



Legislation Text

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**TO:** The Honorable Mayor and City Council

**FROM:** Steve Andras, PE  
Airport Manager

Richard J. Veenstra  
Corporation Counsel

**DATE:** April 1, 2022

**SUBJECT:**  
Expiring federal grant funds for airport purposes.

**PURPOSE:**

To expressly authorize the City Treasurer to agree on behalf of the City to participate in the exchange of federal entitlements with other public airports with the assistance of the Division of Aeronautics of the Illinois Department of Transportation.

**BACKGROUND:**

From time-to-time, the City is eligible to receive project grant funds from the Federal Aviation Administration for various purposes related to its Airport. In many instances, the City must use these funds within a defined time period. The City does not use these funds by the time the grant expires, the City is no longer entitled to them.

The FAA allows airports to exchange grant entitlements with one another. This option allows a public airport with current projects to be funded with grants expiring well in the future to exchange its entitlements with another public airport that has grants which are about to expire, but does not have an immediate project capable of using the funds. The exchange allows airports to use the proceeds of their original entitlements beyond the date the entitlements are set to expire.

IDOT's Division of Aeronautics facilitates exchanges of entitlement between airports. Before the Division can pair airports, each public airport sponsor must certify that it intends to transfer the entitlement to a recipient airport and its attorney must certify the authority of the sponsor to make that certification.

It is unclear whether or what City officer or employee has the authority to authorize an exchange of entitlements on behalf of the City as the Airport's sponsor. While the Airport Manager is directly involved in infrastructure projects at the Airport, there is a financial component involved and it may be more appropriate for the City to designate the City Treasurer as the official authorized to transfer an entitlement. In practice, the Airport Manager would still need to identify expiring grants and bring the matter to the City Treasurer's attention.

**DISCUSSION:**

The FAA presently requires an airport sponsor to certify, through its attorney, that the airport sponsor and its authorized representatives are authorized under Illinois law before a transfer can proceed. Absent express or implied authority granted from the City Council, it is unclear whether this authority exists.

**IMPACT STATEMENT:**

Adoption of this Resolution provides clear authority for the City Treasurer to authorize the exchange of federal entitlements for Airport purposes and provides the opportunity to extend the period for which it may receive federal grant funds.

**RECOMMENDATIONS:**

That the City Council approve this Resolution.



CITY OF AURORA, ILLINOIS

RESOLUTION NO. \_\_\_\_\_  
DATE OF PASSAGE \_\_\_\_\_

A Resolution authorizing the City Treasurer to execute agreements with the Secretary of the Department of Transportation on behalf of the City pertaining to the transfer of entitlement of funds for airport purposes.

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the City owns, maintains, and sponsors the Aurora Municipal Airport ("Airport"), a public-use airport; and

WHEREAS, the United States through its Department of Transportation from time-to-time makes certain grant funds available for the improvement of public-use airports, including the Airport; and

WHEREAS, said grant funds apportioned for use by the Airport must be obligated during the fiscal year for which the amount was apportioned and the 3 fiscal years immediately following that year; and

WHEREAS, federal law allows the City to waive grant funds apportioned to the Airport which will not

be obligated prior to their expiration in order to allow the Secretary of the Transportation to reallocate them to another public-use airport in the State designated by the City; and

WHEREAS, the Division of Aeronautics of the Illinois Department of Transportation is willing to assist sponsors of public-use airports identify other public-use airports within the State which may have an immediate use for expiring grant funds and are able to transfer their rights to non-expiring grant funds to a donor airport;

WHEREAS, from time-to-time, the City may find itself in the position of having access to grant funds which it cannot obligate prior to their expiration; and

WHEREAS, from time-to-time another public airport within the State may have immediate use expiring grant funds available to the City, and may be to transfer grant funds expiring in subsequent fiscal years to the City; and

WHEREAS, the identity of a transferee public airport may not be known at the time the City authorizes or transfers its expiring grant funds;

WHEREAS, it is the best interest of the City and its taxpayers for the City to make maximum use of funds appropriated by the federal government for Airport purposes, including through the transfer of grant entitlements as specifically authorized by federal law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois, as follows: that the City Treasurer shall be and hereby is authorized to execute on behalf of the City any document or other agreement authorizing the waiver or transfer of grant funds appropriated to the City through the Department of Transportation and which will expire prior to their obligation, to any other public-use airport within the State; and further

BE IT RESOLVED that said document or other agreement need not specifically identify the recipient public-use airport unless such information is known to the City Treasurer at the time of the execution of the document or other agreement waiving or transferring the grant funds; and further

BE IT RESOLVED that the City Treasurer shall be and hereby is authorized on behalf of the City to accept the transfer of non-expiring grant funds through the United States Department of Transportation from any public airport in this State and to execute any document or agreement as may be required to complete said transfer; and further

BE IT RESOLVED, that powers exercised by the City pursuant to this Resolution are exercised to the maximum extent of the authority conferred to home rule units under Article VII, Section 6 of the Constitution of this State to exercise any power and perform any function pertaining to its government and affairs, except where specifically preempted by law, and to the greatest extent authorized by any other provision of the Constitution of this State or any law enacted thereunder.