



COUNTY OF HUMBOLDT

For the meeting of: 11/10/2020

File #: 20-1405

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Consent

SUBJECT:

Headwaters Fund Community Investment Fund Grant to the Redwood Region Economic Development Commission

RECOMMENDATION(S):

That the Board of Supervisors:

1. Review and Approve the attached Headwaters Fund Board recommended Community Investment Fund (CIF), Fund-3846, grant of \$20,000 to the Redwood Region Economic Development Commission (RREDC) for a market analysis/leakage study for the California Redwood Coast-Humboldt County Airport (ACV).

SOURCE OF FUNDING:

Headwaters Fund Fund-3846

DISCUSSION:

The Headwaters Fund Board voted on September 16, 2020 to recommend to your Board to fund a leakage study and market analysis for personal travel patterns in and out of the county. The study is essential in an on-going effort to rebuild service levels and to recruit new air service at ACV. RREDC will utilize the services of its contracted consultant, Volaire Aviation, to conduct the study.

The last leakage study was conducted in 2016 and was used as the basis for the recruitment program for both Los Angeles (LAX) and Denver (DEN) route service. This study will be used to rebuild, and hopefully expand, services for citizens and visitors flying in and out of ACV.

On February 4, 2020, your Board approved a CIF grant in the amount of \$25,000 for an in-person passenger survey at the airport. However, due to the impact of COVID-19 on air travel, RREDC has withdrawn that grant request as it is not practical considering current circumstances in air travel. The approved budget for fiscal year 2020-21 includes the \$25,000 and would be used to fund this alternative request.

RREDC is prepared to implement this study immediately to be prepared to compete with other

regional airports as the airline industry assesses whether to reopen routes or not.

FINANCIAL IMPACT:

There will be no General Fund impact. As of June 30, 2020, there was \$2,258,121.46 available in Headwaters Fund-3846. Two million dollars of that amount is available if needed for the Arcata Economic Development Corporation and RREDC on an as-needed basis for the Headwaters Fund Revolving Loan Fund. Therefore, \$258,121.46 is currently available prior to awarding this grant request. The balance will be \$238,121.46 remaining after this expenditure.

RREDC returned \$116,846.75 from their Community Investment Fund Fly-Humboldt Minimum Revenue Guarantee (MRG) grant for expanding service to Los Angeles. They will be returning approximately \$50,000 from the MRG grant for service expansion to Denver. The refund will bring the CIF balance back above \$288,000.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by supporting business, workforce development and creation of private-sector jobs and providing for and maintaining infrastructure.

OTHER AGENCY INVOLVEMENT:

Redwood Region Economic Development Commission

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could choose not to approve staff and HWFB recommendation. This is not recommended as this data will be utilized to improve service at ACV.

ATTACHMENTS:

Attachment 1 - RREDC CIF Grant Application

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A