

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 26-27, 2003

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Information Item

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Ref: **ANNUAL REVIEW OF THE RATE FOR LOCAL GOVERNMENT MATCHING OF ACQUISITION AND DEVELOPMENT (A&D) GRANTS FOR AIRPORTS**

## **ISSUE:**

Under state requirements, the California Transportation Commission (Commission) is required to annually establish the rate at which local governments must match Acquisition and Development (A&D) grants from the Aeronautics Program.

## **RECOMMENDATION:**

The Department will present a resolution to adopt the matching rate for Fiscal Year 2003-2004 to the Commission at its April 2003 meeting. The Commission's Technical Advisory Committee on Aeronautics (TACA) will review this proposal and present a recommendation to the Commission.

## **BACKGROUND:**

State law (Public Utilities Code Section 21684) requires local sponsors to match A&D grants at a rate between 10 percent and 50 percent of the project cost. This law also requires the Commission to establish the matching rate annually.

In prior years, the Commission has established the matching rate at 10 percent. In 1995, the Commission stated its intentions to consider changing the matching rate only at the same time as its biennial adoption of the Aeronautics Program. The 2002 Aeronautics Program that the Commission adopted at the April 2002 meeting was developed using a 10 percent matching rate.