



HILTON HEAD ISLAND

A I R P O R T

Project Name: Hilton Head Island Airport Terminal Improvements

Recipient Entity: Beaufort County – Hilton Head Island Airport

Recipient Contact: Jon (no “h”) Rembold **Title:** Airports Director

Email: jrembold@bcgov.net

Summary of Intended Use: Renovation and expansion of aging terminal to accommodate vastly increased passenger traffic to the #1 Island in the continental US. This funding enables the airport to complete the project, improving the user experience and the tenant (airlines) work environment.

Justification: Please see the attached “Vital Statistics” for critical data points related to the airport. The existing terminal was opened in 1995 when commercial air travel to the island was considerably lighter in volume. That building accommodates small turboprop aircraft with significantly fewer passengers than can be carried by the regional jets that now serve the island. There are no jetways, so passengers must board and deplane aircraft while exposed to the elements. This is not the way these valued residents and visitors should be treated. In 2017, the last year with turboprop-only commercial flights, the total passenger volume was 54,000. In 2021, the third year of regional jet commercial operations, that number soared to over 380,000. All of this happened in that same small building. Our airline partners need to be able to support their customers better, and it is in the best economic interest of Hilton Head Island to accommodate those visitors who choose to fly directly to the island. Our community and our state lose significant revenue to our neighboring state to the south. We need to repatriate some of those revenues.

Project Cost Breakdown:

Project Bid (rejected due to lack of funds): \$66M – construction Soft costs add approx: \$10M

(Project scope as bid included all site work, road work, landscaping, and building)

Funds on Hand/Under Grant: Approx \$38M

Grant Funds Applied For: Federal BIL: \$20M FAA Supplemental Discretionary: \$12.4M

If the grant funds all came through, there would be virtually no need for state funding, but that is highly unlikely. If none of the potential grant funds were awarded, the funding gap would be at about \$37M. The project will be executed over a minimum of a 3-year span. If state funds were awarded in three consecutive years in \$10M installments, the airport can fund/bond the remainder.