

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO SUBMIT AN AMENDMENT TO THE FEDERAL AVIATION ADMINISTRATION (FAA) TO INCREASE THE CITY'S AUTHORITY TO IMPOSE AND USE PASSENGER FACILITY CHARGES (PFCs) FOR THE TERMINAL B – NORTH CONCOURSE PROJECT IN THE AMOUNT OF \$38,696,000

WHEREAS, the City of San José (“City”) owns and operates the Norman Y. Mineta San José International Airport (“Airport”); and

WHEREAS, the Aviation Safety and Capacity Expansion Act of 1990 authorizes the Federal Aviation Administration (FAA) to grant airport operators the authority to fund eligible airport capital projects with Passenger Facility Charges (PFCs); and

WHEREAS, airports must apply to the FAA for approval before imposing or using PFCs and meet all requirements included in the PFC legislation and regulations; and

WHEREAS, PFC regulations allow for flexibility to amend PFC applications at a later date to reflect actual circumstances; and

WHEREAS, to date, the Airport has FAA approval to impose and use a total of \$919,182,836 in PFC revenue for certain eligible Airport capital projects through the legal expiration date of January 1, 2030; and

WHEREAS, in June 2006, the City adopted Resolution No. 73251, which authorized staff to, among other things, submit an application to the FAA to impose and use PFCs for the Terminal B – North Concourse Project (“Project”) in the amount of \$495,095,000; and

WHEREAS, in June 2007, the City received FAA approval to impose and use PFCs for the Project in the amount of \$495,095,000 at the collection level of \$4.50 per enplaned passenger; and

WHEREAS, in June 2008, as part of its budget process, City Council appropriated \$38,696,000 of additional PFC funds for this Project, however an amendment to the PFC application was not submitted to the FAA at that time; and

WHEREAS, the City desires to authorize the City Manager to submit an amendment to the FAA to increase the City's authority to impose and use PFCs for the Terminal B – North Concourse Project in the amount of \$38,696,000, resulting in a total of \$533,791,000 for the Project and a total of \$957,878,836 for the Airport's PFC Program;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager is hereby authorized to submit an amendment to the FAA to increase the City's authority to impose and use PFCs for the Terminal B – North Concourse Project in the amount of \$38,696,000.

ADOPTED this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk