

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 28-29, 2008

Reference No.: 4.10
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Gary Cathey
Acting Chief
Division of Aeronautics

Subject: **PROPOSAL FOR A NEW SET-ASIDE RATIO FOR STATE FUNDED AIRPORT PROJECTS**

SUMMARY:

During the development of the 2007 Capital Improvement Plan, local agencies were encouraged to submit their Airport Land Use Compatibility Plan (ALUCP) projects for State funding. With the increasing demand for ALUCP funding, there is a need to change the State fund set-asides adopted by the California Transportation Commission (Commission).

The Division of Aeronautics (Division) presented three options for the 2008 Aeronautics Program (each with different set-aside percentages) to Commission's Technical Advisory Committee on Aeronautics (TACA) on March 26, 2008. TACA accepted the set-aside option recommended by the Division, which is 30 percent for ALUCPs, 30% for Non-National Plan of Integrated Airport Systems (NPIAS) airports, and 40 percent for NPIAS airports. The set-asides will be presented for adoption at the Commission's June 25-26, 2008 meeting. The increased percentage for ALUCP funding will result in limited State funds for airport construction and maintenance projects.

BACKGROUND:

In February 2004, the Commission approved the revised priority system for State-funded airport projects. The adopted set-asides for State funds are 15 percent for ALUCPs, 35 percent for Non-NPIAS airports, and 50 percent for NPIAS airports (refer to Tab 17, Item 4.6 from the Commission's February 25-26, 2004 meeting).