

AVIATION BOARD BACKGROUND LETTER

Aviation Board Meeting Date: April 18, 2022

To: Chair Richmond and Aviation Board Members

Cc: Mitch Reynolds, Mayor

From: Ian Turner, Airport Director

Subject: 22-0546 – Air Carrier Incentive Program

Summary:

This item considers the La Crosse Regional Airport Air Carrier Incentive Program to assist in air service development efforts.

Previous Action:

Common Council Resolution 2012-10-029, adopted October 11, 2012, authorized the La Crosse Aviation Board to expend funds related to air service development. Since this time, the La Crosse Aviation Board has approved numerous Air Carrier Incentive Programs.

Background:

It is a common practice of communities to approve incentives and credits to attract new air service. This Air Carrier Incentive Program authorizes credits for exclusive use terminal space, joint use terminal space, landing fees, and fuel flowage fees. It also includes an advertising incentive commitment. The program, as a primary goal, seeks to initiate new scheduled service to one of our top ten unserved destinations. Additionally, it recognizes the loss of air service realized since 2019 by identifying existing routes for expanded flight options.

Financial Implications:

This item does not directly spend any funds. However, it does establish policy for Airport Staff to commit the airport to spend advertising dollars and offer credits toward fees in support of future air carrier services. The Air Carrier Incentive Program, as drafted, is capped at \$250,000.

Stakeholder Process:

As authorized by the Common Council, this item is presented to the Aviation Board for approval.



Alternatives:

Several alternatives exist for this item. They are:

- 1) Deny this item.
- 2) Deny this item with direction to staff to draft a new Air Carrier Incentive Program.
- 3) Amend the item.
- 4) Refer the item.

Staff Recommendation:

It is the recommendation of staff to approve the Air Carrier Incentive Program.

Attachments:

Air Carrier Incentive Program

