

County of Santa Clara

Roads & Airports Department

Airports Division



RA05 081208

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DATE: August 12, 2008

TO: Board of Supervisors

FROM: *M. J. Murdter*
Michael Murdter
Director, Roads & Airports Department

SUBJECT: Reid-Hillview Airport Grant History

RECOMMENDED ACTION

Accept report relating to grants accepted from the Federal Aviation Administration (FAA) for acquisition and development of Reid-Hillview Airport.

FISCAL IMPLICATIONS

None.

BACKGROUND

At its March 18, 2008 meeting the Board referred action to staff for a report back relating to the legal issues surrounding the possible re-use of Reid-Hillview Airport. County Counsel has prepared the legal analysis. This companion report relates to the grant history of the airport. The attached spreadsheet shows all FAA grants received by the County for land purchase and capital improvements at Reid-Hillview since the County took over the airport in the early 1960s. The total FAA investment in Reid-Hillview Airport from 1962 to present is approximately \$9.1 million. The spreadsheet also shows the amortization of construction grants that are still within the 20 -year grant assurances window; the estimated total current value of these grants is just under \$4 million.

The attached synopsis of the history of the airport's growth shows the acquisition history of the numerous parcels of private property that constitute the current airport. The County purchased the airport from the Reid family in 1961 for approximately \$600,000 and then leased it back to them for several years until the County had the staff to manage the airport itself. The County then proceeded to purchase a number of private property parcels to allow for the expansion of the airport. These parcels were later consolidated as shown on the attached property map for the administrative purposes of obtaining retroactive FAA grant funding for the acquisitions, but incomplete records make it difficult to determine the identity of the original parcels comprising each of the consolidated parcels.

The FAA's precise financial participation in the original land purchases at Reid-Hillview is difficult to determine because two of the four grants received for property acquisition between 1962 and 1971 also included funding for airport development. In addition, all four of the property grants refer to only the consolidated parcel numbers mentioned above and do not list the individual parcels that comprise each. Nevertheless, it may be that the FAA participated financially, to some extent, in the purchase of all of the parcels and from the available records the overall FAA funding contribution was approximately 50%.

CONSEQUENCES OF NEGATIVE ACTION

None. The subject report is for information only.

ATTACHMENTS

- Map of Reid-Hillview Airport Property Parcels
- Reid-Hillview History Summary
- Reid-Hillview Airport Grant Summary 1962-present