

RESOLUTION NO. R-2020-

A RESOLUTION authorizing deferral of previously adopted 2021 airline and terminal building rate increases for the Yakima Air Terminal-McAllister Field.

WHEREAS, the City owns and operates Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State and Local regulations; and

WHEREAS, the Yakima Air Terminal-McAllister Field is an enterprise fund where revenues collected are to be utilized in support of the daily operations and maintenance functions at the airport; and

WHEREAS, the Yakima Air Terminal-McAllister Field has established rates and charges for aeronautical and commercial airport property; these rates and charges are reviewed annually to ensure they are comparable to rates and charges imposed at neighboring airports; and

WHEREAS, the City is obligated under Federal Aviation Administration Grant Assurances to maintain a fee and rental structure for the facilities and services provided at the airport, which will make the airport as self-sustaining as possible; and

WHEREAS, on December 3, 2018, City Council approved Policy #12, which included an annual three percent (3%) increase in airline landing and terminal building fees for 2019 and each of the next two years thereafter; an increase in the aeronautical ground lease rate to \$0.19 per square foot per year and commercial ground lease rate to \$0.21 cents per square foot per year; and

WHEREAS, the 2019-20 Coronavirus pandemic is an ongoing pandemic of Coronavirus disease 2019 (COVID-19) that has reached more than 190 countries causing economic distress on all forms of businesses including the transportation industry; and

WHEREAS, Airlines for America have reported U.S. passenger volumes remain 75% below 2019 levels and anticipates the airline industry is unlikely to see a return to 2019 passenger volumes before 2022, resulting in a devastating impact on the airline industry and the concessions providers within the terminal building; and

WHEREAS, in response to economic challenges during the ongoing COVID-19 pandemic, City Council has determined the best course of action is to defer the 2021 three percent (3%) increase in airline landing and terminal building fees for one year, the revenue of which was to be included in the 2021 budget, and reinstate the fee increase on January 1, 2022; now, therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:

The City Manager is hereby authorized and directed to defer the previously adopted 2021 three percent (3%) rate increase in airline landing and terminal building fees for the 2021 budget and reinstate the deferred increase beginning January 1, 2022.

ADOPTED BY THE CITY COUNCIL this 20th day of October, 2020.

ATTEST:

Patricia Byers, Mayor

Sonya Claar Tee, City Clerk