December 7, 2021

As required under California Government Code Sections 50474.1-50474.3 related to vehicle rental agreements, in December 2011 Mineta San José International Airport completed the process to implement the collection of per day customer facility charges to pay the costs to design, finance, and construct a rental car facility. The purpose of this correspondence is to provide the required information for the fiscal year ending on June 30, 2021. The Airport is submitting the information required by Section 50474.3 as follows:

(I) The total amount of the customer facility charge collected.

In fiscal year 2020-2021, the Airport realized a total of $17,993,040 related to customer facility charge (CFC) revenues. Of this amount, $6,538,690 were attributed to CFC collected, $125,217 to interest earnings, $3,052,273 to contributions from rental car companies, and $8,276,860 to the Coronavirus Aid, Relief, and Economic Security (CARES) Act Airport Grant. Pursuant to Section 50474.3, the City increased the CFC to $6.00 per contract day, to a maximum of five days, on each rental effective December 1, 2011, increased the per contract day CFC to $7.50 per contract day, to a maximum of five days, on each rental, commencing January 1, 2014, and increased the per contract day CFC to $9.00 per contract day, to a maximum of five days on each rental, commencing April 1, 2021.

The collected revenues have been verified as part of the City of San José’s annual audit for the fiscal year 2020-2021. The Schedule of Customer Facility Charge Revenues and Expenditures was completed on November 19, 2021. The audit was completed by the auditing firm of Macias Gini & O’Connell LLP.

(II) How the funds are being spent.

Of the $6,538,690 collected in CFCs in fiscal year 2020-2021, $6,538,690 paid for debt service expenditures. Of the $8,276,860 received for the CARES Act Airport Grant, $8,276,860 paid for debt service expenditures. The transportation costs were not funded by CFC collected, but by the rental car companies directly.

(III) The amount of and reason for any changes in the airport’s budget or financial needs for the facility or common-use transportation system.

There were no changes in the Airport’s budget or financial needs for the facility.
Effective July 1, 2016, the Airport started using a portion of the CFC revenue to pay for transportation costs. However, in fiscal year 2020-2021, CFC collections were not enough to cover transportation costs.