



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 6/2/2026

To: Board of Supervisors

Department or Agency Name(s): Sonoma County Public Infrastructure

Staff Name and Phone Number: Johannes J. Hoevertsz, 707-565-2550

Vote Requirement: Informational Only

Supervisorial District(s): Countywide

Title:

Charles M. Schulz - Sonoma County Airport Revenue Strategy Update

Recommended Action:

Receive informational update

Executive Summary:

Following the last Airport update to the Board in October 2024, the Board directed staff to explore new ways to increase Airport revenue. Since then, the Airport has made significant progress. Agreements for land use are expected by year-end, and fee adjustments will generate about \$6.8 million in additional revenue over the next three fiscal years. The Airport is also planning new landside (public side) and airside (airfield side) developments to create additional long-term revenue.

Discussion:

As the Airport continues to grow, more staff will be needed to support the increased administrative and operational demands due to increased passenger and airline traffic. The new revenues will ensure the Airport can fund these positions through the following Airport operating revenues.

- By 2028, total new and increased rents and fees will generate an additional \$2 million in annual, recurring income which will contribute to the long-term financial stability of the Airport.
- A one-time \$1.65 million payment has been received in fiscal year 2025-2026 as a result of a hangar lease turnover where the Airport will regain ownership of a hangar and will be able to execute a new long-term ground lease.

The following is a summary of sources of new revenue anticipated for the Airport over the next three fiscal years:

Fiscal Year 2025-2026

- \$787,531 in new recurring annual rents from new and updated leases from various tenants. This includes \$132,666 in rent collected from the Sonoma County Sheriff's Office for leased space at the North County Detention Facility as well as \$163,635 from Public Infrastructure for lease of the Santa

Rosa Road Yard on Airport Boulevard

- \$1,650,000 one-time payment (hangar turn over).

Fiscal Year 2027

- \$709,479 in new rents from long-term ground leases, Apron D & F redevelopment, Northern Ordinance Road Parcel, rezone and reuse of a historic property.
- \$1,467,912 in new fees from the addition of Southwest Airlines.

Fiscal Year 2028

- \$604,700 in new rents from long-term ground leases for general aviation hangar development on the west side of the Airport, and market reset on existing long-term ground leases.

By the end of 2028, the Airport will have:

- More than \$2.5 million in new, annual recurring revenue.
- A one-time infusion of \$1.65 million in 2025-2026.

In addition, the terminal concessions and advertising program was expanded in fiscal year 2025-2026 to further increase non-aeronautical revenues. Beyond these initiatives, overall Airport revenues will continue to increase through standard CPI adjustments and periodic Rates and Charges updates.

These actions will ensure the Airport remains financially self-sufficient and has the revenues to support additional staff and resources to be reinvested in passenger services and infrastructure improvements.

All new projects and ground leases will undergo environmental review as applicable and be brought back to the Board for consideration and approval.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Organizational Excellence

Goal: Goal 1: Strengthen operational effectiveness, fiscal reliability, and accountability

Objective: Objective 1: Align the Board of Supervisor's strategic priorities, policy, and operational goals with funding and resources.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

10/15/24 - Airport Annual Update

FISCAL SUMMARY

Expenditures	FY 25-26 Adopted	FY 26-27 Projected	FY 27-28 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$787,531	\$2,177,391	\$604,700
Use of Fund Balance			
Sale of Capital Asset	\$1,650,000		
Total Sources	\$2,437,431	\$2,177,391	\$604,700

Narrative Explanation of Fiscal Impacts:

There is no direct fiscal impact to the expenses of the Airport as a result of this Board Item. Revenues discussed in this Board Item will be included in the Airport Enterprise Fund (41301) annual Recommended Budget.

The additional revenues will be used for necessary surface maintenance and other increasing maintenance expenses and staffing needs.

Narrative Explanation of Staffing Impacts (If Required):

None.

Attachments:

None.

Related Items "On File" with the Clerk of the Board:

None.