



CITY COUNCIL AGENDA ITEM

SUBJECT: Growing Alabama Tax Credit Grant Application

STAFF CONTACT: Blake Phelps, Jesse Fosnaugh

COUNCIL MEETING CYCLE: March 16, 2026

RECOMMENDED COUNCIL ACTION:

Approve staff to apply for a \$2.3 million grant through the Growing Alabama Tax Credit grant program to support 10-acre site development to recruit MRO operations at Gulf Shores International Airport.

BACKGROUND/SUMMARY:

The City of Gulf Shores and the Gulf Shores Airport Authority are requesting Growing Alabama Tax Credit funds to improve approximately 10 acres to recruit one large or multiple mid-scale MRO operations. The project consists of the construction of two aviation apron pads totaling approximately 121,500 square feet, along with associated airside site preparation at Gulf Shores International Airport (GUF).

The apron pads will be designed to support mid-scale MRO aviation operations, including aircraft staging, access for ground support equipment, and direct connections to future hangar facilities. The layout allows maximum flexibility, accommodating either multiple 40,000-square-foot building footprints or a single facility up to approximately 120,000 square feet. Upon completion of the apron improvements, GUF will transition from a conceptual aviation site into a market-ready aerospace asset capable of supporting MRO projects that could generate between 50 and 200 high-skill jobs, competitive wages, and substantial private capital investment, depending on facility size.

The Growing Alabama scope includes site grading, apron construction, and associated airside infrastructure improvements necessary to create shovel-ready aviation development pads. These



apron improvements represent the portion of the larger airport development strategy requested to be funded through the Growing Alabama program.

The project will reduce upfront development costs for prospective MRO operators and eliminate timeline impediments associated with site preparation. The City of Gulf Shores has procured site development quotes from four design engineering firms, with anticipated hard construction costs of approximately \$2.3 million.

RELATED ISSUES:

None

PREVIOUS COUNCIL ACTIONS:

None

FINANCIAL IMPACT:

Potential \$2,300,000 grant through the Growing Alabama Tax Credit program. Gulf Shores Airport Authority has agreed to fund all soft costs and project management fees. There are no expected costs to the City.

KEY DATES:

Grant application deadline – April 3, 2026

Grant award – 3rd Quarter of 2026

ATTACHMENTS:

Conceptual site plan