

# 2023 Airport Rates and Fees Schedule

- A motion to adopt a resolution approving the revised Salinas Municipal Airport Rates and Fees Schedule.

# 2023 Airport Rates and Fees Schedule

## *Background*

- City of Salinas Resolution No. 19296, the Airport Rates and Fees shall be increased annually as recommended by City Staff
- Airport Enterprise Fund.
  - Generate revenues to offset costs of operating, maintaining, and improving the airport.
  - Operate the airport cost efficiently so as not to burden the general fund.
- Airport Commission unanimously recommended approval.
  - March 2023



# 2023 Airport Rates and Fees Schedule *Process*

- Prepare Market Fee Study and Review Hangar Waitlist
- Review Airport Budget and Capital Program
- Review Consumer Price Index (CPI) Data
- Attend and report on Rates and Fees at airport associations or committees.
- Airport Commission Review and Recommendation
- Publish Revised Rates and Fees Schedule tenants and businesses



# 2023 Airport Rates and Fees Schedule *Schedule/Timing*

- Pilot Association & Airport Committee Update
- Airport Commission Presentation

Airport Commission  
Recommendation

August 1, New Rates  
Effective

December

FEBRUARY

JUNE

JANUARY

MARCH

AUGUST

Airport Commission  
presentation

- Pilot Association & Airport Committee Update
- Notify Tenants

- City Council Approval
- Publish New Rates and Fees Schedule



# 2023 Airport Rates and Fees Schedule

## *Consumer Price Index Evaluation (CPI)*

- Last adjustment made in August 2021
- Chapter 11B of the Salinas City Code calls for adjustments based by the CPI - All Urban Consumers for the San Francisco, Oakland, and San Jose areas.
- CPI evaluation Period: February 2021 – December 2022
  - 304.387 (Feb '21) – 331.222 (Dec '21) = 8.82%



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## Market Rent Study

### Airport Hangar Market Study

	Box				T-HANGAR (Newer)				T-HANGAR (Old)				CORPORATE			
Airport/rate year	Unit ID	Sq/ft	Rent	Cost P/Sq'ft	Unit ID	Sq/ft	Rent	Cost P/Sq'ft	Unit ID	Sq/ft	Rent	Cost P/Sq'ft	Unit ID	Sq/ft	Rent	Cost P/Sq'ft
Salinas (Current Rate)	N	1800	\$520.00	\$0.29	K	1,066	\$261.00	0.24	M	1,008	\$219.00	\$0.22	R (2-5)	3,660	\$1,522.00	0.42
Salinas (Proposed)	N	1800	\$566.00	\$0.31	K	1,066	\$284.00	0.27	M	1,008	\$238.00	\$0.24	R (2-5)	3,660	\$1,656.00	0.45
Hayward (21)	Sm. Exec.	2401	\$982.00	\$0.41	Large T	1,288	\$566.00	0.44	Stnd T	1058	\$455.00	\$0.43	Large Exec	3,600	\$1,483.00	0.41
Hollister (22)	Executive 1	2500	\$2,389.28	\$0.96	T Large	1,400	\$623.87	0.45	Sntd T	1000	\$438.55	\$0.44	Executive 2	3600	\$3,122.56	0.87
Livermore (22)	Rect. 45x40	1800	\$717.00	\$0.40	Large T	1,234	\$542.00	0.44	Med T	980	\$441.00	\$0.45	Large Exec	3,600	\$1,897.00	0.53
Reid Hill View (20)	H-4	1764	\$1,102.50	\$0.63	J-4	1,073	\$636.50	0.59	I-35	784	\$465.50	\$0.59	H-1	3,000	\$1,923.00	0.64
San Martin (20)	G-10	2029	\$1,578.50	\$0.78	G-3	1,113	\$797.00	0.72	H-3	915	\$655.00	\$0.72	G-8	2,973	\$2,494.50	0.84
Paso Robles (22)	C1	2500	\$600.00	\$0.24	126	1,400	\$475.00	0.34	121	1,200	\$425.00	\$0.35	D2	3,000	\$1,800.00	0.60
Watsonville (21)	M/L	2200	\$890.00	\$0.40	K	1,000	\$395.00	0.40	A-E	937.5	\$305.00	\$0.33	Corp	3,300	\$1,700.00	0.52
Highest Cost	Hollister	2500	\$2,389.28	\$0.96	San Martin	1,113	\$797.00	\$0.72	San Martin	915	\$655.00	\$0.72	Hollister	3,600	\$3,122.56	\$0.87
Average			\$1,103.16	\$0.52			\$539.92	\$0.45			\$427.88	\$0.44			\$2,009.51	\$0.61
Lowest Cost	Salinas	1800	\$520.00	\$0.29	Salinas	1,066	\$261.00	\$0.24	Salinas	1008	\$219.00	\$0.22	Hayward	3,600	\$1,483.00	0.41





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## *CPI +Market Comparisons*

- Hangars Rows A, B, C, D, and E adjusted by an additional 4% to align with market comparables.
- Hangar Row P adjusted to \$150 monthly to align with market comparables.
- Hangar Row G adjusted to \$90 monthly to align with market comparables.
- Monthly Tie Downs are being adjusted to \$70 monthly to align with market comparables.



# 2023 Airport Rates and Fees Schedule

- This action complements the City Council's Goals for Investment Strategies and Operational Efficiencies.
- It is recommended City Council adopt a resolution approving the revised Salinas Municipal Airport Rates and Fees Schedule.

