

96-80

DEPARTMENT: Public Works

By: Michael Edwards
Public Works Director

966-5356

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes___ No_X)

Resolution Approving Application for State Loan Funds for Installation of Approximately Ten County Hangars at Mariposa-Yosemite Airport and Directing Staff to:

1. Take \$270 (two months' rent) deposits on up to 15 "T-type" hangars (to allow for drop-outs)
2. Apply for up to \$125,000 in State Loan Funds for installation of hangars. (ATTACHMENT 2)
3. Develop formal bid specifications for up to ten "T-type" hangars to be placed upon County apron.
4. Return with periodic progress reports on the project.

The Airport Advisory Committee supports construction of up to ten County hangars to be offered for rent.

These hangars are proposed to be offered first to planes located on the reserved tiedown and on the existing waiting list who have shown interest (ATTACHMENT 1). There are additional pilots located elsewhere at the airport who want hangars (currently on transient spaces or other hangars) as well as off-airport aircraft owners who have expressed interest. The intent of this proposal is to NOT displace any aircraft renting a reserved space. The existing waiting list and status of each is shown on the attached list. At least six transient spaces, including large airplane spaces, will remain available until the apron expansion project is completed.

This project should be pursued because:

1. There is a demand for hangar space at the airport. Pilots are willing to spend money to put their aircraft out of the weather.
2. A part of the apron is over 20 years of age, which means the FAA assurances no longer apply, and the County can construct hangars.
3. A hangar project on existing apron is financially viable because the County can recoup the cost of construction from a market-based rental charge. (This was not true of hangars on the unimproved area to the west where substantial grading and other site improvements are required).
4. The hangars will provide a long-term income to the airport operation. In 12 years, all of the rental income would come back to the County to provide an annual income of about \$13,000 above the future tiedown fees.

Staff recommends use of State Division of Aeronautics loan funds for this purpose. The hangar project would cost approximately \$125,000. This would include up to 10 hangars, each rented for \$135 per month. A loan for 12 years at 6.5% would cost \$15,300 and generate about \$16,200 annually.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board approved construction of private hangars on unimproved ground at the airport in 1991. A County hangar project on the County apron has been discussed at previous Board meetings regarding airport management. On December 5, 1995, the Board directed staff to proceed with developing this project and return with the loan application.

