

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 19-20, 2010

Reference No.: 4.7
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Chief
Division of Aeronautics

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

ISSUE:

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 establishes the matching rate for FY 2010-11 A&D projects at 10 percent. The California Department of Transportation (Department) will request that the Commission adopt the attached resolution at its June 2010 meeting. The Technical Advisory Committee on Aeronautics (TACA) reviewed the matching rate at the April 21, 2010 meeting 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 10 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 Division of Aeronautics has developed the 2010 Aeronautics Program using a 10 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 2010-11**

Resolution G-10-_____

- 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 10 percent matching rate encourages timely use of funds from the Aeronautics Account; and
- 1.3 WHEREAS, a 10 percent matching rate ensures that the maximum number of airport sponsors can participate in the Aeronautics Program, and
- 1.4 WHEREAS, the 2010 Aeronautics Program was submitted with a matching rate of 10 percent.
- 2.1 NOW THEREFORE BE IT RESOLVED, that the Commission hereby establishes the local government matching rate for Fiscal Year 2010-11 for Acquisition and Development projects in the Aeronautics Program at 10 percent of the nonfederal portion of an airport project.