



Contra
Costa
County

To: Board of Supervisors
From: Keith Freitas, Airports Director
Date: April 28, 2020

Subject: Grant Funds Available for Buchanan Field and Byron Airports from FAA through the Coronavirus Aid, Relief, and Economic Security (CARES) Act

RECOMMENDATION(S):

AUTHORIZE the Director of Airports to submit applications to the Federal Aviation Administration (FAA) for grants for capital improvement projects and/or operating expenses for Byron Airport and/or Buchanan Field Airport to enable the County to participate in economic stimulus funding specifically being made available to airports as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **04/28/2020** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 28, 2020

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Beth Lee, (925)
681-4200

cc:

RECOMMENDATION(S): (CONT'D)

AUTHORIZE the Director of Airports to submit matching fund grant applications to the California Division of Aeronautics (Caltrans) for grants for capital improvement projects and/or operating expenses for Byron and/or Buchanan Field Airport simultaneous with the submission of grant applications to the FAA for grant funds available through of the CARES Act.

APPROVE and AUTHORIZE the Chair of the Board of Supervisors or the Director of Airports to sign one or more Statement of Acceptance, or similar document, to accept grant funds from the FAA as part of the CARES Act.

APPROVE and AUTHORIZE the Chair of the Board of Supervisors or the Director of Airports to sign one or more Acceptance of Funds, or similar document, to accept airport-related grant funds received from Caltrans.

FISCAL IMPACT:

There is no negative impact on the General Fund. Grant funds would be deposited in the Airport Enterprise Fund and used to fund operations and/or capital projects at Buchanan Field Airport and Byron Airport. The grants would not need to be repaid and would be subject to standard FAA grant assurances. Any shortfall between an FAA grant and the cost of a project would be borne by a combination of grant funding from Caltrans and the Airport Enterprise Fund.

BACKGROUND:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law on March 27, 2020. As part of the CARES Act, \$10 billion in economic stimulus has been made available to the Federal Aviation Administration (FAA) to support airports in the United States. The FAA is currently in the process of formulating the specific protocols that will be followed for how these funds will be distributed to airports.

Typically, the FAA issues about \$3 billion in grants annually. The application and approval process for grant funds usually takes six to seven months to complete. Preliminary discussions with the regional FAA office suggest that the FAA is planning to issue the \$10 billion in CARES Act relief funds very quickly - within the next 30 days. The purpose of this board order is to ensure that Contra Costa County has the ability to quickly apply for and accept CARES Act funds for both County airports.

Revenue at the County's airports is generated by ground leases, hangar rentals and usage fees. These revenues pay for the airports' operating expenses, including airport management, operations, and facility maintenance. Many of the airports' tenants are small businesses that have been negatively impacted by the economic fallout of the Coronavirus. As a result, staff anticipates County airports' revenues and cash flow will suffer until there is an economic recovery.

The grant funds being made available to airports under the CARES Act is money that the Airports Division can use to fund operations, including paying salaries. The grant funds can also be used to pay for capital improvement projects at the airports. Such projects will not only enable the County's airports to remain modern, safe, and competitive with other local airports, they will provide much-needed jobs to the local community.

The FAA has already indicated it will make at least \$69,000 and \$1,053,000 in CARES Act grant funding available to Byron Airport and Buchanan Field Airport, respectively. It is anticipated that additional grant funding will be made available from both the FAA and Caltrans-Division of Aeronautics through a streamlined application process.

Byron Airport and Buchanan Field Airport continue to be significant economic engines and to provide jobs growth opportunities for Contra Costa County. The grant funds available through the CARES Act will strengthen the ability of the County's airports to continue these trends during the next 12 to 24 months, at a time the County most needs it.

CONSEQUENCE OF NEGATIVE ACTION:

The County may not receive the FAA and Caltrans grant funding made available to Byron Airport and Buchanan Field by the CARES Act. This would result in lost economic and jobs opportunity for Byron Airport, Buchanan Field and Contra Costa County.