



FORT COLLINS • LOVELAND
AIRPORT

Joint Meeting: Fort Collins and Loveland City Councils and Fort Collins-Loveland Airport

Monday, November 3, 2014
5:30 PM
Airport Modular Building
4900 Earhart Road
Loveland, CO 80538

5:30 p.m. Dinner Served
6:30 p.m. Joint Meeting

Agenda

Airport Strategic Plan	Jason Licon	25 min
Airport Governance	Darin Atteberry, Bill Cahill	25 min
Other items		
Adjourn		

Additional Information

The Cities of Loveland and Fort Collins are committed to providing an equal opportunity for citizens and do not discriminate on the basis of disability, race, age, color, national origin, religion, sexual orientation or gender. The Cities will make reasonable accommodations for citizens in accordance with the Americans with Disabilities Act. For more information, please contact the ADA Coordinator at bettie.greenberg@cityofloveland.org or 970-962-3319.



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4900 Earhart Road • Loveland, Colorado 80538
(970) 962-2852 • FAX (970) 962-2855 • TDD (970) 962-2620

AGENDA ITEM: 1
MEETING DATE: 11/3/2014
FROM: Jason Licon, Airport Director

TITLE:
Airport Strategic Plan

RECOMMENDED CITY COUNCIL ACTION:
Discussion and feedback on the Airport Strategic Plan.

SUMMARY:

The Airport area represents a development zone that has great potential for future development. As a result of Allegiant Airlines discontinuing their service at the Airport the Cities have now focused attention on unlocking the economic development potential that exists at the Airport. This focus has led the Cities of Loveland and Fort Collins to direct staff to prioritize this area in the two Cities' economic development plans and create a vision and goals with private sector participation, which has brought forth new ideas for consideration.

The Airport Strategic Plan is the product of this joint planning effort that involved regional business leaders, active Airport users, elected officials, and staff from the two Cities. The Airport Strategic Plan identifies key recommended action items that will help the Airport achieve the reimagined vision. The Strategic Plan has been approved by Airport stakeholders, organizations, and businesses. In addition a public meeting was held on Thursday October 16th where the Airport Strategic Plan was presented and public feedback and comment was encouraged. The Airport Steering Committee unanimously approved a positive recommendation to both City Councils.

ATTACHMENTS:
Airport Strategic Plan

ACTION ITEMS

FIVE STRATEGIES	TACTICS
<p>Protect against residential encroachment on the airport. Residential encroachment is a significant problem for airports around the nation. Fort Collins-Loveland Airport has had limited encroachment problems but must guard against this threat to the Airport's long term future.</p>	<ol style="list-style-type: none"> 1. Involve the two Cities and Larimer County in developing a new IGA for land development within the airport influence area.
<p>Create a sustainable business model with potential revenue streams and financing for FNL. The loss of commercial service has deprived the Airport of a major revenue stream. The Airport needs an updated business model which will create and rely upon diverse revenue streams.</p>	<ol style="list-style-type: none"> 1. Develop 10-year financial model for financial sustainability. 2. Clarify the Airport's market and potential. 3. Resolve issues with through the fence agreements, both existing and future.
<p>Encourage immediate private investment. Private investment capital is needed for future airport development due to limited public funding availability. A clearer process is needed to attract high quality investment.</p>	<ol style="list-style-type: none"> 1. Encourage creation of an innovative aviation cluster through public private partnership. 2. Develop and issue request for airport development proposals. 3. Pursue a Charter Flight Service or Airline Guarantee program.
<p>Revise the Airport governance structure and authority for the governing board. Current Airport governance structure needs to become more nimble and responsive. In addition, the governance structure should enlist greater participation and stakeholder involvement.</p>	<ol style="list-style-type: none"> 1. Create a new governance structure for approval by Cities 2. Adopt all necessary changes in an updated IGA for the Airport. 3. Encourage participation by stakeholders and the public.
<p>Rebrand the Airport and more productively engage the public. Greater public engagement and understanding will benefit the Airport's future. Rebranding will support Airport marketing and more clearly express the Airport to the public.</p>	<ol style="list-style-type: none"> 1. Rebrand the Airport to create an enhanced regional identity. 2. Build stronger Airport public information program.



SITUATION

Moving forward

The recent loss of the Airport's only commercial air carrier has focused attention on the Airport Area's economic development opportunities. The Airport Area has tremendous potential for future development.

The Cities of Loveland and Fort Collins have deliberately and specifically prioritized this area in the two Cities' economic development plans and created a strategic process with private sector participation, which has brought forth new ideas for consideration. This resulting strategy will guide airport decisions for the next five to seven years and builds upon the Airport's existing Master Plan and Business Plan.



AIRPORT AREA WORKING GROUP

- | | |
|-----------------|-----------------|
| Darin Atteberry | SeonAh Kendall |
| Mike Beckstead | Jason Kopp |
| Josh Birks | Jason Licon |
| Curt Burgener | Martin Lind |
| Bill Cahill | Stu MacMillian |
| Tom Dwyer | Deb Montgomery |
| Betsey Hale | Malachi O'Neill |
| Jay Hardy | Jim Parke |
| Robert Hau | Troy Peterson |
| Jerry Helgeson | Curt Richardson |
| Annette Gilbert | Rich Shannon |
| Cecil Gutierrez | Ralph Trenary |
| Stacy Johnson | Karen Weitkunat |

> AIRPORT MISSION

Provide a safe and efficient air transportation airport facility to the general public and aviation community by providing airport facilities that meet Federal Aviation Administration (FAA) safety standards and to implement a plan that ensures the efficient development of the airport to meet the needs of the Fort Collins and Loveland communities.

> VISION FOR THE AIRPORT

The Fort Collins-Loveland (FNL) Airport will be Colorado's premier regional airport supporting general aviation, regional air carrier services, and business opportunities for both aviation and non-aviation uses.

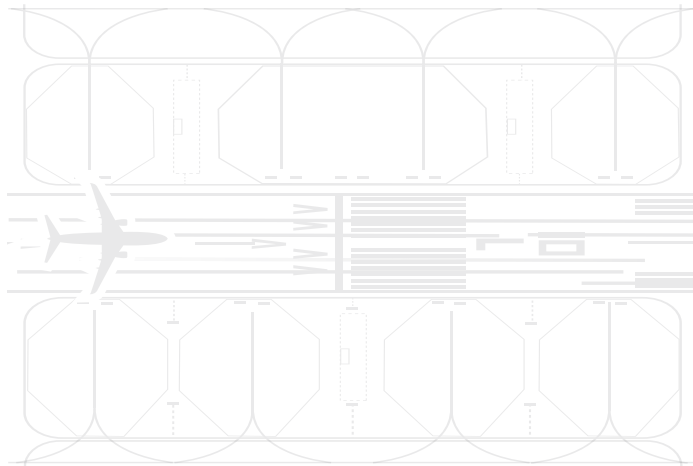
The Airport is the front door and first impression to visitors of Fort Collins, Loveland, and Larimer County, and will reflect the regional values and vision of the communities it serves. The Airport will have an impressive gateway, compelling signage, and advertising to the 3 million travelers on I-25.

The Airport will host a thriving general aviation community. The Airport has a clear, compelling role in our region and plays a critical role in our region's economic health. Fort Collins and Loveland are aligned in attracting new enterprises that build upon Airport resources.

The Airport will be part of an active multi-modal system that integrates air, highway, and rail transportation. The Airport has excellent physical facilities and infrastructure, a high quality fuel service provider with hanger facilities and exceptional service, and an excellent scheduled air service supporting over 10,000 enplanements per year. The Airport has facilities that service aircraft with turbine maintenance services, a quality restaurant, and an air museum. The Airport has based aircraft manufacturers attracting high quality jobs to the region.

FORT COLLINS AND LOVELAND CITY COUNCIL MEMBERS

- | | | |
|---------------------------------|----------------------------|-------------------------------------|
| Gino Campana, Fort Collins | Gerry Horak, Fort Collins | Chauncey Taylor, Loveland |
| Dave Clark, Loveland | Troy Krenning, Loveland | Ralph Trenary, Loveland |
| Ross Cunniff, Fort Collins | Hugh McKean, Loveland | Wade Troxell, Fort Collins |
| Phil Farley, Loveland | Bob Overbeck, Fort Collins | Mayor Karen Weitkunat, Fort Collins |
| John Fogle, Loveland | Lisa Poppaw, Fort Collins | Jason Licon, Airport Director |
| Mayor Cecil Gutierrez, Loveland | Joan Shaffer, Loveland | |



AIRPORT AREA DEVELOPMENT

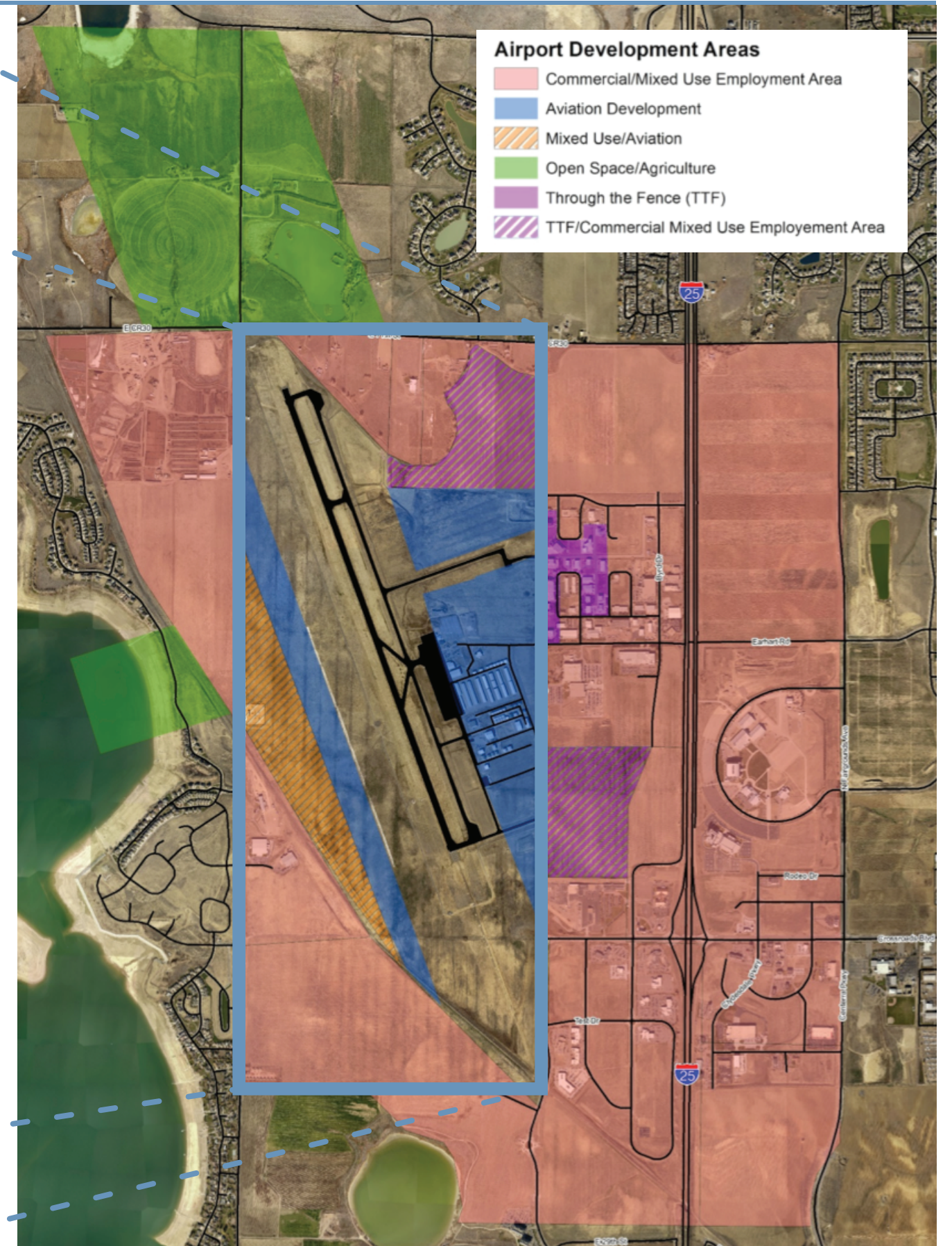
Through the utilization of existing planning information, and the recommendation and input of the Airport Area Working Group, an airport area development map was created. This was done in order to identify where potential development opportunities may exist and be placed in a manner consistent with existing developed areas and transportation resources.

ON AIRPORT AREA DEVELOPMENT

The map identifies locations within the Airport boundaries for development opportunities. One of the Airport's primary assets is undeveloped land. It is because of this resource it is critical to ensure that it is developed in a way that is consistent with existing and future demand.

COMPATIBLE LAND USE

The Airport area has experienced a high level of development over the past few years. The area now represents a diverse mix of land use. In order to maintain a healthy and high functioning transportation center, it will require adjacent area developments to be compatible with Airport activities.





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AGENDA ITEM: 2
MEETING DATE: 11/3/2014
FROM: Darin Atteberry, Fort Collins City Manager and
Bill Cahill, Loveland City Manager

TITLE:
Airport Governance Update

RECOMMENDED CITY COUNCIL ACTION:
Discussion and feedback on the Airport Governance Structure.

SUMMARY:

As part of the “action plan” component of the Airport strategic planning exercise, the City Managers of Loveland and Fort Collins were asked to take the lead on developing a new governance structure for the Airport. The governance issue includes (1) what the board structure should be, and (2) what amount of authority the board should have. The consensus of the Airport Strategy was that the existing Airport Steering Committee structure is not sufficient to take the Airport into the future, mostly due to lack of authority (most decision items have to return to the two separate City Councils).

The concept proposed is an Airport Commission, with the Commission having more powers than the current Steering Committee in the areas of leasing, contracting, and other obligations. The Commission itself would include the existing Steering Committee members (the two Mayors and two City Managers), and would add three additional members to be selected by the two Councils.

ATTACHMENTS:
Airport Governance Structure

Summary

As part of the “action plan” component of the Airport strategic planning exercise, the Cities of Loveland and Fort Collins were asked to take the lead on developing a new governance structure for the Airport. The governance issue includes (1) what the board structure should be, and (2) what amount of authority the board should have. The consensus in the strategic planning process was that the existing Airport Steering Committee structure is not sufficient to take the Airport into the future, mostly due to lack of authority (most decision items have to return to the two separate City Councils).

Importantly, the “governance” change proposed does NOT include creation of an entirely new and separate entity from the owner Cities. The changes will be accomplished through amendment of the IGA by which the two Cities currently govern and manage the Airport.

The concept proposed is an Airport Commission, with the Commission having more powers than the current Steering Committee in the areas of leasing, contracting, and other obligations. The Commission itself would include the existing Steering Committee members (the two Mayors and two City Managers), and would add three additional members to be selected by the two Councils. The concept was presented to the joint meeting of the Fort Collins and Loveland City Councils on April 29, 2014, and is further refined here.

Status Quo: Where We Are

The airport is jointly owned and operated by the Cities of Loveland and Fort Collins; full control and decision-making authority is placed with the City Councils of both cities. Under the current governance structure, the Airport Steering Committee is charged with facilitating communication between the cities and advising the Councils concerning Airport issues such as general policies, land use, budget, capital improvements and strategic planning. The Steering Committee has no decision-making authority on any item.

Since commencing operations in 1965, the airport has tried a range of governance structures, including an Airport Board, Ad Hoc Committee, Airport Authority and Joint Steering Committee.

The 1994 Intergovernmental Agreement set up an Airport Steering Committee made up of the Mayors and City Managers from each City, an Airport Liaison from each City and the Airport Manager.

Options

Previous analysis by Fort Collins and Loveland staff included a search for "best practices" in governance structures. Several alternative options were analyzed, including:

1. A separate Airport Authority
2. An Airport District
3. Operation by one City only
4. Creation of a different Airport board structure through IGA amendment

These options have been previously reviewed with the Councils in late April so that analysis is not repeated here.

The selected option is the forth, change through IGA amendment.

Proposed Governance Structure

The proposed governance structure is to replace the existing Airport Steering Committee with a new Northern Colorado Regional Airport Commission. The Commission will be created by intergovernmental agreement between the two owners of the Airport, the Cities of Fort Collins and Loveland.

The structure and scope of the proposed Commission would be similar in many ways to the Poudre Fire Authority and Loveland Fire Rescue Authority. The Commission will be vested with more powers than the current Steering Committee, lessening the need for considerations of individual decisions by the two separate City Councils. The Commission's board structure will be more inclusive than the existing Steering Committee structure, with its membership determined by the two owner City Councils.

Please note: in the 1980s, the Airport was governed for some years by an Airport Authority, created pursuant to State law. The proposed Airport Commission is not an Airport Authority pursuant to State law.

Key features of the Commission: The Commission will be composed of seven (7) members, as follows:

- (2) Mayors of Fort Collins and Loveland
- (2) The City Managers of Loveland and Fort Collins
- (1) One citizen member appointed by the Fort Collins City Council
- (1) One citizen member appointed by the Loveland City Council
- (1) One citizen member appointed by agreement of the City Councils of Loveland and Fort Collins

Appointed members will not be required to reside within either of the two cities. The appointed citizen members will serve 4-year terms.

The Board will meet monthly to direct the affairs of the Airport.

Level of Authority Granted to the Commission: The Commission shall have power to:

1. Enter into contracts and leases
2. Develop and submit the annual budget of the Airport to the owner City Councils
3. Hire, direct and evaluate the Airport Director
4. Adopt its own bylaws and operating procedures, providing that they do not conflict with provisions of the IGA
5. Set applicable Airport rates and fees
6. Periodically update and enforce Airport Minimum Standards

Neither City shall be required to name a staff liaison to the Airport Authority. Airport operations shall be governed by the IGA.

Powers Retained by City Councils

City Councils retain the powers not specifically delegated to the Airport Commission by IGA. Of particular note: the owner City Councils retain approval of the annual Budget, and approval of the Airport Master Plan.

Implementation

Implementation of the new Airport Commission would be by amendment of the Intergovernmental Agreement (IGA) between the two cities.

Upon direction by the City Councils, staff will develop and present the IGA amendment for action by both Councils

The following page lists changes to the IGA itself, and may be added to for consistency upon further review.

Key Benefits

The two primary benefits expected are:

- Increased participation and involvement of interested parties and stakeholders. Private sector participants through the strategic planning process have consistently indicated that a renewed governance structure is critical to investor confidence in working with the Airport.
- Streamlined decision-making and administration: the vesting of more authority in the Commission will facilitate decision-making, as well as routine administrative tasks. It is expected that the Airport would be able to be more nimble and responsive in dealing with various matters.

Specific Changes to the Existing IGA for the Airport

Purpose of Changes: Amend the existing IGA to change the governance structure.

The existing IGA was adopted May 16, 2000; First Amendment on November 10, 2003; Second Amendment on May 15, 2007.

Amendment: Changes in Sections 1, 2, 3, and 5 to accomplish the following:

- Eliminate the Airport Steering Committee (*Section 1*); establish the Northern Colorado Airport Commission. The Commission shall comprise seven (7) members, as follows:
 - (2) The Mayors of Fort Collins and Loveland
 - (2) The City Managers of Loveland and Fort Collins
 - (1) One citizen member appointed by the Fort Collins City Council
 - (1) One citizen member appointed by the Loveland City Council
 - (1) One citizen member appointed by agreement of the City Councils of Loveland and Fort Collins

The Board shall meet monthly to direct the affairs of the Airport. Appointed members are not required to reside within either of the two cities. The appointed citizen members will serve 4-year terms.

- Powers and authorities of the Commission:
 7. Enter into contracts and leases
 8. Develop and submit the annual budget of the Airport to the owner City Councils
 9. Hire, direct and evaluate the Airport Director
 10. Adopt its own bylaws and operating procedures, providing that they do not conflict with provisions of the IGA
 11. Set applicable Airport rates and fees
 12. Periodically update and enforce Airport Minimum Standards
- Powers and authorities reserved to the City Councils of Fort Collins and Loveland: approval of the annual Budget, and approval of the Airport Master Plan.
- Eliminate staff liaisons (*Sections 3, 4, and 5*).

In addition: May be other changes following legal review