CHAPTER 6
CAPITAL FINANCIAL PLAN

The master plan concept presented in the previous chapter outlined airside and landside improvements for Paso Robles Municipal Airport (PRB) that provide the City of Paso Robles with a plan to preserve and develop the airport to meet future aviation demands. Using the development concept as a guide, this chapter will provide a description and overall cost for the projects identified in the capital improvement program (CIP) and development schedule. The program has been evaluated from a variety of perspectives and represents a comparative analysis of basic budget factors, demand, and priority assignments.

The presentation of the capital program is organized into two sections. First, the airport's CIP and associated cost estimates are presented in narrative and graphic form. The CIP has been developed following Federal Aviation Administration (FAA) guidelines for master plans and primarily identifies those projects that are likely eligible for FAA grant funding. Second, capital improvement funding sources on the federal, state, and local levels are identified and discussed.

AIRPORT CAPITAL IMPROVEMENT PROGRAM

With the recommended concept, specific needs, and improvements for the airport established, the next step is to determine a realistic schedule for project implementation and the associated costs for the plan. The capital program considers the interrelationships between the projects to determine an appropriate sequence while remaining within reasonable fiscal constraints.

The CIP is programmed by planning horizons and has been developed to cover the short-term (1-5 years), intermediate-term (6-10 years), and long-term (11-20 years) planning horizons. By using planning horizons instead of specific years, the City of Paso Robles will have greater flexibility to adjust capital needs as demand dictates. **Table 6A** summarizes the key aviation demand milestones projected at PRB for each of the three planning horizons.

TABLE 6A | Aviation Demand Planning Horizons

	Base Year (2024)	Short Term (1-5 Years)	Intermediate Term (6-10 Years)	Long Term (11-20 Years)
BASED AIRCRAFT				
Single-Engine	181	195	203	235
Multi-Engine	1	1	1	1
Turboprop	4	6	9	15
Jet	2	5	10	20
Helicopter	9	11	15	23
Other	0	1	1	2
Total Based Aircraft	**197**	**219**	**239**	**296**
ANNUAL OPERATIONS				
Itinerant				
Air Carrier	0	0	0	0
Air Taxi	3,015	3,800	4,700	6,700
General Aviation	28,878	31,700	34,800	42,400
Military	499	2,500	2,500	2,500
Subtotal Itinerant	*32,392*	*38,000*	*42,000*	*51,600*
Local				
General Aviation	15,710	16,600	17,300	22,100
Military	134	0	0	0
Subtotal Local	*15,844*	*16,600*	*17,300*	*22,100*
Total Operations	**48,236**	**54,600**	**59,300**	**73,700**

Source: Coffman Associates analysis

A key aspect of this planning document is the use of demand-based planning milestones. The short-term planning horizon contains items of highest need and/or priority. As short-term horizon activity levels are reached, planning should begin for the intermediate term, based on the next activity milestones. Likewise, when the intermediate-term milestones are reached, planning should begin for the long-term activity milestones.

Many development items included in the recommended concept will need to follow these demand indicators. For example, the plan includes development of new landside facilities (i.e., hangars, aprons, and taxilanes) to support aircraft activity. Demand for new based aircraft will be a primary indicator for these projects. As based aircraft demand materializes, additional hangars should be constructed to meet the demand. If demand slows or does not occur as forecast, some projects may be delayed. As a result, capital expenditures are planned on an as-needed basis, leading to more responsible use of capital assets. Some development items do not depend on demand, such as airfield improvements to meet FAA design standards. These projects need to be programmed in a timely manner, regardless of changes in demand indicators, and should be monitored regularly by airport management.

At PRB, some hangars are owned and managed by the airport and leased to individual tenants, while most are privately owned and managed on land leased from the airport. Because of economic realities, many airports rely on private developers to construct new hangars. In some cases, private developers can keep construction costs lower, which lowers the monthly lease rates necessary to amortize a loan. The CIP for PRB assumes development for hangar facilities will be funded privately through ground lease agreements with the developer. However, the City of Paso Robles will determine whether to self-fund landside facility development or rely on private developers, based on demand and the specific needs of a potential developer.

Because a master plan is a conceptual document, implementation of the capital projects should only be undertaken after further refinement of their designs and costs through architectural and/or engineering analysis. Moreover, a project may require additional infrastructure improvements (e.g., drainage improvements, extension of utilities, etc.) that may increase the estimated cost of the project or the timeline for completion.

Once a list of necessary projects was identified and refined, project-specific cost estimates were prepared by the airport's on-call engineer, Tartaglia. The project cost estimates include administrative, design, construction, construction management, and closeout costs. **Capital costs presented here should be viewed only as order-of-magnitude estimates that are subject to further refinement during engineering/architectural design**; nevertheless, they are considered sufficient for planning purposes. Cost estimates for all the development projects in the CIP are based on present-day (2026) costs. Adjustments will need to be applied over time to account for inflation, as well as changes in construction and capital equipment costs.

Exhibit 6A presents the proposed 20-year CIP for PRB. Most – but not all – of the projects identified are eligible for Airport Improvement Program (AIP) grant funding because this master plan follows federal guidelines and focuses on those projects that are eligible for grant funding. The airport will have a variety of capital expenses that are not eligible for AIP funding, and which are not presented in detail in this CIP. **AIP-funded projects are eligible for up to 90 percent of the total project cost; the remaining amount would be shared between the California Department of Transportation – Division of Aeronautics (Caltrans) at 4.5 percent (up to a maximum of $200,000) and the local sponsor at 5.5 percent.**

The FAA utilizes a priority ranking system to help objectively evaluate potential airport projects. Projects are weighted toward safety, infrastructure preservation, standards, and capacity enhancement. The FAA will participate in the highest priority projects before considering lower priority projects, even if a lower priority project is considered a more urgent need by the local sponsor. Nevertheless, the project should remain a priority for the airport, and funding support should continue to be requested in subsequent years.

The most important feature of the CIP is that future projects that the airport may request AIP funding for are included on the list. The CIP is updated and reviewed with the FAA on an annual basis. Projects on the CIP will be moved higher and lower on the list, depending on priority and funding availability. Periodically, new projects will arise that can be added to the CIP and presented to the FAA.

Some projects identified in the CIP will require environmental documentation. The level of documentation necessary for each project must be determined in consultation with the FAA. There are three major levels of environmental review to be considered under the *National Environmental Policy Act* (NEPA): categorical exclusion (CATEX), environmental assessment (EA), and environmental impact statement (EIS). Each level requires more time to complete and more detailed information than the previous one. Guidance on the level of documentation required for a specific project is provided in FAA Order 1050.1G, *FAA National Environmental Policy Act Implementing Procedures.* The Environmental Overview presented in Chapter Five addresses NEPA and provides an evaluation of various environmental categories for PRB.

The following sections will describe, in greater detail, the projects identified for the airport over the next 20 years. The projects are grouped based on a detailed evaluation of existing and projected demand, safety, rehabilitation needs, and local priority. While the CIP identifies the priority rankings of the

projects, the list should be evaluated and revised on a regular basis. It is also important to note that certain projects – while listed separately for purposes of evaluation in this study – could be combined with other projects at the time of construction/implementation.

SHORT-TERM PROGRAM

The short-term projects are those anticipated to be needed during fiscal years (FY) 2026 through 2031. The projects listed are subject to change, based on federal and state funding priorities. The short-term program considers nine projects for the planning period, as presented on **Exhibit 6A** and depicted on **Exhibit 6B.** The following provides a detailed breakdown of each project.

FY 2026

Project #1: Rehabilitate Taxiway A - North of Bravo, Geometry Upgrades at 19
Description: This portion of Taxiway A was identified in the *Pavement Management Program* report developed for PRB in 2024 as needing to be reconstructed and strengthened so that it can accommodate routine CAL FIRE C-130 aircraft.
Cost Estimate: $4,397,460
Funding Breakdown: AIP – 95% | Caltrans – 4.7% | Airport Sponsor – 0.3%. AIP grants in FY 2026 are eligible for up to 95 percent funding.

Project #2: Heliport Relocation (Design)
Description: The heliport and associated helicopter parking area are planned to be relocated to allow for the expansion of the transient aircraft parking apron. This project is design-only.
Cost Estimate: $466,360
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #3: Heliport Relocation (Construction)
Description: This project constructs a new heliport and helicopter parking spaces located closer to Taxiway C. Its relocation will allow for the expansion of the transient aircraft parking apron planned for a future project.
Cost Estimate: $4,663,600
Funding Breakdown: AIP – 90% | Caltrans – 4.3% | Airport Sponsor – 5.7%.

Project #4: Reconstruct Terminal Ramp and Aircraft Parking Area (Design)
Description: This is a design-only project to reconstruct and strengthen the main terminal ramp, which was found in the 2024 *Pavement Management Program* to have insufficient strength for larger/heavier aircraft.
Cost Estimate: $420,000
Funding Breakdown: AIP – 90% | Caltrans – 4.3% | Airport Sponsor – 5.7%.

Project #5: Reconstruct Terminal Ramp and Aircraft Parking Area (Construction)
Description: This is the construction phase of the main terminal ramp reconstruction/strengthening to support activity by larger/heavier aircraft.
Cost Estimate: $4,900,000
Funding Breakdown: AIP – 90% | Caltrans – 4.1% | Airport Sponsor – 5.9%.

Year	#	Project Description	Total Cost	Federal Share	State Share	Local Share	Spaceport Project Costs
Short-Term Projects							
2026	1	Rehabilitate Taxiway A - North of Bravo, Geometry Upgrades at 19	$4,397,460	$4,177,587	$208,879	$10,994	$0
2027	2	Heliport Relocation (Design)	$466,360	$419,724	$20,986	$25,650	$0
2028	3	Heliport Relocation (Construction)	$4,663,600	$4,197,240	$200,000	$266,360	$0
2029	4	Reconstruct Terminal Ramp and Aircraft Parking Area (Design)	$420,000	$378,000	$18,900	$23,100	$0
2030	5	Reconstruct Terminal Ramp and Aircraft Parking Area (Construction)	$4,900,000	$4,410,000	$200,000	$290,000	$0
2031	6	Construct Rocket Fuel Loading Pads	$0	$0	$0	$0	$2,048,550
	7	Construct Rocket Engine Test Site 1	$0	$0	$0	$0	$185,000
	8	Construct Propeller Drive Extension to CAL FIRE Base	$2,782,080	$0	$0	$2,782,080	$0
	9	Transient Apron Expansion - Phase 1	$4,588,100	$4,129,290	$200,000	$258,810	$0
Short-Term Subtotal			**$22,217,600**	**$17,711,841**	**$848,765**	**$3,656,994**	**$2,233,550**
Intermediate-Term Projects							
2032-2036	10	Construct Taxiway H	$3,219,264	$2,897,338	$144,867	$177,060	$0
	11	Stub Taxiway Geometry Improvements	$2,648,880	$2,383,992	$119,200	$145,688	$0
	12	Relocate Segmented Circle/ Lighted Wind Cone	$160,000	$144,000	$7,200	$8,800	$0
	13	Install PAPI-4 and REILs on Runway 13	$93,000	$83,700	$4,185	$5,115	$0
	14	Install REILs on Runway 31	$28,000	$25,200	$1,260	$1,540	$0
	15	Install PAPI-4 on Runway 1	$65,000	$58,500	$2,925	$3,575	$0
	16	Install REILs on Runway 1	$28,000	$25,200	$1,260	$1,540	$0
	17	Construct Rocket Engine Test Site 3	$0	$0	$0	$0	$65,000
	18	Construct Airport Operations Storage Facilities	$1,600,000	$0	$0	$1,600,000	$0
	19	Construct Small Hangar Taxilanes - Phase 1	$1,544,400	$1,389,960	$69,498	$84,942	$0
	20	Construct Terminal Expansion - 5,200 sf	$5,460,000	$0	$0	$5,460,000	$0
	21	Terminal Parking Lot Expansion	$2,456,800	$0	$0	$2,456,800	$0
	22	Strengthen Taxiway B and Taxiway C Near CAL FIRE Base	$1,232,160	$1,108,944	$55,447	$67,769	$0
	23	Strengthen Taxiways C and D	$775,200	$697,680	$34,884	$42,636	$0
	24	Acquire Avigation Easement - 12.3 acres	$61,500	$55,350	$2,768	$3,383	$0
	25	Construct Holding Aprons	$6,410,880	$5,769,792	$200,000	$441,088	$0
	26	Construct Small Hangar Taxilanes - Phase 2	$988,416	$889,574	$44,479	$54,363	$0
	27	Construct Small Hangar Taxilanes - Phase 3	$159,700	$143,730	$7,187	$8,784	$0
	28	Relocate Taxiway E	$2,843,100	$2,558,790	$127,940	$156,371	$0
	29	Transient Apron Expansion - Phase 2	$6,911,784	$6,220,606	$200,000	$491,178	$0
	30	Wing Way Extension	$5,189,520	$0	$0	$5,189,520	$0
	31	Construct FBO/SASO Hangar Taxilane/Apron - Phase 1	$8,941,800	$8,047,620	$200,000	$694,180	$0
	32	Construct Vertiport and Associated AAM Terminal	$13,180,544	$11,862,490	$200,000	$1,118,054	$0
Intermediate-Term Projects (continued)							
2032-2036	33	Construct Taxiway J	$9,768,960	$8,792,064	$200,000	$776,896	$0
	34	Construct Taxiway G	$9,981,468	$8,983,321	$200,000	$798,147	$0
	35	Construct Second Wind Way/ Wright Way Loop	$1,728,400	$0	$0	$1,728,400	$0
	36	Routine Airfield Pavement Maintenance	$10,000,000	$9,000,000	$200,000	$800,000	$0
Intermediate-Term Subtotal			**$95,476,776**	**$71,137,850**	**$2,023,098**	**$22,315,828**	**$65,000**
Long-Term Projects							
2037+	37	Relocate ASOS Equipment	$200,000	$180,000	$9,000	$11,000	$0
	38	Update Airfield Signage and Taxiway Designations	$75,000	$67,500	$3,375	$4,125	$0
	39	Construct FBO/SASO Hangar Taxilane/Apron - Phase 2	$5,343,600	$4,809,240	$200,000	$334,360	$0
	40	Site Prep and Utilities Expansion to Support South Developments	$3,000,000	$0	$0	$3,000,000	$0
	41	Acquire Property - 10.9 acres	$218,000	$196,200	$9,810	$11,990	$0
	42	Extend Runway 1-19	$17,719,420	$15,947,478	$200,000	$1,571,942	$0
	43	Construct Runway 1 Blast Pad	$1,526,400	$1,373,760	$68,688	$83,952	$0
	44	Acquire Property - 58.1 acres	$1,162,000	$1,045,800	$52,290	$63,910	$0
	45	Extend Runway 13-31	$16,668,220	$15,001,398	$200,000	$1,466,822	$0
	46	Construct Runway 31 Blast Pad	$1,068,480	$961,632	$48,082	$58,766	$0
	47	Acquire Property - 86.8 Acres	$1,736,000	$0	$0	$1,736,000	$0
	48	Acquire Property - 60.1 Acres	$1,202,000	$0	$0	$1,202,000	$0
	49	Acquire Property - 278.2 Acres	$5,564,000	$0	$0	$5,564,000	$0
	50	CAL FIRE Apron Expansion	$6,153,300	$0	$6,153,300	$0	$0
	51	Routine Airfield Pavement Maintenance	$20,000,000	$18,000,000	$200,000	$1,800,000	$0
Long-Term Subtotal			**$81,636,420**	**$57,583,008**	**$7,144,545**	**$16,908,867**	**$0**

COST SUMMARY

Stage	Total Cost	Federal Share	State Share	Local Share	Spaceport Project Costs
Short-Term Subtotal	$22,217,600	$17,711,841	$848,765	$3,656,994	$2,233,550
Intermediate-Term Subtotal	$95,476,776	$71,137,850	$2,023,098	$22,315,828	$65,000
Long-Term Subtotal	$81,636,420	$57,583,008	$7,144,545	$16,908,867	$0
Total CIP	$199,330,796	$146,432,699	$10,016,408	$42,881,689	$2,298,550

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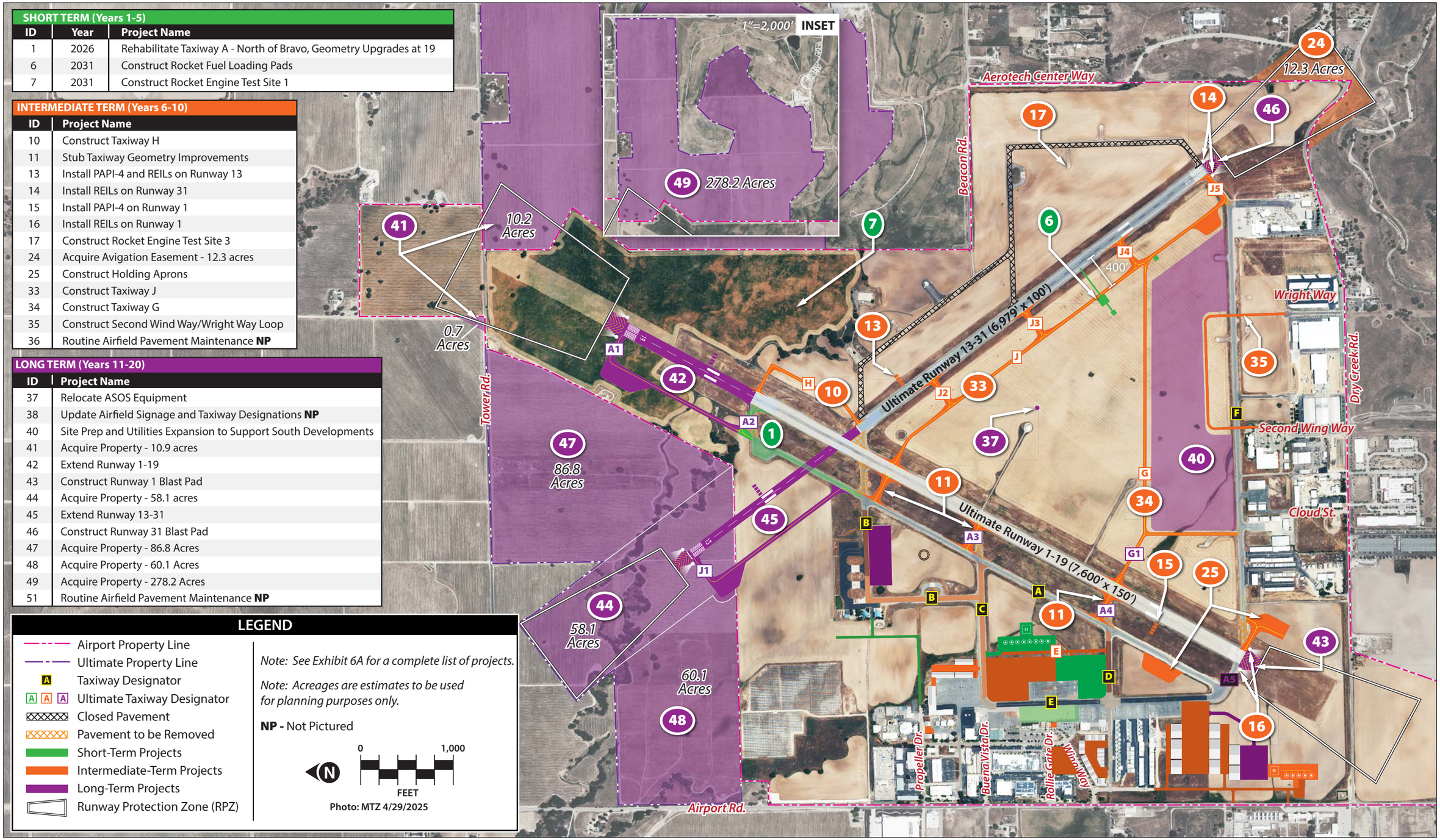
SHORT TERM (Years 1-5)		
ID	**Year**	**Project Name**
1	2026	Rehabilitate Taxiway A - North of Bravo, Geometry Upgrades at 19
6	2031	Construct Rocket Fuel Loading Pads
7	2031	Construct Rocket Engine Test Site 1

INTERMEDIATE TERM (Years 6-10)	
ID	**Project Name**
10	Construct Taxiway H
11	Stub Taxiway Geometry Improvements
13	Install PAPI-4 and REILs on Runway 13
14	Install REILs on Runway 31
15	Install PAPI-4 on Runway 1
16	Install REILs on Runway 1
17	Construct Rocket Engine Test Site 3
24	Acquire Avigation Easement - 12.3 acres
25	Construct Holding Aprons
33	Construct Taxiway J
34	Construct Taxiway G
35	Construct Second Wind Way/Wright Way Loop
36	Routine Airfield Pavement Maintenance **NP**

LONG TERM (Years 11-20)	
ID	**Project Name**
37	Relocate ASOS Equipment
38	Update Airfield Signage and Taxiway Designations **NP**
40	Site Prep and Utilities Expansion to Support South Developments
41	Acquire Property - 10.9 acres
42	Extend Runway 1-19
43	Construct Runway 1 Blast Pad
44	Acquire Property - 58.1 acres
45	Extend Runway 13-31
46	Construct Runway 31 Blast Pad
47	Acquire Property - 86.8 Acres
48	Acquire Property - 60.1 Acres
49	Acquire Property - 278.2 Acres
51	Routine Airfield Pavement Maintenance **NP**



LEGEND

- Airport Property Line
- Ultimate Property Line
- Taxiway Designator
- Ultimate Taxiway Designator
- Closed Pavement
- Pavement to be Removed
- Short-Term Projects
- Intermediate-Term Projects
- Long-Term Projects
- Runway Protection Zone (RPZ)

Note: See Exhibit 6A for a complete list of projects.

Note: Acreages are estimates to be used for planning purposes only.

NP - Not Pictured

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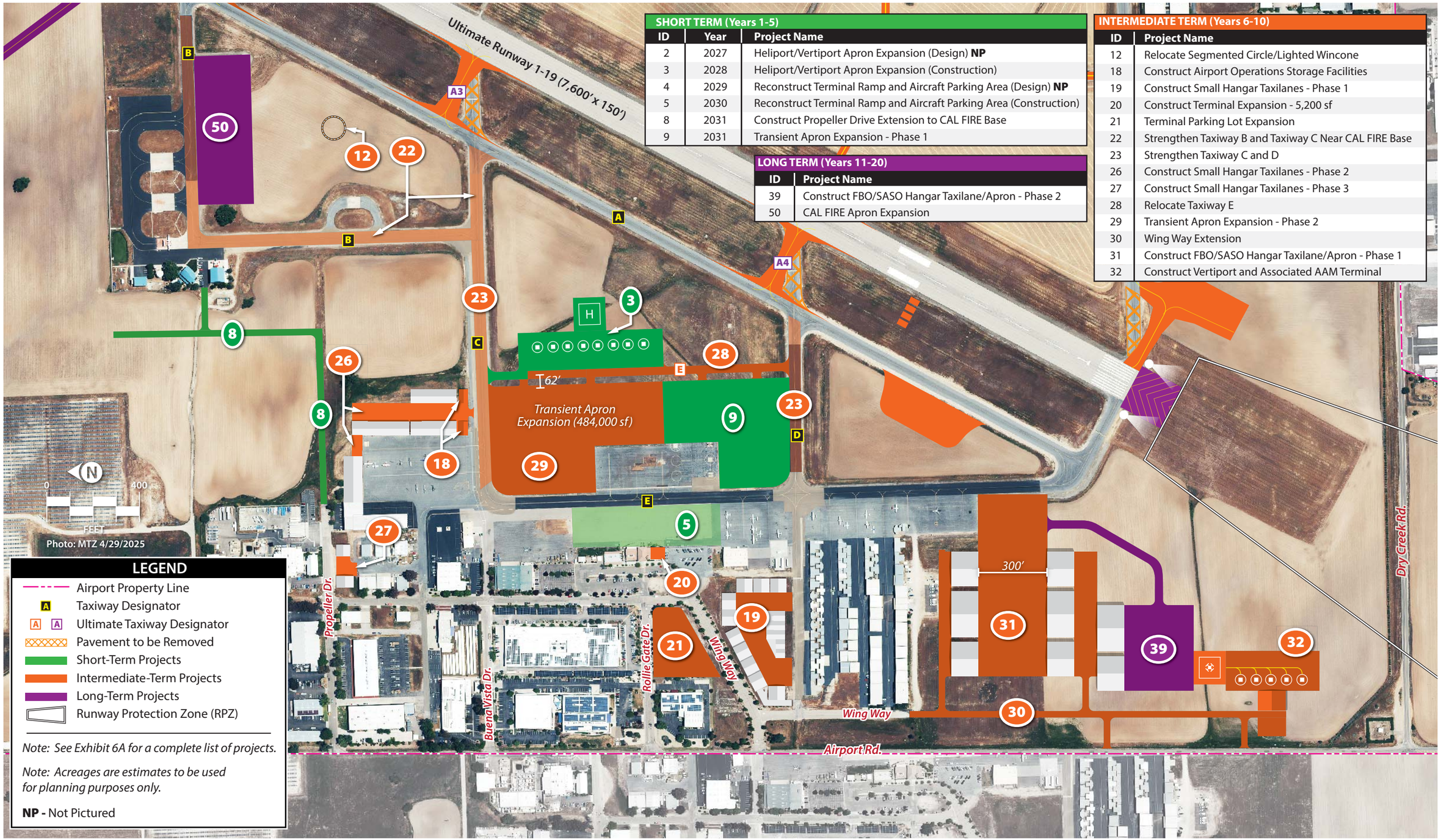

SHORT TERM (Years 1-5)

ID	Year	Project Name
2	2027	Heliport/Vertiport Apron Expansion (Design) **NP**
3	2028	Heliport/Vertiport Apron Expansion (Construction)
4	2029	Reconstruct Terminal Ramp and Aircraft Parking Area (Design) **NP**
5	2030	Reconstruct Terminal Ramp and Aircraft Parking Area (Construction)
8	2031	Construct Propeller Drive Extension to CAL FIRE Base
9	2031	Transient Apron Expansion - Phase 1

LONG TERM (Years 11-20)

ID	Project Name
39	Construct FBO/SASO Hangar Taxilane/Apron - Phase 2
50	CAL FIRE Apron Expansion

INTERMEDIATE TERM (Years 6-10)

ID	Project Name
12	Relocate Segmented Circle/Lighted Wincone
18	Construct Airport Operations Storage Facilities
19	Construct Small Hangar Taxilanes - Phase 1
20	Construct Terminal Expansion - 5,200 sf
21	Terminal Parking Lot Expansion
22	Strengthen Taxiway B and Taxiway C Near CAL FIRE Base
23	Strengthen Taxiway C and D
26	Construct Small Hangar Taxilanes - Phase 2
27	Construct Small Hangar Taxilanes - Phase 3
28	Relocate Taxiway E
29	Transient Apron Expansion - Phase 2
30	Wing Way Extension
31	Construct FBO/SASO Hangar Taxilane/Apron - Phase 1
32	Construct Vertiport and Associated AAM Terminal

LEGEND

- Airport Property Line
- Taxiway Designator
- Ultimate Taxiway Designator
- Pavement to be Removed
- Short-Term Projects
- Intermediate-Term Projects
- Long-Term Projects
- Runway Protection Zone (RPZ)

Note: See Exhibit 6A for a complete list of projects.

Note: Acreages are estimates to be used for planning purposes only.

NP - Not Pictured

Project #6: Construct Rocket Fuel Loading Pads
Description: These concrete pads will support horizontal launch vehicles and serve as the propellant loading areas. The loading pad is where propellant loading will occur while the fuel storage and oxidizer storage pads are used for temporary storage of liquid fuels and oxidizer. Dimensions for the pads are 100 feet by 100 feet for the loading pad and 50 feet by 50 feet for the fuel storage and oxidizer storage pads.
Cost Estimate: $2,048,550
Funding Breakdown: Spaceport project funding is not eligible for AIP or Caltrans funding and is anticipated to be funded via public/private partnerships.

Project #7: Construct Rocket Engine Test Site 1
Description: $185,000
Cost Estimate: This site is a 50-foot diameter concrete pad intended to be used for small bipropellant rocket engine testing.
Funding Breakdown: Spaceport project funding is not eligible for AIP or Caltrans funding and is anticipated to be funded via public/private partnerships.

Project #8: Construct Propeller Drive Extension to CAL FIRE Base
Description: This project will extend Propeller Drive east to create a permanent public access road to the CAL FIRE base.
Cost Estimate: $2,782,080
Funding Breakdown: Airport Sponsor – 100%.

Project #9: Transient Apron Expansion - Phase 1
Description: This project expands the transient apron by approximately 193,100 square feet (sf) creating more capacity for aircraft parking and circulation near the terminal.
Cost Estimate: $4,588,100
Funding Breakdown: AIP – 90% | Caltrans – 4.4% | Airport Sponsor – 5.6%.

Short-Term Program Summary

The total investment necessary for the short-term CIP is approximately $22.2 million. Of the overall short-term CIP total, approximately $18.6 million is eligible for federal and state funding assistance. Sponsor funding is estimated at approximately $3.7 for the short-term program. The remaining $2.2 million is associated with spaceport-related projects that are not AIP-eligible but will likely be funded through public/private partnerships.

INTERMEDIATE-TERM PROGRAM

The intermediate-term projects are those that are anticipated to be necessary in years six through 10 of the master plan. These projects are not tied to specific years of implementation; instead, they have been prioritized so that airport management has the flexibility to determine when they need to be pursued, based on current conditions. It is not unusual for certain projects to be delayed or advanced because of changing conditions, such as funding availability or changes in the aviation industry. This planning horizon includes 27 projects for the five-year timeframe, as listed on **Exhibit 6A** and depicted on **Exhibit 6B**. The following section includes a description of each project.

Project #10: Construct Taxiway H
Description: Taxiway H is a new connecting taxiway extending from the Runway 19 threshold to the Runway 13 threshold. The purpose of this taxiway is to replace the current Taxiway B connection serving Runway 13, which is non-standard. Project includes medium intensity taxiway lights (MITL) and appropriate markings and signage.
Cost Estimate: $3,219,264
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #11: Stub Taxiway Geometry Improvements
Description: This project reconstructs the stub taxiways between Runway 1-19 and Taxiway A so that each are at a 90-degree angle.
Cost Estimate: $2,648,880
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #12: Relocate Segmented Circle/Lighted Windcone
Description: The segmented circle/lighted windcone currently obstructs the runway object free area (ROFA) and the runway visibility zone (RVZ). This project relocates the equipment to an area between Taxiway A and Taxiway B near the CAL FIRE base where it would no longer obstruct the safety areas.
Cost Estimate: $160,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #13: Install PAPI-4 and REILs on Runway 13
Description: Installation of visual approach aids to improve pilot situational awareness.
Cost Estimate: $93,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #14: Install REILs on Runway 31
Description: Installation of visual approach aid to improve pilot situational awareness.
Cost Estimate: $28,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #15: Install PAPI-4 on Runway 1
Description: Installation of visual approach aid to improve pilot situational awareness.
Cost Estimate: $65,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #16: Install REILs on Runway 1
Description: Installation of visual approach aid to improve pilot situational awareness.
Cost Estimate: $28,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #17: Construct Rocket Engine Test Site 3
Description: Construction of a 30-foot diameter concrete pad for small rocket engine testing.
Cost Estimate: $65,000
Funding Breakdown: Spaceport project funding is not eligible for AIP or Caltrans funding and is anticipated to be funded via public/private partnerships.

Project #18: Construct Airport Operations Storage Facilities
Description: Construction of two 2,500 sf storage facilities for airport operations use.
Cost Estimate: $1,600,000
Funding Breakdown: Airport Sponsor – 100%.

Project #19: Construct Small Hangar Taxilanes - Phase 1
Description: Construction of taxilane/ramp pavement to support the development of 18 new box hangars.
Cost Estimate: $1,544,400
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #20: Construct Terminal Expansion - 5,200 sf
Description: Expansion of the terminal building to add passenger and crew facilities to support FBO operations. The project includes updating the existing building to a new color scheme.
Cost Estimate: $5,460,000
Funding Breakdown: Airport Sponsor – 100%.

Project #21: Terminal Parking Lot Expansion
Description: Constructs a vehicle parking lot expansion to support the terminal building and surrounding businesses.
Cost Estimate: $2,456,800
Funding Breakdown: Airport Sponsor – 100%.

Project #22: Strengthen Taxiway B and Taxiway C Near CAL FIRE Base
Description: Adds strength to Taxiways B and C to support regular operations by the C-130 aerial firefighting aircraft.
Cost Estimate: $1,232,160
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #23: Strengthen Taxiway C and D
Description: Adds strength to Taxiways C and D to support larger/heavier business jets accessing the transient apron.
Cost Estimate: $775,200
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #24: Acquire Avigation Easement - 12.3 acres
Description: Avigation easement to establish airport control for airspace within the Runway 31 runway protection zone (RPZ) as well as property within the 35-foot building restriction line.
Cost Estimate: $61,500
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #25: Construct Holding Aprons
Description: Adds two holding aprons near the Runway 1 threshold along Taxiway A and Taxiway F. Taxiway F would also be realigned to create a 90-degree intersection with the runway.
Cost Estimate: $6,410,880
Funding Breakdown: AIP – 90% | Caltrans – 3.1% | Airport Sponsor – 6.9%.

Project #26: Construct Small Hangar Taxilanes - Phase 2
Description: Construction of an Airplane Design Group (ADG) I taxilane stemming from Taxiway C to support the development of new small box/T-hangars.
Cost Estimate: $988,416
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #27: Construct Small Hangar Taxilanes - Phase 3
Description: Extension of an existing taxilane adjacent to Propeller Drive to support two new hangars.
Cost Estimate: $159,700
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #28: Relocate Taxiway E
Description: Relocate Taxiway E approximately 550 feet to the east to create more space for expanding the terminal's transient aircraft parking ramp.
Cost Estimate: $2,843,100
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #29: Transient Apron Expansion - Phase 2
Description: This project expands the transient apron by approximately 290,900 square feet (sf), creating more capacity for aircraft parking and circulation near the terminal.
Cost Estimate: $6,911,784
Funding Breakdown: AIP – 90% | Caltrans – 2.9% | Airport Sponsor – 7.1%.

Project #30: Wing Way Extension
Description: Extends Wing Way south to support future hangar development and vertiport. Includes two new intersections with Airport Road.
Cost Estimate: $5,189,520
Funding Breakdown: Airport Sponsor – 100%.

Project #31: Construct FBO/SASO Hangar Taxilane/Apron - Phase 1
Description: Construction of a 234,300 sf taxilane/apron to support future FBO/specialty aviation service operator (SASO) hangars.
Cost Estimate: $8,941,800
Funding Breakdown: AIP – 90% | Caltrans – 2.2% | Airport Sponsor – 7.8%.

Project #32: Construct Vertiport and Associated AAM Terminal
Description: Development of a dedicated electric vertical takeoff and landing (eVTOL) vertiport and associated ramp, a 10,000-sf terminal facility, and a vehicle parking lot.
Cost Estimate: $13,180,544
Funding Breakdown: AIP – 90% | Caltrans – 1.5% | Airport Sponsor – 8.5%.

Project #33: Construct Taxiway J
Description: This project adds a full-length taxiway design group (TDG) 2A parallel taxiway to Runway 13-31 including three stub taxiways (J2, J3, J4). The project includes MITL for all new taxiway pavement and appropriate signage and markings. A new holding apron is also included near the Runway 31 threshold.
Cost Estimate: $9,768,960
Funding Breakdown: AIP – 90% | Caltrans – 2.0% | Airport Sponsor – 8.0%.

Project #34: Construct Taxiway G
Description: Taxiway G will be an infield TDG 2A taxiway, providing access between the two runways on the south side of the airfield to allow for future aeronautical developments north of Taxiway F. The project includes MITL for all new taxiway pavement and appropriate signage and markings.
Cost Estimate: $9,981,468
Funding Breakdown: AIP – 90% | Caltrans – 2.0% | Airport Sponsor – 8.0%.

Project #35: Construct Second Wind Way/Wright Way Loop
Description: This project extends a public-access road loop through Taxiway F to support future aeronautical developments on the south side of the airfield.
Cost Estimate: $1,728,400
Funding Breakdown: Airport Sponsor – 100%.

Project #36: Routine Airfield Pavement Maintenance
Description: Rehabilitation of airfield pavement (runway/taxiway/apron) to preserve useful life.
Cost Estimate: $10,000,000
Funding Breakdown: AIP – 90% | Caltrans – 2.0% | Airport Sponsor – 8.0%.

Intermediate-Term Program Summary

The total costs associated with the intermediate-term program are estimated at $95.5 million. Of this total, approximately $73.2 million could be eligible for federal/state funding, and the airport sponsor share is projected at $22.3 million. The remaining $65,000 is associated with a spaceport-related project that is not AIP-eligible but will likely be funded through public/private partnerships.

LONG-TERM PROGRAM

The long-term planning horizon considers 15 projects for the 10+ year period that are mainly demand-driven. Several long-term projects, such as the extension to both runways, are included for planning purposes only and are not currently justified. These projects and their associated costs are listed on **Exhibit 6A** and graphically depicted on **Exhibit 6B**.

Project #37: Relocate ASOS Equipment
Description: Relocation of ASOS equipment to a site southeast of the VORTAC to support future aeronautical development on the south side of the airfield.
Cost Estimate: $200,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #38: Update Airfield Signage and Taxiway Designations
Description: Updating all airfield signage to reflect new taxiway designations in alignment with FAA-nomenclature guidelines.
Cost Estimate: $75,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #39: Construct FBO/SASO Hangar Taxilane/Apron - Phase 2
Description: Construction of 109,250 sf of new taxilane/apron to support future FBO/SASO hangars.
Cost Estimate: $5,343,600
Funding Breakdown: AIP – 90% | Caltrans – 3.7% | Airport Sponsor – 6.3%.

Project #40: Site Prep and Utilities Expansion to Support South Developments
Description: Clearing/grading and utility expansion of approximately 60 acres on the south side of the airfield to support future aeronautical developments.
Cost Estimate: $3,000,000
Funding Breakdown: Airport Sponsor – 100%.

Project #41: Acquire Property - 10.9 acres
Description: Acquisition of property along Tower Road to support a future extension of Runway 1-19 by establishing airport control over the ultimate Runway 19 RPZ.
Cost Estimate: $218,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #42: Extend Runway 1-19
Description: This project extends Runway 1-19 1,592 feet northeast for an ultimate length of 7,600 feet so that it can better support operations by larger/heavier business jets. This project includes the extension of Taxiway A (including MITL), relocation of visual approach aids (PAPI-4, REIL), extension of the medium intensity runway light (MIRL) system and non-precision runway markings, and the construction of a new holding apron near the Runway 19 threshold. This project is included for planning purposes only and is not currently justified.
Cost Estimate: $17,719,420
Funding Breakdown: AIP – 90% | Caltrans – 1.1% | Airport Sponsor – 8.9%.

Project #43: Construct Runway 1 Blast Pad
Description: Construction of a blast pad at the end of Runway 1 to prevent soil erosion off the end of the runway.
Cost Estimate: $1,526,400
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #44: Acquire Property - 58.1 acres
Description: Acquisition of property to establish airport control over property that would allow for the future extension of Runway 13-31, including the ultimate Runway 13 RPZ.
Cost Estimate: $1,162,000
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #45: Extend Runway 13-31
Description: This project extends Runway 13-31 2,278 feet northwest for an ultimate length of 6,979 feet so that it can better support operations by larger/heavier business jets and firefighting aircraft. This project includes the extension of Taxiway J (including MITL), relocation of visual approach aids (PAPI-4, REIL), extension of the medium intensity runway light (MIRL) system and non-precision runway markings, and the construction of a new holding apron near the Runway 13 threshold. This project is included for planning purposes only and is not currently justified.

Cost Estimate: $16,668,220
Funding Breakdown: AIP – 90% | Caltrans – 1.2% | Airport Sponsor – 8.8%.

Project #46: Construct Runway 31 Blast Pad
Description: Construction of a blast pad at the end of Runway 31 to prevent soil erosion off the end of the runway.
Cost Estimate: $1,068,480
Funding Breakdown: AIP – 90% | Caltrans – 4.5% | Airport Sponsor – 5.5%.

Project #47: Acquire Property - 86.8 Acres
Description: Property acquisition along Tower Road for the purpose of creating a buffer between the airport and the neighboring area and for potential future aeronautical development.
Cost Estimate: $1,736,000
Funding Breakdown: Airport Sponsor – 100%.

Project #48: Acquire Property - 60.1 Acres
Description: Property acquisition along Airport Road for the purpose of creating a buffer between the airport and the neighboring area and for potential future aeronautical and non-aeronautical development.
Cost Estimate: $1,202,000
Funding Breakdown: Airport Sponsor – 100%.

Project #49: Acquire Property - 278.2 Acres
Description: Property acquisition near the former Links Golf Course of Paso Robles, located between Beacon Road and Tower Road, for the purpose of creating a buffer between the airport and the neighboring area and for potential future non-aeronautical development.
Cost Estimate: $5,564,000
Funding Breakdown: Airport Sponsor – 100%.

Project #50: CAL FIRE Apron Expansion
Description: Construction of a new 161,250 sf apron at the CAL FIRE base to support its operations.
Cost Estimate: $6,153,300
Funding Breakdown: Caltrans/CAL FIRE – 100%.

Project #51: Routine Airfield Pavement Maintenance
Description: Rehabilitation of airfield pavement (runway/taxiway/apron) to preserve useful life.
Cost Estimate: $20,000,000
Funding Breakdown: AIP – 90% | Caltrans – 1.0% | Airport Sponsor – 9.0%.

Long-Term Program Summary

The total investment necessary for the long-term CIP is approximately $81.6 million. Approximately $64.7 million is eligible for federal/state funding assistance. The sponsor share of long-term projects is projected at $16.9 million.

CAPITAL IMPROVEMENT PROGRAM SUMMARY

The CIP is intended as a road map of improvements to help guide the City of Paso Robles and the FAA. The plan, as presented, will help accommodate increases in forecast demand at PRB over the next 20 years and beyond. The sequence of projects may change due to availability of funds or changing priorities, based on the annual review by airport management and the FAA. Nevertheless, this is a comprehensive list of capital projects the airport should consider in the next 20 years.

The total CIP proposes approximately $199.3 million in airport development needs. Of this total, approximately $156.5 million (78 percent of the total CIP) could be eligible for federal and/or state funding assistance. The sponsor funding estimate for the proposed CIP is $42.9 million.

CAPITAL IMPROVEMENT FUNDING SOURCES

Generally, three different sources of funds are used to finance airport development:

- Airport cash flow
- Revenue and general obligation bonds
- Federal/state/local grants

Access to these sources of financing varies widely among airports. Some large airports maintain substantial cash reserves, and smaller commercial service and general aviation airports often require subsidies from local governments to fund operating expenses and finance modest improvements.

Financing capital improvements at PRB will not rely solely on the financial resources of the City of Paso Robles. Capital improvement funding is available through various grant-in-aid programs on both the federal and state levels. Historically, the airport has received both federal and state grants. While the amount of funding may vary by year, the CIP was developed with project phasing to remain realistic and within the range of anticipated grant assistance. The following discussion outlines key sources of potential funding for capital improvements at the airport.

FEDERAL GRANTS

Through federal legislation over the years, various grant-in-aid programs have been established to develop and maintain the system of public-use airports across the United States. The purpose of this system and its federally based funding is to maintain national defense and promote interstate commerce. Recently, the *FAA Reauthorization Act of 2024* (enacted on May 16, 2024) authorized the FAA's AIP at $4.0 billion for fiscal years 2025 through 2028. Section 708 of the law increases the federal share of allowable AIP-funded project costs at nonhub and nonprimary airports to 95 percent for FY 2025 and FY 2026. After FY 2026, the federal share reverts to 90 percent for AIP-funded projects.

The source for AIP funds is the Aviation Trust Fund, which was established in 1970 to provide funding for aviation capital investment programs (aviation development, facilities and equipment, and research and development). The Aviation Trust Fund also finances the operation of the FAA. It is funded by user fees, including taxes on airline tickets, aviation fuel, and various aircraft parts.

Several projects identified in the CIP are eligible for FAA funding through Federal AIP, which provides entitlement funds to airports based (in part) on their annual enplaned passengers and pounds of landed cargo weight. Additional AIP funds that are designated as discretionary may also be used for eligible projects, based on the FAA's national priority system. Although the AIP has been reauthorized several times and the funding formulas have been periodically revised to reflect changing national priorities, the program has remained essentially the same. Public-use airports that serve civil aviation – like PRB – may receive AIP funding for eligible projects, as described in the FAA's *Airport Improvement Program Handbook*. The airport must fund the remaining project costs through a combination of other funding sources, which are discussed in the following sections.

Funding for AIP-eligible projects is undertaken through a cost-sharing arrangement in which the FAA provides up to 90 percent of the cost (95 percent for FY 2025 and 2026 projects), and the airport sponsor invests the remaining 10 percent (five percent for FY 2025 and 2026 projects) with help from Caltrans. In exchange for this level of funding, the airport sponsor is required to meet various grant assurances, including maintaining the improvement for its useful life (usually 20 years).

Another source for federal grants is the *Infrastructure Investment and Jobs Act* (IIJA), also known as the *Bipartisan Infrastructure Law* (BIL), which was signed into law in 2022 and plans for $25 billion to be invested into America's airports over a five-year period. IIJA funds are sourced from the U.S. Treasury General Fund and are split into two funding buckets: $20 billion for Airport Infrastructure Grants (AIG) and $4.85 billion for the Airport Terminal Program (ATP). **Under the IIJA, PRB has a total allocation of $1,448,000[1] in AIG funding for FY 2022 – FY 2026.**

AIG grants can be used for repair and maintenance of existing infrastructure or construction of new facilities (i.e., airfield pavement, NAVAIDs, lighting, terminal building, etc.). ATP grants can be used for multimodal terminal development and relocating, reconstructing, repairing, or improving an airport traffic control tower. The federal share for AIG is the same as an AIP grant (90 percent with a local 10 percent match), while the federal share for ATP grants is 95 percent for nonprimary airports. The grant assurances that apply to AIP grants also apply to IIJA grants.

Apportionment (Entitlement) Funds

Federal AIP provides funding for eligible projects at airports through an apportionment (entitlement) program. Nonprimary airports that are included in the *National Plan of Integrated Airport Systems* (NPIAS), such as PRB, receive a guaranteed minimum level of $150,000 each year in nonprimary entitlement (NPE) funds. These funds can be carried over and combined for up to four years, thereby allowing for the completion of a more expensive project.

The FAA also provides a state apportionment, based on a federal formula that considers land area and population. The FAA then distributes these funds for projects at various airports throughout the state.

[1] https://www.faa.gov/iija/airport-infrastructure

Small Airport Fund

If a large- or medium-hub commercial service airport chooses to institute a passenger facility charge (PFC), which is a fee of up to $4.50 per airline ticket for the funding of capital improvement projects, its apportionment is reduced. A portion of the reduced apportionment goes to the small airport fund. The *FAA Reauthorization Act of 2024* includes a pilot program that will allow general aviation airports to use the Small Airport Fund for runway extension projects that might otherwise be ineligible under the AIP.

The Small Airport Fund is reserved for small-hub primary commercial service, nonhub commercial service, reliever, and general aviation airports. As a general aviation airport, PRB is eligible for this funding.

Discretionary Funds

An airport may face major projects that will require funds in excess of the airport's annual entitlements; thus, additional funds from discretionary apportionments under the AIP become desirable. The primary element of discretionary funds is that they are distributed on a priority basis. The priorities are established by the FAA, using a code system under which projects are ranked by purpose. Projects ensuring airport safety and security are ranked as the most important priorities, followed by maintaining current infrastructure development, mitigating noise and other environmental impacts, meeting design standards, and increasing system capacity.

It is important to note that competition for discretionary funding is not limited to airports in the State of California or those within the FAA Western-Pacific Region. The funds are distributed to all airports in the country and, as such, are more difficult to obtain. High priority projects will often fare favorably, while lower priority projects may not receive discretionary grants.

FAA Facilities and Equipment (F&E) Program

The Airway Facilities Division of the FAA administers the F&E Program. This program provides funding for the installation and maintenance of various navigational aids and equipment of the National Airspace System (NAS). Under the F&E Program, funding is provided for FAA airport traffic control towers (ATCTs), enroute navigational aids, on-airport navigational aids, and approach lighting systems.

While the F&E Program still installs and maintains some navigational aids, on-airport facilities at general aviation airports have not been prioritized; therefore, airports often request funding assistance for navigational aids through the AIP and maintain the equipment on their own[2].

[2] Guidance on the eligibility of a project for federal AIP grant funding can be found in FAA Order 5100.38D, *Airport Improvement Program Handbook*, Change 1 (effective February 26, 2019). This document will be updated as a result of the *FAA Reauthorization Act of 2024*; however, an updated version is not available, as of the time of this writing.

CALIFORNIA STATE FUNDING PROGRAMS

All state grant programs for airports are funded from the Aeronautics Account in the State Transportation Fund. Tax revenues, which are collected on general aviation fuel, are deposited in the Aeronautics Account. General aviation jet fuel is taxed at $.02 per gallon, and Avgas is taxed at $.18 per gallon, which generates roughly $4.0 to $5.0 million annually. The Aeronautics Account also receives small amounts from document sales and interest earned.

The Revenue and Taxation Code details the order of priority for expenditure of funds:

- State Controller and the Board of Equalization for administrating the collection of fuel taxes;
- Division of Aeronautics' operations; and
- Grants and credits for airports.

The California Aid to Airports Program (CAAP) further specifies the priority allocation of Aeronautics Account funds to airports:

- Annual Credit Grants
- AIP Matching
- Acquisition and Development (A&D)

Annual Credit Grants

The Annual Credit can fund projects for airport and aviation purposes as defined in the *State Aeronautics Act (Sections 21681 (f) and (g))*. It can also be used to fund operations, maintenance, fueling facilities, restrooms, aircraft wash racks, and to match federal AIP grants. The annual funding level is $10,000; up to five years' worth of Annual Credits may be accrued at the sponsor's discretion. No local match is required.

To receive an Annual Credit, the sponsor must:

- Have a valid state permit for operating a public-use airport;
- Ensure that the airport is open to the public without restriction to general and commercial aviation;
- Adopt rules that give it sufficient control over airport operations;
- Have height restrictions that prevent obstructions in the airport's "imaginary surfaces";
- Establish a Special Aviation Fund, which accounts for airport pavements received and expenditures related to CAAP funds;
- Annually certify eligibility with the form DOA-007, California Aid to Airports Program Certification;
- Not have federal designation as a reliever or commercial service airport.

If PRB meets these requirements, then it would be eligible for Annual Credits.

AIP Matching Grants

A portion of an FAA AIP grant can be matched with state funds; the current matching rate is 4.5 percent of the federal portion of the total project cost or a maximum of $200,000 per project. Generally, state matching is limited to projects that primarily benefit general aviation. A project that is being funded by an AIP grant must be included in the state's CIP. The amount set aside for AIP matching is determined by the California Transportation Commission (CTC) each fiscal year and may adjust the actual State AIP Matching grant rate in accordance with the federal matching rate and the availability of state funds. The sponsor must meet the same eligibility requirements as that of Annual Credits, with the exception of reliever airports, which are eligible for AIP matching grants. State matching is limited to non-commercial service airports, such as Paso Robles Municipal Airport. In the past, the airport has received state AIP matching funds.

Acquisition and Development (A&D) Grants

This grant program is open to general aviation, reliever, and commercial service airports. A city or county may also receive grants on behalf of a privately owned, public-use airport. An airport land use commission (ALUC) can receive funding to either prepare or update an airport land use compatibility plan (ALUCP). An A&D grant can fund projects for planning, construction, and land acquisition as defined in the *State Aeronautics Act* and must be included in the current CIP. After Annual Credits and AIP Matching grants are funded, the remaining funds are programed for A&D grants. The minimum amount of an A&D grant is $20,000, while the maximum amount that can be allocated in a single fiscal year is $500,000 (single or multiple grants). The local match can vary from 10 to 50 percent of the project's cost and is set annually at CTC discretion, but a 10 percent rate is typical. Annual Credits and state loans may not be used for the local match to an A&D grant. **Table 6B** presents a list of eligible projects for the Annual Credit and A&D Grant programs.

TABLE 6B | Eligible Projects for Caltrans Funds

Eligible for A&D Grants	
A	*Aircraft Parking Tiedown Apron.* Construction and reconstruction of aircraft parking tie-down apron areas for GA purposes, including necessary grading and drainage.
B	*Airport Markings and Signage.* Purchase and installation of airport markings and signage. This includes, but is not limited to, painting of runways, taxiways, aprons, and aircraft parking areas; segmented circles; wind socks; traffic pattern indicators; wind tees; tetrahedrons; and other physical structures which provide visual indicators to assist pilots in safely maneuvering aircraft.
C	*Airport Service Roads.* Construction of airport service roads, which are roads closed to the public that provide access for emergency vehicles, airport service vehicles, and vehicles authorized by airport management.
D	*Blast Barriers.* Construction of blast barriers, which are natural or manufactured barricades used to absorb, divert or dissipate jet blast or propeller wash.
E	*Environmental Mitigation.*
F	*Objects/Obstructions/Hazards.* Removal of objects from runway protection zones and runway safety areas. Removal of hazards and the lighting or removal of obstructions that exceed the civil imaginary surfaces. The Department shall determine whether an object that exceeds the civil imaginary surfaces is a "hazard" for the purposes of this regulation.
G	*Pavement.* Rehabilitation and maintenance of pavement. Pavement, in this context, is defined as a structural section that carries aircraft traffic on the ground. A structural section is comprised of layers of specified materials placed over the native soil to support the loads applied or accumulated during the design life of the pavement.

Continues on next page

TABLE 6B | Eligible Projects for Caltrans Funds (continued)

Eligible for A&D Grants	
H	*Project Services.* Professional or technical services required to prepare for and execute an eligible airport project.
I	*Radio Communication Equipment.* Purchase and installation of aviation radio communication equipment and facilities, which remain under sponsor control.
J	*Water and Sanitary Systems.* Purchase and installation of water and sanitary systems necessary for GA purposes on an airport.
K	*Charging Stations*. Procurement and installation of airport charging stations for zero-emission vehicles or aircraft and any capital improvements necessary for their installation or operation.
L	*Renewable Energy Microgrid System.* Procurement and installation of an airport electric grid system, or its components, that operates on renewable energy, as well as any capital improvements necessary for its installation or operation.
M	*Educational Facilities and Equipment.* Capital improvements necessary to provide facilities for community outreach, aviation education programs, and procurement of aviation training equipment, such as small unmanned aircraft systems, flight simulators, and similar devices, to be used for community outreach and educational purposes.
N	*Fueling Facilities and Equipment.* Conversion, upgrade, or replacement of existing fueling facilities and equipment necessary to provide unleaded aviation gasoline, sustainable aviation fuels, or to comply with regulatory requirements.
O	*Helipads.* Construction or reconstruction of helipads for helicopters or other vertical take-off and landing aircraft, and associated grading and drainage improvements.
P	*Airport Improvements and Equipment for Emergency Services.* Airport improvements or equipment purchases that are necessary for an airport to provide emergency support for the community, including but not limited to supporting wildfire suppression, natural disaster response and recovery, and medical transport.
Eligible for Annual Credits	
A	*Obstruction Removal.* Removal of obstructions from runway safety areas, RPZs or approach surfaces, and the other imaginary surfaces, if they have been determined by the FAA or the Department to be a hazard.
B	*Radios.* Aviation radio equipment and facilities.
C	*Land.* Acquisition of land and avigation easements.
D	*Lighting.* Purchase and installation of runway, taxiway, boundary, or obstruction lights, with directly related electrical equipment, to meet general aviation needs.
E	*Fencing.* Minimum security fencing around the perimeter of an airport, for general aviation purposes.
F	*Transient Parking.* Construction/reconstruction of transient general aviation aircraft parking areas.
G	*Bond Service.* Servicing of revenue or general obligation bonds that have been issued to finance airport capital improvements.
H	*NAVAIDs.* Air navigation aids, including rotating beacons, runway end identifier lights, and localizer transmitters.
I	*Airport marking systems* such as segmented circles, wind socks, traffic pattern indicators, and wind tees.
J	*Noise monitoring equipment* to meet general aviation needs
K	*Project Services.* Engineering for eligible construction projects; appraisal and escrow fees for land acquisition.
L	*Runways and Taxiways.* Construction and reconstruction.
M	*Service roads* that are not open to the public.
N	*Surfacing* of runways, taxiways, and aircraft parking areas to GA standards.
O	*Water supply and sanitary disposal systems* for airport use.
P	*Master Plans and Airport Layout Plans.*
Q	*Comprehensive Land Use Plan (CLUP).* Activities of an airport land use commission (ALUC) to prepare/update a CLUP.

Source: Caltrans – Airport Grant Eligibility Regulation Update, Effective July 1, 2025; Caltrans – Eligible Projects for Annual Credit Grant Funding

Caltrans Local Airport Loan Program

The Local Airport Loan Program provides discretionary state loans to eligible airports for projects that enhance an airport's ability to provide general aviation services (e.g., hangars, GA terminals, utilities, GA fuel facilities, A&D eligible projects, etc.). A loan may also provide the local share for an AIP grant. Such

loans can be used in conjunction with state-funded AIP matching grants. The maximum term of a loan is 17 years. Interest rates match the latest California General Obligation Bond sale interest rate. Caltrans cannot approve loans for (1) the local match on an A&D grant, or (2) projects that accommodate scheduled air carriers.

There are three different types of loans available under this program.

1. Revenue Generation
2. Matching Funds
3. Airport Development

Loans are subject to state audit. Records that substantiate the expenditure of loan monies should be retained until three years after the retirement of the loan. Funds may have to be repaid by the sponsor if an audit finds that state law or generally accepted accounting principles have been violated.

LOCAL FUNDING

After consideration has been given to grants, the balance of project costs must be funded through local resources. A goal for any airport is to generate enough revenue to cover all operating and capital expenditures, if possible. There are several local financing options to consider when funding future development at airports, including airport revenues, issuance of a variety of bond types, leasehold financing, pursuing non-aviation development potential, and collecting money from special events. These strategies could be used to fund the local matching share or complete a project if grant funding cannot be arranged. The following is a brief description of the most common local funding options.

Airport Revenues

An airport's daily operations are conducted through the collection of various rates and charges. These airport revenues are generated specifically by airport operations. There are restrictions on the use of revenues collected by the airport. All receipts – excluding bond proceeds or related grants and interest – are irrevocably pledged to the punctual payment of operating and maintenance expenses, payment of debt service for as long as bonds remain outstanding, or additions or improvements to airport facilities.

All airports should establish standard basis rates for various leases. All lease rates should be set to adjust to a standard index, such as the consumer price index (CPI), to ensure that fair and equitable rates continue to be charged in the future. Many factors will impact what the standard lease rate should be for a particular facility or ground parcel. For example, ground leases for aviation-related facilities should have a different lease rate than non-aviation leases. A separate facility lease rate should be charged for airport-owned hangars. The lease rate for any individual parcel or hangar may vary due to availability of utilities, condition, location, and other factors; nevertheless, standard lease rates should fall within an acceptable range.

Bonding

Bonding is a common method of financing large capital projects at airports. A bond is an instrument of indebtedness of the bond issuer to the bond holder(s); it is a form of loan or "IOU." While bond terms are negotiable, the bond issuer is typically obligated to pay the bond holder interest at regular intervals and/or repay the principal at a later date.

Leasehold/Third-Party Financing

Leasehold or third-party financing refers to a developer or tenant financing improvements under a long-term ground lease. The advantage of this arrangement is that it relieves the airport of the responsibility of raising capital funds for the improvement. As an example, a hangar developer might consider constructing hangars and charging fair market lease rates, while paying the airport for a ground lease. A fuel farm can be established in the same manner, with the developer of the facility paying the airport a fuel flowage fee.

Many airports use third-party (private entity) funding when the planned improvements will primarily be used by a private business or other organization. Such projects are not ordinarily eligible for federal funding. Projects of this kind typically include hangars, FBO/SASO facilities, fuel storage, exclusive-use aircraft parking aprons, industrial aviation-use facilities, non-aviation office/commercial/industrial developments, and other similar projects. Private development proposals are considered on a case-by-case basis. Airport funds for infrastructure, preliminary site work, and site access are often required to facilitate privately developed projects on airport property.

Non-Aeronautical Development

In addition to generating revenue from traditional aviation sources, airports with excess land can permit compatible non-aeronautical development. Generally, an airport will extend a long-term lease for land that is not anticipated to be needed for aviation purposes in the future. The developer will then pay the monthly lease rate and construct and use a compatible facility. Including the spaceport reserve areas, the recommended master plan concept includes reservation of approximately 535.3 acres of existing/future airport property for non-aeronautical uses. All other planned development is aeronautical in nature. It should be noted that any proposed non-aviation development must be reviewed and approved by the FAA.

Special Events

Another common revenue-generating option is permitted use of airport property for temporary or single events. Airports can permit portions of their facilities to be used for non-aviation special events, such as car shows or video production of commercials. This type of revenue generation must be approved by the FAA.

MASTER PLAN IMPLEMENTATION

To implement the master plan recommendations, it is key to recognize that planning is a continuous process and does not end with approval of this document. The airport should implement measures that allow it to track various demand indicators, such as based aircraft, hangar demand, and operations. The issues upon which this master plan is based will remain valid for several years. The primary goal is for PRB to best serve the air transportation needs of the region while achieving economic self-sufficiency.

The CIP and phasing program presented will change over time. An effort has been made to identify and prioritize all major capital projects that require federal or state grant funding; nevertheless, the airport and the FAA review the five-year CIP on an annual basis.

The primary value of this study lies in keeping the issues and objectives at the forefront of the minds of decision-makers. In addition to adjustments in aviation demand, decisions on when to undertake the improvements recommended in this master plan will impact how long the plan remains valid. The format of this plan reduces the need for formal and costly updates by allowing for simple adjustments to the timing of project implementation. Updates can be done by airport management, thereby improving the plan's effectiveness; nevertheless, airports are typically encouraged to update their master plans every seven to 10 years, or sooner if significant changes occur in the interim.

In summary, the planning process requires the City of Paso Robles to consistently monitor the progress of the airport. The information obtained from continually monitoring activity will provide the data necessary to determine if the development schedule should be accelerated or decelerated.