

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2008

Reference No.: 4.6
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Gary Cathey
Acting Chief
Division of Aeronautics

Subject: **ANNUAL REVIEW OF RATE FOR LOCAL GOVERNMENT MATCHING OF CALIFORNIA AID TO AIRPORTS PROGRAM (CAAP) GRANTS**

SUMMARY:

Under State requirements, the California Transportation Commission (Commission) is required to annually establish the rate at which local governments must match Acquisition and Development (A&D) grants from the Aeronautics Program.

The attached draft resolution proposes to establish the matching rate for Fiscal Year (FY) 2008-09 A&D projects at ten percent. The California Department of Transportation (Department) will request that the Commission adopt the attached resolution at its July 2008 meeting. At its May 14, 2008 meeting, the Commission's Technical Advisory Committee on Aeronautics (TACA) reviewed the matching rate and recommended approval to the Commission.

BACKGROUND:

State law (Public Utilities Code Section 21684) requires local sponsors to match A&D grants at a rate between 10 percent and 50 percent of the project cost and requires the Commission to establish the matching rate annually.

In prior years, the Commission has established the matching rate at ten percent. In 1995, the Commission stated its intention to consider changing the matching rate only at the same time as its biennial adoption of the Aeronautics Program. The 2008 Aeronautics Program was developed using a ten percent matching rate.

Attachment

CALIFORNIA TRANSPORTATION COMMISSION

Adoption of the Annual Rate for Local Government Matching of California Aid to Airport Program (CAAP) Grants for Fiscal Year 2008-09

Resolution G-08-___

- 1.1 WHEREAS, pursuant to Section 21684 of the Public Utilities Code, the California Transportation Commission (Commission) is charged with the responsibility of establishing the percentage rate of matching funds to be provided by public entities for Acquisition and Development projects under the California Aid to Airports Program (CAAP); and
- 1.2 WHEREAS, a ten percent matching rate encourages timely use of funds from the Aeronautics Account; and
- 1.3 WHEREAS, a ten percent matching rate ensures that the maximum number of airport sponsors can participate in the Aeronautics Program; and
- 1.4 WHEREAS, the 2008 Aeronautics Program was submitted with a matching rate of ten percent.
- 2.1 NOW THEREFORE BE IT RESOLVED, that the Commission hereby establishes the local government matching rate for Fiscal Year 2008-09 for Acquisition and Development projects in the Aeronautics Program at ten percent of the non-federal portion of an airport project.