

VANCE BRAND AIRPORT BUSINESS PLAN

Executive Summary

The Airport Business Plan provides information and methodology for creating increased financial success for the airport through economic development. The step-by-step process can be amended at any time as market conditions and infrastructure development dictate. The future initiatives help focus the marketing plan on identified competitive strengths of the Airport. They are designed to enhance the development process and encourage private and commercial clients to take advantage of the benefits available from this development. An assertive marketing plan is the best way to quickly develop the Airport's potential and move LMO toward greater economic viability. With approval of the City Council and periodic review by the Airport Advisory Board, the plan contains the necessary guidelines to allow the Airport to reach its full potential.

Introduction

In conjunction with the recently approved Airport Master Plan, City Council requested the Airport Advisory Board (AAB) to update the Airport Business Plan (ABP). The ABP provides a vision for moving the Airport forward both in terms of business/economic development and aviation business development.

The growth that was outlined in the previous plan slowed significantly during the past six years. Recent market forces, however, indicate a moderate resurgence in demand for aviation services, including hangars and commercial business interests. With this in mind, the ABP will provide an updated document for the Board and City Council to refer to as decisions on Airport development and business opportunities arise.

The Airport Business Plan will concentrate on four elements:

1. Market Summary
2. Financial Analysis
3. Development Plan
4. Action Plan

The plan provides the necessary elements to continue a prudent, well thought out direction for further development of the Airport, as well as guidelines for “re-development” of some of the north side of the Airport and the overall economic development of the Airport as a whole. As leases on existing properties reach maturity and methods to attract aviation and non-aviation related businesses change with technological advancements, the City needs to evaluate how the Airport and City of Longmont can best benefit from the Airport and its related economic development. These benefits are both financial and community services related.

Each section of the ABP is designed to provide strategic planning focus to help the Airport grow into the next decade as well as provide a more tactical approach to individual development decisions. While the primary goal of the Airport is to serve the needs of the aviation community, the Airport will continue to benefit a diverse business community and the community at large in line with the City of Longmont's vision.

MISSION STATEMENT

Longmont's Vance Brand Airport's Mission is to:

- Promote general aviation in a responsible manner.
- Provide a positive economic impact for the Airport and the City of Longmont.
- Benefit the City of Longmont by attracting visitors for both business and leisure purposes.

VISION STATEMENT

The Vance Brand Airport is dedicated to serving the commercial, business and leisure air service needs of the City of Longmont. The Airport will provide a strong base for employment and a positive economic impact to the community. It will promote, attract and retain economic development that will serve the aviation and non-aviation needs of the Airport users and community at large. The Airport will achieve the full spectrum of aviation service and community support and will maintain financial viability.

This Vision Statement supports the Longmont Area Comprehensive Plan (LACP) in the following manner:

GOAL 20: Maintain a safe and efficient Airport to meet the City's air transportation needs for commerce and recreation in order to attract and foster economic development.

Policy 20.1 Operate the Airport as a community asset and improve the facilities to increase its use and revenues.

Strategy 20.14 Pursue grants to improve aviation facilities in accordance with Federal Aviation Administration standards at the Airport as recommended in the airport Master Plan's capital improvement component.

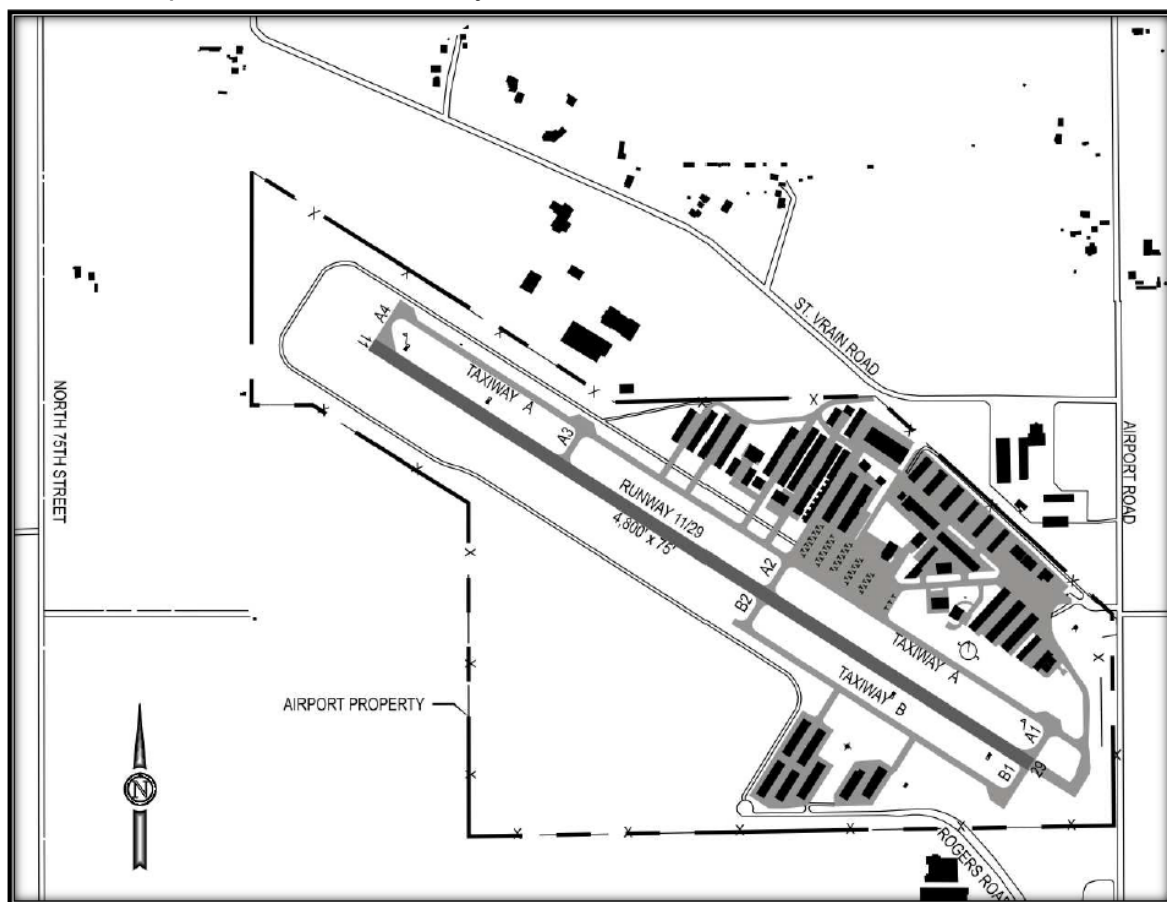
Strategy 20.16 Extend infrastructure and City services to the Airport as quickly as possible.

Strategy 20.18 Provide efficient transportation service between business centers and the Airport.

MARKET SUMMARY

LMO is located three miles southwest of downtown Longmont. Dedicated in honor of local NASA astronaut Vance Brand, the Airport is inside the city limits of Longmont and within Boulder County.

LMO encompasses 262 acres of developable land. There are 140 acres north and 122 acres south of the main runway. Currently, the majority of development is on the north side, with only seven hangar buildings having been developed to date on the south side. There are currently 35 acres available for development south of the runway, with approximately 30 acres dedicated to the skydiving facility. There are 35 acres reserved both in the Business Plan and Airport Master Plan for future development. There is one remaining 4 acre parcel on the north side of the Airport currently reserved for commercial development located adjacent Airport Road. As leases reach maturity, redevelopment opportunities exist to enhance the airport's economic impact on the community.





As of December 2012, there were 352 aircraft based at the Airport. This figure increased from 225 in 1994, to 330 in 2002 to the current number today with the additional construction of seven aircraft storage hangars in 2007. The number of based aircraft is consistent with the Airport Master Plan which was updated and adopted by Council in 2012. These numbers may increase in the future if more development occurs within the City, as population growth correlates to growth on the Airport.

Current revenue is derived from the following sources:

1. Leased Office Space
2. Hangar Land Leases
3. Fuel Tax Refund
4. Fuel Flowage Fee
5. Interest on Fund Balance
6. Miscellaneous Revenue
7. State and Federal Grants (Appropriated as Awarded)

Total operating revenues were \$1,248,945.22 in 2012 with \$953,191 from State and Federal Grants. All revenues supported the operating budget of \$330,974 in 2012. Grant funds are appropriated for Capital Improvement Projects at LMO. The Airport

Fund Balance is appropriated as necessary for matching funds required on State and Federal grants.

Beginning in 2011, the Airport was able to once again pay 100% of the Administrative Transfer Fee. (Exhibit 1) Previously the Airport had been paying 25% of the ATF due to revenue issues. (Exhibit 2 – Revenues 2013 – 2022 Projection)

Local Competition

There are six airports in the Metro area that compete directly with LMO for customers and service: Boulder Municipal Airport, Rocky Mountain Metropolitan (formerly Jefferson County Airport (JeffCo), Ft Collins/Loveland, Erie Tri-County, Greeley Weld County Airport and Front Range Airport.

Regional Market Place

General Aviation flight operations within the northern Colorado region have the ability to use any number of primary, reliever and general aviation airports convenient to Longmont. (Details in Appendix A)

Located within a 35 nautical mile radius of the Longmont Vance Brand Airport (LMO) is one major airport supporting commercial operations, 7 general aviation airports and numerous private airfields supporting various flight activities.

Airports selected for comparison all represent similarly sized general aviation operations and all directly compete in the region for the general aviation market share.

Although there are numerous airports located within the 35 nautical mile radius of LMO, the principal airports serving the region are:

- DEN – Denver International Airport, located 29 nm east south east – Commercial Aviation
- APA – Centennial Airport, located 39 nm south south east – Commercial, General Aviation
- FTG – Front Range Airport, located 35 nm east south east - General Aviation
- FNL – Fort Collins/Loveland Airport, located 15 nm north – General Aviation
- GXY – Greeley/Weld County Airport, located 26 nm north east – General Aviation
- BDU – Boulder County Airport, located 12 nm south – General Aviation
- EIK – Erie Municipal Airport located 11 nm south south east – General Aviation, Airpark
- BJC – Rocky Mountain Metro Airport located 15nm south – General Aviation

The principal airports in the region with similar in size, based aircraft populations and flight operations on a par with the Longmont Airport are:

- FTG – Front Range Airport, located 35 nm east south east - General Aviation
- FNL – Fort Collins/Loveland Airport, located 15 nm north – General Aviation
- GXY – Greeley/Weld County Airport, located 26 nm north east – General Aviation
- BDU – Boulder County Airport, located 12 nm south – General Aviation
- EIK – Erie Municipal Airport located 11 nm south south east – General Aviation, Airpark
- BJC – Rocky Mountain Metro Airport located 15nm south – General Aviation

Market Summary Analysis

Airport Characteristics

	Longmont	Front Range	Fort Collins - Loveland	Metro (Jeffco)	Greeley	Boulder	Erie
Owner	City	Airport Authority	City	County	Airport Authority	City	City
Runway Length¹	4800	8000	8500	9000	10000	4100*	4700
Airport Acreage	262	3889	1160 *	1700	1200	158 *	115
Aircraft on Field	352	394	265	420	224	190	188
Annual Flights	77,000	60,000	85,000	121,000	90,000	50,000	62,000
No. of Hangers	124	296	210	266	42+	93	0
No. of Parking Spaces	56	500	65 reducing to 30	80	20 (\$45/mo)	50	44
Terminal Building	No	Yes	Yes	Yes	Yes	Yes	Yes

1 Runways shown are paved. Additional turf or closed runways are not shown.

* See Appendix A

	Longmont	Front Range	Fort Collins - Loveland	Metro (Jeffco)	Greeley	Boulder	Erie
Office Space (ft²)	N/A	13.26+ 3%/yr	15.00	22.00	6.00	5.58 – 6.14	N/A
Hanger Rental (monthly)	N/A	300-400	196-242	200 – 345	195 - 405	200 – 290	N/A
Hanger Rental (ft²)	N/A	N/A	225-250	90-350	N/A	3.35	N/A
Hanger Ground Lease (ft²)	0.2645	0.31 + 3%/yr	0.369	0.39 + CPI / yr	0.28	0.373	None
Lease Term (term yrs / renewals)	20 / 20	40 / 5	25/5/5	25/30-5 renewal	25 / 5 / 5	20	N/A
Parking Spaces (monthly)	40	50	45	125	45	40/mo	30
Fuel flowage ((\$/gal)	0.06	0.06	0.05	0.06 Av; 0.08 Jet A	0.06	0.06	0.05
Airport Budget	0.32 M	7.70 M	0.8 M	3.1 M	0.90 M	0.32 M	0.07 M

SUMMARY OF COMPARISON DATA

A comparison of the average figures for local competition highlights four key areas significant to LMO:

1. LMO on average is in the lowest range with lease rates and is currently \$0.08 below the market average.
2. LMO ranks 4th among competing airports in annual aircraft operations.
3. LMO is the second lowest revenue producer. All the remaining competitor airports, either in part or in whole, own hangar facilities for revenue purposes, which greatly increases their revenues.
4. LMO ranks 3rd in number of based aircraft, with Front Range surpassing LMO in the past five-year period.

STRENGTH, WEAKNESSES, OPPORTUNITIES, THREATS
SWOT Analysis

Strengths	Weakness	Opportunity	Threats	Notes
Well positioned in the Metro Area.	Low revenue production from hangars. 1	Acquire Regional Jet maintenance facility.	Noise complaints from past residential encroachment.	1. City owns no hangars.
Boulder County's largest airport.	Full service utilities on south side expensive to install.	FAA & State funding for runway lengthening project.	Skydiving noise complaints.	
Excellent infrastructure, well maintained airport.	20-year lease hinders larger investment on airport.	Ballot initiative in 2013 or 2014 to increase lease term to 30-years. 2	Increased residential encroachment.	2. Requires voter approval
Fiber Optic connections available.	Sales & Use Taxes deter aircraft from basing at airport.	New taxiway completion opens developable area for more hangars.	20-year lease term.	
Land available for on-airport development	Continual allowance of residential encroachment.	Avigation easements for new residential development. 3	Inability to complete projects due to health of Airport Fund.	3. Requires City Council approval.
Compatible adjacent land available for B/LI development.	Inability due to proximity of AMGEN to acquire instrument landing system.	New GPS technology can lower minimum altitudes for bad weather operations.	Older flying/ aviation community/demographics.	
Meet FAA compliance regulations.	Short runway deters businesses from using airport.	Pursue adjacent land for airport development expansion. 4	Council and city employee turnover due to elections and retirements.	4. 15 – 20 year outlook.
Competitive lease and fuel fees.	Lack of snow removal equipment causes delay and inefficiency of snow removal on airport.	State grant funds available to purchase snow removal equipment.	Missing technological advancement opportunities such as space exploration and unmanned aerial vehicle production opportunities.	
Room for infrastructure expansion.	Airport lacks restaurant and car rental facility.	City can build hangars using State Infrastructure Bank loan at 1.5% interest. 5	External security and national defense issues.	5. Requires City Council Approval and increased health of Airport Fund.

New FBO with increased maintenance capabilities.	Airport lacks appropriate aesthetics.	Provide incentives for development, i.e., tax waiver, permit waiver, lease abatement, etc. 6	Pending Federal legislation instituting user fees.	6. Approved by City Council on case-by-case basis.
Closest airport to Rocky Mountain National Park	Airport poorly designed from the beginning.	Promote Airport as business asset.	Instability of aviation fuel prices.	

Important amenities available at competing Airports but not currently available at LMO which will help bring additional business users to the Airport include a longer runway, a common visitors/terminal building with bathrooms, a waiting area and meeting space, thirty year plus lease terms, and a restaurant either on airport or within easy walking distance, courtesy car, or rental car service onsite.

Additionally, LMO lacks aviation infrastructure/amenities such as an Instrument Landing System, snow removal equipment and a longer runway desired by business aircraft users who will often fly in to Ft. Collins Loveland Airport, Rocky Mountain Metropolitan Airport, or Greeley Weld County Airport instead of LMO. Lastly, the business aviation community would consider LMO a more desirable destination if storage for larger turbine and turbo fan (jet) aircraft were available.

This analysis provides direction for policy decisions designed to achieve the LMO vision. Increasing user demand should allow the south side development to enhance the Airport services and financial position. Specific steps toward these ends will be outlined in the development sections of the ABP.

AIRPORT DEVELOPMENT PLAN

The Airport Development Plan outlines background information about the Airport and development and discusses how remaining development of the Airport should occur.

Background

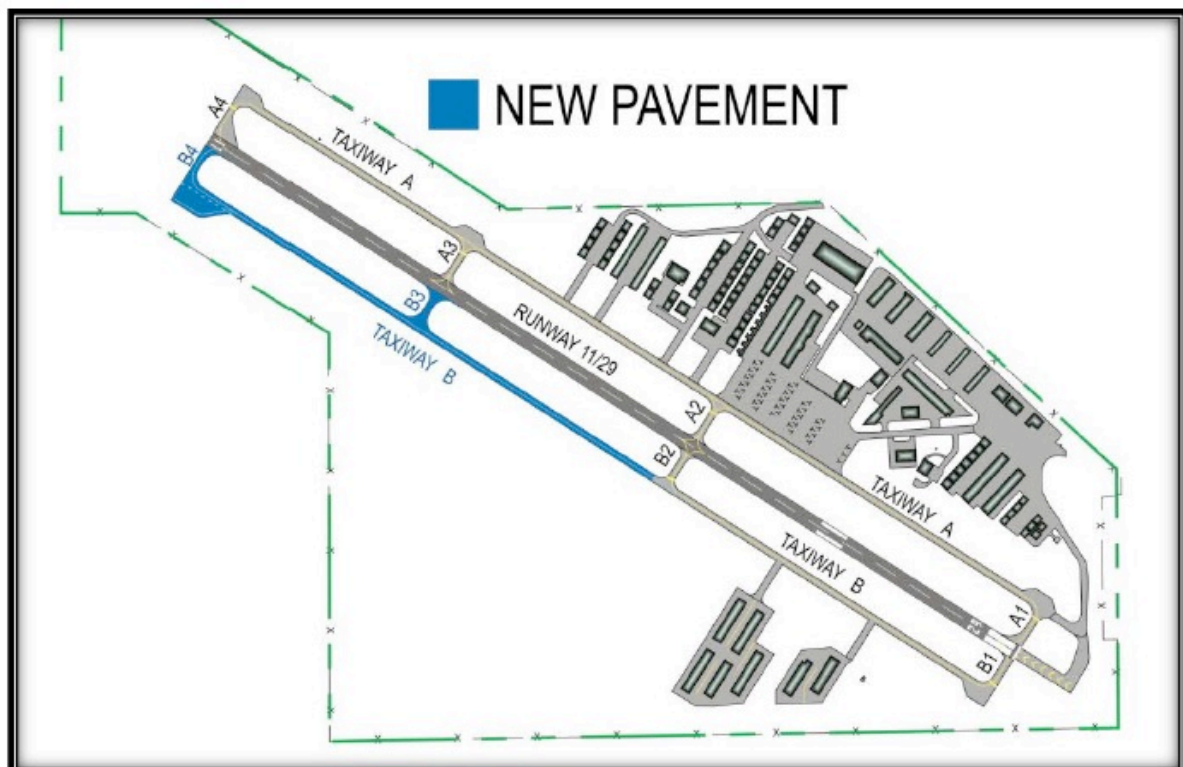
The proposed development of the Airport within its property boundary is derived from three distinct factors. First, given the development in the past fifteen years, the Airport has used up all available land on the north side of the Airport with the exception of a single four-acre commercial parcel. In order to increase service and revenue, continued development of the south side is required. Second, with the minor resurgence of the economy in Colorado, there is some demand for aircraft hangar storage space and Airport related business activities. This also stems from the fact that the Aurora Airport (07-2004, 150+ aircraft) and downtown Ft. Collins Airports (10-2006, 126 aircraft) have closed in the past decade, leaving a market gap. Continued Airport development would be designed to take advantage of these trends as they support the LMO vision. Lastly, the widening of Airport Road places the Airport in prime position for aviation and non-aviation commercial development

as the Airport lies along a major arterial roadway that experiences significant volumes of traffic.

Airport Master Plan and Capital Projects

In May 2012, the City Council approved the LMO Master Plan, which is the official document that guides capital development. Business development is at the discretion of the City and as long as the development meets the minimum standards of FAA regulations, that development can be considered.

The extension of the partial parallel taxiway on the south side of the Airport to run full length is approved in the Airport Master Plan and the Airport Capital Improvement Plan and is planned to be completed in the 2013 with grants from the FAA Airport Improvement Program and State of Colorado, Division of Aeronautics. In addition to the new taxiway, the Master Plan shows available land (35 acres) suitable for more economic development and commercial aviation development options plus expected future development requirements.



For capital planning purposes, the Master Plan calls for important infrastructure development that will be crucial to the success of business development and increasing revenue in order to remain competitive with other Front Range airports serving the Metro area.

Required infrastructure is crucial to provide an environment for successful business development and increasing revenue potential. Without the required infrastructure in place, businesses and business aviation will look to competing communities and airports for those benefits that do not exist at LMO.

Economic and Business Development

Besides infrastructure development, it will be crucial in upcoming years to actively seek opportunities for economic and business development both in terms of aviation and non-aviation interests. Given the economic uncertainties of the future, airports across the country have been forced to re-examine their business practices in order to remain competitive, be in the best position to help the local and regional economies, provide employment and find innovative methods to create, retain and increase revenues in order to survive.

In recent years, airports have been trending toward non-traditional revenue producing concepts to support traditional revenue producing practices. Additionally, airports have to remain vigilant about technology changes which will vastly change how airports conduct business in the future, both from an aviation and non-aviation perspective. For example, four emerging trends are already being capitalized on at some airports across the country: 1) Airport Industrial Parks and Trade Zones, 2) Spaceport Utilization; 3) Unmanned Aerial Vehicle production and 4) non-aviation revenue producing ventures. Airports that are preparing for and planning to take advantage of opportunities like these and other emerging trends will be in a better position to handle the future economic uncertainties. Several more of these concepts will be presented in the Action Plan.

FINANCIAL ANALYSIS

The financial plan outlines how business and aviation development will enhance the fiscal position of LMO. As a key part of the LMO Business Plan, an analysis of the current and future financial picture was prepared. Revenue and expenses were projected for a 10-year period. However, this plan will focus only on a 5-year period in order to reflect realistic trends in the market place. One goal of the Business Plan is to increase revenue for the Airport Enterprise Fund and thereby insure sound funding for maintenance and operations, allowing the Airport to be financially viable.

The following is a summary of the key points of the analysis.

Background

Revenue for Vance Brand Airport is derived from three major sources: ground leases, fuel flowage fees, and miscellaneous revenue. The largest revenue source is ground leases, accounting for 83% of total revenue collected in 2012. Fuel flowage fees are collected at the rate of \$.06 per gallon of fuel pumped by commercial fuelers and account for 4% of the revenue. Miscellaneous revenue in the form of permits, cell phone tower fees and special events combined with interest account for the remaining 13% of revenue.

An increase in new lease rates from \$.16 per sq. ft. to \$.23 per sq. ft in August of 2006 put the Airport in a much improved financial position for the past 7 years. With CPI increases, the current lease rate for new leases is \$0.2645. Key to the financial picture for the Airport is to continue development of the south side and

consider redevelopment options for the north side, promoting overall economic development, providing the Airport the opportunity to continue being financially viable. In order to increase lease revenue in the future, this plan calls for increasing the lease rates to \$0.34 per square foot, with annual CPI increases

Current Revenue and Expenses

If no new revenue sources are added, current revenue sources, including CPI adjustments, show that the Airport will meet planned expenses during the 5-year planning period, and will continue to do so through the ten year period. This includes full payment of the Administrative Transfer Fee (Exhibit 2). Currently there are 37 leases expiring under the lower lease rate, these will all expire by the end of 2017. At that time all leases at LMO will be charged the current rate and revenue will be maximized for the current land available for lease.

The Airport relies heavily on Federal and State grants for capital improvements. Although the grant conditions can be burdensome, the benefit is the Airport expends a minimal amount for such improvements, in most cases. With the new Federal Aid program and the State participation the Airport is now only required to provide 5 cents of every dollar granted.

Projected Revenue and Expenses

Development of the vacant land on the north and south side of the Airport will have a significant impact on LMO's financial situation. Based on proposed development, the Airport would slightly increase revenue for ground leases and allow the Airport more financial freedom to pursue larger capital projects. There are three main factors that will contribute to increasing Airport revenue:

1. Success in continued cooperative working arrangements with Longmont Area Economic Council (LAEC) and other organizations to attract new commercial and aviation related business.
2. The development rate for available property will be approximately three units per year.
3. The local market for aircraft storage and general economic conditions will continue to increase moderately.

These assumptions are reasonable and acceptable based on current knowledge and information about the general aviation market in the area, and the Airport's relative position with respect to other nearby Airports. The previously discussed market conditions enhance the opportunity to take advantage of Airport land development for the benefit of the City and the Airport.

While the proportion of lease revenue to total revenue will remain above 80%, there are additional revenue sources available to the city from development and redevelopment of some areas on the north side of the Airport. With the increase in building at the Airport, the City's General Fund can expect permit fees averaging approximately \$3,500 per developed unit. In addition, an expected restaurant business will generate sales tax to the City at an annual rate of approximately

\$8,500. Revenue projected from building permits and sales tax from restaurant receipts does not go to the Airport Enterprise fund, and therefore does not improve Airport financial viability projections. It does, however, provide financial benefit to the City.

To improve the health of the Airport Fund to insure sufficient capital for grant matches and to cover basic maintenance costs associated with aging infrastructure other factors should be considered. One is to increase ground lease rates by \$0.8 per square foot to remain current in the market place and bring LMO's lease rates in line with competitor airports.

AIRPORT ACTION PLAN

The Airport Action Plan outlines the steps required to take advantage of identified market and financial constraints and opportunities. These items will need the support of the Longmont City Council, through ordinance and administrative action approval as necessary. The pace of implementation will be dependent upon future economic conditions and, to some extent, the level of grant funding. Specific action items include:

Marketing Strategy

In order to achieve the vision for LMO, a more comprehensive strategy for property marketing should be pursued in the future. The Airport is zoned as Business Light Industrial.

The Airport Board has identified four key resources that will help attract business development and enhance Airport financial viability.

Approach to Changing the Airport Marketing Profile to the Community & Region

1. Longmont Area Economic Council (LAEC)

The Airport will continue having close working relationship with the LAEC in order to take advantage of the information and support structure they have in place. The LAEC serves the community's business and industry needs in a variety of ways. The Airport will use the LAEC as both a resource and a partner to market the benefits of the Airport development opportunities to new businesses.

- A. Participate actively as a Longmont Economic Council Investor.
- B. Host the Longmont Investor Series Breakfast at the Airport.
- C. Host the Longmont Area Community Appreciation Luncheon.

2. Longmont Area Chamber of Commerce (LACC)

A continued interactive relationship with the LACC enables the Airport to increase awareness of opportunities available to the community businesses

through Airport development and services. The LACC offers the Airport and Airport business the chance to build ties in several areas through a community wide network of business contacts.

- A. Host a Business After-Hours event at the Airport.
- B. Participate annually in the Unity in the Community event to promote the Airport.
- C. Appoint a member of the AAB to the Public Policy Committee.
- D. Encourage and support Airport businesses to participate in the Leadership Longmont program.

3. Commercial Real Estate Agent

The Airport will create business relationships with commercial real estate agents throughout the region in order to promote land at the Airport designated for aviation business/commercial/economic development.

- A. Match potential clients with appropriate property during Airport development.
- B. Maintain database of potential clients and properties.
- C. Spend full time on marketing Airport properties for commercial, industrial and investment clients.
- D. Take advantage of real estate agent networks in the region to expose property opportunities to larger client bases.

4. Professional Aviation Organizations

The Airport will expand its involvement with the many local, regional and national professional aviation organizations. The American Association of Airport Executives, Colorado Airport Operators Association, Airport Operators Council International, Aircraft Owners and Pilots Association and the National Business Aircraft Association all provide an extensive network opportunity to expand Airport visibility. Increased participation will take form in:

- A. Advertising exposure in organization journals and circulars.
- B. Identification of aviation businesses with interest in relocation.
- C. Method for Airport management to share information and seek consultation.
- D. Attending trade shows and conferences hosting a booth.
- E. Host industry trade shows, conferences, seminars, conventions and training programs.

Airport Board Recommended Actions for Business Plan Implementation:

I. Other Funding Sources

Joint meeting between the City Council, FAA and State Division of Aeronautics to discuss the timing and funding of capital projects outlined in the Master Plan. First three items to be discussed are environmental analysis, land acquisition and runway extension.

Examples	Contacts	Target Date
Environmental Analysis	State, FAA, Consultant, City Council	2014
Land Acquisition	State, FAA, City Council, Land Surveyor, Boulder County Assessor's Office	2015
Runway Extension	State, FAA, City Council, Engineering Consultant	2016

1. Actively pursue, through CDOT-A and FAA, Airport improvement grants to construct the necessary aviation infrastructure and safety equipment required for economic and business development.

Examples	Contacts	Target Date
Security Fencing	CDOT-A & FAA	2013
Instrument Approaches	CDOT-A & FAA	2014

2. Pursue development grants other than FAA and State Aviation grants to offset costs for development such as terminal building, landscaping, energy use, etc

Examples	Contacts	Target Date
Terminal Building	State, City, Private (Elite Aviation)	2014 & Future years
Landscaping	City of Longmont	Ongoing

3. Explore the feasibility of using the State of Colorado Infrastructure bank to support City-owned hangar facilities and terminal building construction. The State charges municipalities 2% interest on loans.

Examples	Contacts	Target Date
T-Hangar Units	State Dept. of Revenue	2017

4. Fleet Fund Usage (Source of Funding)

Examples	Contacts	Target Date
Use for property acquisition	Jim Golden, Harold Dominguez	April 29, 2013

5. Payment Terms (Pay Funding Back)

Examples	Contacts	Target Date
Pay back Fleet Fund	Jim Golden	2015

6. Administrative Transfer Fee Reduction

Examples	Contacts	Target Date
Administrative Transfer Fee	Brad Power, Jim Golden, Teresa Molloy & Harold Dominguez	June 2013

II. Attracting Business Development

1. Seek development proposals for a restaurant convenience business operation and other business facilities at the Airport.

Examples	Contacts	Target Date
Restaurant	RFP	April 25, 2013

2. Seek development proposals for a car rental facility at the Airport:

Examples	Contacts	Target Date
Avis		2014
Hertz	Longmont	
National		
Enterprise	Longmont	

3. Seek development proposals for a FAA Certified Part 141 Flight School at the Airport.

Examples	Contacts	Target Date
Western Flight Academy.	303-466-6998	
McAir Aviation	303-466-8730	
Upper Limit Aviation	855-HELIEDU	
Colo NW Comm College	800-562-9593	
Flights Inc	303-799-5140	
Elite Aviation	Chuck Myers	2014

4. Recruit, through professional aviation organizations and associated publications a university extension aviation program.

Examples	Contacts	Target Date
Redstone College, AIMS, Metro State Extension	Jeff Price - Metro	2014
Aviation Associations		
Aviation Publications		

5. Aviation Paint Shop. Such a shop would be required to conform to all applicable environmental safety guidelines applicable to painting operations.

Examples	Contacts	Target Date
Flying Colors	Rocky Mtn. Metro	2016

6. Aircraft Restoration Services and “mothball” site

Examples	Contacts	Target Date
Chippewa Aerospace	Julie Myers	2014

7. Avionics Repair Facilities. Operation would support purchase and repair of aviation related avionics equipment.

Examples	Contacts	Target Date
Elite Aviation	Julie & Chuck Meyer	2013
Freedom Avionics	Bob C.	2014
Avionics Specialists	Jerry S	2014

8. Aviation related service operations. These business entities would be related to the successful operation of the Airport. Leased commercial space may include area for, aircraft washing facility, rental car agency, travel agency or insurance agent or other commercial operations.

Examples	Contacts	Target Date
A/C Washing, Detailing		?
Travel Agency		
Insurance Agency		

9. Aircraft Maintenance Operation. Operations as defined under FAR Parts 43 and 145, other than in-house corporate maintenance as support operations.

Examples	Contacts	Target Date
Chippewa Aerospace	Julie Myers	2014

10. Aviation Manufacturing Operations. This would include unmanned aerial vehicles, aviation engine manufacturing, aviation components, kit plane manufacturing and aircraft modifications (such as speed kits and STOL kits).

Examples	Contacts	Target Date
UAV Mfg and testing		2015
Engine Manufacturing		2015
Aviation Components		2015

Kit Planes

Aircraft Mods. (STC)

III. Commercial land development opportunities at the Airport in conjunction with compatible enterprises

1. Non-aviation Manufacturing Operations. This would be a combined commercial / industrial operation with Colorado based businesses involving the use of company aircraft, integral to the business, delivering “just in time”, perishable, and time sensitive or medical related products

Examples	Contacts	Target Date
Adjacent Land Manufacturing	LAEC	On Going

2. Consider a ballot initiative amending the City Charter allowing the City to enter into lease agreements for longer than a twenty-year period, allowing developers to secure better financial assistance from lending institutions.

Examples	Contacts	Target Date
30 Year Lease	Longmont City Council	October 2013

3. Register the Airport with the State of Colorado Film Commission in order to be a registered film production location in certain circumstances to increase revenue. Besides the Airport, the City should be registered in its entirety as the revenue possibilities are then increased City-wide.

Examples	Contacts	Target Date
Film Production	Colorado Film Commission	2012 -Complete.

4. Review adjacent, appropriately zoned, abutting land (Huff property) for purchase or joint use for the construction of an aviation/industrial park and trade zone.

Examples	Contacts	Target Date
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Huff Property	Maureen Huff, David Brink	2020
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5. Review and compose development incentive packages to encourage economic and business development, both aviation and non-aviation related.

Examples	Contacts	Target Date
Tax incentives, fee waivers, lease abatement	Longmont Econ. Dev. Dept./ City Council.	2013
Foreign Trade Zone	State of Colorado	2015
Aviation Business Tax Credit	State of Colorado/ Tim Barth	2015
Sales & Use Tax Reduction/Waiver	Jim Golden/City of Longmont	2015
Fee and Permit Waiver for Utilities	City of Longmont/Various Departments	2015

6. Make improvements to the general aesthetics of the airport at the entrances and along Airport Road. Increase signage that would be noticed by current and prospective users as well as by the community.

Examples	Contacts	Target Date
Entrances	City of Longmont CIP Process	2015
Signage		
Roads		

7. Host aircraft/airport conventions

Examples	Contacts	Target Date
Cessna 170 Convention	Glen Hetchler	2017
Regional Fly-In and Air Show	Tim Barth	2015

Colo. Airport Operators Assoc annual Conference	Kenny Maenpa/ BJC	2016
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Appendix A: Regional Market Place Detail

- **Boulder Municipal Airport**
- Hangars and office space is 100% occupied. T-hangars are 98% occupied with a waiting list for the least expensive t-hangars. Newly constructed buildings are given a 20-year land lease at \$0.373 per sq ft annually. At the end of the land lease, the building is deeded to the City of Boulder and the tenant has a choice to remain as a regular facility tenant. An initiative is on the 2012 ballot allowing the City to offer 30-year leases. If approved, the airport plans on offering this option for the construction of new full-service facilities (heat, water, bathrooms, etc.).

Updated by Tim Head, BDU Airport Manager, October 2, 2012

- **Front Range Airport**
- Employs 21 people total.
- Hangars (types, number of each type): 14 large T-hangars 100% occupied and 48 small T-hangars 100% occupied, 1-FBO large hangar owned by FBO Authority;
- Others privately owned:
 - 21-large executive individual hangars
 - 123-small to medium executive box hangars in a Condo situation
 - 89- small t-hangars in a condo situation
- **Revenue:**
- Hangar rental: large T-hangar \$461/mo; small T-hangar \$276/mo; storage unit \$109/mo
- Revenue from non-aviation related sources: (restaurants, terminal space, etc):
 - From 2013 projected:
 - Farm Revenue - \$35,000
 - Snack Bar/Vending Revenue – TBD, new restaurant and ownership
- Available services:
 - Fuel Jet A, 100LL
 - Full time corporate type hangar management
 - Transient hangar storage
 - Engine Repair Service Major, Airframe Repair Service Major
 - Oxygen, bulk Oxygen High Pressure, Low Pressure
 - Lights Dusk-Dawn, full instrument capability, 3-ILS approaches, FAA/Contract Air Traffic Control facility.

Updated by Ken Lawson, FTG Assistant Director of Aviation, October 3, 2012

- **Ft. Collins/Loveland**
- 1160 acres (only 25 developed acres)
- Airport owned hangars: 2 T-hangars, one large condo hangar for airport maintenance use, 210 privately owned hangars of various sizes, and 65 tie-downs being reduced in 2013 to 30 for more large aircraft ramp space.

- **Revenue:**

- (39 total hangars)
- Fuel flowage: \$.05 per gallon or 6% of total invoice (greater value)
- Commercial Service provided by Allegiant Airlines ending 10-30-12.
- Ft. Collins/Loveland has large areas of developable land, however, does not have resources to complete development. Thirty-five acres of adjacent land has been developed by commercial interests from whom the Airport receives “through-the-fence” business in fuel fees (10% of actual cost less taxes). The annual operating budget is supported largely through fuel flowage fees from large commercial and corporate aircraft.

Updated by Jason Licon, FNL Airport Manager October 2, 2012

- **Rocky Mountain Metropolitan (Formerly Jefferson County Airport)**

- 125 T Hangers are owned by the airport, 61 Port-a-ports are privately owned and 80 ground leases contain privately owned hangers.
- **Revenue:**
- Leased office space: Terminal Building Office Space \$22 per sq/ft. Other \$10 to \$12 per sq/ft.
- Tie downs: 80 owned by the airport. FBO have many others under their lease control.
- Revenue from 2012 non-aviation related sources: (restaurants, terminal space, etc):
 - Ball Aerospace - \$82,000
 - Restaurant – \$12,000
 - Snack Bar/Vending Revenue - \$5,000
 - Antennae Farm - \$8,000
- Available services: All, including U.S. Customs

Updated by Kenneth Maenpa, BJC Airport Manager October 2, 2012

- **Greeley/Weld County Airport**

- Hangars (types, number of each type): 30+ Commercial, private and corporate hangars; 12 multi-unit T-hangar buildings;
- **Revenue:**
- Revenue from non-aviation related sources: (restaurants, oil interests, terminal space, etc): restaurant 1595 sq/ft (under office space)
- Services available:
 - Major Airframe and Major Powerplant Repairs
 - Pilot lounge & conference room
 - Barnstormer restaurant

- **Erie Tri-County**
- **Revenue:**
- Leased office space-- \$48,000 annually for the entire Airport
- The airport property contains no private hangar development.
- Hangar rental-- \$35 per month for port-a-port
- The Town of Erie leases the entire Airport to their FBO. There is no Airport Manager and there are no development plans or space available to support Airport development. The Erie FBO is allowed to keep rental revenues and fuel flowage fees as part of the lease deal to oversee the Airport.

Exhibit 1
AIRPORT ADMINISTRATIVE TRANSFER FEE

	Airport 2012		Airport 2013		Difference	% Change
	%	\$	%	\$		
Finance Admin	0.1%	\$378	0.1%	\$368	0.0%	0.00%
Accounting	0.6%	\$6,047	0.9%	\$7,995	0.3%	50.00%
Sales Tax	0.0%		0.0%		0.0%	
Treasury	0.0%		0.0%		0.0%	
Information Desk	0.0%		0.0%		0.0%	
Utility Billing	0.0%		0.0%		0.0%	
Mail Delivery	0.4%	\$373	0.5%	\$491	0.1%	25.00%
Risk/Safety	0.8%	\$4,899	0.2%	\$1,291	-0.6%	-75.00%
Human Resources	0.1%	\$1,141	0.1%	\$1,230	0.0%	
Budget	0.9%	\$2,463	0.4%	\$995	-0.5%	-55.56%
Purchasing	1.5%	\$8,781	0.7%	\$4,110	-0.8%	-53.33%
ETS Operations	0.2%	\$2,828	0.2%	\$2,967	0.0%	0.00%
ETS Applications	0.0%		0.1%	\$1,226	0.1%	
ETS WiFi	0.0%				0.0%	
Telephone System	0.1%	\$397	0.1%	\$383	0.0%	0.00%
Communications Cntr			0.0%		0.0%	
ED Director	2.0%	\$7,347	2.8%	\$9,250	0.8%	40.00%
Planning Services	0.0%		0.0%		0.0%	
Development Services	0.0%		0.0%		0.0%	
Building Inspection	0.0%		0.0%		0.0%	
Economic Vitality	0.0%		0.0%		0.0%	
Parks Admin	0.0%		0.0%		0.0%	
Parks Maintenance	0.0%		0.0%		0.0%	
Muni Grounds Mtce	0.0%		0.0%		0.0%	

ROW Maintenance	0.0%		0.0%		0.0%	
Facility Maintenance	0.7%	\$10,718	0.6%	\$9,235	-0.1%	-14.29%
Facility Operations	0.0%		0.0%		0.0%	
Utilities	0.0%		0.0%		0.0%	
Mayor & Council	3.7%	\$31,399	3.6%	\$30,049	-0.1%	-2.70%
City Manager	0.6%	\$5,465	0.6%	\$5,163	0.0%	0.00%
City Attorney	1.1%	\$11,235	3.0%	\$30,793	1.9%	172.73%
Clerk	2.3%	\$15,674	2.7%	\$14,318	0.4%	17.39%
Elections	0.0%		0.0%		0.0%	
Total Fee	109,144	\$109,145	119,864	\$119,864	10,720	9.82%

Airport Fund

Fund Statement 2013-2017

	2012 Adpoted Budget	2012 Amended Budget	2012 Actuals	2013 Adpoted Budget	2013 Amended Budget	2013 Projected Actual	2014	2015	2016	2017
BEGINNING WORKING CAPITAL	255,556	255,556	255,556	50,104	50,104	50,104	21,203	29,557	68,453	106,956
REVENUES										
Airport Leases	214,580	214,580	244,325	257,048	257,048	257,048	273,684	313,746	323,158	332,853
Flowage Fees	12,000	12,000	14,316	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Fuel Tax Rebate	10,000	10,000	12,546	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Miscellaneous Income	20,000	20,000	23,408	20,000	20,000	20,000	25,000	25,000	25,000	25,000
Air Show Sponsorships						12,000				
Interest	2,279	2,279	1,158	495	495	495	0	0	0	0
Grant Funding (T-12)	-	1,484,623	954,192		502,986	502,986				
Transfer from Lodgers Tax										
TOTAL AVAILABLE FUNDS	514,415	1,999,038	1,505,501	354,647	857,633	869,633	346,887	395,303	443,611	491,809
EXPENDITURES										
Operating and Maintenance	311,469	321,469	307,260	330,974	333,998	333,998	317,330	326,850	336,655	346,755
Paving maintenance savings						(15,000)				
Oil and Gas Carryover						(3,024)				
T-12, Vance Brand Airport Improvements	-	1,675,761	1,148,137							
Carryover - T-12	-	-	-		547,624	547,624				
<i>T-12 City Match Overbudgeted</i>	-	-	-		(15,168)	(15,168)				
TOTAL EXPENDITURES	311,469	1,997,230	1,455,397	330,974	866,454	848,430	317,330	326,850	336,655	346,755
ENDING WORKING CAPITAL	202,946	1,808	50,104	23,673	(8,821)	21,203	29,557	68,453	106,956	145,054

\$78,400 from AMGEN for future Airport expansion is included in the Working Capital, and a reserve for this amount will need to be accumulated in the future.

UNFUNDED PROJECTS	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5
T-12, Vance Brand Airport Improvements	50,500	50,500	954,450	828,200	168,670	20,200