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MANAGEMENT ASSOCIATION • SANTA ROSA SOUND COALITION •
SIERRA CLUB • SOUTH WALTON TURTLE WATCH GROUP**

Ms. Virginia Lane, A.I.C.P.
Federal Aviation Administration
Orlando Airport District Office
5950 Hazeltine National Drive
Orlando Fl 32822

Mr. Gordon Hambrick
U.S. Army Corps of Engineers
Jacksonville District Corps of Engineers
Panama City Regulatory Office
1002 West 23rd Street, Suite 350
Panama City, FL 32405-3648

**Re: Request for further environmental analysis before issuing ROD for relocation of
Panama City Airport**

June 26, 2006

Dear Ms. Lane and Mr. Hambrick:

Our review of the Final Environmental Impact Statement (“FEIS”) issued by the Federal Aviation Administration reveals that the FEIS does not cover the appropriate scope of environmental impacts that will result from the proposal to relocate the Panama City Airport to the West Bay site. The proposal to build a new airport at the West Bay site involves both redeveloping the existing airport site and spurring further development surrounding the new airport. However, the effects of these actions have not been fully evaluated.

To meet the agencies’ obligations under the National Environmental Policy Act (“NEPA”) to take a “hard look” and fully evaluate the environmental effects of building a new airport at a greenfield site in West Bay, the FAA and Corps should perform a Programmatic Environmental Impact Statement (“PEIS”) to evaluate the cumulative environmental impacts of building a new airport in a Greenfield and developing the old airport site. However, in the event that the agencies disagree with us about their obligation to perform the broader PEIS, the circumstances here demonstrate that at a minimum the FAA must prepare a Supplemental Environmental Impact Statement (“SEIS”) to fully evaluate the environmental impacts of redevelopment of the existing airport site. Below, we explain why the FAA and Corps must take further action before issuing their Record of Decision to meet their legal obligations under NEPA.

1. Programmatic Environmental Impact Statement

The Council on Environmental Quality's regulations implementing NEPA provide for evaluating "systematic and connected agency decision" in a PEIS. 40 C.F.R. 1508.18(b)(3). CEQ's regulations further require an agency to consider "connected actions" and "cumulative actions" within a single EA or EIS. 40 C.F.R. § 1508.25. The development around the West Bay site and the redevelopment of the existing airport site are geographically related and connected to the proposal to build a new airport at the West Bay site. Thus, a PEIS is the appropriate means to examine the cumulative environmental impacts of all of these related actions.

Neither redeveloping the existing airport, nor developing the land around a new airport at the West Bay site has independent utility. Rather, both redevelopment of the existing airport and development of the 70,000 acres surrounding the proposed West Bay airport site are connected to building a new airport at the West Bay site. Obviously, the existing airport will only be redeveloped if a new airport is built at a different site. EPA's comments on the draft EIS explicitly recognize that "[t]he fate of the existing site is a *connected action* that is important to the overall project." FEIS Vol. III, EPA comments on DEIS at 4 (emphasis added).

Building a new airport at the West Bay site would create demand for developing the land around the new airport, where demand for development otherwise would not exist. Other agencies and proponents of building a new airport at the West Bay site have recognized that the airport and development that it will spur are connected actions. For example, the comments of the Florida Department of Environmental Protection emphasized the connection as a benefit, commenting that "[w]ithout the airport relocation, it is highly unlikely that the Bay County Sector Plan and Detailed Specific Area Plan would be implemented..." FEIS Vol. III, DEP comments on DEIS at 4. The Fish and Wildlife Service even commented that a "complete watershed build-out analysis should be conducted for the West Bay alternatives. FEIS Vol. III, FWS comments on DEIS at 3. A PEIS must be performed to fully examine the environmental impacts of these connected actions.

2. Supplemental Environmental Impact Statement

According to the Council on Environmental Quality's NEPA regulations, a SEIS must be prepared when "(i) [t]he agency makes substantial changes in the proposed action that are relevant to environmental concerns; or (ii) [t]here are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts." 40 C.F.R. § 1502.9(c)(1).

Here, there is significant new information regarding the environmental impacts associated with redeveloping the existing Panama City-Bay County Airport site, which is crucial to providing a complete and objective analysis of environmental impacts of the West Bay site alternatives. In October, 2005, while the FEIS was being prepared, the Airport Sponsor released a *Redevelopment Report*, which includes three comprehensive redevelopment scenarios. At the same time, the Airport Sponsor formally solicited requests for proposals to purchase the existing airport site. This information was neither disclosed, nor analyzed in the draft EIS.

Redevelopment of the existing airport is not severable from the construction of a new airport at the West Bay site because the Airport Authority is relying, in part, on the sale of the existing airport site in order to finance the construction of a new airport.

While the FAA concedes in the FEIS that the sale and redevelopment of the existing airport site is relevant to its environmental analysis, the FAA improperly ignores the substantial environmental impacts from redevelopment of the existing site, even though such redevelopment would obviously occur within the 2008-2018 time frame of its analysis. The FEIS merely “discloses” a number of the substantial environmental impacts to aquatic resources and wildlife that would result from plans to redevelop the existing airport site in the FEIS, but the FAA has not fully evaluated the impacts to aquatic resources, has not consulted with the Fish and Wildlife Service about impacts to threatened and endangered species, and the FEIS fails to include these impacts as impacts that would result from any of the West Bay site alternatives in its comparison of alternatives. The FAA makes it clear that the FEIS assesses the potential environmental impacts from the sponsor’s proposed project, which does not include redevelopment of the existing airport site. This is inadequate, results in an arbitrary and capricious finding that the Existing Site and West Bay site have similar environmental impacts, and fails to meet the FAA’s and the Corps’ obligations under NEPA and the Endangered Species Act.

The FAA’s failure to fully evaluate and integrate the substantial environmental impacts related to redevelopment of the existing site is even more shocking considering the fact that the Airport Sponsor abandoned its airport expansion project in 1998 because the proposed project would have resulted in significant adverse environmental impacts to Goose Bayou. *See* FEIS Vol. 1, Chapter 2.2.1. Information disclosed in the FEIS indicates that redevelopment of the existing site would similarly result in significant adverse environmental impacts to Goose Bayou. However, instead of acknowledging the problems with redevelopment of the existing site, the FAA improperly isolates the impacts of redevelopment.

The composite redevelopment scenario includes a 250-slip marina, hotel, golf course, condominiums, and retail. The cursory information disclosed by the FAA indicates that stormwater runoff would result in both short and long-term water quality degradation, impact Goose and Robinson Bayous, and affect the composition of species in the estuary. Dredging for a marina would destroy seagrass beds that provide important habitat for threatened and endangered sea turtles, as well as harm manatees, gulf sturgeon, and oyster beds. Gopher tortoise habitat would also be lost to redevelopment.

Clearly, the new information provided in the FEIS about the environmental impacts of redevelopment reveals the importance of further evaluation of the environmental impacts of redevelopment followed by consideration of the complete environmental impacts of the West Bay site alternatives, including a full analysis of the redevelopment impacts. The FAA must issue a SEIS in order to meet its obligations under NEPA to take a “hard look” at the environmental impacts of the proposal to build a new airport at the West Bay site.

In the event that the FAA decides to forgo a PEIS or SEIS and issues a ROD that finds that neither site is environmentally superior, its ROD will be arbitrary and capricious and otherwise

contrary to law. We urge the FAA and the Corps to take further action to comply with their obligations under NEPA as we outlined above before issuing their Record of Decision.

Sincerely,

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Natural Resources Defense Council

Blair Stephenson, President
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