Order 2014-6-17
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UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation
on the 30th day of June, 2014

In the Matter of Grant Applications	
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM	**Docket DOT-OST-2014-0113**
under 49 U.S.C. § 41743 *et seq.*	

ORDER SOLICITING SMALL COMMUNITY GRANT PROPOSALS

By this order, the Department of Transportation (the Department or DOT) invites proposals from communities and/or consortia of communities interested in obtaining a federal grant under the Small Community Air Service Development Program ("Small Community Program" or "SCASDP") to address air service and airfare issues in their communities. **Applications of no more than 20 one-sided pages each (excluding the completed Application for Federal Domestic Assistance (SF424), Summary Information schedule, and any letters from the community or an air carrier showing support for the application), including all required information, must be submitted to www.grants.gov no later than 5:00 PM EDT on July 31, 2014. You are strongly encouraged to submit applications in advance of the deadline. Please be aware that you must complete the registration process before submitting an application, and that this process usually takes two to four weeks to complete.** If interested parties experience difficulties at any point during the registration or application process, please call the grants.gov Customer Support Hotline at 1-800-518-4726, Monday-Friday, from 7:00 a.m. to 9:00 p.m. EDT. The Department will not accept late-filed applications. Additional information on applying through grants.gov is in Appendix A, including a notice regarding late submissions related to technical difficulties.

This order is organized into the following sections:

I. Background
II. Selection Criteria and Guidance on Application of Selection Criteria
III. Evaluation and Selection Process
IV. How to Apply
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VII. Questions and Clarifications
Appendix A – Additional Information on Applying Through www.grants.gov
Appendix B – Summary Information
Appendix C – Application Checklist
Appendix D – Confidential Commercial Information

I. BACKGROUND

The Small Community Program was established by the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (Pub. L. No. 106-181) and reauthorized by the Vision 100-Century of Aviation Reauthorization Act (Pub. L. No. 108-176) and subsequently the FAA Modernization and Reform Act of 2012 (Pub. L. No. 112-95) (FAA 2012). The program is designed to provide financial assistance to small communities in order to help them enhance their air service. The Department provides this assistance in the form of monetary grants that are disbursed on a reimbursable basis. Authorization for this program is codified at 49 U.S.C. § 41743.

The Small Community Program is authorized to receive appropriations under 49 U.S.C. § 41743(e)(2), as amended. Appropriations are provided for this program for award selection in FY 2014 pursuant to FAA 2012 and the FY 2014 Appropriations Act (Pub. L. No. 113-76). The Department has up to $7 million available for FY 2014 grant awards to carry out this program. There is no limit on the amount of individual awards, and the amounts awarded will vary depending upon the features and merits of the selected proposals. In past years, the Department's individual grant sizes have ranged from $20,000 to nearly $1.6 million.

A. Eligible Applicants

Eligible applicants are small communities that meet the following statutory criteria under 49 U.S.C. § 41743:

1. As of calendar year 1997, the airport serving the community was not larger than a small hub airport,[1] and it has insufficient air carrier service or unreasonably high air fares; and

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[1] *See*, http://www.dot.gov/policy/aviation-policy/small-community-rural-air-service/SCASDP, *for the FAA's 1997 list of Primary and Nonprimary Commercial Service Airports.*

2. The airport serving the community presents characteristics, such as geographic diversity or unique circumstances that demonstrate the need for, and feasibility of, grant assistance from the Small Community Program.

No more than four communities or consortia of communities, or a combination thereof, from the same state may be selected to participate in the program in any fiscal year. No more than 40 communities or consortia of communities, or a combination thereof, may be selected to participate in the program in each year for which the funds are appropriated.

Consortium applications: Both individual communities and consortia of communities are eligible for SCASDP funds. An application from a consortium of communities must be one that seeks to facilitate the efforts of the communities working together toward one joint grant project, with one joint objective, including the establishment of one entity to ensure that the joint objective is accomplished.

Multiple Applications: A community may file only one application for a grant, either individually or as part of a consortium.

Communities without existing air service: Communities that do not currently have commercial air service are eligible for SCASDP funds.

Essential Air Service communities: Small communities that meet the basic SCASDP criteria and currently receive subsidized air service under the Essential Air Service ("EAS") program are eligible to apply for SCASDP funds. However, grant awards to EAS-subsidized communities are limited to marketing or promotion projects that support existing or newly subsidized EAS. Grant funds will not be authorized for EAS-subsidized communities to support any new competing air service. Furthermore, no funds will be authorized to support additional flights by EAS carriers or changes to those carriers' existing schedules. These restrictions are necessary to avoid conflicts with the mandate of the EAS program.

B. Eligible Projects

The Department is authorized to award grants under 49 U.S.C. § 41743 to communities that seek to provide assistance to:

- an air carrier to subsidize service to and from an underserved airport for a period not to exceed 3 years;
- an underserved airport to obtain service to and from the underserved airport; and/or
- an underserved airport to implement such other measures as the Secretary, in consultation with such airport, considers appropriate to improve air service both in terms of the cost of such service to consumers and the availability of such service, including improving air service through marketing and promotion of air service and enhanced utilization of airport facilities.

Applicants should also keep in mind the following statutory restrictions on eligible projects:

- An applicant may not receive an additional grant to support the same project from a previous grant (*see* **Same Project Limitation**, below); and
- An applicant may not receive an additional grant, prior to the completion of its previous grant (*see* **Concurrent Grant Limitation**, below).

Same Project Limitation: Under 49 U.S.C. § 41743(c), a community may not receive an additional grant to support the same project for which it received a previous grant (Same Project Limitation).[2] In assessing whether a previous grantee's current application represents a new project, the Department will compare the goals and objectives of the previous grant, including the key components of the means by which those goals and objectives were to be achieved, to the current application. For example, if a community received an earlier grant to support a revenue guarantee for service to a particular destination or direction, a new application by that community for another revenue guarantee for service to the same destination or in the same direction is ineligible, even if the revenue guarantee were structured differently or the type of carrier were different. However, a new application by such a previous grantee for service to a new destination or direction using a revenue guarantee, or for general marketing of the airport and the various services it offers, is eligible. We recognize that not all revenue guarantees, marketing agreements, studies, etc. are of the same nature, and that if a subsequent application incorporates different goals or significantly different components, it may be sufficiently different to constitute a new project under 49 U.S.C. § 41743(c).

Concurrent Grant Limitation: A community or consortium may have only one SCASDP grant at any time. If a community or consortium applies for a subsequent SCASDP grant when its current grant has not yet expired, that community/consortium must notify the Department of its intent to terminate the current SCASDP grant, and, if the community/consortium is selected for a new grant, such termination must take place prior to entering into the new grant. In addition, for consortium member applicants, permission must be granted from both the grant sponsor and the Department to withdraw from the current SCASDP grant before that consortium member will be deemed eligible to receive a subsequent SCASDP grant.

Airport Capital Improvements Ineligible: Airport capital improvement projects, including, but not limited to, runway expansions and enhancements, the construction of additional aircraft gates, and other airport terminal expansions and reconfigurations are ineligible for funding under the Small Community Program. Airports seeking funding for airport capital improvement projects may want to consult with their local FAA Regional Office to discuss potential eligibility for grants under the Airport Improvement Program.

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[2] This limitation applies for all projects contained in a previous grant agreement's scope; thus, even if the community did not actively implement a project listed in the scope of an earlier grant agreement, it may not receive funding for that project in a subsequent round of SCASDP funding.

II. SELECTION CRITERIA AND GUIDANCE ON APPLICATION OF SELECTION CRITERIA

SCASDP grants will be awarded based on the selection criteria as outlined below. There are two categories of selection criteria: Priority Selection Criteria and Secondary Selection Criteria. Applications that meet one or more of the Priority Selection Criteria will be viewed more favorably than those that do not meet any Priority Selection Criteria.

A. Priority Selection Criteria

The statute directs the Department to give priority consideration to those communities or consortia where the following criteria are met:

1. Air fares are higher than the national average air fares for all communities – The Department will compare the local community's air fares to the national average air fares for all similar markets. Communities with market air fares significantly higher than the national average air fares in similar markets will receive priority consideration. The Department calculates these fares using data from the Bureau of Transportation Statistics (BTS) Airline Origin and Destination Survey data. The Department evaluates all fares in all relevant markets that serve a SCASDP community and compares the SCASDP community fares to all fares in similar markets across the country. Each SCASDP applicant's air fares are computed as a percentage above or below the national averages. The report compares a community's air fares to the average for all other similar markets in the country that have similar density (passenger volume) and similar distance characteristics (market groupings). All calculations are based on 12-month ended periods to control for seasonal variation of fares.

2. The community or consortium will provide a portion of the cost of the activity from local sources other than airport revenue sources – The Department will consider whether a community or consortium proposes local funding for the proposed project. Applications providing proportionately higher levels of cash contributions from sources other than airport revenues will be viewed more favorably. Applications that provide multiple levels of contributions (state, local, airport, cash and in-kind contributions) will also be viewed more favorably. *See* **Additional Guidance – Cost Sharing and Local Contributions**, in Subsection C below, for more information on the application of this selection criterion.

3. The community or consortium has established or will establish a public-private partnership to facilitate air carrier service to the public – The Department will consider a community or consortium's commitment to facilitate air carrier service in the form of a public-private partnership. Applications that describe in detail how the partnership will actively participate in the implementation of the proposed project will be viewed more favorably.

4. The assistance will provide material benefits to a broad segment of the traveling public, including businesses, educational institutions, and other enterprises, whose access to the national air transportation system is limited – The Department will consider whether the proposed project would provide, to a broad segment of the community's traveling public, important benefits relevant to the community. Examples include service that would offer new or additional access to a connecting hub airport, service that would provide convenient travel times for both business and leisure travelers that would help obviate the need to drive long distances, and service that would offer lower fares.

5. The assistance will be used in a timely manner – The Department will consider whether a proposed project provides a well-defined strategic plan and reasonable timetable for use of the grant funds. In the Department's experience, a reasonable timetable for use of grant funds includes a year to complete studies, two years for marketing and promotion of the airport, community, carrier, or destination, and three years for projects that target a revenue guarantee, subsidy, or other financial incentives. Applicants should describe how their projects can be accomplished within this timetable, including whether the airport and proposed air service provider have the requisite authorities and certifications necessary to carry out the proposed projects. In addition, because of this emphasis placed on timely use of funds, applicants proposing new service should describe the airport and whether it can support the proposed service, including whether the airport holds, or intends to apply for, an airport operating certificate issued under 14 C.F.R. Part 139. Air service providers proposed for the new service must have met or be able to meet in a reasonably short period of time, all Department requirements for air service certification, including safety and economic authorities.

6. Multiple communities cooperate to submit a regional or multistate application to consolidate air service into one regional airport – The Department will consider whether a proposed project involves a consortium effort to consolidate air service into one regional airport. This statutory priority criterion was added pursuant to Section 429 of FAA 2012.

B. Secondary Selection Criteria

1. Innovation – The Department will consider whether an application proposes new and creative solutions to air transportation issues facing the community, including:
   - the extent to which the applicant's proposed solution(s) to solving the problem(s) is new or innovative, including whether the proposed project utilizes or encourages intermodal or regional solutions to connect passengers to the community's air service (or, if the community cannot implement or sustain its own air services, to connect to a neighboring community's air service (e.g., cost-effective inter/intra city passenger bus service, or marketing of intermodal surface transportation options also available to air travelers; and
   - whether the proposed project, if successfully implemented, could serve as a working model for other communities.

2. Participation – The Department will consider whether an application has broad community participation, including:
   - whether the proposed project has broad community support; and
   - the community's demonstrated commitment to and participation in the proposed project.

3. Location – The Department will consider the location and characteristics of a community:
   - the geographic location of each applicant, including the community's proximity to larger centers of air service and low-fare service alternatives;
   - the population and business activity, as well as the relative size of each community; and
   - whether the community's proximity to an existing or prior grant recipient could adversely affect either its proposal or the project undertaken by the other recipient.

4. Other Factors – The Department will also consider:
   - whether the proposed project clearly addresses the applicant's stated problems;
   - the community's existing level of air service and whether that service has been increasing or decreasing;
   - whether the applicant has a plan to provide any necessary continued financial support for the proposed project after the requested grant award expires;
   - the grant amount requested compared with total funds available for all communities;
   - the proposed federal grant amount requested compared with the local share offered;
   - any letters of intent from airline planning departments or intermodal surface transportation providers on behalf of applications that are specifically intended to enlist new or expanded air service or surface transportation service in support of the air service in the community;
   - whether the applicant has plans to continue with the proposed project if it is not self-sustaining after the grant award expires; and
   - equitable and geographic distribution of available funds.

C. Additional Guidance

Market Analysis: Applicants requesting funds for a revenue guarantee/subsidy/financial incentive are encouraged to conduct and reference in their applications an in-depth analysis of their target markets. Target markets can be destination specific (e.g., service to LAX), a geographic region (e.g., northwest mountain region) or directional (e.g., hub in the southeastern United States or a point north, south, east, or west of the applicant community).

Complementary Marketing Commitment: Applicants requesting funds for a revenue guarantee/subsidy/financial incentive are encouraged to designate in their applications a portion of the project funds (federal, local or in-kind) for the development and implementation of a marketing plan in support of the service sought.

Subsidies for a carrier to compete against an incumbent: The Department is reluctant to subsidize one carrier but not others in a competitive market. For this reason, a community that proposes to use the grant funds for service in a city-pair market that is already served by another air carrier must explain in detail why the existing service is insufficient or unsatisfactory, or provide other compelling information to support such a proposal.

Cost Sharing and Local Contributions: Applications must clearly identify the level of federal funding sought for the proposed project. Applications must also identify the community's cash contributions to the proposed project, in-kind contributions from the airport, and in-kind contributions from the community. Non-federal funds will be applied proportionately to the entire scope of the project. Communities cannot use non-federal funds selectively to fund certain components of a project (see Section VI-Grant Administration-Payments for more information). Cash contributions from airport revenues must be identified separately from cash contributions from other community sources, and cash contributions from the state and/or local government should be separately identified and described.

Types of contributions. Contributions should represent a new financial commitment or new financial resources devoted to attracting new or improved service, or addressing specific high-fare or other service issues, such as improving patronage of existing service at the airport. For communities that propose to contribute to the grant project, that contribution can be in the following forms:

Cash from non-airport revenues. A cash contribution can include funds from the state, the county or local government, and/or from local businesses, or other private organizations in the community. Contributions that are comprised of intangible non-cash items, such as the value of donated advertising, are considered in-kind contributions (see further discussion below).

Cash from airport revenues. This includes contributions from funds generated by airport operations. Airport revenues may not be used for revenue guarantees to airlines, per 49 U.S.C. §§ 47107 and 47133. Applications that include local contributions based on airport revenues do not receive priority consideration for selection.

In-kind contributions from the airport. This can include such items as waivers of landing fees, ground handling fees, terminal rents, fuel fees, and/or vehicle parking fees.

In-kind contributions from the community. This can include such items as donated advertising from media outlets, catering services for inaugural events, or in-kind trading, such as advertising in exchange for free air travel. Travel banks and travel commitments/pledges are considered to be in-kind contributions.

Cash vs. in-kind contributions. Communities that include local contributions made in cash will be viewed more favorably.

III. EVALUATION AND SELECTION PROCESS

The Department will first review each application to determine whether it has satisfied the following eligibility requirements:

1. The applicant is an eligible applicant;
2. The application is for an eligible project (including compliance with the Same Project Limitation); and
3. The application is complete (including submission of a completed SF424 and all of the information listed in **Contents of Application**, in Section IV below).

To the extent that the Department determines that an application does not satisfy these eligibility requirements, the Department will deem that application ineligible and not consider it further.

The Department will then review all eligible applications based on the selection criteria outlined above in Section II. The Department will not assign specific numerical scores to projects based on the selection criteria. Rather, ratings of "highly recommended," "recommended," "acceptable," or "not recommended" will be assigned to applications. Applications that align well with one or more of the Priority Selection Criteria will be viewed more favorably than those that do not align with any Priority Selection Criteria. The Department will consider the Secondary Selection Criteria when comparing and selecting among similarly-rated projects.

The Department reserves the right to award funds for a part of the project included in an application, if a part of the project is eligible and aligns well with the selection criteria specified in this Order. In addition, as part of its review of the Secondary Selection Criterion "Other Factors," the Department will consider the geographical distribution of the applications to ensure consistency with the statutory requirement limiting awards to no more than four communities or consortia of communities, or a combination thereof, from the same state. The final selections will be limited to no more than 40 communities or consortia of communities, or a combination thereof.

Grant awards will be made as promptly as possible so that selected communities can complete the grant agreement process and implement their plans. Given the competitive nature of the grant process, the Department will not meet with applicants regarding their applications. All non-confidential portions of each application, all correspondence and ex-parte communications, and all orders will be posted in the above-captioned docket on www.regulations.gov.

The Department will announce its grant selections in a Selection Order that will be posted in the above-captioned docket, served on all applicants and all parties served with this Solicitation Order, and posted on the Department's SCASDP website at http://www.dot.gov/policy/aviation-policy/small-community-rural-air-service/SCASDP.

IV. HOW TO APPLY

Required Steps:

- Determine eligibility;
- Register with www.grants.gov (*see* **Registration with** www.grants.gov, below);
- Submit an Application for Federal Domestic Assistance (SF424);
- Submit a completed "Summary Information" schedule. This is your application cover sheet (*see* **Appendix B**);
- Submit a detailed application of **up to one-sided 20 pages (excluding the completed SF424, Summary Information schedule, and any letters from the community or an air carrier showing support for the application)** that meets all required criteria (*see* **Appendix C**);
- Attach any letters from the community or an air carrier showing support for the application to the proposal, which should be addressed to Brooke Chapman, Associate Director, Small Community Air Service Development Program; and
- Provide separate submission of confidential material, if requested. (*see* **Appendix D**)

An application will not be complete and will be deemed ineligible for a grant award until and unless all required materials, including SF424, have been submitted through www.grants.gov and time-stamped **by 5:00 PM EDT on July 31, 2014 (the "Application Deadline").**

An application consisting of more than 20 pages will be accepted by the Department, but the content in the additional pages past page 20 will not be evaluated or considered by the Department. The Department would prefer that applicants use one-inch margins and a font size not less than 12 point type.

Late Application Notice: Applicants who are unable to successfully submit their application package through grants.gov prior to the Application Deadline due to technical difficulties outside their control must submit an email to SCASDPgrants@dot.gov with the information described in Appendix A.

Registration with www.grants.gov: Communities must be registered with www.grants.gov in order to submit an application for funds available under this program. For consortium applications, only the Legal Sponsor must be registered with www.grants.gov in order to submit its application for funds available under this program. *See* **Appendix A** for additional information on applying through www.grants.gov.

Contents of Application: There is no set format that must be used for applications. Each application should, to the maximum extent possible, address the selection criteria set forth in Section II, above, including a clear description of the air service needs/deficiencies and present plans/strategies that directly address those needs/deficiencies. At a minimum, however, each application must include the following information:

- A description of the community's air service needs or deficiencies, including information about: (1) major origin/destination markets that are not now served or are not served adequately; (2) fare levels that the community deems relevant to consideration of its

application, including market analyses or studies demonstrating an understanding of local air service needs; and (3) any air service development efforts over the past three years and the results of those efforts (including marketing and promotional efforts).

- A strategic plan for meeting those needs under the Small Community Program, including the community's specific project goal(s) and detailed plan for attaining such goal(s). If the application is selected, DOT will work with the grantee to incorporate the relevant elements of the application's strategic plan into the grant agreement's project scope. Applicants should note that, once a grant agreement is signed, the agreement cannot be amended in a way that would alter the project scope. Applicants also are advised to obtain firm assurances from air carriers proposing to offer new air services if a grant is awarded. Strategic plans should:
    - for applications involving new or improved service, explain how the service will become self-sufficient;
    - fully and clearly outline the goals and objectives of the project; and
    - fully and clearly summarize the actual, specific steps (in bullet form, with a proposed timeline) that the community intends to take to bring about these goals and objectives.

- A detailed description of the funding necessary for implementation of the proposed project (including federal and non-federal contributions).

- An explanation of how the proposed project differs from any previous projects for which the community received SCASDP funds (*see* **Same Project Limitation**, above).

- Designation of a legal sponsor responsible for administering the proposed project. The legal sponsor of the proposed project must be a government entity, such as a state, county, or municipality. The legal sponsor must be legally, financially, and otherwise able to execute the grant agreement and administer the grant, including having the authority to sign the grant agreement and to assume and carry out the certifications, representations, warranties, assurances, covenants and other obligations required under the grant agreement with the Department and to ensure compliance by the grant recipient with the grant agreement and grant assurances. If the applicant is a public-private partnership, a public government member of the organization must be identified as the community's sponsor to receive project cost reimbursements. A community may designate only one government entity as the legal sponsor, even if it is applying as a consortium that consists of two or more local government entities. Private organizations may not be designated as the legal sponsor of a grant under the Small Community Program. The community has the responsibility to ensure that the legal sponsor and grant recipient of any funding has the legal authority under state and local laws to carry out all aspects of the grant, and the Department may require an opinion of the legal sponsor's attorney as to its legal authority to act as a sponsor and to carry out its responsibilities under the grant agreement. **The applicant should also provide the name of the signatory party for the legal sponsor.**

V. AIR SERVICE DEVELOPMENT ZONE DESIGNATION

The statute authorizing the Small Community Program also provides that the Department will designate one of the grant recipients in the program as an Air Service Development Zone (ASDZ). A current grant recipient remains active as the ASDZ designee. As a result, the Department is not currently soliciting applications for selection as an ASDZ designee.

VI. GRANT ADMINISTRATION

Grant Agreements: Communities awarded grants are required to execute a grant agreement with the Department before they begin to expend funds under the grant award. Applicants should not assume they have received a grant, nor should they obligate or expend local funds prior to receiving and fully executing a grant agreement with the Department. Expenditures made prior to the execution of a grant agreement, including costs associated with preparation of the grant application, will not be reimbursed. Moreover, there are numerous assurances that grant recipients must sign and honor when federal funds are awarded. All communities receiving a grant will be required to accept and meet the obligations created by these assurances when they execute their grant agreements. Copies of assurances are available online at http://www.dot.gov/policy/aviation-policy/small-community-rural-air-service/SCASDP, (click on "SCASDP Grant Assurances").

Payments: The Small Community Program is a reimbursable program; therefore, communities are required to make expenditures for project implementation under the program prior to seeking reimbursement from the Department. Project implementation costs are reimbursable from grant funds only for services or property delivered during the grant term. Reimbursement rates are calculated as a percentage of the total federal funds requested divided by the federal funds plus the local cash contribution (which is not refundable). The percentage is determined by: (SCASDP Grant Amount) ÷ (SCASDP Grant Amount + Local Cash Contribution + State Cash Contribution, if applicable). Payments/ expenditures in forms other than cash (e.g., in-kind) are not reimbursable. For example, if a community requests $500,000 in federal funding and provides $100,000 in local contributions, the reimbursement rate would be 83.33 percent: ((500,000) / (500,000 + 100,000)) = 83.33.

Grantee Reports: Each grantee must submit quarterly reports on the progress made during the previous quarter in implementing its grant project. In addition, each community will be required to submit a final report on its project to the Department, and 10 percent of the grant funds will not be reimbursed to the community until such a final report is received. Additional information on award administration for selected communities will be provided in the grant agreement.

VII: QUESTIONS AND CLARIFICATIONS

For further information concerning the technical requirements set out in this Order, please contact Brooke Chapman at Brooke.Chapman@dot.gov or (202) 366-0577. A TDD is available for individuals who are deaf or hard of hearing at (202) 366-3993. The Department may post answers to questions and other important clarifications in the above-captioned docket on www.regulations.gov and on the program website at http://www.dot.gov/policy/aviation-policy/small-community-rural-air-service/SCASDP.

This Order is issued under authority delegated in 49 CFR § 1.25a(b).

ACCORDINGLY,

1. Applications for funding under the Small Community Air Service Development Program should be submitted via www.grants.gov as an attachment to the SF424 by 5:00 PM EDT, July 31, 2014; and

2. This Order will be published in the Federal Register, posted on www.grants.gov and www.regulations.gov, and served on the United States Conference of Mayors, the National League of Cities, the National Governors Association, the National Association of State Aviation Officials, County Executives of America, the American Association of Airport Executives, and the Airports Council International-North America.

Issued in Washington, D.C. on June 30, 2014

By:

Brandon Belford
Deputy Assistant Secretary for
Aviation and International Affairs

(SEAL)

An electronic version of this document is available online at www.regulations.gov.

ADDITIONAL INFORMATION ON APPLYING THROUGH WWW.GRANTS.GOV

Applications must be submitted electronically through http://www.grants.gov/web/grants/applicants/apply-for-grants.html. **To apply for funding through www.grants.gov, applicants must be properly registered.** The Grants.gov/Apply feature includes a simple, unified application process that makes it possible for applicants to apply for grants online. There are five "Get Registered" steps for an organization to complete at Grants.gov. Complete instructions on how to register and apply can be found at http://www.grants.gov/applicants/organization_registration.jsp. If applicants experience difficulties at any point during registration or application process, please call the www.grants.gov Customer Support Hotline at 1-800-518-4726, Monday–Friday from 7:00 AM to 9:00 PM EDT.

Registering with www.grants.gov is a one-time process; however, processing delays may occur and it can take up to several weeks for first-time registrants to receive confirmation and a user password. It is highly recommended that applicants start the registration process as early as possible to prevent delays that may preclude submitting an application by the deadlines specified. Applications must be submitted and time-stamped not later than 5:00 PM EDT on July 31, 2014 (the Application Deadline), and, as set forth below, failure to complete the registration process before the Application Deadline is not a valid reason to permit late submissions.

In order to apply for SCASDP funding through http://www.grants.gov/web/grants/applicants/apply-for-grants.html, all applicants are required to complete the following:

1. **DUNS Requirement.** The Office of Management and Budget requires that all businesses and nonprofit applicants for federal funds include a Dun and Bradstreet Data Universal Numbering System (DUNS) number in their applications for a new award or renewal of an existing award. A DUNS number is a unique nine-digit sequence recognized as the universal standard for identifying and keeping track of entities receiving federal funds. The identifier is used for tracking purposes and to validate address and point of contact information for federal assistance applicants, recipients, and sub-recipients. The DUNS number will be used throughout the grant life cycle. The DUNS number must be included in the data entry field labeled "Organizational DUNS" on the SF-424 form. Instructions for obtaining DUNS number can be found at the following website: http://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html.

2. **System for Award Management.** In addition to having a DUNS number, applicants applying electronically through Grants.gov must register with the federal System for Award Management (SAM). Step-by-step instructions for registering with SAM can be found here: http://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html. All applicants must register with SAM in order to apply online. Failure to register with the SAM will result in your application being rejected by Grants.gov during the submissions process.

3. **Username and Password.** Acquire an Authorized Organization Representative (AOR) and a www.grants.gov username and password. Complete your AOR profile on www.grants.gov and create your username and password. You will need to use your organization's DUNS Number to complete this step. For more information about creating a profile on Grants.gov visit: http://www.grants.gov/web/grants/applicants/organization-registration/step-3-username-password.html.

4. After creating a profile on Grants.gov, the E-Biz Point of Contact (E-Biz POC) – a representative from your organization who is the contact listed for SAM – will receive an email to grant the AOR permission to submit applications on behalf of their organization. The E-Biz POC will then log in to Grants.gov and approve an applicant as the AOR, thereby giving him or her permission to submit applications. To learn more about AOR Authorization visit: http://www.grants.gov/web/grants/applicants/organization-registration/step-4-aor-authorization.html. To track an AOR status visit: http://www.grants.gov/web/grants/applicants/organization-registration/step-5-track-aor-status.html.

   Applicants are, therefore, encouraged to register early. The registration process can take up to four weeks to be completed. Thus, registration should be done in sufficient time to ensure it does not impact your ability to meet required submission deadlines. You will be able to submit your application online any time after you have approved as an AOR.

5. **Electronic Signature.** Applications submitted through Grants.gov constitute a submission as electronically signed applications. The registration and account creation with Grants.gov with E-Biz POC approval establishes an Authorized Organization Representative (AOR). When you submit the application through Grants.gov, the name of your AOR on file will be inserted into the signature line of the application. Applicants must register the individual who is able to make legally binding commitments for the applicant organization as the Authorized Organization Representative (AOR);

6. Search for the Funding Opportunity on www.grants.gov. Please use the following identifying information when searching for the SCASDP funding opportunity on www.grants.gov. The Catalog of Federal Domestic Assistance (CFDA) number for this solicitation is 20.930, titled Payments for Small Community Air Service Development.

7. Submit an application addressing all of the requirements outlined in this funding availability announcement. Within 24–48 hours after submitting your electronic application, you should receive an email validation message from www.grants.gov. The validation message will tell you whether the application has been received and validated or rejected, with an explanation. *You are urged to submit your application at least 72 hours prior to the due date of the application to allow time to receive the validation message and to correct any problems that may have caused a rejection notification.*

8. **Timely Receipt Requirements and Proof of Timely Submission**. Proof of timely submission is automatically recorded by Grants.gov. An electronic timestamp is generated within the system when the application is successfully received by Grants.gov. The applicant will receive an acknowledgement of receipt and a tracking number from Grants.gov with successful transmission of the application. Applicants should print this receipt and save it, as a proof of timely submission.

9. Grants.gov allows applicants to download the application package, instructions and forms that are incorporated in the instructions, and work offline. In addition to forms that are part of the application instructions, there will be a series of electronic forms that are provided utilizing Adobe Reader.
    a. **Adobe Reader.** Adobe Reader is available for free to download from on the Download Software page: http://www.grants.gov/help/download_software.jsp. Adobe Reader allows applicants to read the electronic files in a form format so that they will look like any other Standard form. The Adobe Reader forms have content sensitive help. This engages the content sensitive help for each field you will need to complete on the form. The Adobe Reader forms can be downloaded and saved on your hard drive, network drive(s), or CDs.
    b. NOTE: For the Adobe Reader, Grants.gov is compatible with versions 8.1.1 and later versions. Always refer to the Download Software page for compatible versions for the operating system you are using. Please do not use lower versions of the Adobe Reader.
    c. **Mandatory Fields in Adobe Forms.** In the Adobe Reader forms, you will note fields that will appear with a background color on the data fields to be completed. These fields are mandatory fields and they **must** be completed to successfully submit your application.

NOTE: When uploading attachments please use generally accepted formats such as .pdf, .doc, and .xls. While you may imbed picture files such as .jpg, .gif, .bmp, in your files, please do not save and submit the attachment in these formats. Additionally, the following formats will not be accepted: .com, .bat, .exe, .vbs, .cfg, .dat, .db, .dbf, .dll, .ini, .log, .ora, .sys, and .zip.

Experiencing Unforeseen www.grants.gov Technical Issues

Late Application Notice: Applicants who are unable to successfully submit their application package through grants.gov prior to the Application Deadline due to technical difficulties outside their control must submit an email to SCASDPgrants@dot.gov with the following information:

- The nature of the technical difficulties experienced in attempting to submit an application;
- A screenshot of the error;
- The Legal Sponsor's name; and
- The Grants.Gov tracking number (e.g. GRANT12345678).

DOT will consider late applications on a case-by-case basis and reserves the right to reject late applications that do not meet the conditions outlined in the Order Soliciting Small Community

Grant Proposals. Late applications from applicants that do not provide DOT an email with the items specified above will not be considered.

If you experience unforeseen www.grants.gov technical issues beyond your control that prevent you from submitting your application by the Application Deadline, you must contact us at [SCASDPgrants@dot.gov or] Vince.Corsaro@dot.gov or (202) 366-1842 by 5:00 PM EDT the day following the deadline and request approval to submit your application after the deadline has passed. At that time, DOT staff will require you to provide your DUNS number and your www.grants.gov Help Desk tracking number(s). After DOT staff review all of the information submitted and contact the www.grants.gov Help Desk to validate the technical issues you reported, DOT staff will contact you to either approve or deny your request to submit a late application through www.grants.gov. If the technical issues you reported cannot be validated, your application will be rejected as untimely.

To ensure a fair competition for limited discretionary funds, the following conditions are not valid reasons to permit late submissions: (1) failure to complete the registration process before the deadline date; (2) failure to follow www.grants.gov instructions on how to register and apply as posted on its website; (3) failure to follow all of the instructions in the funding availability notice; and (4) technical issues experienced with the applicant's computer or information technology (IT) environment.

APPLICATION UNDER

SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM

DOCKET DOT-OST-2014-0133

SUMMARY INFORMATION[1]

All applicants must submit this Summary Information schedule, as the application coversheet, a completed standard form SF424 and the full application proposal on www.grants.gov.

For your preparation convenience, this Summary Information schedule is located at http://www.dot.gov/policy/aviation-policy/small-community-rural-air-service/SCASDP

A. PROVIDE THE LEGAL SPONSOR AND ITS DUN AND BRADSTREET (D&B) DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER, INCLUDING +4, EMPLOYEE IDENTIFICATION NUMBER (EIN) OR TAX ID.

Legal Sponsor Name:

Name of Signatory Party for Legal Sponsor:

DUNS Number:

EIN/Tax ID:

B. LIST THE NAME OF THE COMMUNITY OR CONSORTIUM OF COMMUNITIES APPLYING:

1._____

2._____

3._____

4._____

C. PROVIDE THE FULL AIRPORT NAME AND 3-LETTER IATA AIRPORT CODE FOR THE APPLICANT(S) AIRPORT(S) (ONLY PROVIDE CODES FOR THE AIRPORT(S) THAT ARE ACTUALLY SEEKING SERVICE).

1.	2.
3.	4.

[1] Note that the Summary Information does not count against the 20-page limit of the SCASDP application.

DOES THE AIRPORT SEEKING SERVICE HOLD AN AIRPORT OPERATING CERTIFICATE ISSUED BY THE FEDERAL AVIATION ADMINISTRATION UNDER 14 CFR PART 139? (IF "NO", PLEASE EXPLAIN WHETHER THE AIRPORT INTENDS TO APPLY FOR A CERTIFICATE OR WHETHER AN APPLICATION UNDER PART 139 IS PENDING.)

☐ Yes ☐ No (explain)

_____

_____

D. LIST THE 2-DIGIT CONGRESSIONAL DISTRICT CODE APPLICABLE TO THE SPONSORING ORGANIZATION, AND IF A CONSORTIUM, TO EACH PARTICIPATING COMMUNITY.

1.	2.
3.	4.

E. APPLICANT INFORMATION: (CHECK ALL THAT APPLY)

☐ Not a Consortium ☐ Interstate Consortium ☐ Intrastate Consortium

☐ Community currently receives subsidized Essential Air Service

☐ Community (or Consortium member) previously received a Small Community Air Service Development Program Grant

If previous recipient: Provide year of grant(s):_____; and, the text of the grant agreement section(s) setting forth the scope of the grant project:

_____

_____

_____

_____

_____

F. PUBLIC/PRIVATE PARTNERSHIPS: (LIST ORGANIZATION NAMES)

PUBLIC	PRIVATE
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.

G. PROJECT PROPOSAL:

1. GRANT GOALS: (CHECK ALL THAT APPLY)

☐ **Launch New Carrier**	☐ **Secure Additional Service**	☐ **Upgrade Aircraft**
☐ **First Service**	☐ **New Route**	☐ **Service Restoration**
☐ **Regional Service**	☐ **Surface Transportation**	☐ **Professional Services**[2]
☐ **Other** (explain below)		

_____

_____

2. FINANCIAL TOOLS TO BE USED: (CHECK ALL THAT APPLY)

☐ **Marketing (including Advertising):** promotion of the air service to the public

☐ **Start-up Cost Offset:** offsetting expenses to assist an air service provider in setting up a new station and starting new service (for example, ticket counter reconfiguration)

☐ **Revenue Guarantee:** an agreement with an air service provider setting forth a minimum guaranteed profit margin, a portion of which is eligible for reimbursement by the community

☐ **Recruitment of Air Carrier:** air service development activities to recruit new air service, including expenses for airport marketers to meet with air service providers to make the case for new air service

☐ **Fee Waivers:** waiver of airport fees, such as landing fees, to encourage new air service; counted as in-kind contributions only

☐ **Ground Handling Fee:** reimbursement of expenses for passenger, cabin, and ramp (below wing) services provided by third party ground handlers

☐ **Travel Bank:** travel pledges, or deposited monetary funds, from participating parties for the purchase of air travel on an air carrier, with defined procedures for the subsequent use of the pledges or the deposited funds; counted as in-kind contributions only

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[2] "Professional Services" involve a community contracting with a firm to produce a product such as a marketing plan, study, air carrier proposal, etc.

☐ **Other** (explain below)

_____

_____

H. EXISTING LANDING AIDS AT LOCAL AIRPORT:

☐ Full ILS ☐ Outer/Middle Marker ☐ Published Instrument Approach

☐ Localizer ☐ Other (specify)

I. PROJECT COST: DO NOT ENTER TEXT IN SHADED AREA

LINE	DESCRIPTION		SUB TOTAL	TOTAL AMOUNT
1	Federal amount requested			
2	State cash financial contribution			
	Local cash financial contribution			
	3a	Airport cash funds		
	3b	Non-airport cash funds		
3	Total local cash funds (***3a + 3b***)			
4	TOTAL CASH FUNDING (***1+2+3***)			
	In-Kind contribution			
	5a	Airport In-Kind contribution**		
	5b	Other In-Kind contribution**		
5	TOTAL IN-KIND CONTRIBUTION (***5a + 5b***)			
6	TOTAL PROJECT COST (***4+5***)			

J. IN-KIND CONTRIBUTIONS**

For funds in lines 5a (Airport In-Kind contribution) and 5b (Other In-Kind contribution), please describe the source(s) of fund(s) and the value ($) of each.

K. IS THIS APPLICATION SUBJECT TO REVIEW BY AN AFFECTED STATE UNDER EXECUTIVE ORDER 12372 PROCESS?

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on (date) _____.

☐ b. Program is subject to E.O. 12372, but has not been selected by the State for review.

☐ c. Program is not covered by E.O. 12372.

L. IS THE LEAD APPLICANT OR ANY CO-APPLICANTS DELINQUENT ON ANY FEDERAL DEBT? (IF "YES", PROVIDE EXPLANATION)

☐ No ☐ Yes (explain)

_____

_____

APPENDIX C

APPLICATION CHECKLIST

INCLUDED?	ITEM
	For Immediate Action
	Determine Eligibility
	New Grants.gov users must register with www.grants.gov. Existing Grants.gov users *must verify existing www.grants.gov account has not expired and the Authorized Organization Representative (AOR) is current.*
	For Submission by 5:00 PM EDT on July 31, 2014
	Communities with active SCASDP grants: notify DOT/X50 of intent to terminate existing grant in order to be eligible for selection in FY2014
	Complete Application for Federal Domestic Assistance (SF424) via www.grants.gov
	Summary Information schedule complete and used as cover sheet (see **Appendix B**)
	Application of up to 20 one-sided pages (excluding any letters from the community or an air carrier showing support for the application), to include:
	• A description of the community's air service needs or deficiencies.
	• A strategic plan for meeting those needs under the Small Community Program.
	• A detailed description of the funding necessary for implementation of the community's project.
	• An explanation of how the proposed project differs from any previous projects for which the community received SCASDP funds (if applicable).
	• Designation of a legal sponsor responsible for administering the program.
	• A motion for confidential treatment (if applicable) – see Appendix D below.

APPENDIX D

Confidential Commercial Information

Applicants will be able to provide certain confidential business information relevant to their proposals on a confidential basis. Under the Department's Freedom of Information Act regulations (49 C.F.R. § 7.17), such information is limited to commercial or financial information that, if disclosed, would either likely cause substantial harm to the competitive position of a business or enterprise or make it more difficult for the Federal Government to obtain similar information in the future.

Applicants seeking confidential treatment of a portion of their applications must segregate the confidential material in a sealed envelope marked "Confidential Submission of X (the applicant) in Docket DOT-OST-2014-0113" and include with that material a request in the form of a motion seeking confidential treatment of the material under 14 C.F.R. § 302.12 ("Rule 12") of the Department's regulations. The applicant should submit an original and two copies of its motion and an original and two copies of the confidential material in the sealed envelope.

The confidential material should not be included with the original of the applicant's proposal that is submitted via www.grants.gov. The applicant's original submission, however, should indicate clearly where the confidential material would have been inserted. If an applicant invokes Rule 12, the confidential portion of its filing will be treated as confidential pending a final determination. All confidential material must be received by 5:00 PM EDT, July 31, 2014, and delivered to the U.S. Department of Transportation, Office of Aviation Analysis, 8th Floor, Room W86-307, 1200 New Jersey Ave. SE, Washington, DC 20590.