



County of San Mateo

Inter-Departmental Correspondence

Department: PUBLIC WORKS

File #: 18-507

Board Meeting Date: 6/19/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: James C. Porter, Director of Public Works
Subject: Forgiveness of Loan from the General Fund to the Airport Enterprise Fund

RECOMMENDATION:

Adopt a resolution authorizing the forgiveness of the General Fund loan provided to the Airport Enterprise Fund, in the amount of \$2,800,000, for the construction of two T-hangar storage facilities at the San Carlos Airport.

BACKGROUND:

On June 21, 2016, your Board adopted Resolution 074618, which authorized a General Fund loan to the Airport Enterprise Fund in the amount of \$2,800,000, to finance the construction of two T-hangar storage facilities (Project) for small aircraft at the San Carlos Airport. The Project includes the construction of two, pre-engineered, steel buildings designed to accommodate a future array of photovoltaic panels. One facility will have eight (8) T-hangars and the second facility will have six (6) T-hangars and an Americans with Disabilities Act (ADA) accessible restroom. The Project is designed to achieve LEED certification. The demand for small aircraft hangars remains strong at the San Carlos Airport and facility rental revenues help support Airport operations.

Project design is complete and has been submitted to the County's Planning and Building Department for permit review and approval. Construction is estimated to begin in June with a target completion date of November 2018.

DISCUSSION:

Revenues received from airport jet fuel sales tax are required by the Federal Aviation Administration to be used toward airport capital and operating costs. The County has determined that jet fuel sales tax revenues received can be used to fund capital projects at the San Carlos and Half Moon Bay Airports. The County will therefore, use jet fuel sales tax revenues to fund the Airport's Project and forgive the loan.

County Counsel has reviewed and approved the resolution as to form.

Approval of this action contributes to the Shared Vision 2025 outcome of a Healthy Community by completing projects which enhance the safety, condition, and usability of facilities for the benefit of the San Carlos Airport users.

FISCAL IMPACT:

Approval of this resolution will forgive the loan to the General Fund in the amount of \$2,800,000. Forgiveness of this loan satisfies the requirements on the use of aviation fuel tax by appropriating jet fuel sales tax revenue towards Airport capital projects.