Administration

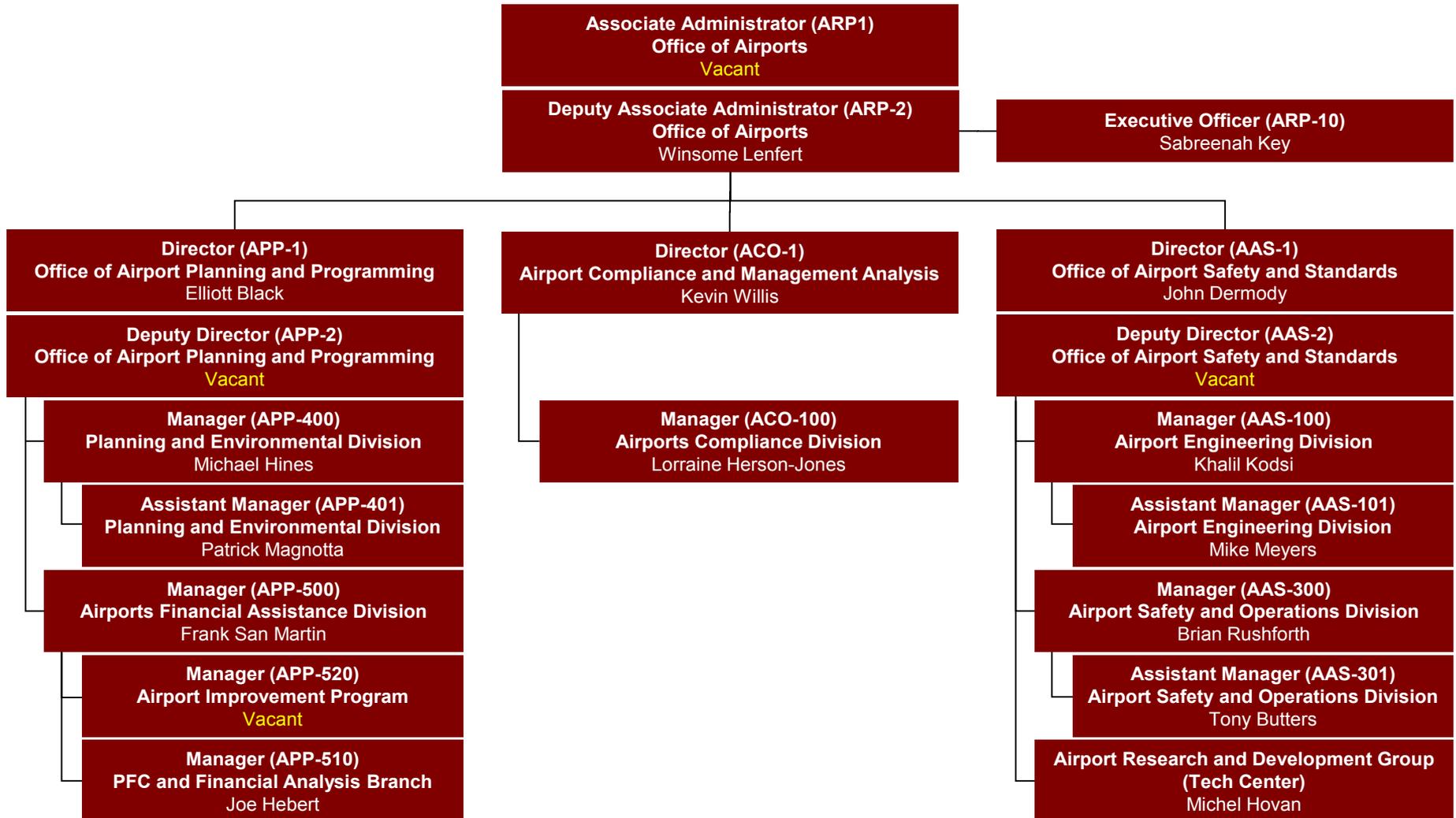


# Agenda

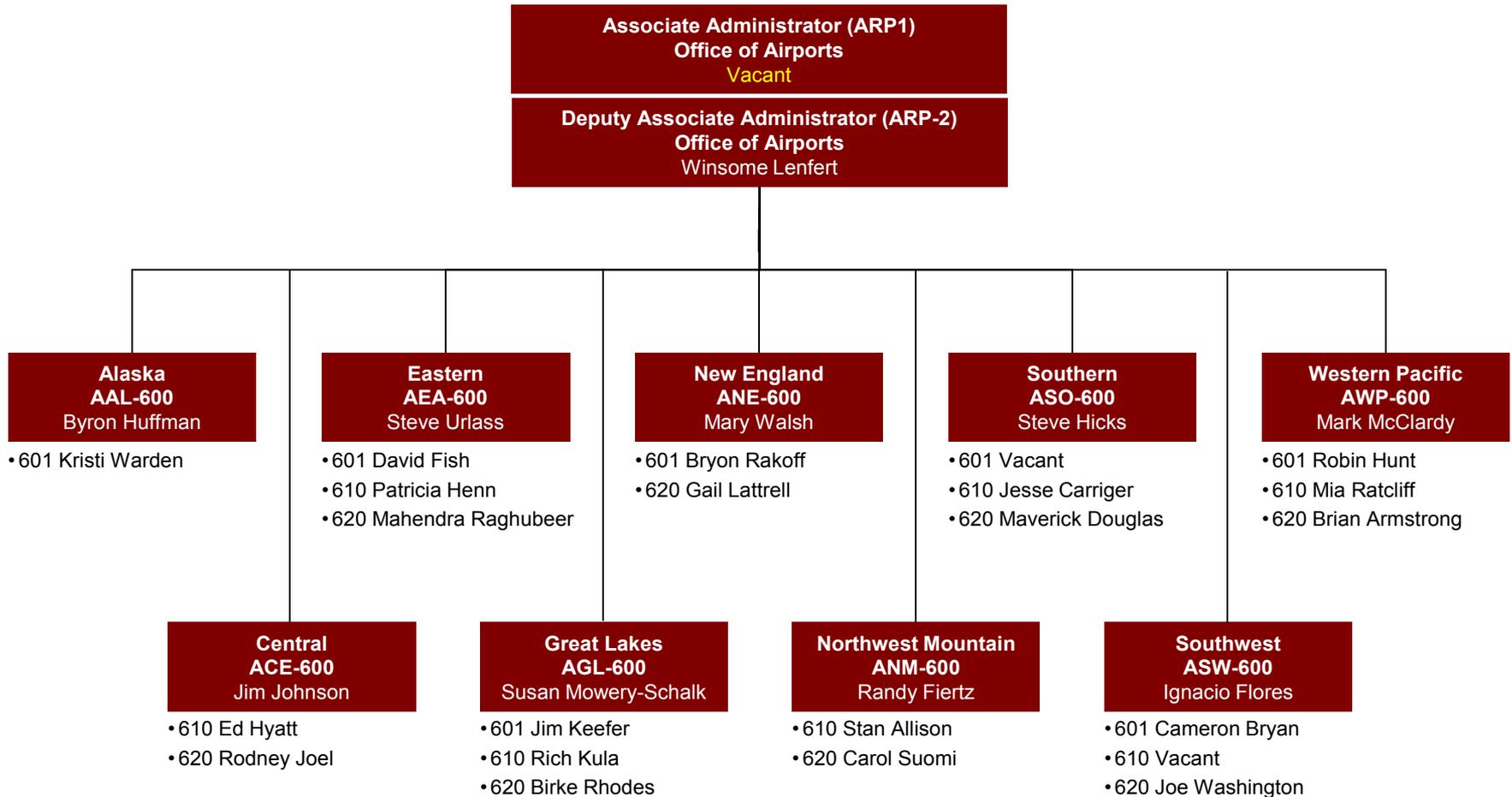
- Update on FAA Office of Airports leadership team
- Update on the system of airports
- Major drivers of change
- Planning issues including the NPIAS Report
- Environmental issues
- Financial issues
- Brief status of reauthorization and appropriation
- Continued focus on core principles, objectives and mission



# Office of Airports—Headquarters Management Team

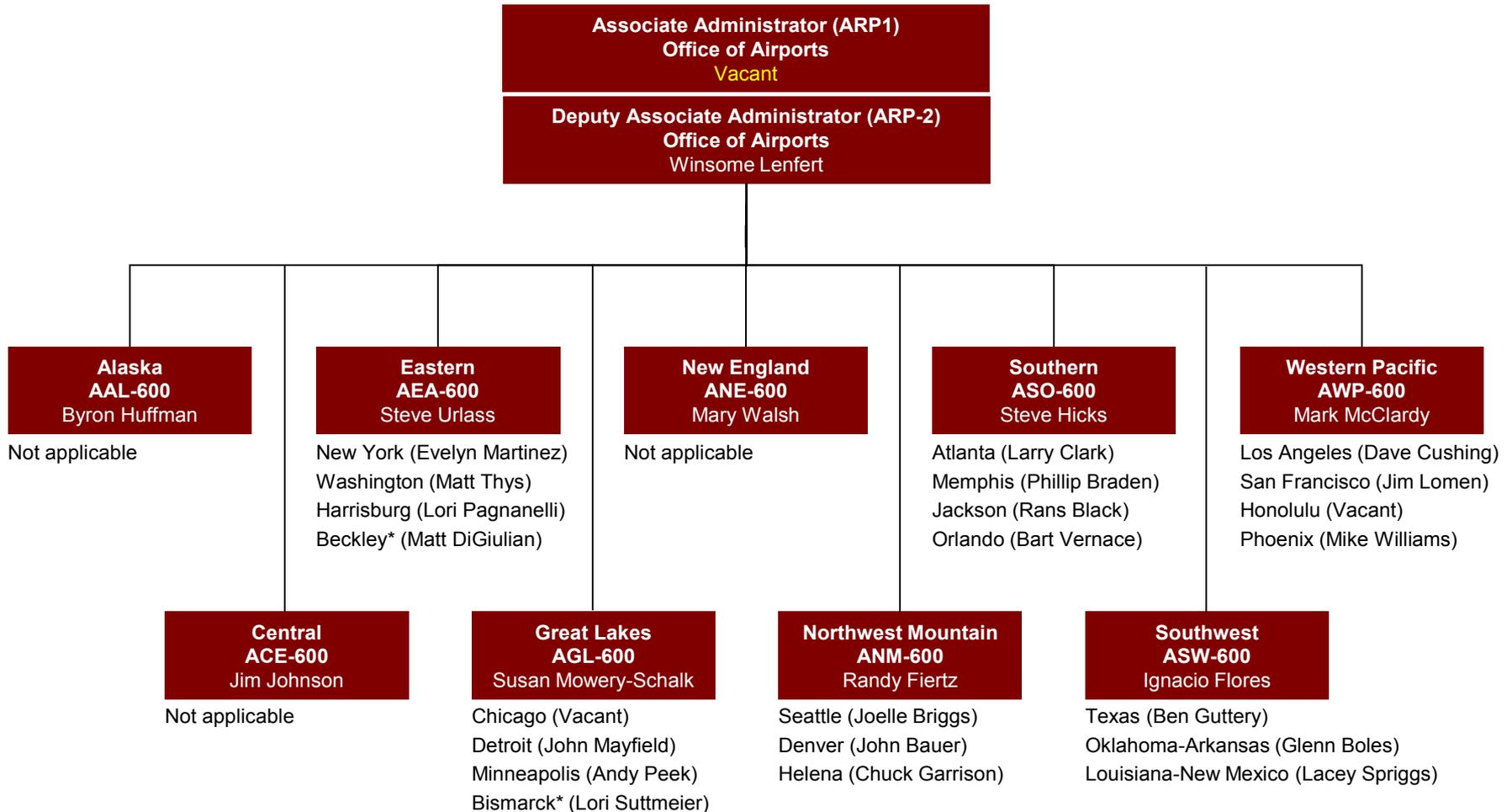


# Office of Airports—Regional Office Management Team



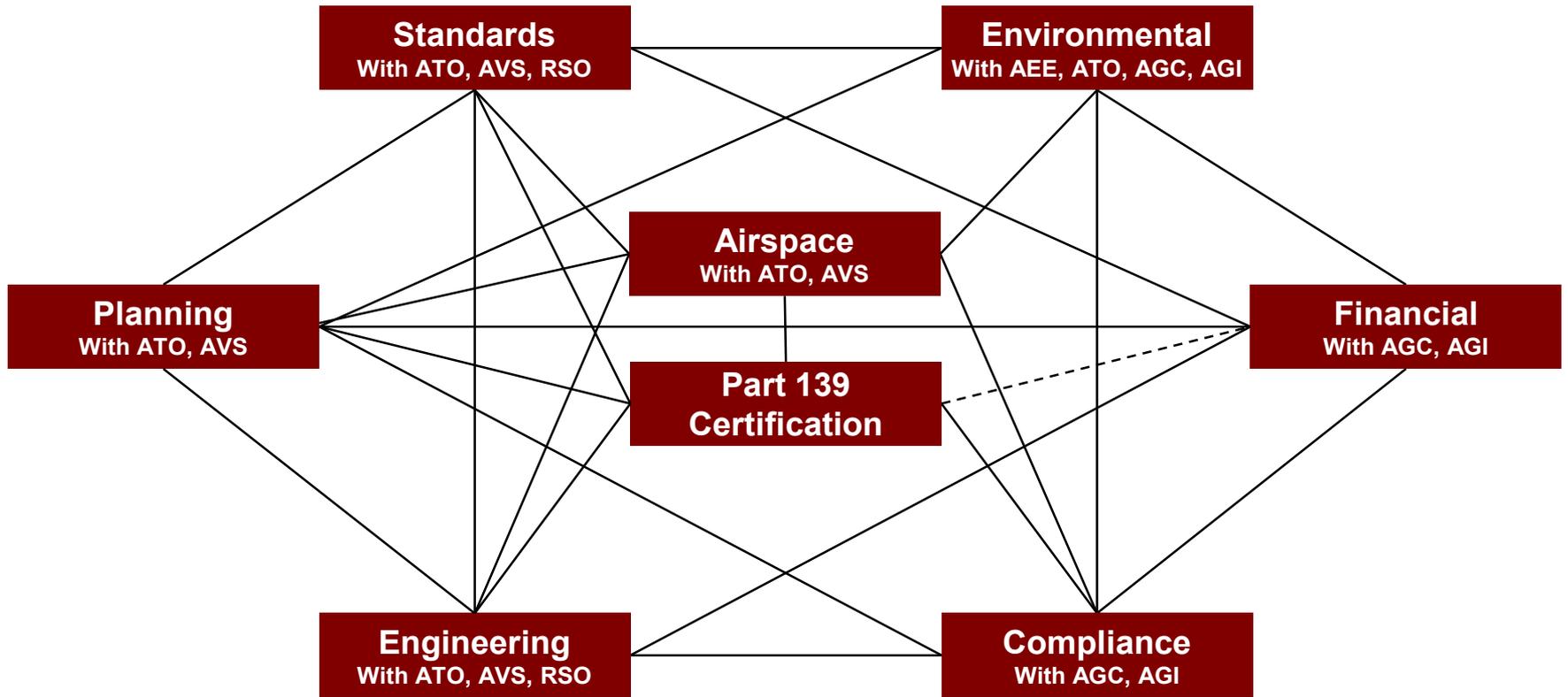
**NOTE:** The roles of 610 and 620 Branch Managers have become somewhat less consistent from Region to Region than they once were. Therefore, the scope of responsibilities will likely vary from one region to another.

# Office of Airports—Airports District Offices (ADO's)



\* The Beckley office is considered part of the Washington ADO, and Bismarck is considered part of the "Minnesota-Dakotas" ADO. We've kept them listed here separately so we have a complete listing of all ADOs and associated field offices.

# FAA's interrelated areas of concern

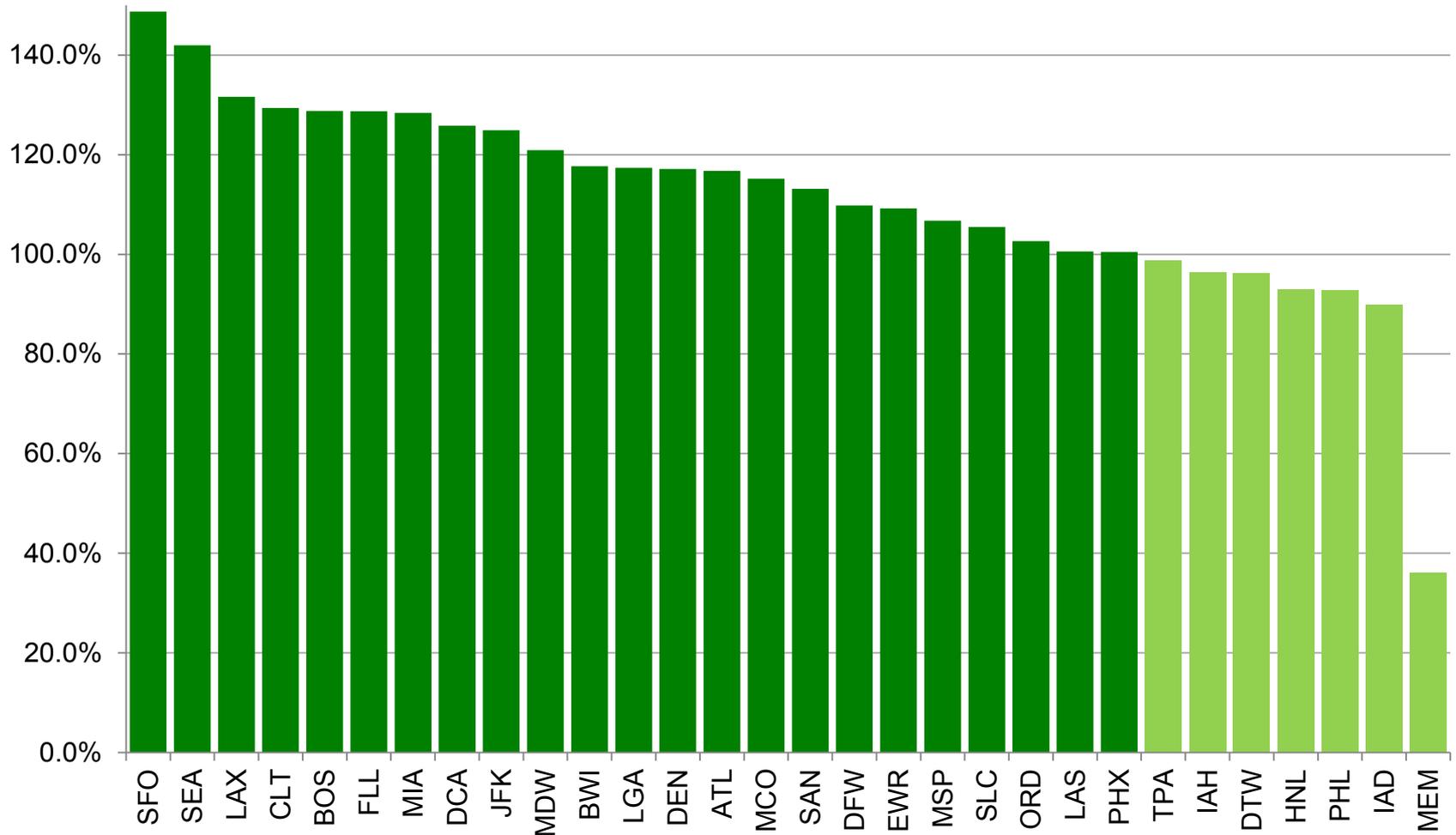


## Major drivers of change... and uncertainty...

- Continued economic recovery
- Continued challenges in predicting airline business activity
- Continued transition to newer, larger aircraft
- Continued increase in concentration of commercial air service
- Slower growth in operations everywhere else
- Continued interest in optimizing non-aeronautical revenues
- Continued focus on environmental and economic sustainability
- Less money available for capital projects
- Effect of changes in fleet and flight schedules on noise contours
- Continued focus on efficient and cost-effective use of Federal funds
- Continued focus on enhancing consistency
- New users in the system and associated issues

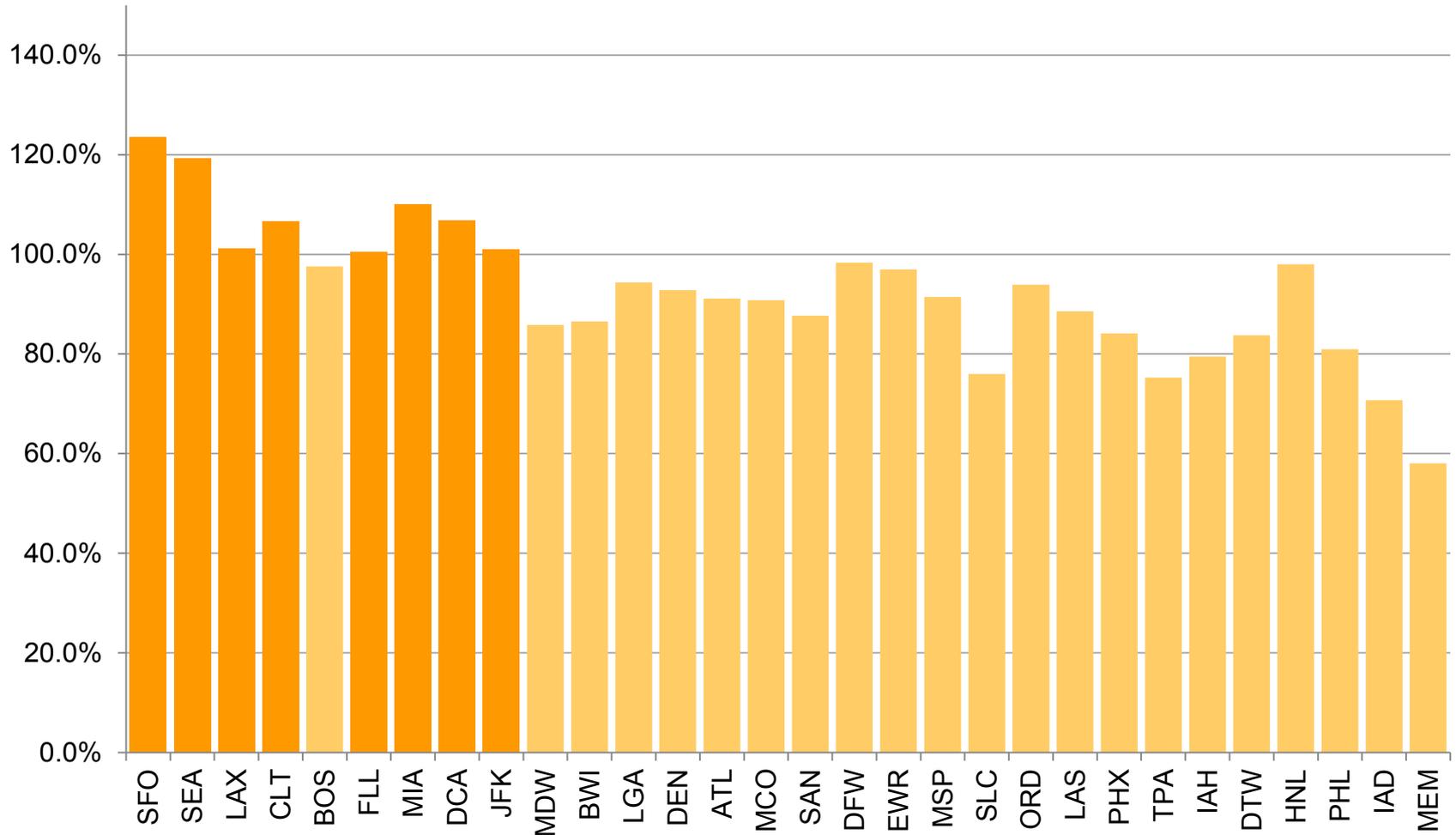
# Enplanements today versus 10 years ago

23 of the 30 largest airports had more enplanements in CY-2016 than in CY-2007



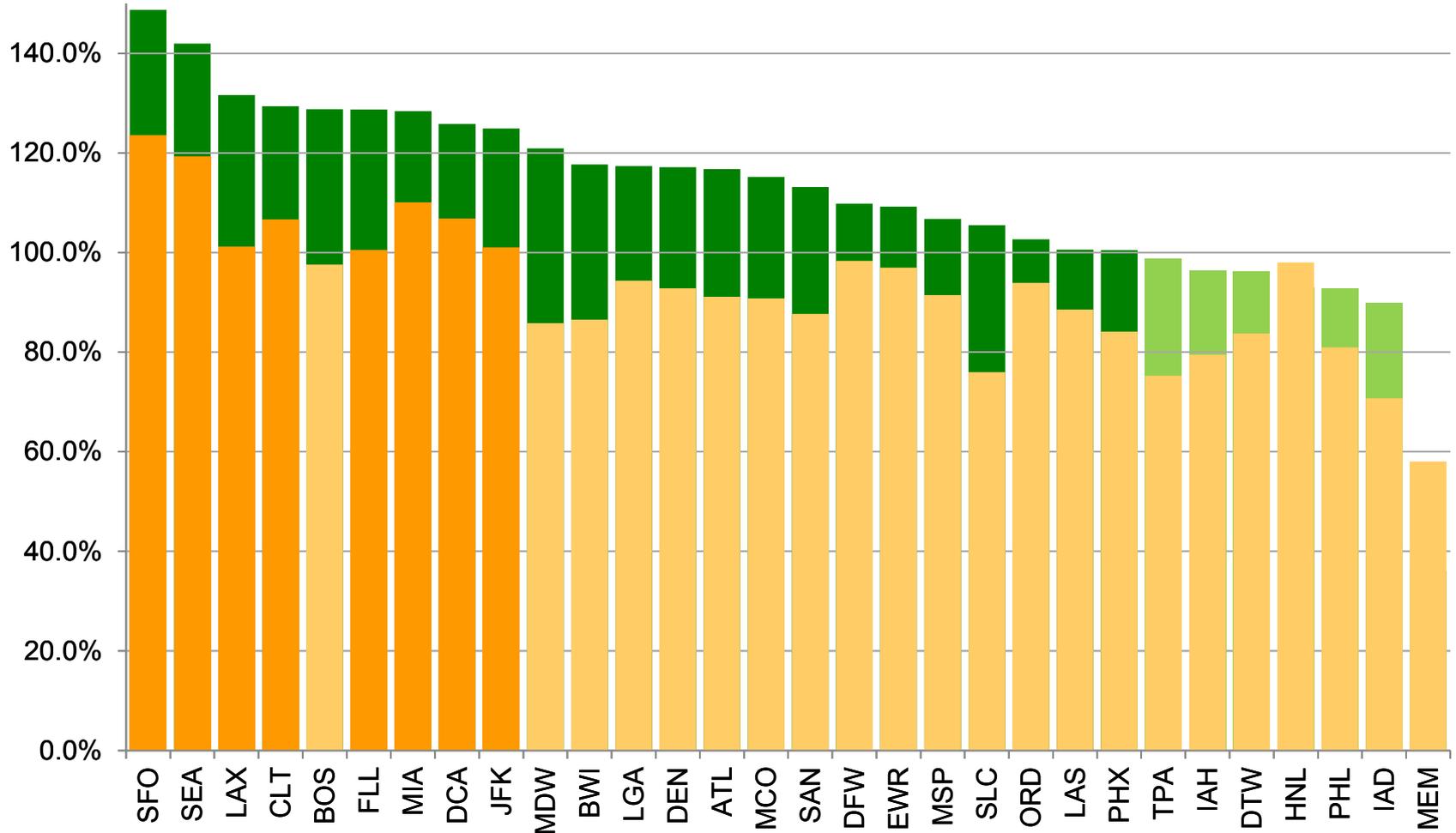
# Operations today versus 10 years ago

Only 8 of the 30 largest airports had more operations in CY-2016 than in CY-2007



# ■ Enplanements ■ operations

CY-2016 compared to CY-2007



# Effects of airline industry changes

Fewer airlines

- + Transition to larger, quieter aircraft
- + Changes in airline scheduling and business strategy
- = Slower growth (or declines) in flight operations
- = Further shrinking of noise contours
- = Less pressure on airside facilities (in most places)
- = More pressure on terminal and landside facilities



## Airport Planning & Capacity Airports

Airport planning encompasses capacity, master and regional planning, aviation forecasting. Activities include providing planning guidance, producing the biennial National Plan of Integrated Airport Systems (NPIAS), developing capacity studies, collecting boarding and cargo data to determine airport categories through the development of tools such as the eALP.

- [Accessible Airport Facilities](#)
- [Airport Capacity Profiles](#)
- [Airports GIS Program](#)
- [FACT3: Airport Capacity Needs in the National Airspace System \(PDF\)](#)
- [General Aviation Airports Reports \(ASSET 1 and ASSET 2\)](#)
- [Joint Civilian/Military \(Joint-Use\) Airports](#)
- [National Plan of Integrated Airport Systems \(NPIAS\)](#)
- [Non-Federally Owned Air Navigation Aids \(added 6/8/2016\)](#)
- [Surplus Property and Military Base Conversions for Airport Purposes](#)
- [Unmanned Aircraft Systems \(UAS\) for Airport Operators \(added 12/16/2016\)](#)

[Airport Compliance](#)[Airport Cooperative Research Program](#)[Airport Improvement Program \(AIP\)](#)[Airport Safety](#)[Engineering, Design, & Construction](#)[Environmental Program](#)[Major Airport Development](#)[News & Information](#)[Passenger Facility Charge \(PFC\) Program](#)[Planning & Capacity](#)[Airports GIS and eALP](#)

# The U.S. system of airports

as of September 30, 2016

- **19,536** airports overall
- **14,400** airports designated as private-use
- **5,136** airports open to the public
- **3,331** existing airports in the National Plan of Integrated Airport Systems (“NPIAS”)
- **531** airports certificated under Part 139 (commercial service by aircraft with 9 or more seats)
- **382** primary airports (scheduled commercial service with at least 10,000 annual enplanements)



# National Plan of Integrated Airport Systems (NPIAS)

	Airport Type	Number of Airports	% of U.S. Enplanements	Examples
Primary	<b>Large Hub</b> (>1.0% of all enplanements)	30	71%	Atlanta, DFW, Denver, Houston, LAX, Miami, etc.
	<b>Medium Hub</b> (0.25 - 1.0% of all enplanements)	30	17%	Albuquerque, Austin, Dallas Love, New Orleans, etc.
	<b>Small Hub</b> (0.05 - 0.25% of all enplanements)	72	9%	Little Rock, Oklahoma City, Midland, etc.
	<b>Non-Hub</b> (>10,000 enplanements, but less than 0.05% of all enplanements)	250	3%	Baton Rouge, Lawton, Texarkana, Roswell, etc.
	<b>Subtotal—Primary airports</b>	<b>382</b>		
Nonprimary	<b>General Aviation—National</b>	92		Meacham, Wiley Post, etc.
	<b>General Aviation—Regional</b>	525		Clovis, Drake Field, etc.
	<b>General Aviation—Local</b>	1,264		Chennault, Conway, etc.
	<b>General Aviation—Basic</b>	813		South Grand Lake, etc.
	<b>General Aviation—Unclassified</b>	255		
	<b>Subtotal—Nonprimary airports</b>	<b>2,949</b>	<b>0.1%</b>	
	<b>Total—existing NPIAS airports</b>	<b>3,331</b>	<b>100%</b>	

As of October 1, 2015

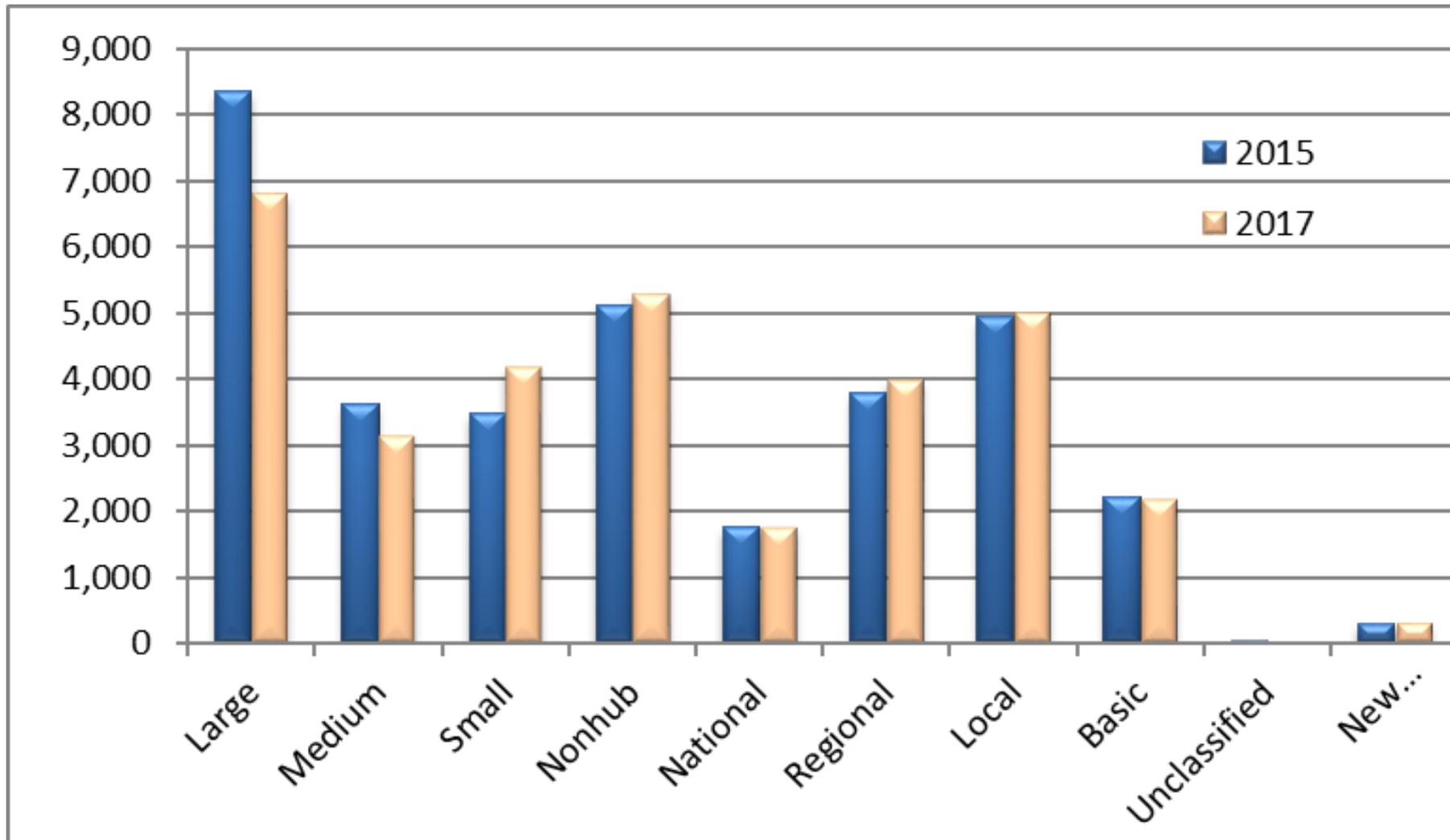


# AIP-eligible capital needs FY 2017-2021

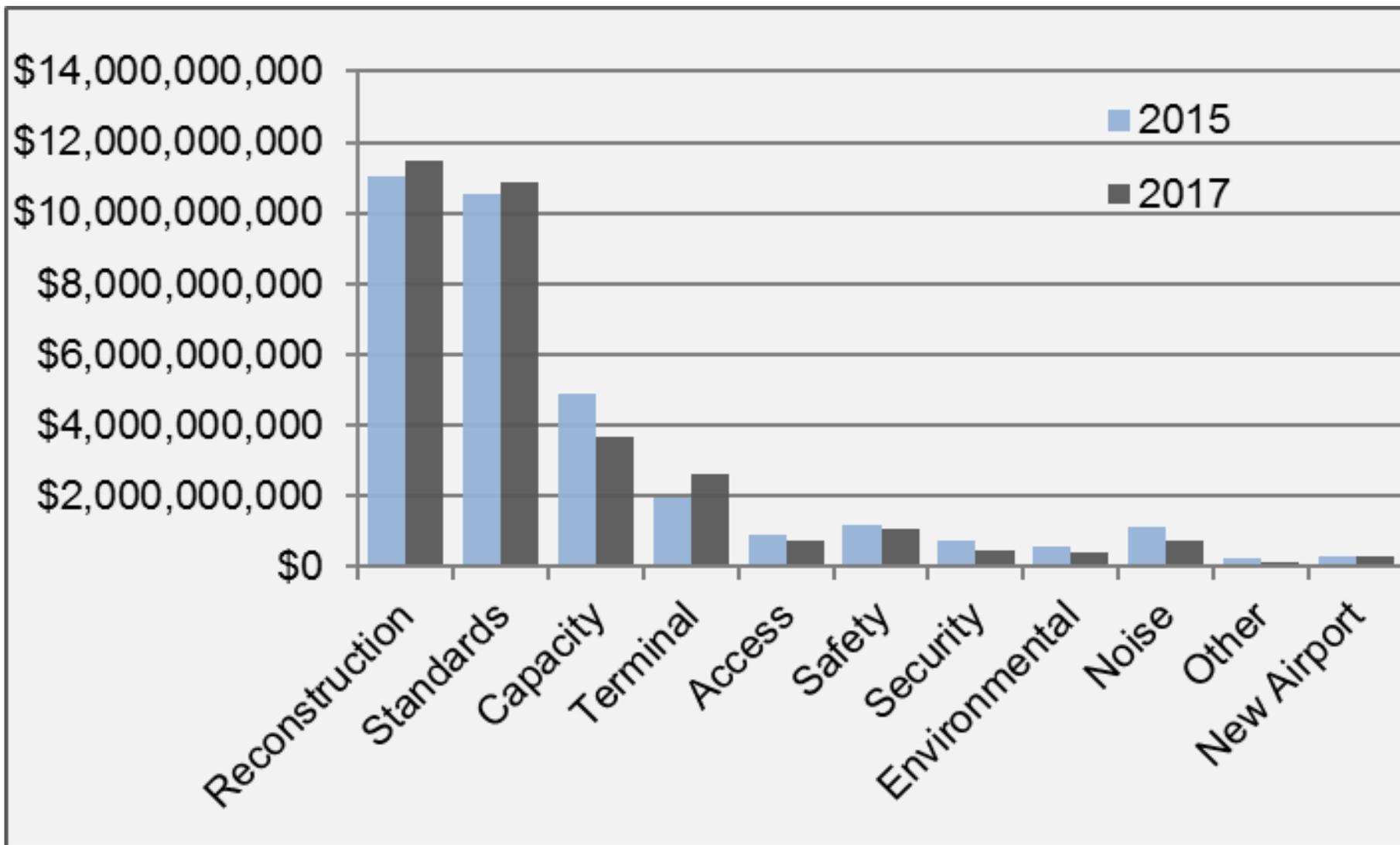
From the FY 2017-2021 NPIAS dated September 30, 2016

- **\$32.5 billion** needed over the next five years (2017-2021)
- **1%** reduction from the previous estimate (2015-2019)
- **\$6.5 billion** average annual AIP-eligible capital needs
- **2.0x** need versus the amount of AIP available in recent years

# NPIAS Development by Airport Category (\$ Millions)



# NPIAS Development by Project Type

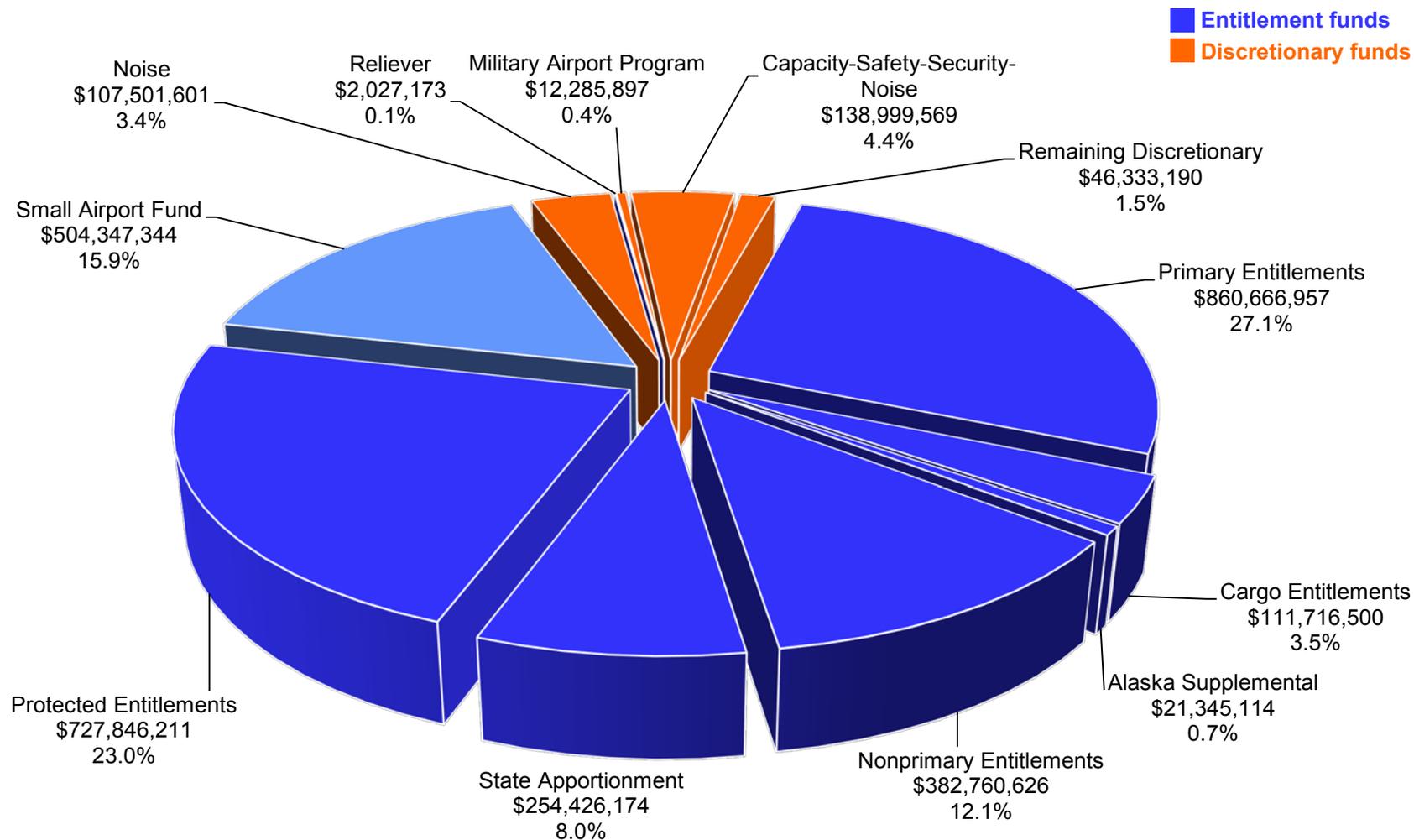


# Sources of uncertainty

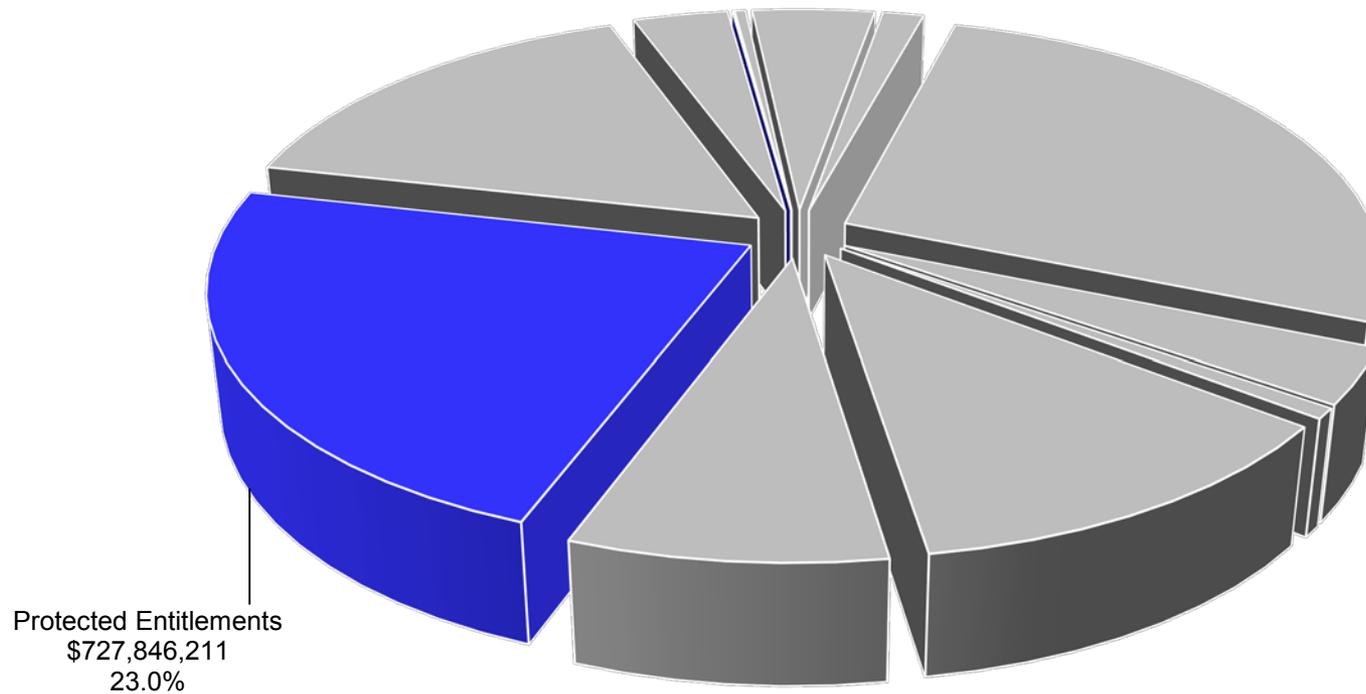
- Airline consolidation, fleet up-gauging and changes in business strategy
- Trends in general aviation (including effects of drones)
- FAA reauthorization
- Federal budget pressures
- Future of the Passenger Facility Charge (PFC) program
- Carryover

# FY-2017 AIP grant program structure

Initial formulas based on authorizing statute and FY-2017 appropriated amounts. Any entitlements carried over during FY-2017 will be converted to additional "Remaining Discretionary" (with corresponding amounts then protected for those sponsors in FY-2018).



# FY-2017 AIP grant program structure





# CAUTION!

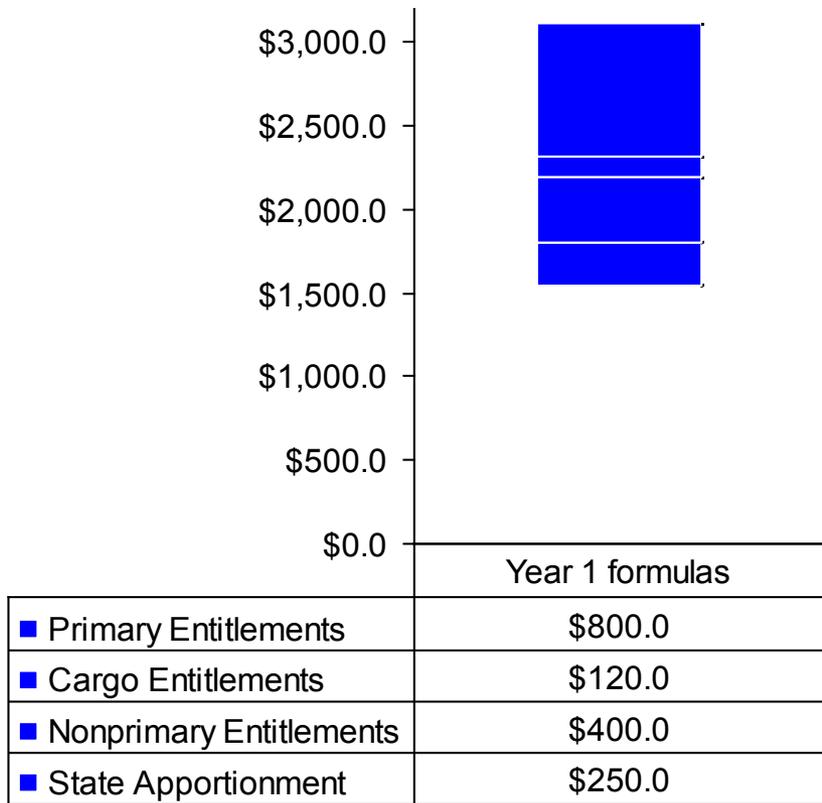
The following slides **do not** represent a complete, stand-alone presentation—they are purely supporting graphics that cannot be effectively presented without supporting explanation.

The presenter is a **Trained Professional** and uses special equipment not available at any retail establishment or under any generic name or store brand.

Do not attempt this at home.

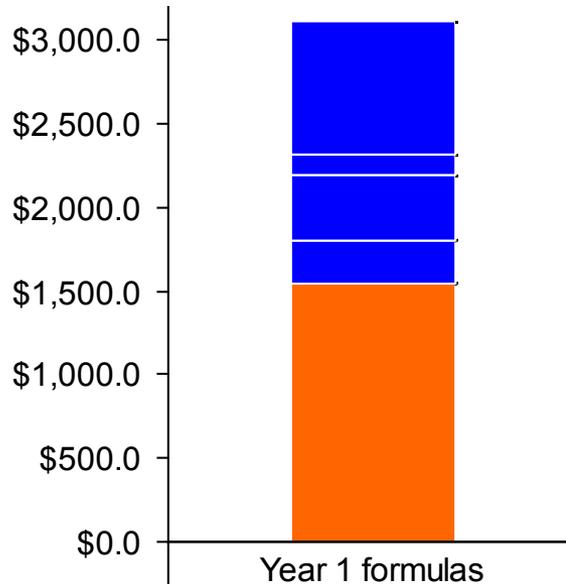
(Oh, and most of the numbers are made up.)

# How carryover affects discretionary funds



All figures are illustrative.

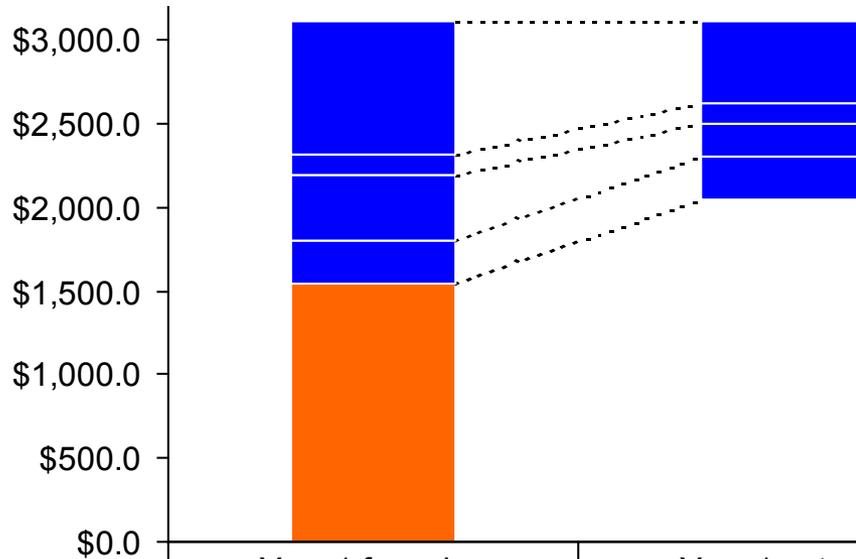
# How carryover affects discretionary funds (cont'd)



Year 1 formulas	
■ Primary Entitlements	\$800.0
■ Cargo Entitlements	\$120.0
■ Nonprimary Entitlements	\$400.0
■ State Apportionment	\$250.0
■ Remaining Available for Discretionary	\$1,550.0

All figures are illustrative.

# How carryover affects discretionary funds (cont'd)



	Year 1 formulas	Year 1 actuals
■ Primary Entitlements	\$800.0	\$500.0
■ Cargo Entitlements	\$120.0	\$120.0
■ Nonprimary Entitlements	\$400.0	\$200.0
■ State Apportionment	\$250.0	\$250.0
■ Remaining Available for Discretionary	\$1,550.0	

**(\$300 million deferred)**

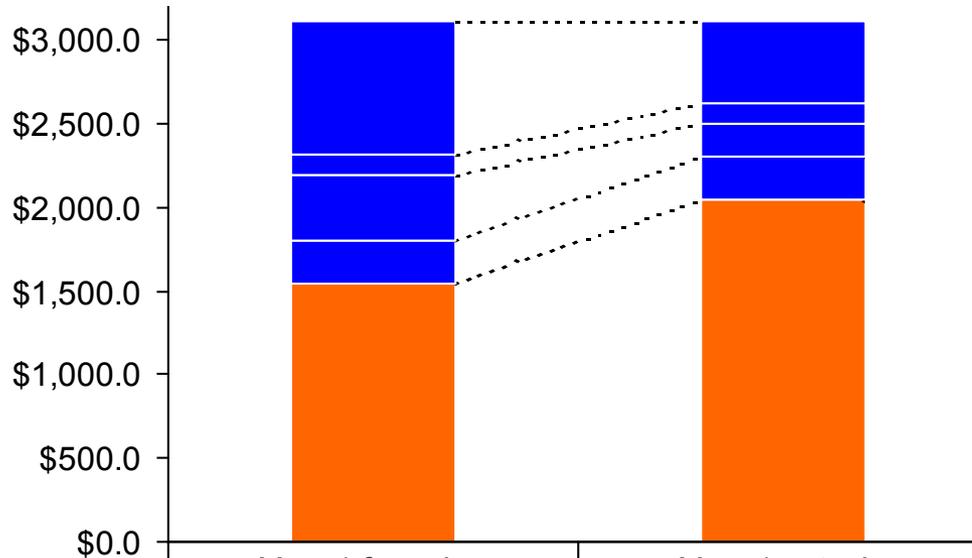
**+**

**(\$200 million deferred)**



**All figures are illustrative.**

# How carryover affects discretionary funds (cont'd)

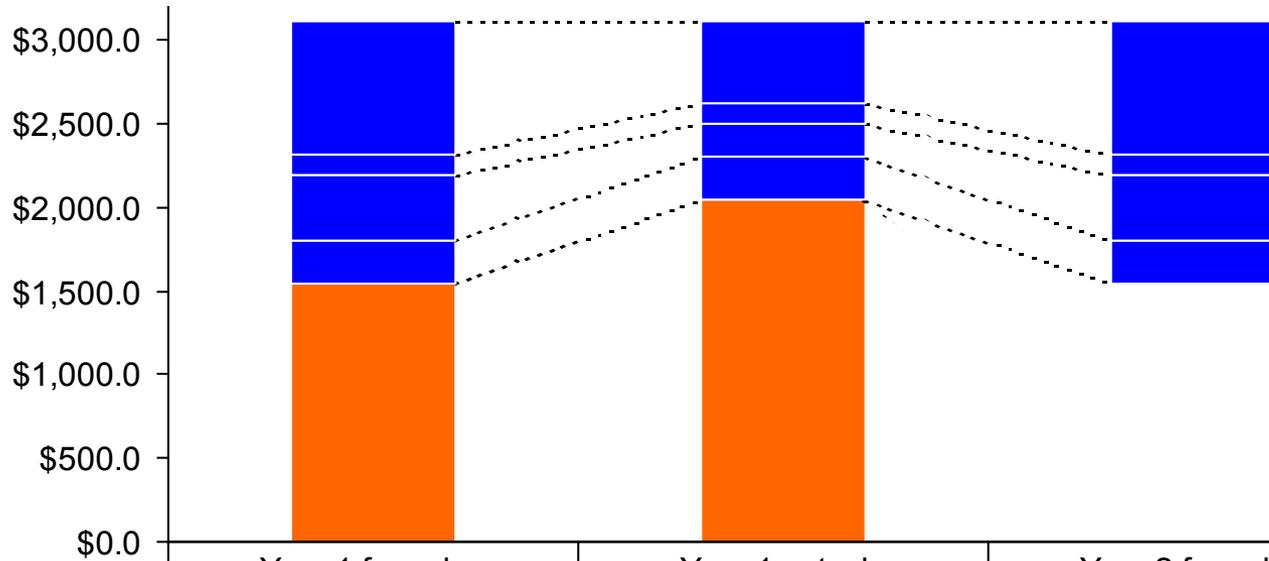


	Year 1 formulas	Year 1 actuals
■ Primary Entitlements	\$800.0	\$500.0
■ Cargo Entitlements	\$120.0	\$120.0
■ Nonprimary Entitlements	\$400.0	\$200.0
■ State Apportionment	\$250.0	\$250.0
■ Remaining Available for Discretionary	\$1,550.0	\$2,050.0

**(\$500 million extra THIS year, but...)**

All figures are illustrative.

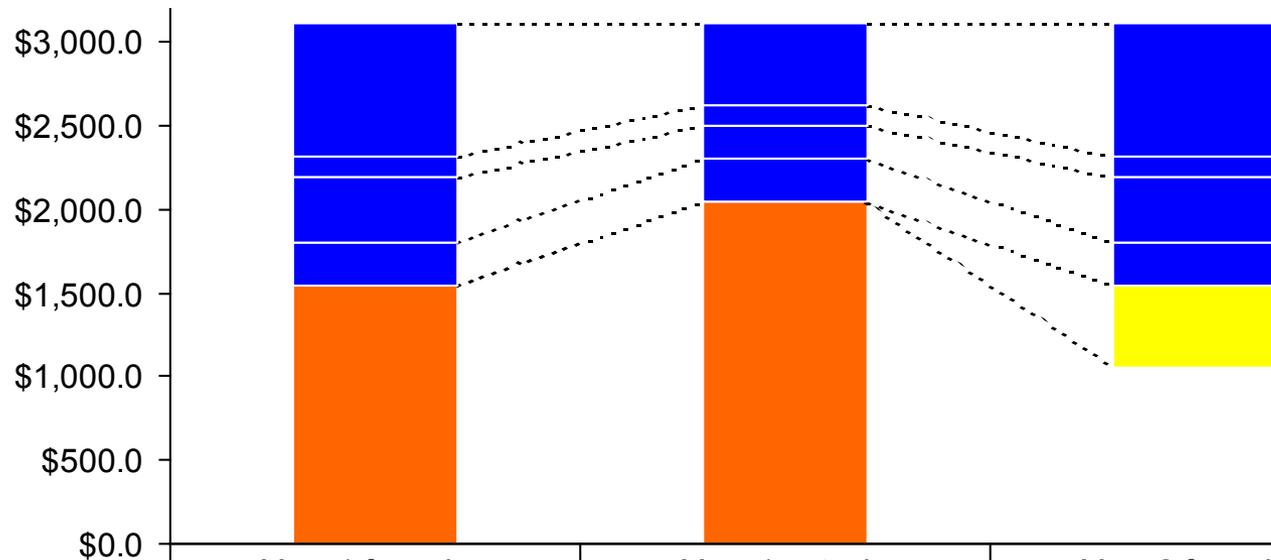
# How carryover affects discretionary funds (cont'd)



	Year 1 formulas	Year 1 actuals	Year 2 formulas
■ Primary Entitlements	\$800.0	\$500.0	\$800.0
■ Cargo Entitlements	\$120.0	\$120.0	\$120.0
■ Nonprimary Entitlements	\$400.0	\$200.0	\$400.0
■ State Apportionment	\$250.0	\$250.0	\$250.0
■ Remaining Available for Discretionary	\$1,550.0	\$2,050.0	\$1,550.0

All figures are illustrative.

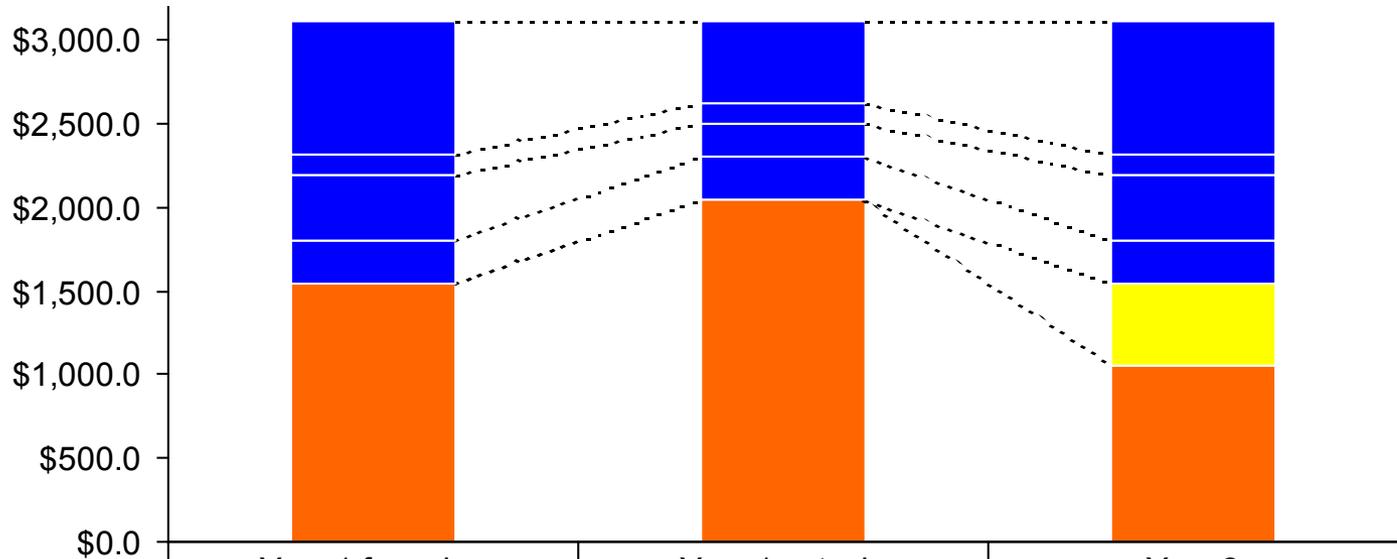
# How carryover affects discretionary funds (cont'd)



	Year 1 formulas	Year 1 actuals	Year 2 formulas
■ Primary Entitlements	\$800.0	\$500.0	\$800.0
■ Cargo Entitlements	\$120.0	\$120.0	\$120.0
■ Nonprimary Entitlements	\$400.0	\$200.0	\$400.0
■ State Apportionment	\$250.0	\$250.0	\$250.0
■ Protected Entitlements			\$500.0
■ Remaining Available for Discretionary	\$1,550.0	\$2,050.0	

All figures are illustrative.

# How carryover affects discretionary funds (cont'd)



	Year 1 formulas	Year 1 actuals	Year 2
■ Primary Entitlements	\$800.0	\$500.0	\$800.0
■ Cargo Entitlements	\$120.0	\$120.0	\$120.0
■ Nonprimary Entitlements	\$400.0	\$200.0	\$400.0
■ State Apportionment	\$250.0	\$250.0	\$250.0
■ Protected Entitlements			\$500.0
■ Remaining Available for Discretionary	\$1,550.0	\$2,050.0	\$1,050.0

**All figures are illustrative.**

# Environmental matters

- Noise
- Community engagement



# Environmental matters

- Noise
- Community engagement
- Streamlining



# Environmental matters

- Noise
- Community engagement
- Streamlining



# Key stakeholders affected by reauthorization

- Airport owners and operators
- Airlines and other user groups (G.A., military, etc.)
- Neighboring communities
- Traveling public
- Flight schools, FBOs and other airport-based businesses
- Business communities
- Bond underwriters
- Rating agencies
- Bond insurers
- Institutional investors
- Consultants
- Contractors, material and equipment suppliers

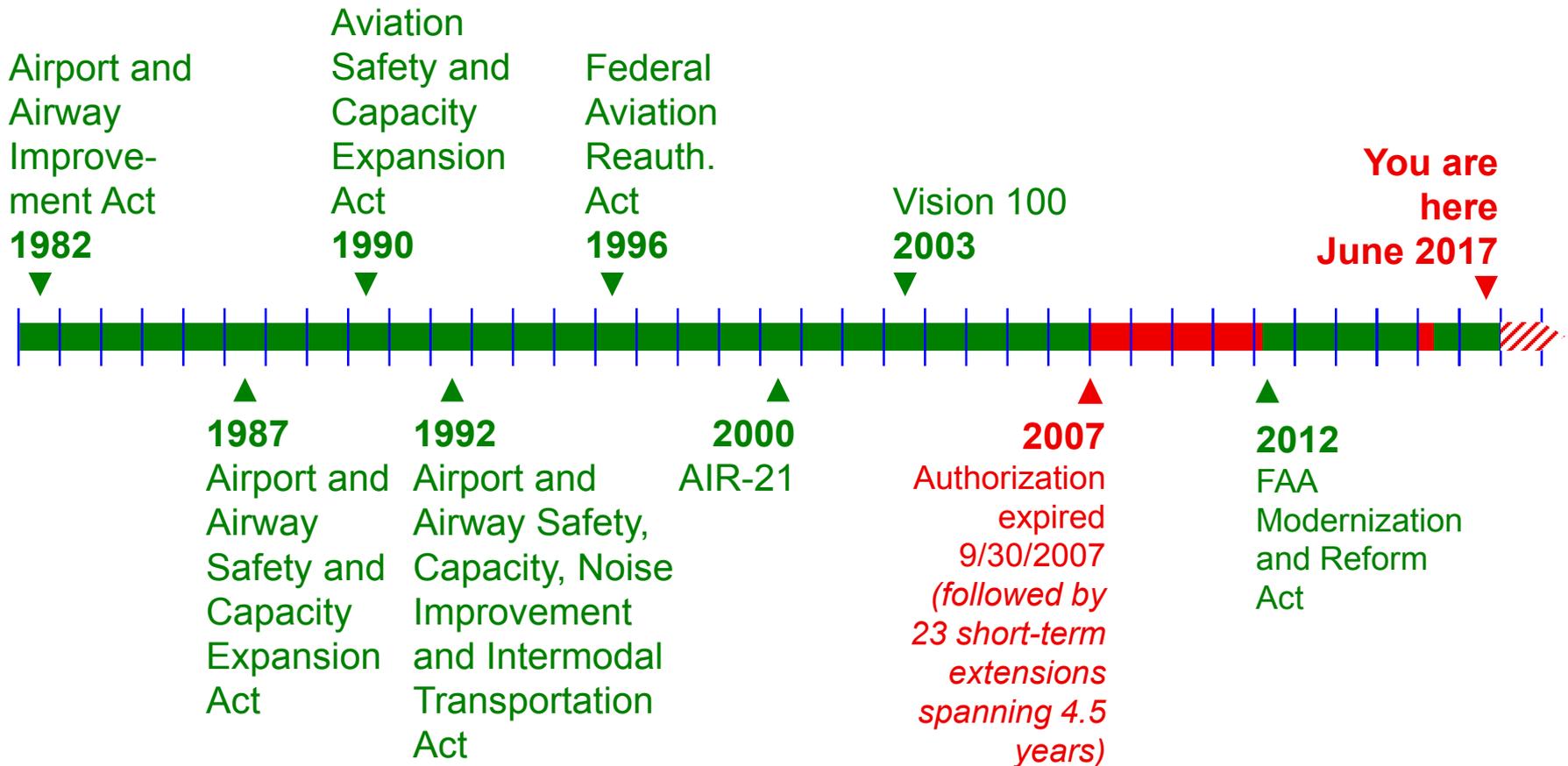
# Stakeholders from the airport perspective

	Office of Mgmt and Budget	Govt. Account. Office (GAO)	U.S. Congress	
	DOT Inspector General	U.S. Dept of Transportation	Environmental agencies	
	Metropolitan Planning Org.'s	FAA	DHS / TSA	Other Federal agencies
Financial consultants	State DOT's	Individual airports	Traveling public	Cargo shippers
Bond rating agencies	Municipal governments	Airlines	Airframe manufacturers	Aircraft engine manufacturers
Bond insurers	Neighboring communities	G.A. and other users	FBO's	Flight schools
Bond underwriters	Planning consultants	Military	Engineering consultants	Construction contractors
Institutional investors	Environmental consultants	Law firms	Constr mgmt consultants	Material suppliers

# Context

- Federal budget pressures
- Uneven economic recovery and continued economic transition
- Airline industry consolidation
- Increased concentration of enplanements and operations
- Pressure to increase nonaeronautical revenues
- Increasing numbers of noise complaints
- New entrants and changing system needs
- Changes in key pressure-points on airport infrastructure
- Desire for consistency and flexibility

# History of authorizing legislation



# Impacts of repeated short-term extensions

Impact Categories	State aeronautical agencies	Airport sponsors	Consulting community	Contracting community	FAA
Difficulty planning	✓	✓	✓	✓	✓
Impacts to bid cycles	✓	✓	✓	✓	
Uncertainty about entitlements and carryover	✓	✓			✓
Increased phasing	✓	✓	✓	✓	✓
Protracted construction		✓	✓	✓	
More potential construction impacts	✓	✓	✓	✓	✓
Phased projects can drive increased mobilization costs		✓		✓	
Delayed bidding can erode competitive bid environment		✓			
Increased costs means less infrastructure built	✓	✓	✓	✓	✓
Problems with material suppliers and subcontractors				✓	
More grants to administer	✓	✓	✓	✓	✓



# Core principles

- Ensuring safety
- Serving the public interest
- Integrating new users and securing appropriate funding for our nation's airports
- Modernizing the air traffic control system
- Better aligning aviation resources with needs of the national airspace system



# Continued focus on core principles

- Safety:
  - Reducing runway incursions
  - Minimizing damage connected with runway excursions
  - Wildlife hazards
  - Other risks
- Enhancing capacity and optimizing efficiency
- Preservation of infrastructure
- Environmental and economic sustainability
- Financial accountability
- Preserving stakeholder confidence
- Critical value of planning

# Questions?



Federal Aviation  
Administration



Elliott Black  
Director  
Office of Airport Planning and Programming  
(202) 267-8775  
[elliott.black@faa.gov](mailto:elliott.black@faa.gov)