

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 28-29, 2008

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Information Item

From: CINDY McKIM  
Chief Financial Officer

Prepared by: Gary Cathey  
Acting Chief  
Division of Aeronautics

Subject: **REVIEW OF THE RATE FOR STATE MATCHING OF FEDERAL AIRPORT  
IMPROVEMENT PROGRAM (AIP) GRANTS**

## **SUMMARY:**

The federal Airport Improvement Program (AIP) provides public use, publicly owned airports with 95 percent federal grants for airport improvement and maintenance projects. The California Department of Transportation (Department) assists the airport sponsors with the local match.

The California Transportation Commission's (Commission's) Technical Advisory Committee on Aeronautics (TACA) will review the Department's proposal to continue the State match rate at 2.5 percent for Fiscal Year (FY) 2008-09 on April 14, 2008. Staff will report on TACA's recommendation prior to bringing it and the attached draft resolution to the Commission for final approval and adoption at the June 25-26, 2008 meeting.

## **BACKGROUND:**

Public Utilities Code Section 21683.1(a) states that the Commission may, at its discretion, provide a portion of the local match for federal AIP grants. The Department proposes to continue the State match rate at 2.5 percent based upon recommendations from TACA and Commission staff. By continuing the AIP match rate at 2.5 percent, funds will become available over the course of FY 2008-09 to allow allocations for Acquisition and Development (A&D) projects for safety and pavement preservation. Without the lower AIP match rate, the Department will continue to have minimal funds to allocate for A&D projects.

The matching rate will be reviewed annually by the Commission in order to balance the needs of the State A&D Program and the level of anticipated AIP match funding levels.

Attachment