

State of California
Business, Transportation and Housing Agency
Department of Transportation

AERONAUTICS FINANCIAL MATTERS
Federal Airport Grant Matching Allocation
Action Item

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Original Signed by
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Chief Financial Officer
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**AMENDMENT TO FISCAL YEAR 2001-2002 ALLOCATION OF FUNDS TO MATCH
FEDERAL AIRPORT IMPROVEMENT PROGRAM GRANTS
RESOLUTION FDOA-2002-5**

SUMMARY

The attached resolution proposes to amend the delegation for allocating state funds to match federal Airport Improvement Program grants in the current fiscal year by increasing the amount of the delegation.

RECOMMENDATION

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve Resolution FDOA-2002-5, allocating additional funds for Fiscal Year (FY) 2001-02 to match federal Airport Improvement Program (AIP) grants.

BACKGROUND

In March 2000, the Commission adopted the 2000 Aeronautics Program which includes a set-aside of \$1,700,000 to match AIP grants in FY 2001-02. In February 2002, the Commission approved Resolution FDOA-2002-3 which increases the delegation to \$2,233,000. This allocation provides the authority for the Department to subvent matching funds to individual projects as requested by airport sponsors. The State can provide a match of five percent of an AIP grant as per Section 21683.1 of the Public Utilities Code.

The attached resolution is the same as what the Commission approved in February 2002 except that the allocation amount is \$2,563,000 rather than \$2,233,000 and one "whereas" clause has been inserted to acknowledge the change. This increase is necessary because the federal AIP appropriation is much higher than what was envisioned when the Commission adopted the 2000 Aeronautics Program. The Department has already exhausted the programmed \$2,233,000. This additional \$330,000 will allow the Department to provide grants for anticipated applications in the current fiscal year. \$3,100,000 for AIP Matching in FY 2002-03 has been included in the 2002 Aeronautics Program which the Commission adopted on April 4, 2002. This amount is sufficient to cover all anticipated applications. Funding for the FY 2001-02 augmentation is available from a \$206,000 Acquisition and Development (A&D) project at the Sequoia Field Airport that has been withdrawn by the County of Tulare and a \$124,000 A&D project at the Livermore Municipal Airport that has been withdrawn by the City of Livermore.

Attachment

CALIFORNIA TRANSPORTATION COMMISSION

Allocation of Funds to Match Federal Airport Improvement Program (AIP) Grants

Resolution FDOA-2002-05

- 1.1 WHEREAS, pursuant to Section 21683.1 of the Public Utilities Code (PUC), the California Transportation Commission is authorized to allocate funds for a portion of the local match for Federal Airport Improvement Program (AIP) grants to certain airports; and
- 1.2 WHEREAS, the Commission sponsored the legislation which enacted PUC 21683.1 in order to maximize the amount of federal airport funds that can be allocated to California; and
- 1.3 WHEREAS, the Federal Aviation Administration requires that airport sponsors certify that matching funds are available as a condition of accepting a federal grant; and
- 1.4 WHEREAS, on March 30, 2000 the Commission adopted the three-year 2000 Aeronautics Program in the amount of \$15,976,000 including a set-aside of \$1,700,000 for AIP Matching grants in Fiscal Year 2001-02;
- 1.5 WHEREAS, on February 28, 2002 the Commission approved Resolution FDOA-2002-3 which increased the delegation to \$2,233,000;
- 1.6 WHEREAS, on July 15, 1999 the Commission approved the Capital Improvement Program which is an element of the California Aviation System Plan and lists needed airport improvement projects from all funding sources; and
- 1.7 WHEREAS, airport requests for AIP Matching exceed the programmed amount in Fiscal Year 2001-02 and funds are available to increase the set-aside amount;
- 2.1 NOW, THEREFORE BE IT RESOLVED, that, regarding federal Airport Improvement Program grants made by the Federal Aviation Administration to public entities in this state from July 1, 2001 through June 30, 2002, with the approval of the Department of Transportation, at such time as the federal grant offer is accepted by the public entity applicant, there is allocated to each applicant from the Aeronautics Account, five percent (5%) of that portion of the grant whose primary benefit is for general aviation in order to provide a part of the local match for the grant in accordance with the provisions of Public Utilities Code Section 21683.1, until the total of all such allocations equals \$2,563,000; and
- 2.2 BE IT FURTHER RESOLVED, that the Department shall provide Commission staff with monthly status reports on sponsors' matching fund applications that have been approved by the Department.