

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 19-0083

AUTHORIZATION TO ACCEPT AND EXPEND FEDERAL AVIATION ADMINISTRATION GRANT FUNDS FOR THE CONTINUATION AND EXPANSION OF THE NOISE INSULATION PROGRAM, IN THE AMOUNT OF \$15,600,000 PLUS ADDITIONAL AMOUNTS UP TO 15% OF THE ORIGINAL GRANT AMOUNT THAT MAY BE OFFERED, SUPERSEDING RESOLUTION NO. 18-0201

- WHEREAS, the continuation and expansion of the Noise Insulation Program (NIP) to be implemented at San Francisco International Airport (Airport) is eligible for federal assistance under the Federal Aviation Administration (FAA) Airport Improvement Program (AIP); and
- WHEREAS, the AIP provides for reimbursement of up to 80% of the allowable noise insulation related project costs; and
- WHEREAS, the Airport Director intends to file a grant application to seek federal assistance under the AIP in an estimated amount of \$15,600,000 for the continuation and expansion of the NIP; and
- WHEREAS, approval of the San Francisco Board of Supervisors is required to accept and expend grants of this type in the amount of \$100,000 or more, and the Airport has not yet received this approval; now, therefore, be it
- RESOLVED, that, upon receipt by the Airport of an AIP Grant Offer from the FAA for the continuation and expansion of the NIP, the Airport Commission authorizes the Airport Director to accept and expend the grant funds in an amount estimated to be, \$15,600,000 and any additional amounts up to 15% of the original grant amount that may be offered, during FFY 2019 or such later FFY as determined by the Director based on the project implementation schedule, and to execute the related grant agreement; and, be it further
- RESOLVED, that the Commission Secretary, for and on behalf of and in the name of the Airport Commission, is authorized and directed to seek the approval of the San Francisco Board of Supervisors to accept and expend the grant funds under Section 10.170-1 of the San Francisco Administrative Code; and, be it further
- RESOLVED, that this Resolution supersedes Resolution No. 18-0201.

I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of _____

APR 16 2019

Secretary



MEMORANDUM

April 16, 2019

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenhime
Hon. Malcolm Yeung

19-0083

APR 16 2019

FROM: Airport Director

SUBJECT: Authorization to Accept and Expend Federal Aviation Administration Grant Funds in the Amount of \$15,600,000 for the Continuation and Expansion of the Noise Insulation Program, Superseding Resolution No. 18-0201

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE ACCEPTANCE AND EXPENDITURE OF FEDERAL AVIATION ADMINISTRATION GRANT FUNDS FOR THE CONTINUATION AND EXPANSION OF THE NOISE INSULATION PROGRAM, IN THE AMOUNT OF \$15,600,000 PLUS ADDITIONAL AMOUNTS UP TO 15% OF THE ORIGINAL GRANT AMOUNT THAT MAY BE OFFERED, SUPERSEDING RESOLUTION NO. 18-0201.

Executive Summary

In Federal Fiscal Year (FFY) 2019, San Francisco International Airport (Airport) anticipates receiving Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant funds for certain eligible projects. The proposed Resolution authorizes the acceptance and expenditure of AIP grant funds for the continuation and expansion of the Airport's Noise Insulation Program (NIP) in the amount of \$15,600,000 plus any additional amounts offered by the FAA, not to exceed 15% of the original grant amount. If approved, the attached Resolution with the most recent grant estimate agreed to with the FAA will supersede Resolution No. 18-0201, which used an earlier grant estimate provided by the FAA.

Background

The Airport has managed the NIP since 2008 and has made significant efforts to minimize the impact of aircraft noise in neighboring communities. Current NIP work involves insulation of homes that were not treated in previous phases.

THIS PRINT COVERS CALENDAR ITEM NO. 2

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR LARRY MAZZOLA PRESIDENT LINDA S. CRAYTON VICE PRESIDENT ELEANOR JOHNS RICHARD J. GUGGENHIME MALCOLM YEUNG IVAR C. SATERO AIRPORT DIRECTOR

On October 3, 2017, by Resolution No. 17-0240, the Commission approved the implementation of the Replacement and Second Chance Initiative. This initiative provides for the replacement of failed noise insulation of properties (Replacement Initiative); and the acoustic treatment of properties not previously insulated because owners did not participate in the NIP (Second Chance Initiative). Replacement of failed noise insulation will be funded through the Airport's Operating Budget. Approximately 80% of the Second Chance Initiative will be funded by FAA grant funds.

On July 10, 2018, by Resolution No. 18-0201, the Commission authorized the acceptance and expenditure of FFY 2018 FAA grant funds in the amount of \$20,000,000 which at the time the FAA estimated would be available. Since then, staff has been in discussions and reviews with the FAA regarding the potential scope and programming of homes to insulate, given the number of applications that have been received and will be processed. Staff and the FAA have agreed that \$15,600,000 is a more realistic estimate of the funds that can be expended during the four-year period of the grant. Subsequent phases of the program would be planned with future grants.

Scope of Work

Under the NIP, properties are considered if they are located within the minimum thresholds (defined as 65 decibels Community Noise Equivalent Level) on the Noise Exposure Map or are part of contiguous neighborhoods partially within this area.

Staff has identified approximately 300 potential properties that could be eligible for noise insulation work. For planning purposes, Staff is assuming approximately 150 to 180 of these 300 properties will actually be insulated through 2023. The scope includes outreach and analysis to confirm each property's eligibility, acoustical testing, and design and construction of noise insulation improvements.

If approved by the Commission and if offered grant funding by the FAA, the Airport will seek the approval of the San Francisco Board of Supervisors (Board) to accept and expend the grant. Board approval is required for grants exceeding \$100,000 under Section 10.170-1 of the San Francisco Administrative Code.

Recommendation

I recommend the Commission adopt the attached Resolution authorizing the acceptance and expenditure of FAA AIP grant funds for the continuation and expansion of the Airport's NIP in an amount of \$15,600,000, and any additional amounts up to 15% of the original grant amount that may be offered. Staff will return to the Commission if the resulting grant offer exceeds 15% of the original grant amount. I further recommend that the Commission authorize the Commission Secretary to seek approval from the Board to accept and expend the grant.


Ivar C. Satero
Airport Director

Prepared by: Leo Fermin
Chief Business and Finance Officer