



Legislation Text

File #: RES-23:134, **Version:** 1

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE JONESBORO MUNICIPAL AIRPORT COMMISSION AND THE EAST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT TO APPLY FOR THE DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) FY2023 DISASTER SUPPLEMENT FUNDING TO CONSTRUCT A NEW AIRPORT TERMINAL FACILITY TO REPLACE THE PREVIOUS TERMINAL THAT WAS DESTROYED BY THE MARCH 28, 2020 TORNADO

WHEREAS. The Department of Commerce, Economic Development Administration (EDA) requires the City of Jonesboro to be the lead applicant on this project.

WHEREAS, The City of Jonesboro and the Jonesboro Municipal Airport Commission are applying for grant funding through the Department of Commerce (EDA) FY2023 Disaster Supplemental Funds for the Jonesboro Municipal Airport Project in the amount of \$6,250,000 to construct a new airport terminal facility to replace the previous facility destroyed by the 2020 tornado.

WHEREAS, The Federal Share of the project (EDA Funded Amount) will cover 80% of the total cost, or \$5,000,000, and the Non-Federal Matching Share will cover 20% of the total cost, or \$1,250,000. As part of its agreement with the Department of Commerce (EDA) and the City of Jonesboro, the Jonesboro Municipal Airport Commission is responsible for paying the 20% Non-Federal Matching Share in the amount of \$1,250,000 with the appropriate Airport Commission Funding source to be provided to EDA.

WHEREAS, The City of Jonesboro and the Jonesboro Municipal Airport Commission also understand that the East Arkansas Planning and Development District charges an administrative fee by calculating 6% of the first \$1 million of the total project amount (\$60,000) plus \$5,000 for each additional million added to the total project amount. The administrative fee for the City of Jonesboro and the Jonesboro Municipal Airport is \$85,000, to be added into the project for a total project cost of \$6,250,000.

WHEREAS, The City of Jonesboro and the Jonesboro Municipal Airport Commission understand that the EDA Federal Share of the project is 80% and will only cover the portion of the administrative fee, or \$68,000. Fees paid to consultants or other outside parties for the expressed purpose of administering project applications or funds will not be considered allowable expenses, therefore the Jonesboro Airport Commission, as the body responsible for providing payments to EDA, is responsible for the 20% Non-Federal Matching Share of the East Arkansas Planning and Development District's administrative fee, or \$17,000. Any changes that may arise to facts or figures in this document will be supported by an appropriate addendum if necessary.

NOW, THEREFORE LET IT BE RESOLVED BY THE CITY COUNCIL FOR THE JONESBORO,

ARKANSAS THAT

SECTION 1: The City of Jonesboro will enter into an agreement with the Department of Commerce Economic Development Administration, Jonesboro Municipal Airport Commission, and East Arkansas Planning and Development District for the project to construct a new airport terminal facility.

SECTION 2: The Mayor and City Clerk are hereby authorized by the City Council for the City Of Jonesboro to execute all documents necessary to effectuate this agreement.

PASSED AND APPROVED THIS 1ST DAY OF AUGUST, 2023.