

AMENDED IN COMMITTEE
6/3/2020

FILE NO. 200376

RESOLUTION NO. 241-20

1 [Accept and Expend Grants - Federal Aviation Administration - Noise Insulation Program
2 Grant - Not to Exceed \$7,777,039]

3 **Resolution retroactively authorizing the Airport Commission to accept and expend**
4 **grants in an amount not to exceed \$7,777,039, and any additional amounts up to 15% of**
5 **the original grant, that may be offered from the Federal Aviation Administration for the**
6 **continuation and expansion of the Noise Insulation Program, contingent on receipt by**
7 **the Airport Commission of one or more grant offers from the Federal Aviation**
8 **Administration for the period of October 1, 2019 through September 30, 2024**

9
10 WHEREAS, The continuation and expansion of the Noise Insulation Program (“NIP”) to
11 be implemented at San Francisco International Airport (the “Airport”) is eligible for federal
12 grant assistance under the Federal Aviation Administration (“FAA”) Airport Improvement
13 Program (“AIP”); and

14 WHEREAS, The San Francisco Airport Commission (the “Airport Commission”) manages the NIP, which provides noise insulation to eligible properties located within the
15 minimum noise thresholds (defined as 65 decibels Community Noise Equivalent Level) on the
16 Airport Noise Exposure Map or part of contiguous neighborhoods partially within this area;
17 and
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19 WHEREAS, On October 3, 2017, by Resolution No. 17-0240, the Commission
20 approved the implementation of the Replacement and Second Chance Acoustic Treatment
21 Initiative, which provides for (1) the acoustic treatment of properties not previously insulated
22 because owners did not participate in the NIP, which is eligible for AIP grant funding, and
23 (2) the replacement of failed noise insulation of properties previously insulated under the NIP
24 using funds from the Airport’s operating budget, which is not eligible for AIP grant funding; and
25

1 WHEREAS, The Airport Director has filed a grant application to seek federal grant
2 assistance under the AIP during federal fiscal year 2019/20 in an estimated amount of
3 \$7,777,039 for the continuation and expansion of the NIP; and

4 WHEREAS, On March 17, 2020, pursuant to Resolution No. 20-0054, the Airport
5 Commission approved the acceptance and expenditure of such grant funds; and

6 WHEREAS, Under Administrative Code Section 10.170-1, the acceptance and
7 expenditure of federal, state, or other grant funds in the amount of \$100,000 or more is
8 subject to the approval by resolution of the Board of Supervisors; and

9 WHEREAS, The onset of COVID-19, a new coronavirus causing severe upper
10 respiratory illness, has resulted in a substantial decrease in passenger levels and revenues at
11 the Airport in Fiscal Year 2019-2020; and

12 WHEREAS, The federal Coronavirus Aid, Relief and Economic Security (CARES) Act
13 was enacted on March 27, 2020 to provide financial relief to various governmental and
14 corporate entities, including airports; and

15 WHEREAS, The FAA will award and administer the CARES Act funding for airports,
16 which includes additional grant funding to increase in the federal share for AIP and
17 supplemental discretionary grants for federal fiscal year 2020 to 100 percent (the
18 “Supplemental Grant Funding”); and

19 WHEREAS, As a condition to receipt of CARES Act funding, the City must continue to
20 employ, through December 31, 2020, at least 90 percent of the number of individuals
21 employed (after making adjustments for retirements or voluntary employee separations) at the
22 Airport as of March 27, 2020, the date of enactment of the CARES Act; and

23 WHEREAS, The AIP provides for reimbursement of up to 80% of the allowable noise
24 insulation related project costs, and the CARES Act Supplemental Grant Funding provides for
25 reimbursement of the remaining 20% of the allowable costs; and

1 WHEREAS, Under 49 U.S. Code § 47115(f), the FAA may, in its discretion, reduce
2 discretionary AIP grant funding to the extent that the Airport's Annual Service Payment to the
3 City has grown at a rate that exceeds inflation; and

4 WHEREAS, FAA has stated it plans to reduce discretionary AIP grant funding by
5 \$5,000,000 for the continuation and expansion of the NIP, thereby requiring the Airport to fund
6 \$5,000,000 of NIP costs that would otherwise be eligible for AIP grant funding; and

7 WHEREAS, The \$12,777,039 total cost of the continuation and expansion of the NIP is
8 expected to be funded by \$5,000,000 of Airport funding, \$5,221,631 of AIP grant funding, and
9 \$2,555,408 of Supplemental Grant Funding; and

10 WHEREAS, On May 8, 2020, pursuant to Resolution No. 20-0078, the Airport
11 Commission approved the acceptance and expenditure of AIP grant funds and Supplemental
12 Grant Funding for the continuation and expansion of the NIP, superseding Airport
13 Commission Resolution No. 20-0054; and

14 WHEREAS, Acceptance and expenditure of this grant does not require an Annual
15 Salary Ordinance amendment; and

16 WHEREAS, The Airport Commission proposes to maximize use of available grant
17 funds on program expenditures by not including indirect costs in the grant budget; now,
18 therefore, be it

19 RESOLVED, That the Airport Commission is hereby authorized to accept and expend
20 an FAA AIP grant and Supplemental Grant Funding in a combined amount not to exceed
21 \$7,777,039, and any additional amounts up to 15% of the original grant amount, that may be
22 offered by the FAA; and, be it

23 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
24 indirect costs in the grant budget; and, be it

1 FURTHER RESOLVED, That the Airport Commission is hereby authorized to accept
2 and expend the grant funds pursuant to Administrative Code, Section 10.170-1; and, be it

3 FURTHER RESOLVED, That the Airport Director is authorized to enter into one or
4 more grant agreements with the FAA on behalf of the City for acceptance of the grant funds
5 authorized by this Resolution; and, be it

6 FURTHER RESOLVED, That the authorizations contained in this Resolution are
7 contingent on receipt by the Airport Commission of one or more grant offers from FAA
8 consistent with this Resolution; and, be it

9 FURTHER RESOLVED, That within thirty (30) days of each such grant agreement
10 being fully executed by all parties, the Airport Commission shall provide a copy to the Clerk of
11 the Board of Supervisors for inclusion in the official file.

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Recommended:

_____/S/_____
Department Head

Department Head

Approved: _____/S/_____

Mayor

Approved: _____/S/_____

Controller



City and County of San Francisco

Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 200376

Date Passed: June 09, 2020

Resolution retroactively authorizing the Airport Commission to accept and expend grants in an amount not to exceed \$7,777,039 and any additional amounts up to 15% of the original grant, that may be offered from the Federal Aviation Administration for the continuation and expansion of the Noise Insulation Program, contingent on receipt by the Airport Commission of one or more grant offers from the Federal Aviation Administration for the period of October 1, 2019, through September 30, 2024.

June 03, 2020 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

June 03, 2020 Budget and Finance Committee - RECOMMENDED AS AMENDED

June 09, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 200376

I hereby certify that the foregoing Resolution was ADOPTED on 6/9/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

6/12/20

Date Approved