

Regional Airport Planning Committee Meeting Notice

9:30 A.M. – Noon
Friday, April 1, 2011
MetroCenter Auditorium
101 8th Street
Oakland, CA 94607

COMMITTEE MEMBERS

Chair:

Vacant, MTC

Vice Chair:

Tom Bates, BCDC

Members:

Jose Cisneros, City/Co. San Francisco

Alice Fredericks, Marin County

Geoffrey Gibbs, BCDC

Jake Mackenzie, MTC

Cary Greene, SJG

Elisha Novak, FAA

Sam Liccardo, MTC

James Spering, MTC

Carole Groom, BAAQMD

John Gioia, Contra Costa County

John Martin, SFO

Kristi McKenney, OAK

Leander Hauri, General Aviation

Sam Salmon, ABAG

Sean Randolph, BCDC

Terry Barrie, Caltrans

Mark Luce, ABAG

Richard Garbarino, ABAG

Roger Dickinson, Sacramento County

Carl Miller, Monterey County

Leroy Omellas, San Joaquin County

Alternates:

G. Hardy Acree, Sacramento County

Susan Palmeri, San Joaquin County

Tom Greer, Monterey County

John Bergener, SFO

Staff liaisons:

Lindy Lowe, BCDC

Doug Kimsey, MTC

Danielle Hutchings, ABAG

Agenda

1. Call to Order

2. Public Comment Period (*Each speaker is limited to three minutes*)

A maximum of 15 minutes is available for the public to address the Committee on any matter on which the Committee either has not held a public hearing or is not scheduled for a public hearing later in the meeting. Speakers will be heard in the order of sign-up, and each speaker is generally limited to a maximum of three minutes. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Committee members for review. The Committee may provide more time to each speaker and can extend the public comment period beyond the normal 15-minute maximum if the Committee believes that it is necessary to allow a reasonable opportunity to hear from all members of the public who want to testify. No Committee action can be taken on any matter raised during the public comment period other than to schedule the matter for a future agenda or refer the matter to the staff for investigation unless the matter is scheduled for action by the Committee later in the meeting.

3. Approval of Minutes of January 28, 2011 Meeting

4. Interim Chairperson

The RAPC Chair position rotated to MTC in April 2010 per RAPC's Memorandum of Understanding. The incumbent has retired from MTC. Jim Spering has agreed to serve as Chairperson for the remaining 1 year. (Doug Kimsey and Lindy Lowe)

5. Institutional Arrangements Analysis Part 2

The staff analysis on institutional arrangements will be presented in two parts. The first part, presented at the October 2010 RAPC

meeting, reviewed institutional and implementation issues associated with the study goals and the various strategies that have been evaluated to date for serving long range Bay Area aviation demand. The second part of the analysis, to be presented at this meeting, will take a larger look at institutional strengths and weaknesses associated with the current regional airport planning process in the Bay Area and review potential alternative institutional opportunities. (Chris Brittle and Lindy Lowe)

6. Final Round of Public Workshops in March.

The final three public workshops for the Regional Airport Study were held on March 22, 23 and 24 in South San Francisco, Oakland and San Jose. RAPC staff and consultants presented the draft recommendation on the Vision and Implementation Analysis and received public input. The staff will highlight major comments from these meetings and discuss potential implications for revising some of the Study's initial Recommendations. (Chris Brittle and Lindy Lowe)

7. New Business

The next RAPC meeting will be held on April 22, 2011. The staff will present a final recommendation on the Vision and Implementation Analysis for the Committee's review and comment.

8. Old Business

9. Adjournment

All items on the agenda are subject to action by the Committee. Actions suggested by staff are subject to change by the Committee.

Speaker Sign-Up and Time Limits. The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary or chair. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Access to Meetings. Meeting facilities are accessible to persons with disabilities. If you require special assistance, please contact any staff member prior to the meeting. An interpreter for the deaf will also be made available upon request to the staff at least five days prior to the meeting.

Bagley-Keene Open Meeting Act. The Committee is governed by the Bagley-Keene Open Meeting Act which requires the Committee to: (1) publish an agenda at least ten days in advance of any meeting; (2) describe specifically in that agenda the items to be transacted or discussed; and (3) refuse to add an item subsequent to the published agenda. In addition to these general requirements, the Bagley-Keene Act includes other specific provisions about how meetings are to be announced and conducted.

Record of Meeting. RAPC meetings are tape-recorded. Copies of recordings are available at nominal charge, or recordings may be listened to at MTC offices by appointment. Audio casts are maintained on MTC's Web site for public review for at least one month.

Regional Airport Planning Committee Meeting Minutes

9:30 A.M. – Noon
Friday, January 28, 2011
MetroCenter Auditorium
101 8th Street
Oakland, CA 94607

1. Call to Order

Chairman Chu called the meeting to order at 9:40 a.m. RAPC members and other alternates in attendance: Bates, Dickinson, Gioia, Greene, Luce, Martin, McKenney, Novak, Randolph, and Spering.

2. Public Comment

There was no public comment.

3. Minutes

Mr. Bates motioned approval of the minutes with a minor correction changing “Vice Chair Chu” to “Chair Chu”. Mr. Spering seconded. Motion passed unanimously.

4. Demand Management Strategies for SFO

Mr. Scott Lewis, Anderson & Kreiger, made a PowerPoint presentation on airport Demand Management approaches within the current regulatory and legal context. He summarized the various issues associated with demand management, what it means, how it works, and some of the legal constraints.

He stated that there is clearly a need for local demand management to bring the demand for airport facilities into better alignment with airport capacity.

He commented on the role and authority of local airport proprietors relative to the Airline Deregulation Act, grant assurances required under federal airport aid programs, airline contractual agreements, and the rights of airports as a proprietor. He noted that local airport proprietors are heavily regulated by the federal government; for example, the Airport Noise and Capacity Act, limits the an airport’s ability to restrict airline access to an airport and restrict use of aircraft by airlines based on the noisiness of the aircraft.

Committee comment:

- Because there is three independently operated airports, with their own local economic interests, how do you overcome this type of challenge if you want to coordinate service development at the individual airports? Response: It’s not inconceivable that all three airports are better off with a coordinated result that redistributes some flights

around the region. The question is how to define it and how to implement it.

- Is there a perimeter rule in affect for Reagan National Airport?
Response: Yes, that's a federally imposed statutory rule.
- The coordination of all three airports will not occur unless there is some kind of legislation that would be required at the federal level?
Response: Yes, it could be federal legislation.
- Why do the airlines feel that they are not part of that problem?
Response: This is an observation of how their decision-making works. For example, in 2000 when the slot rule was suddenly lifted at LaGuardia Airport, the airlines attempted to put into that airport twice as many flights as the airport could possibly absorb. They were doing this for reasons that had a lot to do with their own competitive strategies and shows their decision-making tends to be very short-term, and very motivated by the bottom line.
- Looking at some of the regional authorities around the country, it doesn't seem that they have been very successful at moving demand around. Response: The Van Nuys situation has been successful – the Los Angeles World Airports (LAWA) actually pays for the deficit at Van Nuys Airport which off loads corporate general aviation traffic from LAX. LAWA can do that because both airports are owned by the City of Los Angeles.
- San Francisco made a tremendous effort to entice Virgin America to come to SFO, Southwest, then abandoned OAK to compete at SFO, followed by JetBlue. This creates a battle among low cost airlines that is congesting SFO; eventually one or more of them may succumb to the competition. So it's a rationale competition strategy for the short term, but may not be rationale in the long-term.
- Expand on the influence of airport delays and how that might affect behavior and demand. Response: Delay, if it becomes increasingly severe at SFO, at some point will likely force the airlines to move some flights to other airports. The problem is that the airlines' tolerance for delay is much higher then the public's tolerance for delay and extremely higher then the planner's tolerance.
- How does the role of a hub system affect the interplay between airports and airlines? Response: The hub system makes it much more difficult for the demand management techniques to work because those feeder flights are worth far more in revenue to the airlines than any penalties demand management might impose on feeder flights.
- The regional authority approach, while not be perfect, seems to improve the situation from what it would have been had their not been one. Response: If all that mattered was the problem of congestion delay, would the three airports be better served by being part of a unified system? Probably "Yes".

5. **Draft Vision and Implementation Analysis**

Mr. Chris Brittle summarized the Draft Vision and Implementation Analysis and focused on the staff recommendations. Mr. David Hollander from SH&E participated by phone, and Mr. Geoff Gosling was also present during the presentation.

Mr. Brittle stated that the report is the culminating product from the study, which contains all the technical work, recommendations for moving forward, and discusses the work scope that staff recommends to be pursued. He noted that prior to putting the recommendations together, RAPC staff interviewed the airports and consulted with SH&E. The report will be used for upcoming workshops.

The topics covered in the report are: 1) Study Vision and Goals, 2) Forecasts of Future Demand; 3) Runway Capacity and Delays; 4) Airport System Scenarios Evaluated; 5) Results of Goals Analysis; 6) Issues and Recommendations; and 6) Future Work Scope

He stated that the Vision component is essentially the Goals for the study: that Bay Area air passengers will have a choice of more flights (or trains) at more airports; there will be fewer weather-related flight delays; airport noise impacts on the regional population will be minimized; adverse air quality and climate change impacts will be minimized; surface travel to airports will take less time; and the airport system will support regional economic expansion.

Mr. Brittle reviewed the latest scenarios evaluated and indicated that Combined Scenarios A and B performed the best in relation to all the goals. Scenario C, a conceptual strategy for serving the high demand forecast combining all the strategies tested was not evaluated in detail but could achieve acceptable delays. He then reviewed the annual average delay results for SFO under Combined Scenarios A and B and discussed the projected increase in 2035 in the population exposed to noise of 65 CNEL or greater around SFO.

Mr. Brittle summarized the recommendations and noted that they are organized around the major issues that have been discussed during the course of the study. They are also consistent with RAPC's advisory role, and the recommendations anticipate some changes to RAPC as discussed in Part 2 of the Institutional Analysis (the next Agenda item).

Committee Comment:

- In 2007 there was a 5.7 minute delay in San Francisco. It seems that the delays at SFO are significantly more now than in 2001. What affect would the comparable number be now? Response: Mr. Bergener (SFO) said that in 2010 the comparable number would probably be

around 6 – 6.5 minutes. This includes all operations including the vast majority that are on time during good weather as well as the ones that are delayed when it's foggy. With fog conditions, like today, delays might be around an hour. He noted that the on-time performance for San Francisco is the lowest of the top 20 airports this year.

- The 2020 World Expo may be coming to Moffett Field. If this happens, it is estimated that there might be approximately 25 million visitors to the site over a 6-month period, of which 8-9 million will be coming mostly by air from outside the Bay Area. Keep this in mind when looking at runway capacity issues in the future as well as the availability of the Moffett airfield in the future.
- The recommendation on Moffett should not be limited to just it's future potential as a general aviation airport. With two long runways, it can handle commercial aircraft suitable for air cargo.
- Staff needs to look at how we can effectively have some kind of regional entity that operates the three airports, showing the advantages, disadvantages, and implementation obstacles.
- One of the keys to dealing with air traffic congestion will be getting the FAA's NextGen air traffic management system implemented in the Bay Area.

Public Comment:

- Mr. McCarthy, USAF Retired, suggested that any planning notions addressing civilian air passenger or cargo use of Travis Air Force Base be carefully thought out before spending time on this concept. Staff needs to look at why these military facilities are serving their current role and the importance of this mission.

6. Institutional Arrangements Analysis Part 2

Due to the interest of time, this item was deferred to a later meeting in February/March 2011.

7. Final Round of Public Workshops in March

Ms. Lindy Lowe stated that the workshops are scheduled for March 22 in South San Francisco, March 23 at Oakland/MTC, and March 24 at San Jose City Hall. She welcomed any suggestions the committee may have in regards to the workshops.

Committee Comment:

- Is there any way of getting the information displayed at the airports?
Response: Yes, it can be distributed to all the stakeholder lists, the noise forum list and noticed at the airports.

Public Comment:

- Mr. McCarthy stated that there is a mutual interest and impact between general aviation and commercial carrier airports. Sea-level rise and crisis management interests will force the need to look at this issue.

8. New Business

None.

9. Old Business

None.

10. Adjournment

The meeting was adjourned at 11:45 a.m.



Regional Airport Planning Committee

March 22, 2011

TO: Regional Airport Planning Committee

FROM: Staff of the Regional Airport Planning Committee

SUBJECT: Interim Chairperson

The current MOU specifies that a Chairperson shall be elected from among those members representing the parties to this MOU and shall serve a 2-year term unless their term is terminated by their respective appointing agency. Dean Chu, who had served 1 year of his 2 years as Chairperson, has retired from MTC. Jim Spering has agreed to serve out Mr. Chu's remaining 1 year term as Chairperson on behalf of MTC.

The MOU also specifies that the Chair and Vice-Chair positions rotate among the three regional agencies. In April 2012, RAPC will approve a new Chairperson, representing BCDC, and Vice-Chairperson, representing ABAG.



Regional Airport Planning Committee

March 23, 2011

TO: Regional Airport Planning Committee
FROM: Staff of the Regional Airport Planning Committee
SUBJECT: Institutional Arrangements Analysis Part 2

Summary and Recommendations. The following report provides an analysis of RAPC's strengths and weaknesses and provides recommendations for strengthening RAPC. Other types of institutional arrangements are also described and the ways that different arrangements might address current issues confronted by the Bay Area and improve airport and air transportation planning in the region. The primary questions that this report attempts to answer are:

- 1) Could RAPC be more effective in achieving a regional strategy?
- 2) Is it necessary to provide RAPC new authority or to create a new institution with new authorities?

The RAPC staff recommends that the Committee pursue improving RAPC, rather than relying solely on the airports to establish MOUs or pursuing a new regional airport authority.

Introduction. During the previous update to the Regional Airport Systems Plan Analysis (RASPA) and Phase 1 of the current update, the idea was presented that changing the way that Bay Area airports and air transportation are governed might allow the region to better respond and plan for air transportation needs and impacts.

Currently, the Bay Area's three main commercial airports-San Francisco International, Oakland International and San Jose International-are all individually planned, financed, managed and operated. None of these airports have affiliations with other airports, such as general aviation airports in the same county. To the extent that the Bay Area has a regional approach to air transportation, it is a combination of the informal relationships that exist between the three main commercial airports and RAPC. As identified in Phase 1, this structure is somewhat unique to the Bay Area. In the majority of large air transportation markets, the airports are managed as multi-system airports or by regional authorities. This is true in New York, Chicago, Boston, Houston, Washington D.C., San Diego and Los Angeles.

Airports and air transportation are clearly of regional importance and have impacts at both local and regional scales. However, the major funding, planning, management and operations are done at a site specific and local level, and are constrained by federal regulations and the availability of federal funding. The case to be made in favor of the current governance structure is that airports are under federal regulations and local government control, both of which limit the ability to plan at a regional scale. Under almost all circumstances, federal regulations allow airlines and not airports to determine where to fly. Local governments make the land use and permitting decisions that govern the airport lands and the lands surrounding the airports.

However, there are other ways that do not include directing airline traffic or making land use decisions, in which new governance structures could have an impact. There is a possible role for different kinds of institutional arrangements to improve the planning, financing, management and/or operations of air transportation and airports in the Bay Area.

Background. In Phase 1 of the current update to the RASPA, a panel on institutional arrangements was convened by RAPC to provide more information on the different types of institutional arrangements that exist around the country and the effect that these arrangements have had on addressing demand in these regions. The findings and conclusions from that panel included:

Phase 1 Findings and Conclusions:

1. To address contentious aviation planning issues, some regions are relying heavily on new collaborative processes, e.g., the New England Airport Coalition, the re-constituted Southern California Regional Airport Authority, and the processes in San Diego and Sacramento counties to update ALUC plans for the airports in these areas.
2. A requisite for considering institutional change is to first clearly identify the problems that need to be solved and the major impediments to addressing these problems, whether they be institutional or for some other reason.
3. Within a regional airport system planning context, the panelists generally supported a process for evaluating the need for new governance mechanisms that included the following steps:
 - develop a baseline forecast that identifies the needs and capacity problems in the airport system;
 - develop a vision of how the region can address these capacity issues;
 - develop a regional consensus around this vision; and
 - evaluate the benefits of institutional changes as one means to implement the vision.
4. A major challenge in any future effort to reconfigure how airport decisions in the Bay Area are made will be the keen interest of existing institutions and individual airports in maintaining local control.

Recommendation from Phase 1: In Phase 2, RAPC should conduct an analysis to determine whether changing the region's current airport and air transportation governance structure could improve effectiveness and efficiency in addressing the issues identified above, as

well as any other issues that are identified during the work and analysis in Phase 2 as described in the regional vision.

Similar Studies. A literature review was conducted on similar studies of airport governance arrangements and airport systems planning conducted in other parts of the country. The following is a summary of the key findings from these studies.

Southern California Association of Governments Study. One of the most comprehensive reviews of institutional arrangements was done for the Southern California Association of Governments (SCAG) in September 2005. In an attempt to decentralize passenger and air cargo service from Los Angeles' more congested, urban airports, SCAG initiated this study, entitled *Regional Airport Management Study*, using funds from the Federal Aviation Administration and matching SCAG money. The study looked at the different types of airport governance structures that exist across the United States in hopes of identifying, comparing, and evaluating the leading approaches to regional airport governance and coordination for the six-county Los Angeles region. The study's findings concluded that the creation of a "structured" Memorandum of Understanding, with Los Angeles World Airports to take a leading role, would be most productive for the region.

The structured MOU would combine pieces of a traditional MOU, which is a loose, informal agreement between agencies to cooperate, with a more structured and formal Joint Powers Authority. A traditional MOU-style approach to regional airport governance has the benefit of ease of creation and flexibility, with the main difference between it and a JPA being the amount of formal authority invested. An MOU generally has little formal authority, while a JPA has enhanced powers. The proposed structured-MOU entity would have bylaws and regular meetings and would work with SCAG in developing and implementing ground-access projects consistent with the Regional Transportation Plan. The consortium's main goals should be to initiate regional airport planning and feasibility studies and act as a clearinghouse for best management practices. Additionally, the groups should be a coordinated and united interface on behalf of the Los Angeles region with federal players, such as the FAA, TSA, EPA, and DOT, their state counterparts, and Congress. The structured MOU could evolve into JPA in the future, but would not have the powers of eminent domain, siting, operating, and developing airports.

The study's findings recognized the need for the structured MOU to have Los Angeles World Airports as a leading role member. LAWA is a department of the City of Los Angeles that owns and operates four airports: Los Angeles International, Ontario International, Palmdale Regional Airport, and Van Nuys (general aviation). Because LAWA is the major airport player in the region, the proposed MOU consortium would need its active participation in identifying complementary roles and market niches for each of its airports. This would ensure that future plans for possible decentralization of airport service would be agreed upon from a regional perspective.

Lambert-St. Louis International Airport Study. A study conducted for Lambert-St. Louis International Airport attempted to determine the best way to ensure that regional concerns were addressed in the governance of this airport, which is located in St. Charles County, but owned and operated by the City of St. Louis. One of the primary reasons for the analysis was a State of Missouri Senate Resolution establishing a Senate Select Committee on the Regional Control of the Lambert-St. Louis International Airport. Supporters for

regional control of the airport argued that because the airport is one of the few major US airports situated outside of the city limits of the municipality that owns it, regional control was needed to ensure that those most impacted had representation on the governing board of the airport. The report focused on the following types of regional approaches to airport service delivery:

- Regional Councils/Councils of Governments
- Federally Encouraged Single Purpose Regional Bodies
- State Planning and Development Districts
- Private Sector Contracting
- Local Special Districts
- Transfer of Functions
- Annexation
- Regional Special Districts and Authorities
- Metropolitan Multipurpose Districts

The report concluded that “[w]ith all of these alternatives to choose from, there is no need to re-invent the wheel. Unfortunately, there is no formula that dictates the best fit between a perceived regional problem like Lambert governance, and the potential solution. If the problem is not going to go away, the certain course for policymakers is to find a governance model that is most likely to garner support from the effected parties and ameliorate the regional issue. The best method for choosing an alternative is reliance on records of past success and good judgment”. The report did not recommend a course of action and seven years after it was written, Lambert-St. Louis Airport has not changed its governance or ownership.

New Orleans International Airport Governance and Regional Cooperation. New Orleans airport evaluated the benefits of changing the governance structure of the airport. The purpose of the evaluation was to determine if a new governance structure would make it easier to expand the airport. The expansion would have required land-use approvals from adjacent jurisdictions. It was thought that the lack of broad-based regional support for expansion and for other airport initiatives was lacking because the airport was owned and operated by the City of New Orleans and entities outside the City of New Orleans were not engaged. The report, *Bureau of Government Research, New Orleans International Airport Governance, Regional Cooperation and Airport*, concluded that “city-owned airports were more liable to political interference than other forms of governance and that they were less efficient”.

The report identified the potential advantages of an airport authority as: 1) less red tape, 2) a single purpose and focus, 3) greater freedom from politics, 4) the ability to run the airport like a business, 5) ability to develop more creative financing approaches, and 6) the ability to bypass local procurement and hiring provisions. However, the report also found that the fact that an airport is owned and operated by an authority would not in and of itself result in better management and less political interference. The report also found that

“[a]uthorities can be particularly useful vehicles in a regional context, since they provide a framework for participation on a similar footing, if not in equal proportions, by multiple jurisdictions. A sense of ownership and participation by right, as opposed to participation through the largess of another, is added to the advantage provided by the more business-oriented framework”.

Airport Governance and Ownership Study. A more recent analysis was conducted in 2009 for the Airport Cooperative Research Program, sponsored by the Federal Aviation Administration. The report is entitled *Airport Governance and Ownership*, evaluated the ownership and governance structures of airports across the country in an attempt to determine if one type of governance structure was more beneficial than another on airport performance goals. These airport performance goals were identified in the report as transportation infrastructure/access, financial performance, economic development, environmental/land use, public services, security/safety, and accountability/control. The report makes several key points:

- Airports are often characterized by their ownership, but it is the governance structure that determines how an airport is managed, operated and developed.
- Airport owners are looking at different governance structures to 1) access capital markets for development and reduce reliance on general tax levies, 2) create a more efficient and cost effective organization, 3) reduce political involvement in commercial and business decisions, and 4) create a mission-focused organization.
- Conventional wisdom has often provided that governance by airport authorities with a high degree of autonomy is superior in many respects to direct control by a general-purpose government. A somewhat complementary theory is that formal integration of regional interests in airport decision-making, such as through a multi-jurisdiction authority, is beneficial.
- A public entity that operates a multi-airport system has limited legal authority to allocate traffic within the airport system. While the full scope of this power has not been defined, FAA guidance suggests that it exceeds the power of individual airport operators working cooperatively to allocate traffic within a region. (FAA Order No. 5190.6A, Airports Compliance Requirements).
- Sponsors of larger, multi-airport systems have some limited advantages over single-airport proprietors due to the ability to share revenues and costs among airports, as well as to designate airports for certain types of aeronautical uses.
- Federal money requires potential airport sponsors to choose between the potential benefits of grant assistance and an unfettered ability to make a profit on the airport’s operations as a business, the ability to subsidize commercial flights directly, and the potential ability to discriminate among airport users.
- State and federal law undeniably constrain the governance of commercial service airports. However, in general, neither state nor federal law meaningfully distinguishes among governance models.
- Federal law has a fundamentally different effect on airport governance. Rather than convey powers, federal law operates to, for example, bind public entities to

long-term commitments in exchange for federal grant funding; regulate the operation of particular types of airports, such as through airport operating certificates and an airport security program; and deny rights to public entities that otherwise might seek to intervene in airport operations and decision-making. However, federal law does not compel the use of any particular governance structure.

- Transfers from one type of governance structure to another are often prompted by a dramatic event or perceived political difficulty. In Michigan authority was transferred due to questionable ethical conduct. The California legislature created the San Diego Regional Airport Authority in order to make it easier to select a site for a larger airport to replace San Diego's current, land constrained, airport. Financial difficulties have also prompted changes in governance.
- Federal law imposes both procedural and substantive constraints on transfer and delegation of power. For a public entity to transfer all of its interest in an airport, the FAA would have to release the airport sponsor from the Grant Assurances, determine that the public entity assuming control has the requisite property interest and authority to become the airport sponsor, and authorize the transfer of Grant Assurances and other obligations to the new airport sponsor. The FAA must notify the public in the *Federal Register* of its intent to rule on any such application and provide an opportunity for public comment. Among the many details, the FAA also would need to approve the transfer of an Airport Operator Certificate; the TSA would need to approve a transfer of obligations under the airport security program. Because airport transfers occur infrequently, the FAA has not been called upon to publish detailed procedures.
- Historically, the two most common approaches have been the transfer of power from general-purpose to a single-purpose government and the commercialization of airport functions and facilities.
- A number of airports have considered shifting from one form of governance to another and identified considerations for or against making such a change.
- All recent shifts in airport governance have been from general-purpose governments to single-purpose (or at least limited-purpose) governments or private entities or from one single-purpose structure to another. This is suggestive of possible advantages of authority structures, but far from determinative.
- By far the greatest challenge in evaluating airport governance is to translate the information presented throughout this report into meaningful suggestions for communities considering their governance structure. Numerous communities across the country have examined airport governance. While a few communities have made significant voluntary changes, there is a larger group of communities that have considered, but declined to make such changes. Many studies proved inconclusive, or the political will was lacking.
- The community must realistically examine the potential motivations for making a change and critically examine its objectives to determine whether the deficiencies of the current structure are sufficient to warrant such a difficult undertaking. Once

the determination is made that a change is needed, then the options must be considered which could range from a transfer of power from a general-purpose government to a single-purpose government to more of a joint powers arrangement. The creation of a multijurisdictional authority may be the right approach for accounting for the integration of regional interests to address a perceived lack of regional participation in airport governance or finding solutions to airport issues.

- Communities should not neglect the full range of options short of a large-scale transfer of power. There are a lot of options on the continuum that should be explored.
- Communities should comprehensively evaluate their performance and success in achieving particular goals. The science and art of performance benchmarking is rapidly evolving and should give communities a far better grasp of their performance than has been previously available.

United States Government Accountability Office: “Regional Airport Planning Could Help Address Congestion If Plans Were Integrated with FAA and Airport Decision Making.” This report was published in December, 2009 and includes a summary of what Regional Airport System Plans are and how the FAA and regional planning authorities can better implement RASP provisions to address airport congestion management.

Regional Airport System Plans (RASPs) are voluntary plans that contain elements laid out for airport system planning by FAA, such as an inventory of the regional airport system and forecasts of regional demand. They may also prioritize airport improvements from a regional perspective. FAA guidelines specify the following elements in RASPs:

1. Exploration of issues that impact aviation in the study area
2. Inventory of the current system
3. Identification of air transportation needs
4. Forecast of system demand
5. Consideration of alternative airport Systems
6. Definition of airport roles and policy Strategies
7. Recommendation of system changes, funding strategies, and airport development
8. Preparation of an implementation plan

The guidance states that the end result should be “the establishment of a viable, balanced, and integrated system of airports to meet current and future demand.”

However, the advisory nature of RASPs and other regional airport plans hinders its planning and implementation. In the Boston region, which FAA officials and others point to as being a role model for regional cooperation and implementation, regional airport planning was tied to airport decision-making. The FAA played an important role in the Boston region by supporting regional airport planning and incorporating the regional approach into its decision making for airport capital improvement projects. Thus, the main recommendation of this article is to ensure that the FAA and regional airports and authorities work cooperatively not only in the planning stage of the RASP, but also in its implementation. Because RASPs are *not* regulatory, it is vital that regional consensus on implementation is made.

Options for Institutional Arrangements. As indicated by the analysis conducted elsewhere, there is a range of institutional arrangements that could be pursued in the Bay Area. This range includes RAPC in its current role and governed by its current MOU all of the way to a new regional body that operates the Bay Area's three main commercial airports.

The following section provides an overview of the options for different types of institutional arrangements, beginning with RAPC. In order to determine the potential effectiveness of new governance structures, staff feels that it is important to identify the gaps and weaknesses of RAPC. An identification of the current gaps and weaknesses will be combined with an analysis of the likely cause of this weakness or gap (lack of funding, lack of control over decisions, federal law, local land use decisions, etc.) and then a preliminary determination of whether these gaps and weaknesses could be overcome through a new governance structure or some other means. The ease of developing each type of institutional arrangement will also be reviewed, with those arrangements under the control of regional partners being easier to develop and those requiring state legislation being more difficult to develop.

Current Institutional Arrangements in the Bay Area. In order to determine if there are any necessary changes to the current institutional arrangements within the Bay Area's airports and air transportation system it is important to understand the current roles and responsibilities within existing institutional arrangements. The following is a description of the current institutional arrangements and authorities in the Bay Area's air transportation system:

- Airports are under the operational and financial control of the local municipality (San Francisco, Oakland, San Jose, and Sonoma County), although it is important to note that OAK is operated by a port authority that is responsible for the seaport and the airport. The airports prepare master plans for future improvements, conduct environmental review for these improvements, provide the funding (with FAA assistance), and oversee construction. San Jose has a policy limit on the number of gates, and SFO has decided not to pursue changes to its runways, both of which are key capacity related decisions. All three airports also have various policies and programs in place to mitigate airport noise.

- The FAA is engaged in all facets of airport decisions, from the planning through the funding of airport improvements and in funding noise compatibility plans and sound insulation programs. The FAA controls all aircraft flight in the national airspace, manages airline delays during bad weather, and has a major initiative underway to upgrade the nation's air traffic management system (NextGen).

- The airlines provide the service for air passengers and air cargo shippers. Their hubbing operations and schedules affect runway and airspace capacity, as do the types of aircraft they use. Airline decisions are hard to predict, a key concern with developing long-range solutions to Bay Area capacity problems. Airlines can start and discontinue service at an airport at their discretion, and recent changes in the division of passenger service between the three major Bay Area airports have been significant.

- Regional agency parties to the RAPC MOU have the powers conferred to them in their original legislation, plus some changes that have resulted over time. MTC is required to have an Aviation Element in its Regional Transportation Plan, but does not have a regional airport "Plan" as it does not have any implementing/funding authority (as is the case for the surface transportation system). BCDC has authority to approve or deny new Bay fill for airport improvements. ABAG develops land use policies that must be implemented at the local level.

Its recent Focus Growth land use policy forecasts would have noise compatibility implications for all three Bay Area airports.

-Regulatory agencies are often in the forefront of pushing advancements in aircraft technologies affecting airport noise, aircraft emissions of criteria pollutants, and aviation greenhouse gas emissions.

-Legislation passed by Congress affects all areas of airport planning, from the Airline Deregulation Act (1977), to the size and use of the Aviation Trust fund, to the imposition of access controls on congested airports, and to the air passenger “bill of rights”. The amount of money authorized by Congress for NextGen is a key to improving the nation’s traffic management system.

-There are many stakeholders that are affected by airport plans, and as a result, are involved in the regional and airport level planning processes—citizens, local governments, business community, environmental groups, noise groups, etc. At the national level, there are major industry organizations that attempt to influence federal legislation, representing the airlines, air passenger consumers, general aviation pilots, corporate general aviation users, aircraft manufacturers, etc.

Role and Purpose of RAPC. The one entity in the Bay Area that looks at air transportation from a regional perspective is RAPC, which was developed under a Memorandum of Understanding (MOU). The parties to the MOU are the Association of Bay Area Governments (ABAG), the Bay Conservation and Development Commission (BCDC) and the Metropolitan Transportation Commission (MTC). The MOU for RAPC identifies the following as the purpose of the MOU is to ensure that RAPC: (1) is representative of the broad interests in air travel in the Bay Area; (2) provides a cooperative process for the development of the Regional Airport Systems Planning Analysis (RASPA) for the Bay Area for consideration by the parties to the MOU for incorporation into the plans of each party; (3) provides a forum for public discussion of regional aviation issues; and (4) serves as an advisory committee to the parties to the MOU and makes recommendations to the governing boards to the parties to the MOU. The staff responsibilities and the chair and vice-chair roles are rotated among ABAG, BCDC and MTC every two years. RAPC has no authority, no funding and no staff dedicated to working only on RAPC.

The MOU also contains a description of RAPC’s role, stating that RAPC’s responsibilities shall include the following types of activities, any one of which may have more or less emphasis at a particular point in time:

1. Serve as a public forum for a wide range of regional aviation issues;
2. Prepare updates to the RASPA including its various elements:
 - Aviation policies related to each parties authority
 - Aviation forecasts
 - Analysis of airport system capacity needs, including ground access capacity
 - Alternatives for serving identified future capacity needs
 - Environmental analysis (aircraft noise, air quality, Bay fill and Bay habitat, etc.) and possible mitigation measures

- Suggestions for consideration by entities responsible for implementing airport improvements in the Bay Area and its neighboring counties;
3. Serve as a forum for educating the public and addressing community concerns with over flight noise issues; review proposed changes in the FAA airspace procedures that could affect over flight noise in communities;
 4. Review and comment on airport master plans, airport runway layout plans, associated Environmental Impact Reports, and local land use planning and development decisions as to their impact on the regional aviation system;
 5. Coordinate with county Airport Land Use Commissions (ALUCs) on review of projects that could affect the future operational capability of an airport;
 6. Facilitate discussions between cities, airports and County Airport Land Use Commissions on long term trends in land use around airports;
 7. Conduct other studies, as necessary, that relate to the RASPA;
 8. Recommend actions or positions to the governing bodies of ABAG, BCDC and MTC;
 9. Support regional and local land use decision-making that protects the regional airport system.

Strengths and Weaknesses of RAPC. One of the greatest strengths of an MOU is its flexibility as a tool for forming a committee. It often only requires the agreement and adoption by the agencies and organizations that are a party to the MOU. Over the years, RAPC has used this flexibility to add members that made the Committee more representative of the interested parties and changed the membership to allow for different representatives to be members of RAPC. This has allowed RAPC to be responsive to changing circumstances and has ensured that RAPC is broadly representative of the organizations and issues related to the airports and to air travel in the Bay Area.

RAPC's membership is one of its key strengths. The MOU identifies a set of members for RAPC that includes the relevant regional agencies, the commercial airports, the general aviation airports, the FAA, CalTrans aviation, representatives from the cities and counties around the Bay Area, as well as representatives from the airports and counties that border the Bay Area. The MOU is designed to achieve geographic representation as well, ensuring that voices from around the Bay Area are heard. A gap in the membership of RAPC is the lack of representation by the business community, the environmental community and the airlines. At times, this weakness is overcome by RAPC members representing these interests. During the current update to the RASPA, RAPC staff created a Task Force to include broader representation in the development of the Regional Airport Study rather than relying solely on the public participation model and getting responses to reports and presentations after they are developed.

The broad range of issues that RAPC addresses are both a strength and a challenge. Being responsible for the development of the RASPA and related studies, as well as reviewing and responding to relevant federal legislation, environmental documents, airport master plans, coordinating with the county ALUCs and serving as the regional forum for the public on airport and air travel issues is difficult for a committee that does not have a staff or funding associated with it. However, bringing all of these issues together in front of one body

provides for a more comprehensive analysis of how the issues fit together and the identification of trends or potential challenges that may arise.

Another aspect of RAPC that is both a strength and a weakness is the Committee's lack of authority. The lack of authority could be considered a strength when RAPC is serving as a public forum for issues, developing the RASPA, commenting on environmental documents, master plans and proposed legislation. RAPC can provide a more neutral forum for these issues to be addressed, rather than through the lens of a regulatory program. The neutrality and credibility of RAPC along with its good geographic representation also provides the best chance to develop some level of regional consensus around aviation planning issues. RAPC also brings its legislative lobbying power to the process as each of the regional agencies have their own connections to the state and federal legislative processes because of the issues they must address through their statutory responsibilities. However, each of the regional agencies have their own primary objectives to achieve through lobbying and RAPC's issues are usually not at the forefront of these objectives.

The biggest weakness related to RAPC's lack of authority is that it can result in a difficulty being heard or getting the participation or attention from key stakeholders. An example of this is the difficulty RAPC has had in getting airlines to engage with the Committee, its updates to the RASPA and other initiatives. This lack of authority has also meant that it is difficult at times to get local, regional, state, federal and airport representatives to participate or respond to issues identified by RAPC. Although RAPC does not have direct authority, RAPC does have the strength of the authority of its members and the issues that are presented at RAPC and the actions taken by RAPC can be implemented by the commercial airports, general aviation airports, local governments, ABAG, BCDC, MTC and the BAAQMD. FAA and CalTrans representatives may also respond to concerns or issues identified by RAPC by providing the opportunity to meet with key staff of these agencies and can discuss concerns raised at RAPC with their respective agencies.

Currently, RAPC's most significant weakness is a lack of dedicated funding and staff to consistently address the work described in the MOU. RAPC's staff is made up of staff from ABAG, BCDC and MTC and the administrative responsibilities rotate among the three agencies every two years. RAPC has no full time staff that is dedicated solely to airport and air transportation system planning and no consistent funding to ensure that the work in the MOU is undertaken. Without a staff and consistent funding, it is difficult to determine how effective RAPC could be within its current authority, as many current weaknesses could be a result of a lack of staff and funding to consistently pursue RAPC's agenda and work program.

Agreements/Contracts. A possible institutional arrangement that currently exists and could be used to augment RAPC is the ability of different actors within the current institutions to develop agreements and contracts with one another. These agreements can happen between airports and airlines, airlines and other modes (rail, shuttles), airports and airports and airports and other modes. Cities and airports may also enter into agreements to mitigate for impacts on the surrounding community, such as noise or traffic or the capacity of the airport. These tools can be used to implement demand management strategies, aid in the redistribution of flights among the airports and other transportation modes and the more efficient use the region's airport capacity.

Currently, most of the existing agreements and contracts have been developed primarily for benefit of a particular airport, airline or community and not used to advance regional goals or expressly increase the capacity and efficiency of the region. However, there is no reason why contracts and agreements could not be used for these purposes and have been in other areas. It may be necessary to expand the parties that participate in these contracts and agreements to ensure that there is a regional component to the process and that the trade-offs are apparent. It may be advantageous for RAPC to know more about these agreements and have an opportunity to provide feedback. RAPC may also recommend in the upcoming Vision and Implementation Analysis that certain relationships be pursued for the purpose of expanding capacity, shifting some demand to other transportation modes or airports, using capacity more efficiently and reducing the impact of regional air transportation system on surrounding communities.

Joint Powers Authority (JPA). A Joint Powers Authority (JPA) is a contractual agreement between participating governmental entities permitted under Section 6500 of the California State Government Code. A JPA is distinct from its member authorities; the joint authority may employ staff and establish policies independently of the constituent authorities. A separate entity can be created, but it can only have up to the powers that have been granted to the participating members. Joint powers authorities receive existing powers from the creating governments; thus, they are distinct from special districts, which receive new delegations of sovereign power from the state. A JPA can be a planning agency or an implementation entity, such as the Transbay Joint Powers Authority (TJPA) which is tasked to design, build, operate, and maintain the new Transbay Transit Center in downtown San Francisco. The TJPA is a partnership between the San Francisco Municipal Transportation Agency; San Francisco Office of the Mayor; San Francisco Board of Supervisors; Alameda-Contra Costa Transit District (AC Transit); and the Peninsula Corridor Joint Powers Board (Caltrain), composed of the City and County of San Francisco, the San Mateo County Transit District, and the Santa Clara Valley Transportation Authority. Thus, a JPA can be formed among members of general-purpose governments, single purpose entities such as airport operators/transit districts, or even other JPAs.

Because a JPA is a formal body, it is important to avoid decision-making roadblocks and inflexible rules when crafting its agreement. For example, the former Southern California Regional Airport Authority (SCRAA) suffered from such rigid policies as unanimous consent on any action item, including budget, powers, and authority. SCRAA's history highlights the importance of the institutional details when crafting a JPA, and underscores the large amount of startup work necessary to ensure the JPA's success. The authorizing agreement states the powers the new authority will be allowed to exercise. The term, membership, and standing orders of the board of the authority must also be specified. It was for this reason that SCAG recommended a phased approach when entering into a JPA so details can be worked out before entering into a legal governing contract. It is this level of authority and standing that differentiates an MOU, which is more informal, with a JPA, which gives the regional entity enforceable powers for achieving collective goals.

Regional Airport Authorities. The development of a regional airport authority that would own and operate two or three of the Bay Area's commercial airports would be the most ambitious and also most difficult of institutions to create. There are several options that could be pursued regarding the creation of the authority. For example, airport ownership could remain the same, while planning and financing activities would be the role of the authority. This would allow for a regional approach to be added to the current approach to air transportation in the Bay

Area, while allowing the ownership to remain with the local governments. As discussed in the *Airport Governance and Ownership Study* summarized above, airports are often characterized by their ownership, but it is the governance structure that determines how an airport is managed, operated and developed.

There are a number of perceived benefits to a regional authority and all recent shifts in airport governance have been from local governments to single-purpose or limited-purpose airport authorities. Recently, more studies have been conducted to analyze the issue, with a number of airports or communities considering a shift from local governments to authorities. The primary reasons to make this change have included the creation of more efficient, cost-effective organizations, the reduction of political involvement in commercial and business decisions and to create a mission focused organization. The perceived benefits include a focus on a single purpose rather than the myriad of interests and responsibilities of a local government, the inclusion of a number of perspectives in the governance of the airport or airports, the possibility that a multi-airport system may allocate traffic within the airport system and the ability to integrate regional interests in airport decision-making. Clearly, many of these benefits, if realized, would be a benefit to RAPC and the development of a regional airport and air transportation system. However, it is important to review the challenges to developing a regional authority and the limitations of such an authority.

While federal and state law do not favor one form of governance over another, the steps that are required to bring SFO, OAK and SJC under one authority would be difficult. As stated in the Airport Cooperative Research Program's study on airport governance, "[f]ederal law imposes both procedural and substantive constraints on transfer and delegation of power." The procedural and substantive components include transferring the financial responsibilities for any FAA grants, ensuring that the new entity has the appropriate property interest and authority to become an airport sponsor, publication of a notice of the transfer, public comment, certificate and security approvals and transfers are among the tasks that must be completed to transfer from one entity to another. Existing leases and agreements between the airport, airlines, and cities (e.g. the \$30 million that goes annually from SFO to SF) must also be addressed and may limit the opportunity to significantly change operations. In addition to these federal procedures, it would be necessary to pass state legislation to create the authority, identify its roles and responsibilities and funding source. The actual or perceived loss of local control would be a significant obstacle for new legislation.

A less complicated approach would be to leave the ownership with the individual localities and create a regional authority that was responsible for system planning and addressing the issues that are better addressed at a regional, rather than an airport-by-airport scale. This approach would reduce the steps associated with transferring the financial responsibilities and would focus on developing a role for a new authority that would attempt to better address the weaknesses of the current governance structure, without changing ownership. A regional authority in the Bay Area that was responsible for system planning would still need to be created by the state legislature and have certain authorities conferred to it and would likely face concerns that it would negatively impact local control. Although less difficult than an authority that would own all three airports, it would still be difficult to create.

Due to the political, procedural and substantive requirements at all levels of government, many communities have analyzed the issue and declined to make institutional changes. The

Airport Cooperative Research Program's study on airport governance makes several recommendations for communities that are weighing their options regarding governance. These recommendations include:

- The community must realistically examine the motivations for making a change and determine whether the weaknesses in the current system are sufficient to warrant such a difficult undertaking. The community should weigh the options that are available, which could range from a transfer of power from a local government to a single-purpose authority or a joint powers arrangement. The creation of a multi-jurisdictional authority may be the right approach for accounting for the integration of regional interests to address a perceived lack of regional participation in airport governance or finding solutions to airport issues.
- Communities should not neglect the full range of options and should not weigh the options as either a large-scale transfer of power or the current structure. There are many options along the continuum that should be explored and the selected option should be the one that will best meet the objectives of the desired change.

While a regional authority may assist in bringing a regional approach to funding, planning and operations at the Bay Area's airports, due to federal and state regulations regarding airports and air travel, it would not in and of itself solve the capacity and efficiency issues that have been identified in RAPC's current study. A regional authority may be able to implement a regional congestion pricing approach, under current law, but this would not guarantee that these types of charges would actually result in airlines redistributing service among Bay Area airports to make a more efficient regional system. However, a new authority could focus on regional rather than airport specific objectives when it comes to planning, financing, marketing and agreements with airlines. This is an area that deserves further analysis and discussion with the airports and FAA, as the full scope of these powers, particularly revenue sharing among airports has not been clearly defined. However, given the challenges of creating a regional authority and the uncertainty surrounding what such an authority could accomplish, it likely makes sense to explore an option that is easier to achieve and more directly responds to the weaknesses of the current system.

Options for Institutional Arrangements. Based on the analysis of both RAPC's strengths and weaknesses and the benefits and shortcomings of different institutional arrangements, it is possible to identify the institutional arrangement that would best achieve the goals of the RAPC's current study. The table presents the key strengths and weaknesses of each option and following the table is a description of possible institutional arrangements that RAPC could pursue and the benefits of each arrangement.

| Option | Strength | Weakness |
|---|--|--|
| MOU/Contracts between Airports and between Airports and Airlines | <ul style="list-style-type: none"> -Flexibility -Ability to target an issue -The parties likely have the authority to implement | <ul style="list-style-type: none"> -Case by case approach, may miss the big picture -Issues important to the region left to airports and airlines to address |

| | | |
|-----------------------------------|---|--|
| | | -Leaves out important partners in local and regional government, as well as community, environmental and social equity organizations |
| JPA/New Regional Authority | <ul style="list-style-type: none"> -Authority to implement -Authority to implement often results in increased participation by impacted parties -Funding and staff -New regional perspective brought to the issues -Easier to address and lobby for issues that impact all three airports such as ATC, high-speed rail, airspace -May make it possible to prioritize funding, planning and implementation on the issues most important to the region, not decided on an airport by airport basis -May make redistribution and demand management easier to accomplish -Would create a regional approach to reducing greenhouse gas emissions | <ul style="list-style-type: none"> -Very difficult to enact -Rigid and difficult to change when necessary to reflect a need for new members or a new focus on an emerging issue -Possible loss of local control -Federal, state and local laws and processes make it difficult to pursue redistribution, demand management, ATC, high-speed rail and other strategies and a new authority may not make much of a difference -The costs associated with creating a new authority are likely to be high -Many of the issues could be addressed by improving RAPC, without creating a new authority |
| RAPC Plus | <ul style="list-style-type: none"> -Retains the strengths of RAPC-flexibility, diverse membership -MOU allows for the addition of members and issues as the need arises -New funding and staff would provide the opportunity to pursue many of the items that a regional authority or JPA could pursue | <ul style="list-style-type: none"> -Lack of authority -Lack of authority results in a lack of interest to participate -Many issues still would be resolved on an airport by airport basis, maybe at the expense of regional goals |

| | | |
|--|---|--|
| | <p>-Provide a regional presence and perspective on the funding, planning and implementation of airport and air transportation</p> | |
|--|---|--|

Memorandum of Understanding Between Airports. A number of opportunities are available for airports to develop MOUs to achieve various goals. Some examples include SFO and external airports (Monterey, Stockton and Sacramento); SFO, OAK and SJC; and SFO and general aviation airports. An MOU between SFO and external and/or general aviation airports could provide a way to pursue reducing small airline aircraft and general aviation traffic into SFO by marketing external airports or general aviation airports, developing a shuttle bus system from the external airports to replace the flights from these airports into SFO, providing support by lobbying the FAA to fund projects that would make general aviation airports more attractive to business jet traffic, or providing technical support for general aviation airports that wish to examine new or expanded commercial air passenger service. SFO, OAK and SJC could develop an MOU with RAPC (or become signatories to RAPC’s MOU) to indicate support for RAPC’s work plan, to resolve airspace issues that affect all three airports, to market OAK and SJC as attractive alternatives to SFO, particularly in communities that are closer to OAK and SJC, and to lobby the FAA for ATC technologies that would benefit the Bay Area airports and travelers.

Joint Powers Authority/ New Regional Authority. A new JPA or regional authority that combined SFO, OAK and SJC either in a JPA agreement or under a new regional authority would provide opportunities for a more coordinated approach to airports and air travel in the Bay Area. Airport improvement projects could be prioritized to ensure that those that provided the greatest benefit to regional Bay Area airport system, rather than each individual airport are funded and could ensure adequate FAA funding is available for these projects (by pooling AIP funds). Issues like ATC and airspace, as well as demand management programs would be pursued by the region and not just by each individual airport. Staff and funding would be provided for the operation of either the JPA or the new regional authority and this staff and funding would ensure that the work that is currently within the RAPC MOU, but for which staff and funding is not secured, is able to be pursued consistently. A JPA or regional authority could implement a regional congestion pricing program focused on relieving congestion at SFO and have the cost per passenger at all three airports reflect the desire to redistribute traffic away from SFO to reduce congestion. Marketing, passenger surveys, and demand forecasts could be conducted for the region, breaking out each airport, rather than each airport conducting its own set of forecasts, pursuing its own marketing strategy and developing its own passenger surveys. Another benefit of a JPA or regional authority is that there would be an organization with authority to plan for the airports and air transportation at a regional scale. It is important to recognize that this authority would still be constrained by local, state and federal laws that would limit the ability of an authority to redistribute traffic, expand airports or limit the type of aircraft that could use each airport.

RAPC Improved. Many of the opportunities that are presented by the two options described above could be pursued by an institutional arrangement similar to RAPC, but with some key

improvements to reduce RAPC's current weaknesses. RAPC's most significant weakness is that there is no dedicated funding or staff to pursue the objectives within RAPC's current MOU. Funding for new work typically takes a long time to assemble, comes from a variety of sources, and is intermittent. This makes it difficult to pursue a work plan in any coherent manner and recommendations from RAPC studies may not get implemented. Other issues that RAPC might want to address, such as working with ALUCs and local jurisdictions on noise and land use compatibility issues surrounding the airports, or reducing greenhouse gas emissions at the airports, or lobbying effectively for ATC technology will be difficult to pursue under RAPC's current funding and staffing conditions. A RAPC with dedicated funding and staffing would allow for these things to be pursued with a slightly changed MOU and without a focus on increasing or changing authority. RAPC staff that is not associated with any of the three regional agencies or the airports would also provide a fresh perspective on the airport and air transportation issues confronting the region and provide a clearer forum for people to express their opinions and concerns about these issues. Dedicated RAPC staff could also aid the airports in communicating issues to the region and advocating for the region to the federal government.

Another key weakness of RAPC is the lack of participation by airlines, the business community, the environmental community and the social equity community. RAPC's lack of authority has resulted in a lack of participation from these key stakeholders and short of forming a JPA or creating a new regional authority, a possible way to address this weakness would be to add non-voting, advisory members to RAPC to represent these viewpoints.

An obvious and significant weakness is that the regional agencies have no authority over funding for airports, as does MTC for highways/local roads, transit, bike facilities, etc. in the Regional Transportation Plan. The FAA is the sole determinant of funding priorities for airports which comes out of the federal Aviation Trust Fund. While RAPC can review and comment on airport plans and projects, there is no actual connection between these plans and projects and the recommendations from the current study.

Thus, there would be at least two options for institutional change focusing on RAPC itself:

RAPC Plus 1

- Add permanent staff retained by the three regional agencies
- Define a longer term work scope and funding requirements
- Develop funding agreements with the regional agencies, airports and FAA
- Add new stakeholder interests on RAPC
- Provide for continuous public involvement and expand the use of RAPC as a regional forum for important aviation issues
- Use new staff to liaison with airports and ALUCs on important studies and issues facing these organizations
- Coordinate legislative program and advocacy

RAPC Plus 2

In addition to the above items, seek additional authority

- Change federal requirements for Metropolitan Planning Organizations to make a Regional Airport System Plan a required element of the Regional Transportation Plan and be subject to the same metropolitan planning requirements as for surface transportation planning
- Require the FAA to prepare a 5 and 10 year capital improvement program for airports and include this in the region's federally required Transportation Improvement Program (TIP) for all other transportation modes
- Require MPOs to review airport projects for consistency with the Regional Airport System Plan and approve only projects that are consistent.

This type of arrangement would make aviation planning parallel with surface transportation planning in federal law and would elevate the importance of regional planning organizations in air transportation. Different federal and state planning requirements for environmental review, air quality conformity, global warming, social equity, public involvement, etc. would attach to this planning process. In approving federally funded airport projects, the regional agencies would have an opportunity to place conditions on their approval, if necessary, to help achieve regional aviation planning goals. Airlines could participate in the development of the RASP along with other interested organizations through the regular Plan development process. A downside of this expanded role would be that federal planning requirements can be litigious, as shown by past experience in the Bay Area.

Recommendation. RAPC staff recommends that the Committee pursue improving RAPC, rather than relying solely on the airports to establish MOUs or pursuing a new regional airport authority. This option would not preclude the pursuit of MOUs and contracts to achieve some of the goals of the study, particularly if these are done in a coordinated way with RAPC. Nor would it include immediately seeking new authority for regional agencies/RAPC. The improved RAPC would also not preclude further analysis of a JPA or new regional authority. A more in depth analysis could be conducted by RAPC staff with new representation on RAPC and more resources. By first closing the key weaknesses in RAPC—funding, staff and representation of expanded stakeholder viewpoints on the Committee—it would provide RAPC with the tools and resources to better assess if a JPA or regional authority is necessary and feasible.

The short-term objectives for improving RAPC would be to add advisory members to close issue gaps on the Committee, secure ongoing funding and retain one or two staff members to serve the Committee. The details of these actions would need to be developed by RAPC staff working closely with the FAA, SFO, OAK and SJC. Once formulated, these agreements could be brought to RAPC for approval.



PUBLIC WORKSHOP PRESENTATION *San Francisco*

Prepared for:

Regional Airport Planning Committee



METROPOLITAN
TRANSPORTATION
COMMISSION



Bay Conservation
Development Commission

Draft for Review

March 22, 2011

Passion. Expertise. Results.

Study Objectives and Critical Questions

- ◆ **Evaluate Strategies for Accommodating the Region’s Long-Term Aviation Demand Without Building Additional Runways at the Primary Airports**

- What are the capacity limits of the primary Bay Area airports?
- When are these limits likely to be reached?
- Which Scenarios (including alternative modes) offer the greatest potential to allow the region to efficiently accommodate future aviation demand?



- ◆ **Involve Stakeholders and the Public to Aid in Building a Regional Consensus**

- ◆ **Develop a Vision and Implementation Plan for the Region’s Aviation System**

- Includes study Recommendations
- Addresses institutional issues



Topics

- ◆ Introduction
- ◆ Study Vision and Goals
- ◆ Major Airport System Planning Issues
- ◆ Results of Scenarios Analysis
- ◆ *Recommendations*

Vision

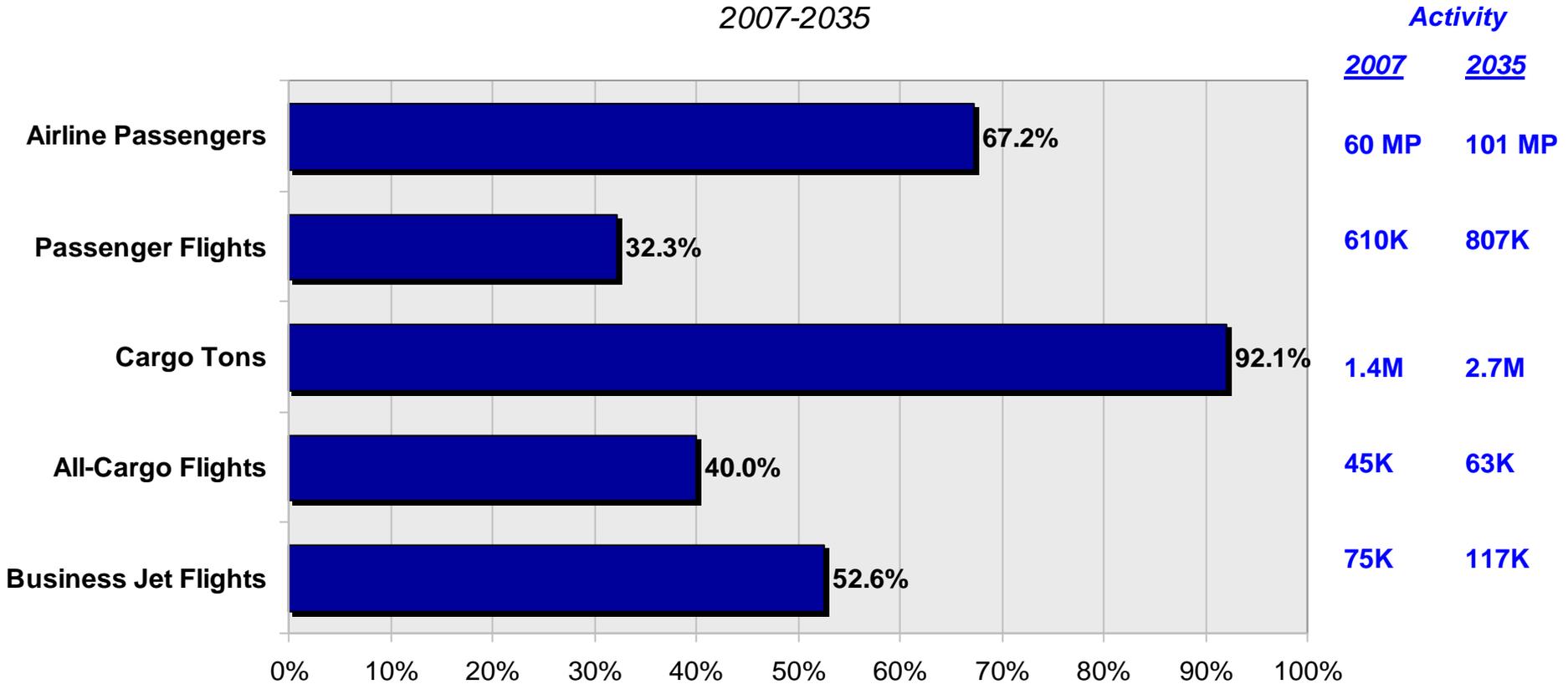
- ◆ **Bay Area passengers will have a choice of more flights (or trains) at more airports**
- ◆ **There will be fewer weather-related flight delays**
- ◆ **Airport noise impacts on the regional population will be minimized**
- ◆ **Adverse air quality and climate change impacts will be minimized**
- ◆ **Surface travel to airports will take less time**
- ◆ **The airport system will support regional economic expansion**

Each Scenario is Measured Against 7 Goals

- ◆ **Reliable Runways** *Can we reduce flight delays and passenger inconvenience?*
- ◆ **Healthy Economy** *Can the region serve future aviation demand and support a healthy economy?*
- ◆ **Good Passenger Service** *Can we provide better service to the region's major air travel markets?*
- ◆ **Convenient Airports** *Can we maintain or improve airport ground access times and distance?*
- ◆ **Climate Protection** *Can we decrease Greenhouse Gas (GHGs) emissions from aircraft and air passengers traveling to airports?*
- ◆ **Clean Air** *Can we decrease air pollution from aircraft and air passengers traveling to airports?*
- ◆ **Livable Communities** *Can we avoid increasing the regional population exposed to aircraft noise?*

Baseline Forecast of Bay Area Aviation Demand

Forecast Percent Change and Annual Activity
2007-2035



Key Planning Issues

- ◆ **Delay Problems at SFO**
 - Due to increased flights and poor weather
- ◆ **Increased Airport Noise Impacts**
 - Due to increased flights and population growth
 - *SFO and SJC*
- ◆ **Growth in air emissions (GHGs/criteria pollutants)**
 - Due to increased flights and air passenger trips to airports

Six Scenarios were Initially Analyzed to Serve Long-Range Demand

◆ Airport Traffic Redistribution

- In response to delays at SFO, domestic traffic shifts from SFO to OAK and SJC through natural market forces

◆ Internal Alternative Airports

- Some Bay Area passengers are served at secondary airports in the Bay Area region (Sonoma County, Travis AFB, and Buchanan) reducing demand at the primary airports

◆ External Alternative Airports

- Service development at Sacramento, Stockton, and Monterey reduces passenger demand originating from outside the Bay Area region

◆ High-Speed Rail

- Proposed rail service to Southern CA diverts air passengers from planes to trains

◆ New ATC Technology

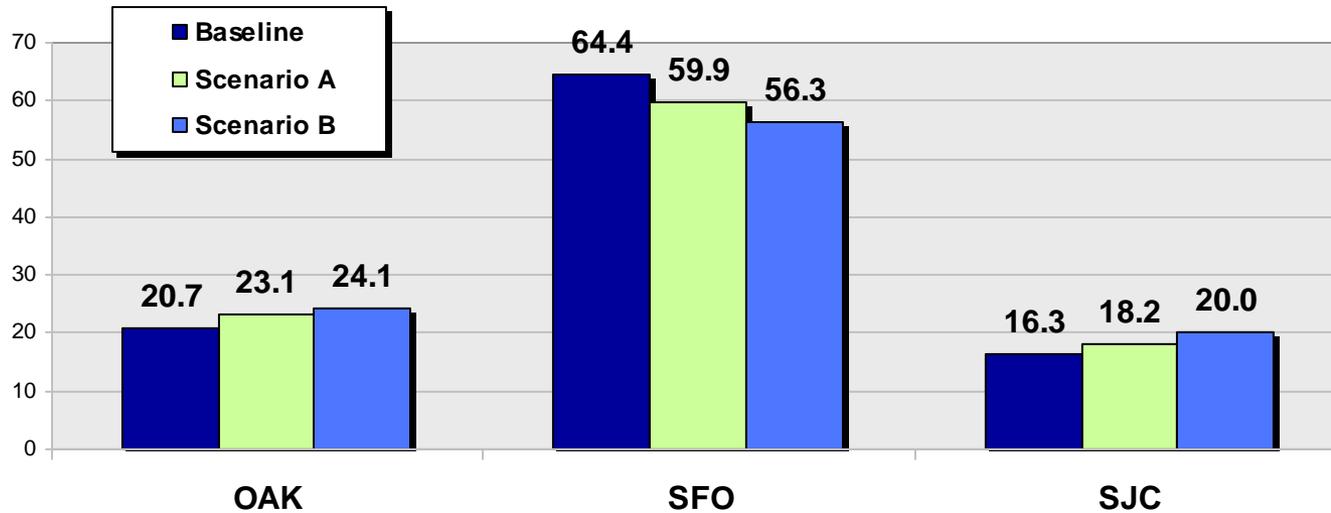
- FAA's NextGen technologies create more capacity during bad weather, reducing delays

◆ Demand Management

- Demand Management strategies at SFO reduce small aircraft operations during the most delay prone times of the day

Potential Solutions for Serving 101 MAP in 2035 – Combined Scenarios A and B

Forecast Passengers by Airport and Scenario 2035



Scenario A/B Features:

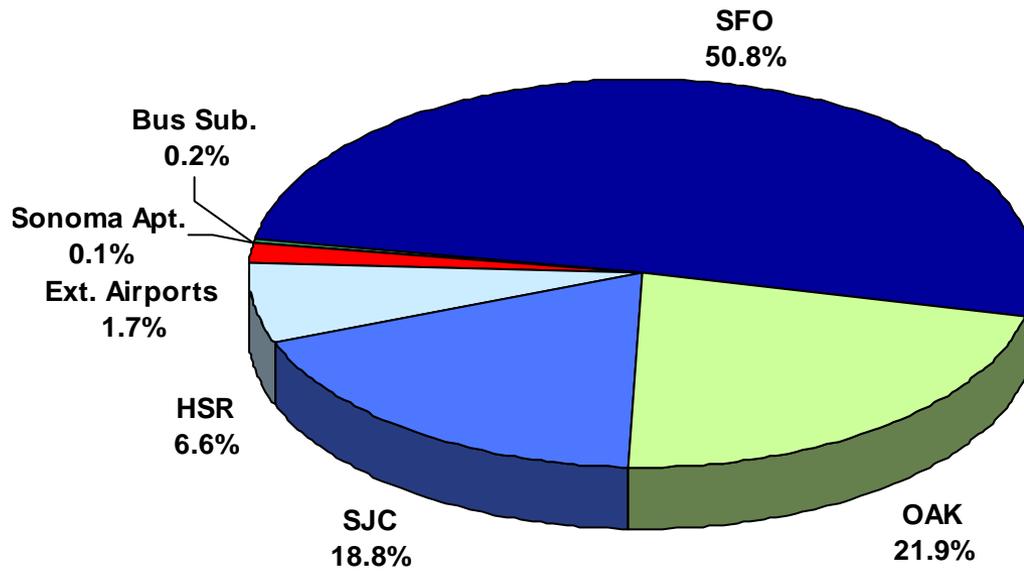
- ◆ Modest ATC Technology Improvements
- ◆ Demand Management
- ◆ Potential High-Speed Rail
- ◆ Greater Use of Sonoma County Airport

| Share of Bay Area Passengers | | | |
|------------------------------|-------|-------|-------|
| | OAK | SFO | SJC |
| Baseline | 20.4% | 63.5% | 16.1% |
| Scenario A | 22.8% | 59.2% | 18.0% |
| Scenario B | 24.0% | 56.1% | 20.0% |

Scenario Effectiveness versus Goals

| Overall Effectiveness (highest to lowest) | Goal Strengths |
|---|--|
| Combined Scenario B with HSR | All Goals |
| Combined Scenario A with HSR | All Goals |
| Scenario B (no HSR) | Reliable Runways, Economy, Good Service, Clean Air |
| Scenario A (no HSR) | Reliable Runways, Economy, Clean Air, Livable Communities |
| High Speed Rail | Good Service, Climate Protection, Clean Air, Livable Communities |
| New ATC Technologies | Reliable Runways, Economy |
| Traffic Redistribution | Reliable Runways, Economy, Clean Air |
| Demand Management | Reliable Runways |
| Alternate Internal Airports | Good Service, Convenient Airports |
| Alternate External Airports | Convenient Airports |

Potential Solutions for Serving 129 MAP in 2035 (High Forecast) – Combined Scenario C



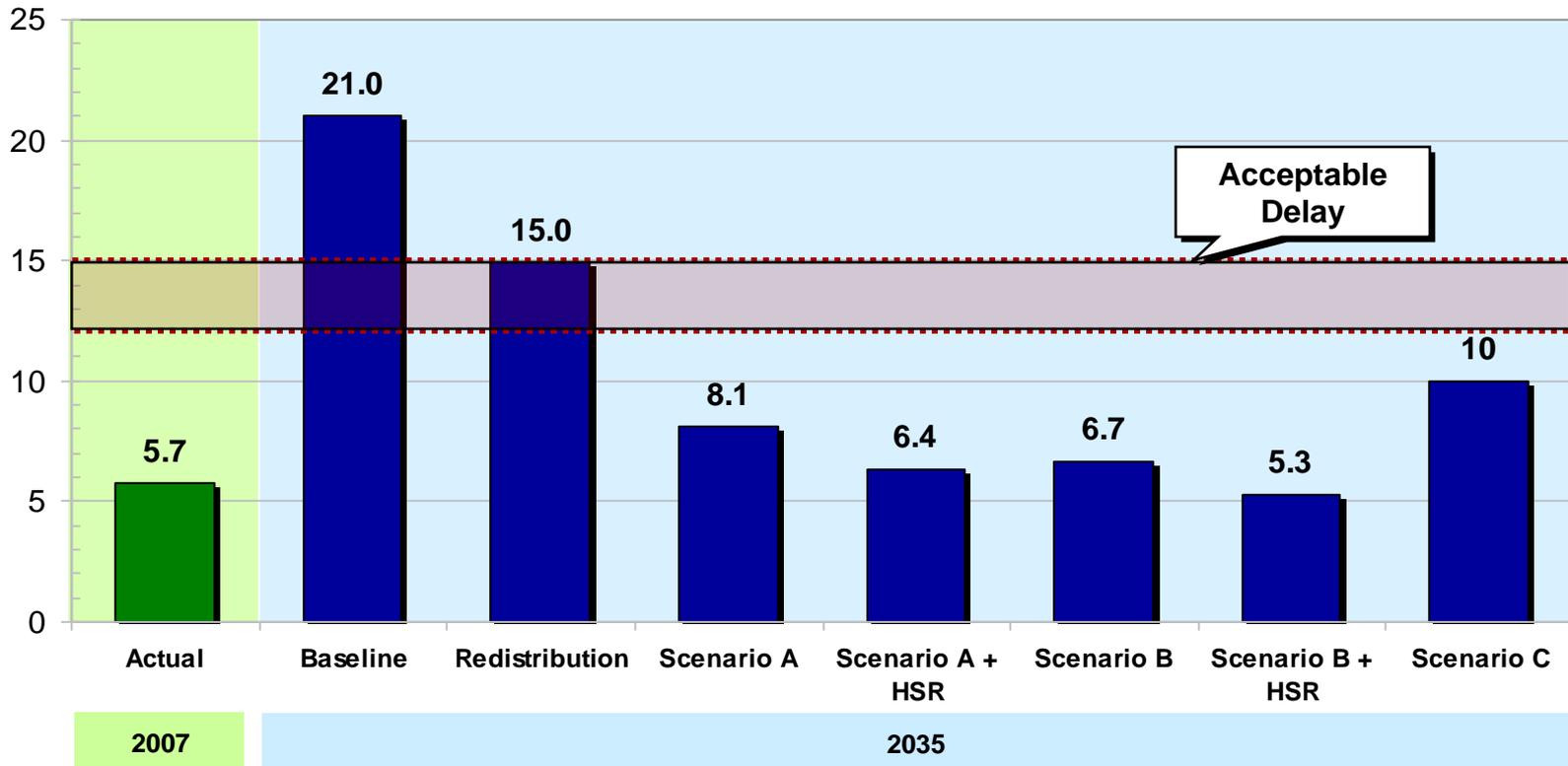
| Airport | 2035 Passengers (millions) |
|-----------------------|----------------------------------|
| SFO | 65.0 |
| OAK | 28.0 |
| SJC | 24.0 |
| HSR | 8.4 |
| External Airports | 2.2 |
| Sonoma County Airport | 0.9 |
| Bus Substitution | 0.2 |
| Total Bay Area | 128.8 |

Scenario C Features:

- ◆ Full ATC Technology Improvements
- ◆ Aggressive Demand Management
- ◆ High-Speed Rail
- ◆ Greater Use of Sonoma County Airport
- ◆ Greater Use of External Airports

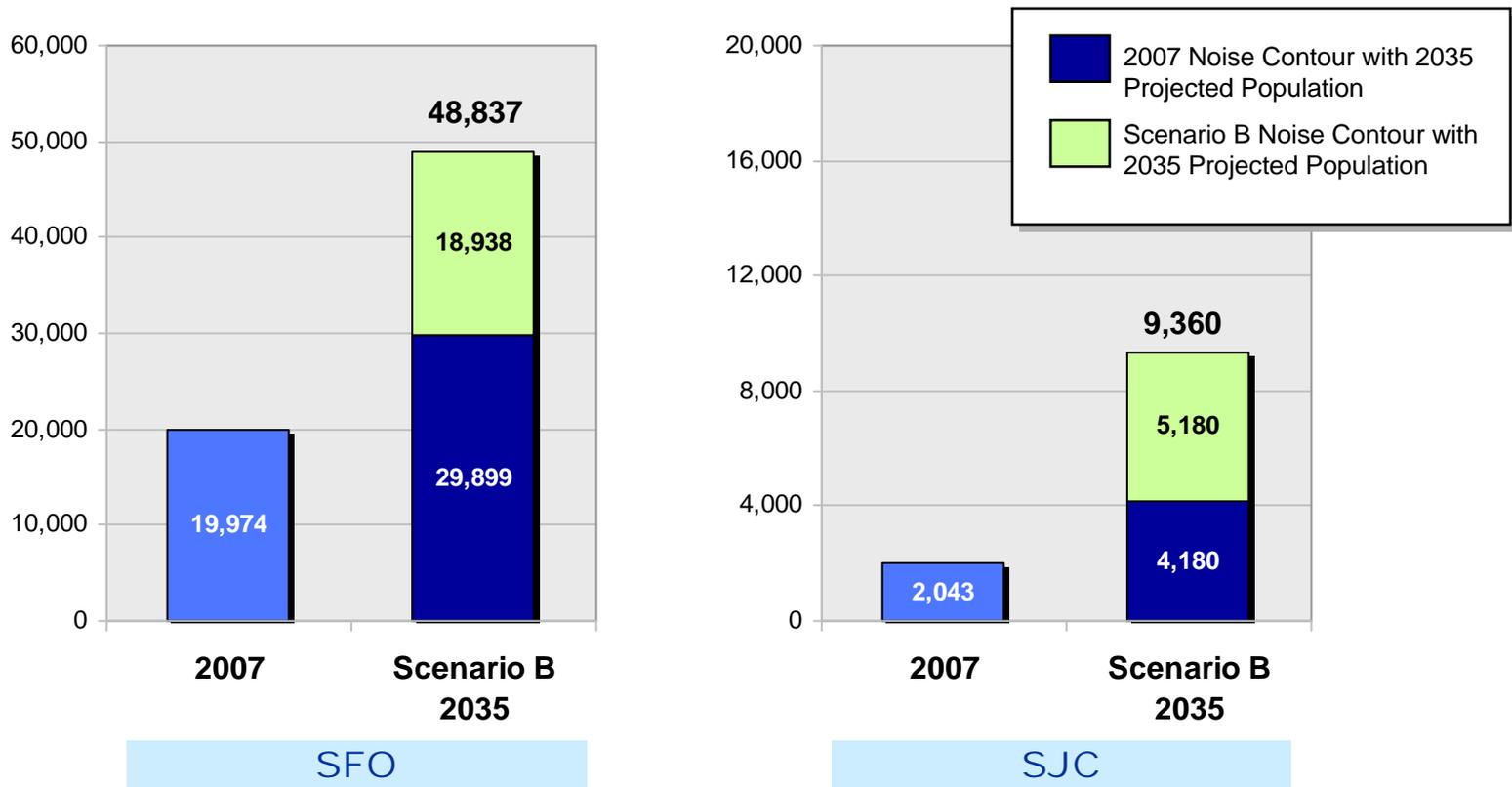
Reliable Runways Goal – SFO Average Aircraft Delays for Major Scenarios

Average Aircraft Delays at SFO
(Minutes)



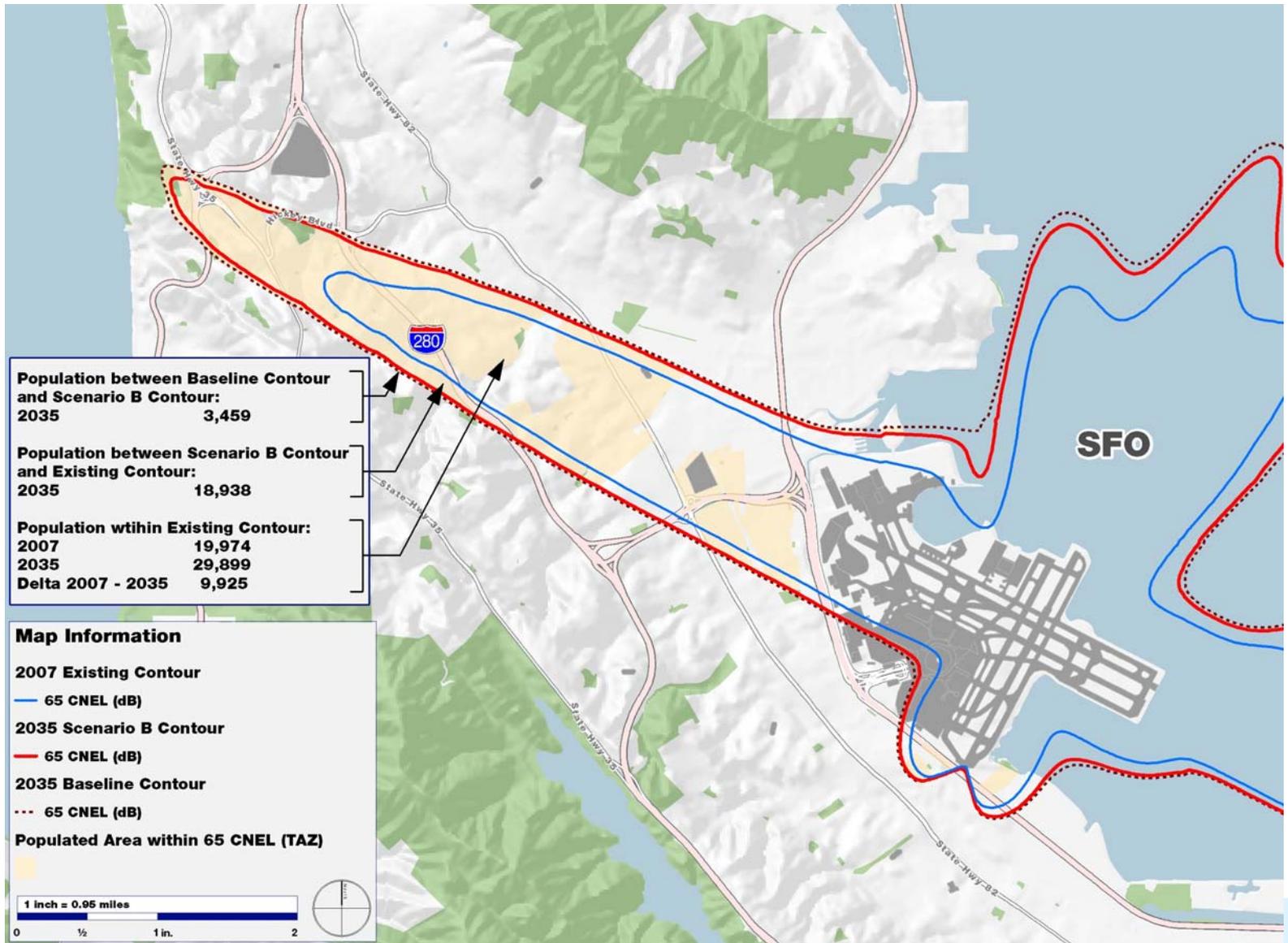
Livable Communities Goal – Scenario B Community Noise Exposure versus 2007

Population Inside 65 CNEL Noise Contour
2007 vs. 2035 Scenario B



Notes: Population projections are based on ABAG's 2009 Focus Growth projections and Scenario B includes projected increase in flights. No population exposure at OAK. Some residences in the 65 CNEL contours for SFO and SJC have already been soundproofed.

SFO Noise Exposure Contours – 2007 Existing, 2035 Baseline, and 2035 Scenario B



Overview of Issues and Recommendations

- ◆ **Recommendations reflect major issues that have been discussed during the study**
- ◆ **Recommendations are consistent with RAPC's advisory role**
- ◆ **Recommendations also address institutional issues**

Issues and Recommendations, 1-3

- ◆ **#1: Changing conditions that alter long-range planning assumptions**
 - Track changes in forecasts, runway congestion
 - Use regional forecasts for airport planning

- ◆ **#2: Lack of regional mechanisms to influence airline decisions about airport service**
 - Regional Plans support Scenario B
 - RAPC should explore ways to engage airlines
 - Regional marketing program for OAK/SJC

- ◆ **#3: Difficulty implementing airport-originated demand management programs**
 - Future SFO airline agreements should not preclude congestion pricing
 - Bay Area may need to advocate for FAA controls if SFO's are not enough

Issues and Recommendations, 4-5

- ◆ **#4: Uncertainty regarding the timing and effectiveness of new ATC technologies**
 - FAA should provide regular updates to RAPC
 - RAPC should engage in advocacy for NextGen funding and Bay Area applications
 - Form coalitions with other regions experiencing major runway congestion problems

- ◆ **#5: Uncertainty regarding future HSR Plans and effectiveness of HSR**
 - Periodically review information on effectiveness of HSR in diverting air passengers
 - Encourage discussions between HSR Authority and airlines regarding joint ticketing arrangements

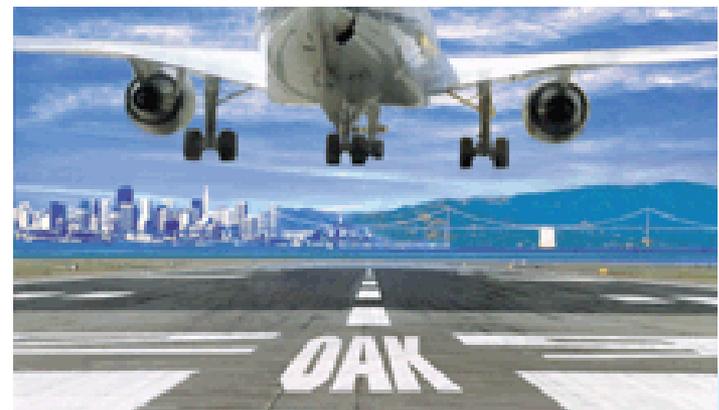
Issues and Recommendations, 6-7

- ◆ **#6: Uncertainty regarding future role of some alternative airports**
 - If demand increases faster than forecasted, RAPC may wish to update feasibility study for Travis AFB
 - Protect aviation capability of Moffett Federal Airfield (possible reliever general aviation airport or limited air cargo roles)
 - Continue to involve Sacramento, Stockton, and Monterey airports in our Bay Area planning process

- ◆ **#7: Projected increase in community noise exposure (2007-2035)**
 - Airports should confirm long-term noise trends from this study
 - Re-examine Focus Growth projections to lower regional population noise exposure
 - Given SFO's projected noise problem, new approaches may be needed (e.g., look at shifting more departures to Runway 1 for takeoff over the Bay; would require runway lengthening and some Bay fill)

Options for Institutional Arrangements

- ◆ **Bay Area airports ownership and operation**
- ◆ **Coordination will be necessary for many strategies**
 - Demand management
 - Redistribution
 - Air Traffic Control
 - High-speed rail
- ◆ **Options to achieve a more coordinated approach**
 - Regional Authority
 - Joint Powers Authority
 - Regional Airport Planning Committee





Appendix

Issues and Recommendations, 8-9

- ◆ **#8: Projected increase in criteria pollutants and GHGs**
 - Have BAAQMD provide RAPC with annual updates of aviation emissions to determine trends
 - RAPC should monitor legislation that would reduce aviation emissions and take supporting positions as appropriate

- ◆ **#9: Effectiveness of RAPC as a regional aviation planning body**
 - Develop MOU with Bay Area airports to define level of financial and staff support for RAPC's work program
 - Seek further FAA support for this program
 - **Recommendations from Part 2 of Institutional Analysis (to be added)**

Future Work Scope

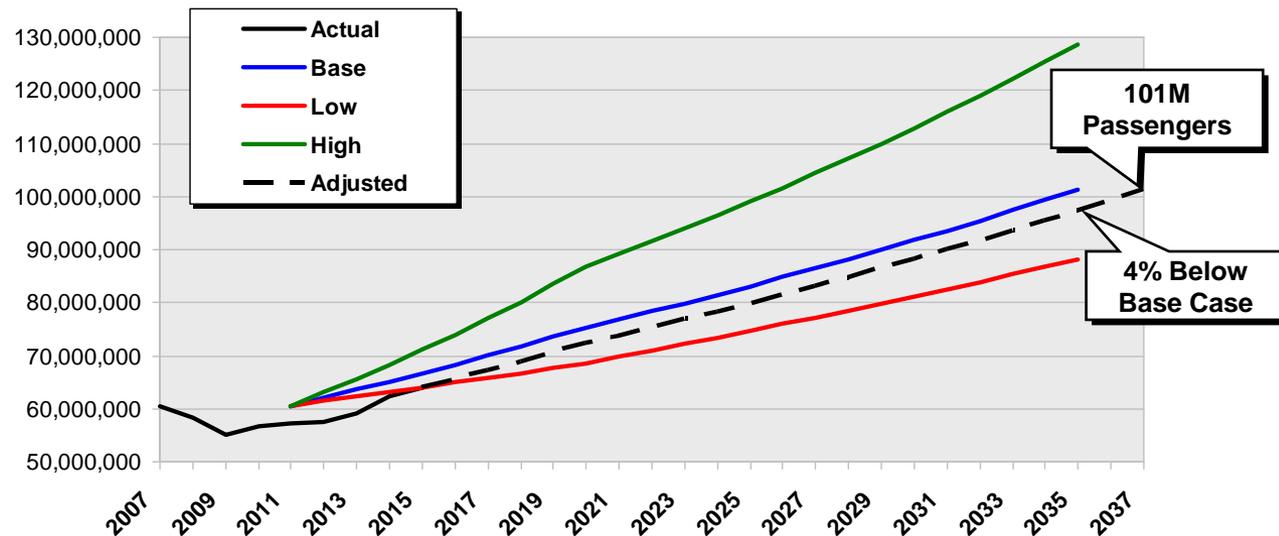
High Priority

- ◆ **Forecast Tracking System**
- ◆ **Multi-Region Air Passenger Survey**
- ◆ **Congestion Tracking System**
- ◆ **Regional Airspace Study**
- ◆ **Long-term Noise Mitigation Study (SFO)**
- ◆ **Focus Growth Review**
- ◆ **Monitor Demand Management approaches at other airports**
- ◆ **Institutional Analysis Follow-up**

Forecast Tracking System

- ◆ Track actual traffic against forecast
- ◆ Determine what is driving the difference between actual and forecast
- ◆ Assess when the forecast level of 101M passengers will be achieved

**Actual vs. Forecast Bay Area Passenger Demand
(Illustrative Example)**



Future Work Scope (cont'd)

Medium Priority

- ◆ **Regional Airport Marketing Program**
- ◆ **Airport Pricing Analysis**
- ◆ **Travis AFB-Updated Feasibility Study (low/medium)**

Low Priority

- ◆ **New Airline Route Study (OAK/SJC)**
- ◆ **Reliever Airport Strategy**
- ◆ **Moffett Federal Airfield-General Aviation Study**
- ◆ **Regional Airport Economic Benefits Study**