



County of San Mateo

Inter-Departmental Correspondence

Department: PUBLIC WORKS

File #: 20-353

Board Meeting Date: 5/26/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: James C. Porter, Department of Public Works
Subject: Coronavirus Aid, Relief, And Economic Security Act (CARES Act) Grant Funds for the San Carlos and Half Moon Bay Airports

RECOMMENDATION:

Adopt a resolution the San Carlos and Half Moon Bay Airports to accept Coronavirus Aid, Relief, And Economic Security Act (CARES Act) grant funds offered by the United States of America through the Federal Aviation Administration (FAA) to help offset a decline in revenues arising from diminished airport operations and activities as a result of the Covid-19 public health emergency.

BACKGROUND:

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) included \$10 billion in funds to be awarded as economic relief to airports affected by the prevention of, preparation for, and response to the COVID-19 pandemic. \$100 million of CARES Act funds were reserved for general aviation airports. CARES Act funds are derived from the U.S. Treasury's General Fund and may be expended for any purpose for which airport revenues may be lawfully used. If CARES Act funds are used for operational expenses, the standard FAA Airport Sponsor Grant Assurances do not apply.

DISCUSSION:

The Airports Enterprise Fund derives a significant portion of its revenue from business rents and fees. In April 2020, San Carlos Airport businesses reported approximately 90 percent reductions in operations and revenue. To absorb the resulting reduction in revenue, the airports have delayed or cancelled upcoming projects and purchases. CARES Act funds will help the airports with operational expenses while business tenants including the Hiller Aviation Museum and Sky Kitchen Café slowly begin to reopen and operate in accordance with local and state health orders.

The CARES Act grant offers for San Carlos and Half Moon Bay Airports are \$69,000 and \$30,000, respectively.

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

FISCAL IMPACT:

CARES Act funds will help the airports offset decreased business revenues due to reduced operations and activities as a result of the COVID-19 public health emergency.

There is no impact to the General Fund.