

COMMONWEALTH OF PENNSYLVANIA
Transportation Hearings – House of Representatives
September 15, 1999

SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY

Introduction

Thank you for the opportunity to present the economic development opportunities that Capital City Airport and Harrisburg International Airport offer to Central Pennsylvania.

Transfer of Airports

- SARAA created in September, 1997
- Divestiture Legislation, December 1997
- Transfer of Ownership/Operations, January 1, 1998

Mission Statement

The mission of the Susquehanna Area Regional Airport Authority is to serve our region by providing high-quality, efficient airports and promoting regional economic development.

Economic Activity

Harrisburg International Airport

Passengers

- 1.5 million
- ↓ 1.49% YTD

Cargo Tonnage

- 55,000 tons
- ↑ 14.18% YTD

Capital City Airport

Aircraft Activity

- 53,000 operations
- ↑ 2.58% YTD

Accomplishments

- 1) Safety & Security
- 2) Air Service
 - TWA
 - United Express
 - Comair
- 3) Crawford Station Site
 - Pennsylvania Air National Guard expansion
- 4) Bethlehem Steel Property
 - Gannett Fleming (Press Release)
 - Keystone Opportunity Zone (KOZ)
- 5) Master Plan
 - Passengers
 - Cargo
 - General Aviation

HARRISBURG INTERNATIONAL AIRPORT

Year	Cargo	Enplaned Passengers	Gates – Sq. Feet
1998	55,000 tons	640,000	7 jet gates/136,000 s/f
2018	161,000 tons	1,232,000	18 jet gates/220,000 s/f

CAPITAL CITY AIRPORT

Year	Operations
1998	53,000
2018	63,000



**SUSQUEHANNA AREA
REGIONAL AIRPORT AUTHORITY**

Harrisburg International and Capital City Airports

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**Gannett Fleming Project to be Largest Ever
For Economic Development Zone**

**Susquehanna Area Regional Airport Authority
Pulls Together Multiple Resources to Develop
Former Bethlehem Steel Site**

MIDDLETOWN, Pa. -- The Susquehanna Area Regional Airport Authority (SARAA) today approved the sale of eight acres of former Bethlehem Steel property to IBS Development Corp. Ganflec Corporation, an affiliate of Gannett Fleming, Inc., will be assigned the property for \$240,000.

Construction of a \$6 million printing and direct mail plant on the site could begin as early as next month, pending final approvals from Lower Swatara Township and the Borough of Highspire.

Gannett Fleming, Inc., the Harrisburg area-based engineering and construction management firm, plans to build a 107,000 square-foot complex to include an offset printing and direct mailing operation plus related offices for its GANCOM Division. More than 90 employees are to be working at the site by June of next year, with an anticipated growth to 125 employees within five years.

"Over the past few years, our high volume printing and direct mail businesses have been expanding," commented Robert J. Dietz, P.E., executive vice president of Gannett Fleming, Inc. "To improve efficiency and increase customer service, we knew we had to consolidate. To help meet the economic development and redevelopment goals of the region, Gannett Fleming wanted to locate our business in the enterprise zone. We are pleased to play an integral

ADD 1 - Gannett Fleming Project to be Largest Ever

role in achieving the economic development goals of the City of Harrisburg, the Capital Region Economic Development Corporation, and the Dauphin County Office of Economic Development.”

The project is being developed and managed by Gannett Fleming Project Development Corporation, the design/build affiliate of Gannett Fleming.

The eight acres are part of a 65-acre tract that the airport authority purchased from Bethlehem Steel on June 29, 1999. Gannett Fleming’s land, building, and on-site payroll will be subject to township, county and local school taxes.

“This is the airport authority’s first step, and a mighty big first step, towards its promise to promote regional economic development,” said David McIntosh, chair, SARAA board of directors.

“The authority has focused heavily on the future of Capital City Airport and Harrisburg International Airport, but has not lost sight of its pledge to promote the economic well-being of the region,” said McIntosh.

“The Gannett Fleming project will be the largest private investment in the New Baldwin Corridor Enterprise Zone to date,” said Jeb Stuart, director of the Dauphin County Office of Economic Development and a county representative to SARAA. “The Enterprise Zone runs from Harrisburg Area Community College to Royaltown Borough.”

“This is an outstanding example of cooperation among economic development organizations that is resulting in the successful reuse of industrial property,” said Stuart. “We have successfully pulled in multiple resources to put together an attractive financing and development package.”

“There has been significant discussion recently about preventing sprawl. This project could easily be built on the fringes of the suburbs. But, in this case, a number of public entities are working together with private business to transform a brown field into a tax-generating, job-creating business site,” said Stuart.

Because the Gannett Fleming project is a manufacturing operation, Stuart said the Dauphin County Industrial Development Authority has applied and received approval for tax-exempt financing through the Pennsylvania Economic Development Financing Authority (PEDFA).

In addition, the City of Harrisburg, as administrator of the enterprise zone, will be applying on behalf of Gannett Fleming for a tax credit related to the cost of development. The Capital Region Economic Development Corporation has applied to and received approval from the Pennsylvania Department of Community and Economic Development for a \$400,000 infrastructure development grant that is to be used to extend Industrial Road

ADD 2 - Gannett Fleming Project to be Largest Ever

to the GANCOM plant and also to provide curbing, sidewalks and a sewer extension. "From the beginning, Gannett Fleming has expressed a true commitment to the redevelopment of an industrial site somewhere in the New Baldwin Corridor," said Carol L. Kilko, president of CREDC. "Balancing that commitment with a sound business decision has not been easy. CREDC is pleased to have provided assistance to make such a significant project within the Corridor a reality. I believe this project will serve as a jump start to additional job-creating and tax-generating projects."

Dauphin County, Highspire and Lower Swatara Township planning commissions have approved the SARAA subdivision and land development proposals.

Final approval is pending Lower Swatara Township commissioners' acceptance of these subdivision and land development plans and Highspire council's acceptance of subdivision plans. Votes are expected within the next two weeks.

"We are optimistic that private companies will lease other parcels for cargo and distribution services," said David Holdsworth, SARAA's executive director. "These would be exciting developments for the regional economy and for the ongoing growth of the airports."

Based on the Gannett Fleming project, Holdsworth said much of the remaining acreage of the 65-acre tract will eventually be leased to additional tax-generating private businesses.

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Presentation

Master Plan for Harrisburg International and Capital City Airports

Susquehanna Area Regional Airport Authority

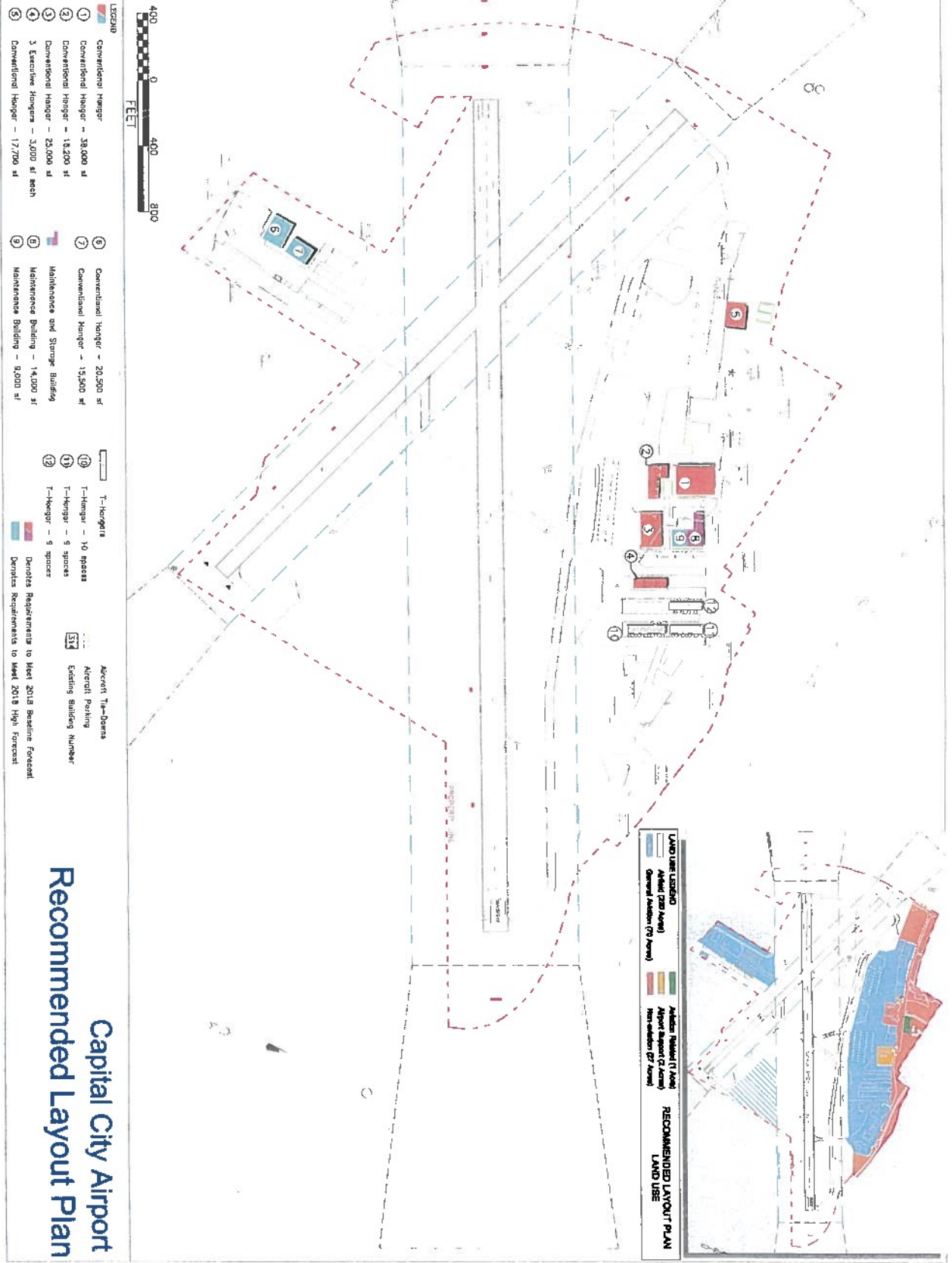
September 15, 1999



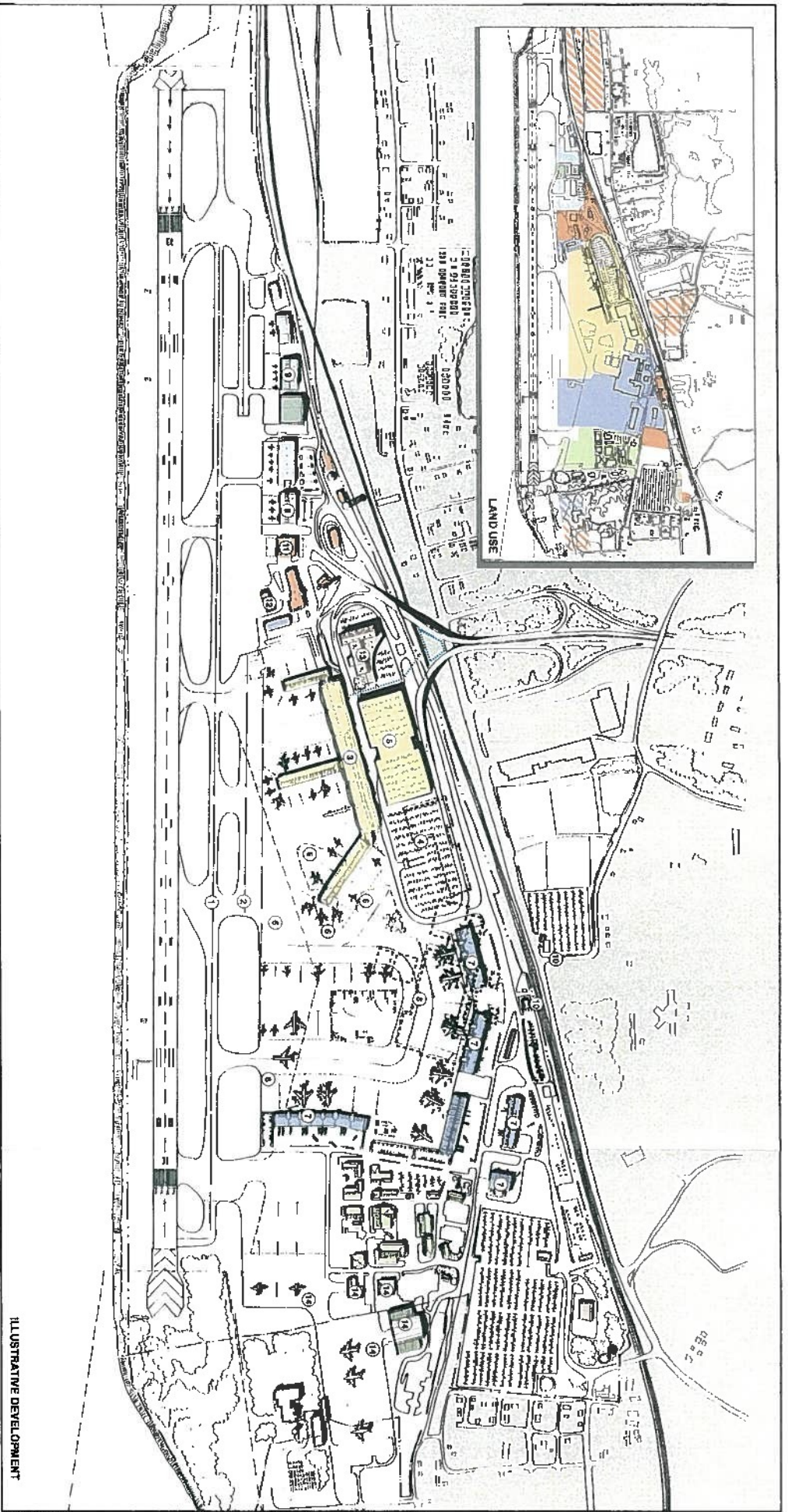
HIA Preferred Master Plan Concept - Major Features

- Full-length parallel taxiway and 'high-speed' exits
- Expanded terminal and cargo aircraft apron (expansion generally towards the runway)
- Terminal expansion to the east & south (pier-finger terminal concept)
- Expanded terminal loop road & surface parking
- Parking garage – 3,000 spaces
- Hotel next to the terminal building
- Cargo expansion to the west & south – L-shaped complex
- PaANG expansion at 'Crawford Station' site





Capital City Airport Recommended Layout Plan



ILLUSTRATIVE DEVELOPMENT

- LEGEND**
- Buildings to be demolished
 - Airfield
 - Parallel taxiway and exit taxiways
 - Apron-edge taxiway
 - Terminal Complex
 - Expanded landside terminal and piers
 - Expanded loop roadway and additional surface parking
 - Parking garage (3,000 spaces)
 - Passenger aircraft apron

- Cargo
- Cargo building and related facilities
- Cargo aircraft apron
- General Aviation
- General aviation hangar and related facilities
- Rental car support facilities
- Axiation Related
- Airport Support
- Expanded building for Airport administration and operations
- Sand and urea building
- Non-aviation
- Hotel
- PANORAMA Expansion
- PANING expansion
- Potential light-rail for Luma train station and access to terminal

400 0 400 800
 Graphic Scale in Feet

Figure 5-1
**PREFERRED MASTER PLAN CONCEPT
 (MODIFIED OPTION 3)-
 ULTIMATE DEVELOPMENT**
 Harrisburg International Airport
 September 1989
L.F.A.
 LEIGH FISHER ASSOCIATES

CCA Preferred Master Plan Concept - Major Features

- **Future hangars primarily in the northeast quadrant of the Airport**
- **Some hangar development on the existing apron**
- **New Airport Maintenance facility south of Airport Road in the area of Building 210**
- **Future T-hangars in the existing northeast T-hangar area**
- **Demolition of Building 204 and 210 required**
- **No new runways or taxiways**



Master Plan Cost Estimates

	Phase 1 (\$ million)	Phase 2 (\$ million)	Phase 3 (\$ million)	Total (\$ million)
Airfield	15.6	10.7	8.8	35.1
Terminal Complex				
Access & parking	15.8	7.5	10.5	33.7
Terminal & apron	17.2	17.2	31.4	65.8
Cargo	3.0	1.3	8.2	12.5
Terminal Support	0.2	0.0	0.5	0.7
Airport Support	0.5	0.0	2.4	2.9
Infrastructure	7.8	0.4	1.3	9.5
Capital City Airport	<u>1.8</u>	<u>2.1</u>	<u>2.4</u>	<u>6.3</u>
Total	61.8	39.2	65.5	166.5



Master Plan Funding - Phase I

<u>Funding Sources</u>	<u>Amount (\$ million)</u>
SARAA Cash	11.3
Revenue Bonds	15.9
PFCs -- pay-as-you-go	4.3
PFC Bonds	13.3
AIP Entitlement	10.3
PennDOT	2.1
AIP Discretionary/Block Grants	10.1
PaANG	0.9
Harsco	0.1
Commonwealth Capital Budget	4.9
Private Funds	<u>13.9</u>
Total	87.1

