

Oelwein Airport Revenue Use Policy

Adopted by Resolution _____-2024

May 13, 2024

Under Federal law, airport operators that have accepted Federal assistance generally may use airport revenues only for airport-related purposes. The revenue use requirements apply to the proceeds from certain State and local government taxes on aviation fuel, as well as to revenues received directly by an airport operator.

The City of Oelwein receives revenue from the airport from fuel sales, hanger rental, and federal grants.

The City of Oelwein will only use revenue from the airport on aviation related expenses at the Oelwein Municipal Airport (OLZ).

The City of Oelwein receives federal dollars through the Airport Improvement Program (AIP). Funding is available to airports that are part of the National Plan of Integrated Airports System (NPIAS). Administered by the FAA, the AIP provides funds for projects to improve infrastructure, including runways, taxiways, aprons, noise control, land purchases, navigational aids, safety and security.

Government Interventions: During challenging times (such as the COVID-19 pandemic), government interventions (like the CARES Act) can provide temporary relief. However, these funds may not cover all operational and capital development needs.

The Federal Aviation Administration (FAA) prohibits revenue diversion, which means using airport revenue for purposes other than airport capital, operating costs, or directly related air transportation facilities.

The City of Oelwein must ensure compliance with FAA regulations to avoid risking grant funding loss.