



Date: December 20, 2005

To: Honorable Mayor and City Councilmembers

From: Patrick O'Donnell, 4th District Councilmember *POD*
Tonia Reyes Uranga, 7th District Councilmember *RU*
Rae Gabelich, 8th District Councilmember *RG*

Subject: **Financing Plan for Proposed Airport Improvements**

Recommended Action

Direct the City Manager to report back to Council in 45 days with a report outlining the cost estimate of each potential alternative considered in the Airport improvements EIR, including the no build option.

Direct the City Manager to report back to Council in 60 days with a report on potential financing strategies for each option that would not encumber the City for future debt obligations.

Background

As we move forward with the EIR process for the proposed terminal improvements at the Airport, there are several interrelated issues we need to address including a financing plan.

As stated in the Guiding Principles for the Airport:

Financial Impact – Financial plans for airport improvements should include appropriate contributions from airport users to minimize the City's exposure to a fluctuating industry.

Airport Improvements – Ensure that any improvements to Long Beach Airport will preserve those neighborhoods negatively impacted by airport activity, protect the existing noise ordinance, support the financial self-sufficiency of the airport, and provide measurable economic benefits to the City, its residents and businesses, while protecting residents and local businesses.

In the spirit of moving forward with the process, and recognizing the need to provide the Council – and the community – as perfect information as possible, we ask the Council to join us in asking the City Manager for cost estimates and financing strategies related to the terminal improvements.