




**City of Santa Barbara**  
Airport Department

**DATE:** October 15, 2020  
**TO:** Airport Commission Budget Subcommittee  
**FROM:** Henry Thompson, Airport Director   
**SUBJECT:** Capital Improvement Program (CIP) for Fiscal Years 2022-2026

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**RECOMMENDATION:**

That Budget Subcommittee receive and comment on the Fiscal Year 2022-2026 Draft Airport Capital Improvement Program.

**DISCUSSION:**

Background

Section 604 of the Charter of the City of Santa Barbara requires Staff to file a five-year Capital Improvement Program with the City Council at least three months before Council considers the annual budget. The Charter requirement is a clear policy statement that long-range capital planning is an important function of City government. The Capital Improvement Program is not a budget document itself, and acceptance of the Plan does not appropriate funds for any project. Instead, it is a long-term planning document which lists the Airport's capital needs and recommended funding sources.

The first two years of the CIP are the basis for the next two year budget, and the remaining three years are projections for planning purposes. As the lead time for major capital projects to apply for funding and to complete design, permitting, and environmental review can be several years, it is useful to have a long-range plan to budget funds, staff time, and resources.

For the purposes of the City's CIP, a capital project is defined as a project with a value of \$25,000 or more or a project with a life expectancy of more than five years. The CIP includes unfunded capital projects so that the City can prioritize projects in the event that additional funding is available (e.g. grants). Staff has revised the CIP structure to include an "unscheduled" category to provide a more accurate reflection of projects that have been identified as future needs but have not been programmed or budgeted.

## Draft Capital Improvement Program

Airport staff have developed a draft CIP in an environment of uncertainty brought on by the continuing negative impacts of COVID-19 to the airport industry. With current conditions in mind, projections are being made based upon available information today and employing a very conservative approach in projecting available funding levels during this CIP period. Ultimately airport industry recovery will drive the Airport Department's proposed \$45 million Capital Improvement Program which includes projects that improve the Airport's infrastructure and lease facilities, the construction of new lease facilities, and the repair and restoration of aging infrastructure.

The Capital Improvement Program includes projects that are funded by Federal Aviation Administration (FAA) Airport Improvement Program grants and projects that are funded entirely with Airport Capital Funds. Each year the Airport Department submits an Airport Capital Improvement Plan (ACIP) to the FAA and the California Department of Transportation (Caltrans) Aeronautics Division. Rather than present federal, state, and local programs separately, all have been included in the Capital Improvement Program for a comprehensive plan of capital projects for the next six years.