

The Mayor's Danbury Airport Task Force Report 2013



**Eric Bergstraesser, Jean Hazard, Robert King, John McCarthy, Senator Michael McLachlan,
Paul Scalzo, T.J. Wiedl, James Cordes - Chairman**

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Introduction

What is an airport? The reality of an airport's operation and obligations are often many layered and complex. This is true for Danbury Airport. In any discussion of what an airport is and what it can be, one must know the entirety of its relationships and origins.

The Congress of the United States, through the FAA, in the interest of establishing and maintaining a strong aviation system for the country, is a partner with airports across the country. Danbury Airport is a municipal airport that is part of the national system. The Airport is sponsored by the City of Danbury. Municipalities are the most common sponsors, followed by states.

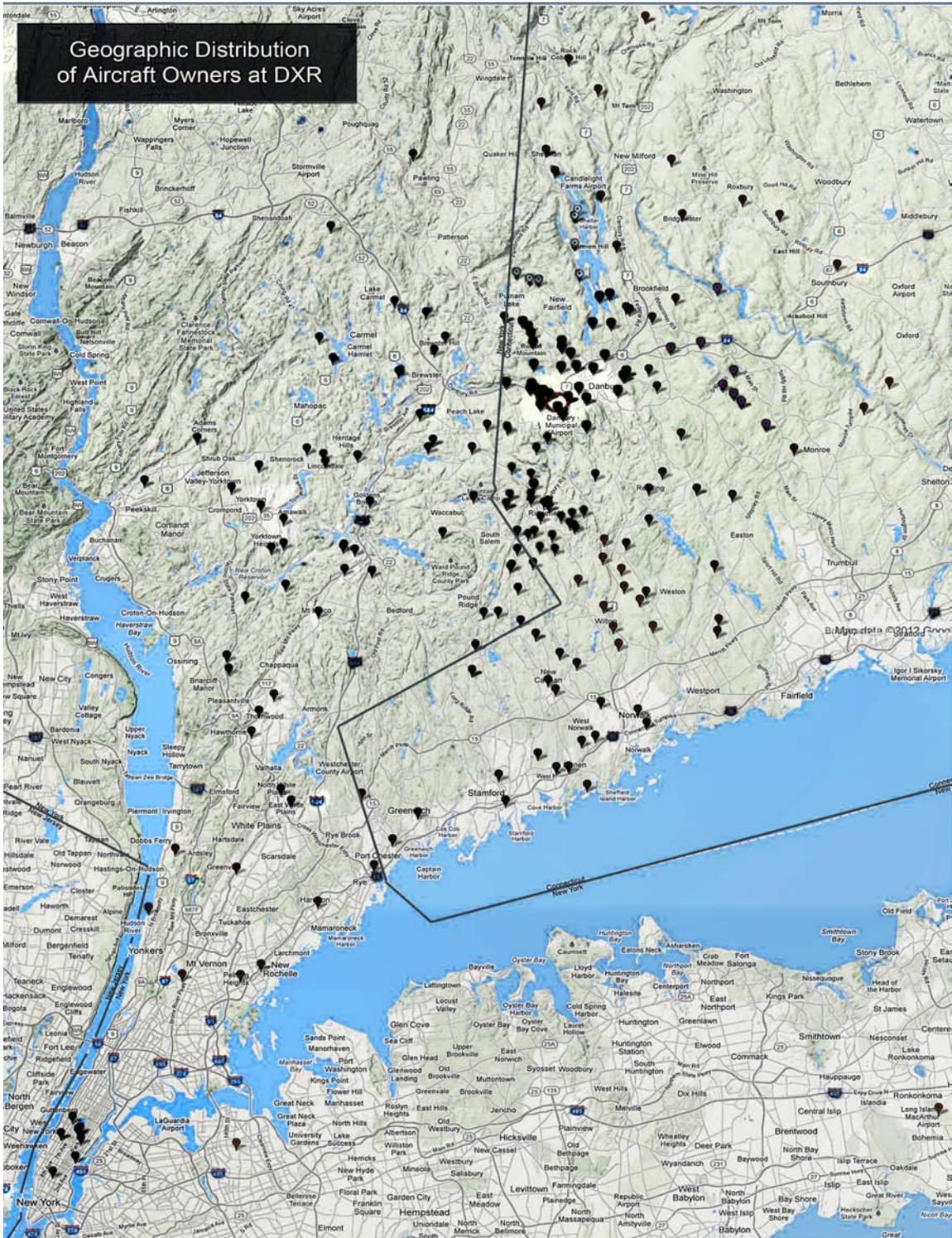
The federal government through the FAA invests substantially in funding airport development. It oversees safety, operations and continuity across the country. This co-management system insures that airports remain vital and serve national, regional, and local aviation interests and if necessary are available for military operations.

A Task Force

The purpose of the Mayor's Danbury Airport Task Force has been to assess what Danbury Municipal Airport currently is and what it can be. This is a broadly defined task that covers many areas of interest.

The first and perhaps most important fact we have come to is that Danbury Airport is much more than a City asset. Danbury Airport serves a regional business need. Danbury ranks high on the national airport list according to an interview we had with the FAA. The Federal Government, through the FAA classifies Danbury as an essential *Reliever Airport* for other facilities. Danbury is the busiest airport for general aviation operations in the State of Connecticut.

The City of Danbury receives income from private aircraft owners all over Western Connecticut and Eastern New York who pay the City for leases. The owners of aircraft bring considerable business to retail and restaurants in Danbury. Please refer to the geographic ownership map on the next page. Danbury Airport is a regional enterprise.



Danbury Airport aircraft owners, black dots, bring their business to Danbury from a wide area.

The airport is comprised mostly of local owners and employees, who service and maintain aircraft, offer flight instruction, provide commercial operations, charter and tie-down leases.

Danbury frequently sees aircraft, business travelers, deliveries and visitors from around the country. Every airport has an official abbreviation; Danbury's official abbreviation is DXR and will be used interchangeably throughout this document.

In addition to flight services the airport leases property to two restaurants and other businesses. Danbury is unusual; whereas many airports across the country need additional funding for operations, Danbury is entirely self-funding financially. Indeed it adds to the City's wealth in numerous ways.

Future opportunities for business growth and expansion of services at Danbury Airport are considerable. We are operating under capacity; the excellent control tower and field are designed to manage more traffic.

- * The Task Force has identified property for potential development, jobs and revenue.
- * The Task Force sent out questionnaires to both the Fixed Based Operators (FBO's) and to the pilots and aircraft owners to gather valuable user feedback.
- * The Task Force had discussions with the FAA on the current status of operations and future needs.
- * The Task Force examined revenue, expenses, Airport Management, and the need to communicate and collaborate with other towns. We suggest a regional marketing plan.

Significantly we have found Danbury Airport uniquely qualified to benefit the City and provide excellent service to Fairfield County's aviation and travel interests. The population we share with New York provides a large geographic base with upscale incomes and strong general aviation needs. Danbury Airport can meet those needs.

Executive Summary

The Mayor's Airport Task Force has conducted a one-year study of Danbury Airport. Our review covers a broad range of subjects, the details of which are contained in the report. The following are some of the our key findings and recommendations:

- Danbury Airport is a self-funded operation as revenue exceeds expenses. The City also benefits from collection of real estate and personal property taxes applicable to property located at the airport.
- According to input from the FAA and other sources, the Airport cannot be sold for economic development. Selling the airport is near impossible due to insurmountable FAA restrictions.
- The Airport has an estimated economic impact of \$40 to \$50 million dollars. 7
- The Task Force has identified \$360,000 per year in land use income opportunities and an additional \$150,000 of revenue and cost reduction opportunities associated with the use of the former Mooney hanger. A total of one-half million dollars!
- Zoning should be changed for more flexibility similar to the PND rules adopted for the Union Carbide property. A review of airport wetlands should be conducted to determine if some of this valuable land could be reclaimed.
- The current lease process is cumbersome and could delay revenues. The process should be streamlined to involve key resources earlier in the process.
- The Aviation Commission has been operating consistently with three members short. The Task Force recommends these positions be filled with active participants from the local airport community drawing from FBO operators, flight instructors, and on field businesses.
- We conducted a survey of aircraft owners that shows a need for better NAVAIDS, affordable hangers, a desire for an on-airport restaurant and affordable fuel. Feedback from this group is generally positive!

- A survey of FBO's indicates a need for NAVAIDS, better snow removal, clear visible signage, and a pro-active management responsive to business needs.
- The current Master Plan was issued in June 1996 and is outdated. The Task Force strongly recommends a new Master Plan. The new plan must focus on proper utilization of the remaining airport land.
- Danbury Airport is a Reliever Airport providing essential aviation services to Western Connecticut and Eastern New York. Aircraft owners at Danbury come from Long Island, the City of New York, Westchester, Putnam, Fairfield and Litchfield counties. Danbury is a regional general aviation hub.
- The Task Force recommends the Airport continue to actively promote and enhance its fly-neighborly noise abatement program.
- The area around the airport is well served by public bus transportation. Nearby routes should be adjusted by creating a sheltered waiting area with a designated taxi drop off and pick up area.
- An aggressive marketing effort to towns and businesses in Fairfield County would yield immediate returns and benefit consumer activity in all sectors of the City. The airport is underutilized as a Community asset. The local area would benefit from community related activities that can be safely accommodated on field as permitted by the airport administrator.
- The Airport should reach out and engage in collaborative aviation related activities with business and education. Western Connecticut State University has expressed such an interest. A recent aviation fair in Westchester attracted over eight hundred participants highlighting the economic potential we can tap into.
- An Airport Business Plan should be drafted to establish goals and objectives. It will attract and encourage top-level talent to invest in Danbury. The Airport, like a university, is a magnet for the kinds of growth and investment that add value to the City.

Response from the FAA to letter from Senator McLachlan



U.S. Department
of Transportation
Federal Aviation
Administration

New England Region
Office of the Regional Administrator

12 New England Executive Park
Burlington, MA 01803-5299

JAN 20 2012

The Honorable Michael A. McLachlan
Connecticut State Senate
State Capitol
Hartford, CT 06106-1591

Dear Mr. McLachlan:

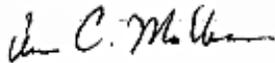
Thank you for your letter of January 4, 2012. We appreciate your interest in sharing with the Danbury Airport Task Force the process required by the Federal Aviation Administration prior to considering the closure of a general aviation airport. Any request for closure of the airport would require the following:

1. The City of Danbury must demonstrate to the FAA that airport closure would provide a benefit to civil aviation. Making the land available for economic development does not constitute an airport benefit that could be considered in justifying a release and disposal.
2. The City of Danbury's Request for a Release from Federal Grant Obligations needs to show how airport assets-including the fair market value proceeds from the sale of the airport along with the nearly \$10 million unamortized grant funds, will be transferred to another airport in the National Plan of Integrated Airport Systems in the vicinity of the Danbury Municipal Airport. The City may not use the proceeds from the sale of the property to repay the unamortized Airport Improvement Program (AIP) grant funds.
3. The approximate amount of unamortized grant funds would be approximately \$10 million not including the anticipated 2012 grant.
4. The City must provide an independent appraisal of the fair market value of the property at the highest and best commercial use satisfactory to the FAA.
5. The City of Danbury must complete appropriate environmental review in accordance with the National Environmental Policy Act (NEPA) addressing the effects of closing the airport.
6. After these steps are completed to the satisfaction of the FAA, the Associate Administrator for Airports would make an agency decision as to whether FAA would permit the sale of the airport.

We consider Danbury Municipal Airport a critical airport in not only the New England Regional Airport System, but also in the National Airspace System. It is the second busiest general aviation airport in the State of Connecticut, and it would be very difficult for that activity to be absorbed by any other airports in Connecticut. It is also in a high traffic area in the northeast corridor and has more than 250 based aircraft.

I hope the information outlined above provides the Task Force with a clear sense of the process and challenges associated with general aviation airport closure. Please do not hesitate to contact Barbara-Travers Wright of my staff at 781-238-7025 with any further questions.

Sincerely,

for 
Amy Lind Corbett
Regional Administrator

Enclosure
Transmitted Correspondence

Senator McLachlan's letter of Inquiry to the FAA



State of Connecticut

SENATE

STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

SENATOR MICHAEL A. McLACHLAN
TWENTY-FOURTH SENATE DISTRICT

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January 4, 2012

Ms. Amy Lind Corbett
Regional Administrator – New England Region
Federal Aviation Administration
12 New England Executive Park
Burlington, MA 01803-5299

Dear Ms. Corbett:

I am writing to ask for your assistance with my role as a member of the Danbury (DXR) Airport Task Force. Mayor Mark Boughton requested us to identify economic development opportunities within the airport property owned by the City of Danbury.

A regular comment in our community is the suggestion that the airport be closed and the property developed. I am not a proponent of this suggestion however I am tasked with identifying the barriers to such a move.

I understand the Federal Aviation Administration has a process for decommissioning general aviation airports that includes the airport owner reimbursing the FAA for previous grants. The FAA grant history for DXR since 1982 appears to include \$22,513,855 in payments to the City of Danbury. How much of this amount is reimbursable to the FAA in the event of decommissioning? What is the process to petition for decommissioning?

I welcome your assistance with the Danbury Airport Task Force's economic development deliberations. Our report is due to Mayor Boughton on October 1, 2012.

Sincerely yours,

A handwritten signature in cursive script that reads "Michael A. McLachlan".

Michael A. McLachlan
State Senator

cc: Honorable Mark D. Boughton, Mayor of Danbury
Paul Estefan, Danbury Airport Administrator

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Danbury Municipal Airport

Current Operations - Management and Oversight

- 1) Management: The City is fortunate to have an experienced and dedicated staff managing the airport. As with many organizations some changes could be helpful.
- 2) -Implement a management process that outlines expectations, objectives, and defines responsibility for each individual. Individual and group performance can be measured against this process and would facilitate better communications and lead to greater efficiency.
 - The Airport Administrator is also the City's Director of Civil Preparedness. . The expanding complexity and time demands for managing these two important Departments may have changed and should be reevaluated.
 - Communication with FBO's, the tower, and among the staff could be more proactive.
- 3) Aviation Commission: This Commission serves as a valuable oversight/advisory resource for Airport operations and it is a vital interface between the airport and City Government. Some note worthy observations:
 - The Commission is authorized at seven members. Records indicate there is one vacancy. However, two members have not attended meetings. Thus the Commission operates with four members and has three vacancies.
 - A significant number of Commission meetings were canceled due to the lack of a quorum. This could cause delay in dealing with important airport business and revenue opportunities.
 - The Chairman should fill the three vacancies as soon as practicable. The Commission would benefit from having a member of the City's Finance and Legal Departments serve on the committee. Consideration should be given to fill the remaining vacancy with a current user of the airport .
 - It is the responsibility of Commission members to assure the Airport's Master Plan and Minimum Lease Standards are being adhered to. Past use of Airport land has not always been consistent with those Plans.

Aviation Commission Responsibilities

The only document on record listing the Commission's responsibilities is dated July 9, 1947 (See below). It would seem reasonable after 65 years the responsibilities of this important group be revisited. It is our observation that much of the group's work is delegated to the Airport Administrator. The City and Airport operations would benefit from an expansion of the Commission's responsibilities and taking on a more active oversight role.

The following is from the State Act creating the Danbury Aviation Commission: (copy of the act is on file in the City's Legal Dept)

"AN ACT CONCERNING THE AVIATION COMMISSION OF THE TOWN OF DANBURY"

"Section 1. The aviation commission of the town of Danbury shall have the power:

- (1) To negotiate leases of land, facilities and buildings owned by the town of Danbury and used for airport purposes, and, upon completion of such negotiations, to make recommendations as to the terms of such leases to the selectmen of said town;
- (2) To examine the qualifications of applicants for the position of airport manager and other personnel deemed necessary for the operation and maintenance of the town's airports and to make recommendations to the board of selectmen of said town for the hiring of such manager or other personnel;
- (3) To make and enforce local rules, regulations and ordinances concerning ground and flying activities on or over town property at airports, and to provide for compliance with and enforcement of federal and state laws, rules and regulations relating to aeronautics;
- (4) To plan the present and future development of airports within the town of Danbury and to negotiate with state and federal authorities regarding such development; and
- (5) To issue permits for flying and other aeronautical activities in connection with the use of the Danbury airport and to fix the fees for such permits; which fees shall be paid to the selectmen of the town of Danbury in the town's general fund.

"Sec. 2 No airport manager or other personnel shall be removed after appointment except with the approval of said commission."

"Sec. 3 The commission shall annually, prepare a budget for submission to the town board of finance with respect to all items involving expenditures at airports and for other aeronautical purposes within and for the town of Danbury."

"Approved, July 9, 1947"

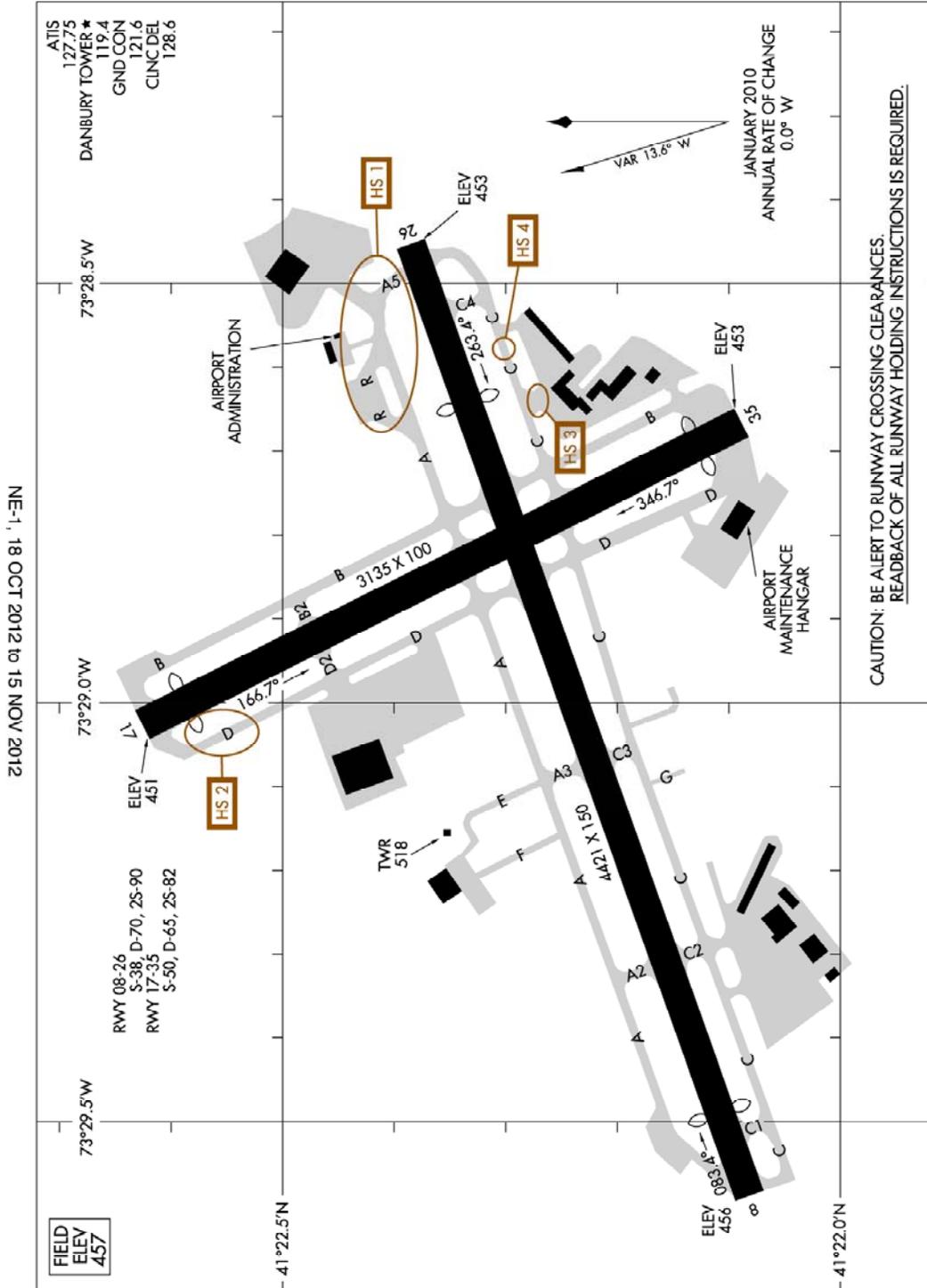
Airport Characteristics

12264

AIRPORT DIAGRAM

AL-5272 (FAA)

DANBURY MUNI (DXR)
DANBURY, CONNECTICUT



NE-1, 18 OCT 2012 to 15 NOV 2012

NE-1, 18 OCT 2012 to 15 NOV 2012

AIRPORT DIAGRAM

12264

DANBURY, CONNECTICUT
DANBURY MUNI (DXR)

Airport	Acres	Jet	Multi	Single	Helix	Total	NPIAS Service Level	FAA Category	First L x W	Second L x W	Best Approach	Part 139	Annual Operations (Takeoff & Landings)
Danbury Municipal	248	6	48	210	1	265	Reliever	Regional	8/26 4,422x150	17/35 3,135x100	LOC/ DME	No	67,688
Duchess County	640	0	8	89	8	105	General Aviation	Regional	6/24 5,001x100	15/33 2,743x100	ILS	Yes	73,220
Waterbury-Oxford	424	36	9	129	1	175	General Aviation	National	18/36 5,800x100	18/36 5,800x100	ILS	No	48,135
Hartford-Brainard	201	4	6	125	4	139	Reliever	Regional	02/20 4,417x150	11/29 2,314x71	2DA	No	63,548
Bridgeport-Sikorsky	800	24	21	140	5	189	General Aviation	National	06/24 4,677x150	11/29 4,761x150	ILS	Yes	64,633
Westchester County	702	72	32	192	14	310	Primary		11/29 4,451x150	16/34 6,549x150	ILS	Yes	194,732

Source: Airport Master Records printed July 20, 2012 & FAA Air Traffic Activity Data System for (Takeoffs and Landings) Abbreviations, NPIAS Service Levels & FAA Categories – See attached page

Facility Comparison with other airports in the region.

Abbreviations Key

ILS	Instrument Landing System
LDA	Locator Type Directional Aid
LOC/DME	Localizer/Distance Measuring Equipment
NPIAS	National Plan of Integrated Airport Systems

*** NPIAS Service Levels**

General Aviation	Airports other than commercial service, cargo service or reliever
Primary Commercial Svs	Airports with more than 10,000 passenger boardings each year
Reliever	Designated to relieve congestion at Commercial Service Airports

FAA Categories

National (84 Airports)	Supports the national and state system by providing commuters with access to national and international markets in multiple states and throughout the United States
Regional (467 Airports)	Supports regional economies by connecting communities to statewide and interstate markets.

As of July 2006, the FAA reported that there were 5,261 airports open for public use within the United States. Of these 5,261 airports, 3,431 (65%) are identified as part of the NPIAS. Of these, Danbury Airport is one of only 467 identified as regional airports, and one of only 274 reliever airports.

"The National Plan of Integrated Airport Systems (NPIAS) for Fiscal Year (FY) 2009 to 2013 is submitted to Congress in accordance with Section 47103 of Title 49 of the United States Code. A national airport plan has been prepared at regular intervals since the mid-1940s."

* NPIAS significance is further expanded on near the end of this document.

The plan identifies 3,356 existing and 55 proposed public-use airports¹ that are significant to national air transportation and therefore, eligible to receive grants under the Federal Aviation Administration Airport Improvement Program (AIP). The report estimates that over the next 5 years, there will be \$49.7 billion of AIP eligible infrastructure development for all segments of civil aviation." NPIAS Report to Congress 2009-2013

**Service Comparisons
Airport Service Area**

Airport	Air Frame Repairs	Power Plant Repairs	Flight Instruction	Charter Service	Avionics	Aircraft Sales	Aircraft Rentals	Transient Hangar Storage	Other Information
Danbury Municipal	Major	Major	Yes	Yes	No	Yes	Yes	Yes	Aerial Surveys
Duchess County	Major	Major	Yes	Yes	Yes	Yes	Yes	Yes	
Waterbury-Oxford	Major	Major	Yes	Yes	No	Yes	Yes	Yes	
Hartford-Brainard	Major	Major	Yes	Yes	Yes	Yes	Yes	Yes	
Bridgeport-Sikorsky	Major	Major	Yes	Yes	Yes	Yes	Yes	Yes	Air Ambulance
Westchester County	Major	Major	Yes	Yes	Yes	Yes	Yes	Yes	

Source: Airport Master Records printed July 20, 2012

Danbury Airport's Funding Comes Mostly from Outside Sources

Danbury Airport is self-funded for all operations and salaries. What about the costs for major improvements to runways, adding new lighting, or for example paying for a new rotating beacon or navigational aid? The FAA and State largely subsidize municipal airports in the state. Danbury is no exception. A great deal of money is funneled into the airport and thereby into the City's economy. State and Federal programs for expanding or improving local airports are noted as follows:

"Connecticut's airport development program triggers off the Federal Airport Improvement Program (AIP). The Connecticut Department of Transportation provides funding for all or part of the nonfederal matching share for grants to 10 airports in the Connecticut airport system. Six of these airports, including Bradley International Airport, are state-owned and operated. The other four are owned by the municipalities of New Haven, Bridgeport, Meriden, and Danbury." 1

"Development projects at the four municipally-owned airports are also included in the Transportation Infrastructure Program. The state, through the DOT, pays for 75% of the nonfederal share of the costs for municipal airport projects. Typically, this means that 90% of project costs come from federal funds, 7.5% comes from state funds, and the remaining 2.5% from local sources."

In addition, "... another statutory stipulation for distributing discretionary funding. At least 75% of the money remaining after the mandatory set-asides must be used for grants to primary and reliever airports to: (1) preserve and enhance capacity, safety, and security; and (2) carry out noise compatibility planning and programs. (This is known as the capacity, safety, security, noise or "CSSN" set-aside.) The CSSN set-aside is reserved for use at the nation's top 100 designated primary airports and their relievers."

Danbury is a regional airport and one of the reliever airports noted in NPIAS.

1. AIRPORTS; FEDERAL ASSISTANCE PROGRAMS;

Location: AERONAUTICS; [The Connecticut General Assembly](#)
OFFICE OF LEGISLATIVE RESEARCH

Danbury Airport is Part of the NextGen Initiative

The national airspace is currently undergoing a radical change updating the way aircraft navigate and how air traffic will be managed. It is called NextGen. Its a significant development in the national air transportation system and important for Danbury. It is important to know something of NextGen to know Danbury Airport's future.

What is NextGen?

NextGen is the Improvement and Modernization Program of our National Airspace System being implemented between 2012 through 2025. Currently \$64 billion dollars is budgeted. It will mitigate noise and increase efficiency and safety. Planners estimate that by 2018 NextGen will reduce aviation fuel consumption by 1.4 billion gallons, reduce emissions by 14 million tons and save \$23 billion in costs nationally with greater savings after that.

"NextGen is an umbrella term for the sweeping transformation of the National Airspace System (NAS). At its most basic level, NextGen represents an evolution from a ground-based system of air traffic control to a satellite-based system of air traffic management. "NextGen will also provide "... unprecedented benefits for the environment and the economy through reductions in carbon emissions, fuel consumption and noise."

What is the FAA doing to help airports prepare for NextGen?

A: "The scope of NextGen includes airports, both large and small. FAA is working across Lines of Business on the integrated planning for the development and rollout of NextGen capabilities. Specifically, we're identifying concepts and programs within NextGen that are relevant to airport planning and operations. And we'll continue to coordinate with airport stakeholders and plan appropriately for new infrastructure that is needed to meet future aviation demand."

NextGen will provide the WAAS to Danbury Airport

WAAS is an augmented form of GPS. WAAS stands for Wide Area Augmentation System. It corrects GPS signal errors caused by atmospheric disturbances, errors in satellite orbit and timing. Aircraft at Danbury will be able to use satellite-based capability to determine their aircraft's airborne position with accuracy for en-route navigation, non-precision approaches, and precision approaches.

"The new technology — cheaper and easier to install and maintain than traditional navigation aids — will lower minimums at many airports and give new access during bad weather. Using WAAS, aircraft can access over 2,500 runway ends in poor weather

conditions with minimums as low as 200 feet. WAAS can even get pilots into places where the Instrument Landing System (ILS) may not be available. This milestone has an additional benefit for pilots and passengers across the national airspace, as ILS technology fades and needs repair and maintenance, replacing them with the more precise technology is now an option.”

1. http://www.faa.gov/nextgen/why_nextgen_matters/what/
2. Acting FAA administrator Michael Huerta, March 9th 2012
3. <http://www.faa.gov/nextgen/snapshots/slides/?slide=5>

The Task Force discussed the NextGen program with the FAA. The program is early in its national implementation; many parts of the technology for managing air traffic are still being worked out. First steps will include "... creating a new template on how we manage air traffic in the United States." 2

One of the key questions we received from our survey of aircraft owners, pilots and FBO's was when WAAS might be available. We look forward to Danbury benefiting from this as early as 2013-14 as it will allow pilots greater location awareness and flight efficiency.

The public's understanding of NextGen as it relates to Danbury Airport is that there will be even greater flight safety and quieter operations, thus addressing some concerns expressed by homeowners in the area.

DANBURY MUNICIPAL AIRPORT LEASES and LAND USE

OBSERVATIONS AND RECOMMENDATIONS

The Airport's primary source of operating revenue is from leases, 59%. In fiscal year 2012-2013 forecasted lease revenue is \$370,500. The major portion is applicable to non-aviation use is \$288,600 (78%). FBO's and T-Hangers account for the remaining \$81,900 (22%).

Future growth of Airport revenue is expected to come from leases. However, as concluded in the 1996 Master Plan the amount of available land for development is not abundant and careful use must be exercised.

Observations:

The lease process is cumbersome. It creates delay and uncertainty among the parties involved. There are too many steps along the approval path where good faith negotiations can be and often are overturned. This may delay new sources of income for the Airport and perhaps an even bigger concern it could damage the City's "business friendly" image.

Feedback from several sources are critical of current lease terms giving rise to the idea lessees are getting away with bargain rates. However, the FAA assurances recognize lease rates for aviation uses may be lower than fair market value. The Administrator and the Aviation Commission are currently addressing the issue of fair market value.

Land use is not uniformly consistent with the Airport Master Plan.

Recommendations

The current process should be streamlined, suggested changes:

- The proposed lease or land use should be consistent with the Airport's Master Plan. In the event an exception to the Plan is needed it should require the approval of the Aviation Commission.
- Key personnel at City Hall should to be involved in the process before negotiations begin between the Airport Administrator and potential lessee. This may eliminate some changes to the lease and facilitate the approval process.

- A business plan for the Airport should be developed to include, among other items, goals, objectives, and a five-year forecast for revenue, expenses and capital investment.
- Danbury Airport Minimum Standards for Lease/or Use needs to be up-dated.
- The Airport Master Plan was issued in 1996 and should be up-dated. In our informational exchange with the FAA, they affirmed this objective.

Financial Overview

Overview

The following schedules reflect the Airport's financial position and analysis for the current fiscal and its historical performance over a ten -year period.

While historic and budget information aids in understanding areas growth and trends it is not action oriented information, it tells the reader what happened not what the future holds.

It is important to note for most years DXR is self-funded as revenue exceeded expenses. While cost of benefits, other applicable charges and credits are not included in DXR cost structure; the revenue generated from taxes applicable to airport's lease activity more than covers those expenses.

Recommendation

The Airport requires a different management approach versus other City Departments. This important City asset should be viewed and operated as a business. At present airport finances are reviewed and managed year- to -year as part of the City's budget process.

The Airport Master Plan, FAA Assurances, and Minimum Lease Standards contain the guiding principles for managing the airport. Using those principles data as a guide, a Strategic Plan could be developed and would be a valuable tool in managing airport finances and growth. Such a plan should project five years of income, expenses and capital investment needs. It also would establish goals and objectives. The result would yield clear expectations and communication between City Hall, the Aviation Commission, and the Airport Administrator. Such a plan would promote sound management practices and improve the airport's chances for future success.

Danbury Municipal Airport Financials Ten Years

Analysis of Ten-Year Financial Performance Fiscal Years 2003 to 2012 (L/E)

- Overview: DXR operations, with the exception of one year, were self-funded and generated a surplus of \$502,200 over the period. Cost of benefits, other incremental expenses or credits, if any, are not included in expenses. However they are in the City's cost structure and are more than offset by tax revenue from airport leases that exceeds \$300,000 annually.

- Revenue: Cum revenue over the ten year period totaled \$5,020,500, a compound growth rate of 4.4%. Increased lease activity, and fees are the main elements driving year-to-year changes. However Fees (permits and fuel flow) remain constant from FY 2006 to present, thus volume accounted for their revenue increases.

- The hanger and parking ramps formerly utilized by Mooney, a revenue producer, was converted to a storage facility and maintenance shop thus having a negative impact on revenue.

- Expenses: Increased \$107,100 over the ten-year period, a modest 2.8% compound rate of growth. Year-to-year changes are mainly due to field repairs, energy costs and people related costs. .

- Surplus revenue (contribution) from operations over the ten-year period totaled \$502,200 (an average 10% of revenue). While it appears expenses have been managed well over the period, of concern is the high percentage of expense to revenue that usually ranges 80% to mid 90%, resulting in thin contribution margins.

Danbury Airport Current Year Financial Forecast
(Approved Budget FY 2013)

Operating Revenue

Aviation Related:

Leases	\$81,900	
Aircraft Registration	52,000	
Fuel flow fees	52,700	
Permit fees	125,300	
Other anticipated	<u>26,500</u>	
Total Aviation	\$ 338,400	54%

Non-Aviation

Leases-Restaurants	\$224,800	
Leases- Parking lots	<u>63,800</u>	
Total Non-Aviation	288,600	46%

Total Revenue \$627,000

Expenses

People related	\$326,500	62.9%
Security	53,200	10.2%
Utilities and heat	64,500	12.4%
Maint. Bldg, Field & Other	37,800	7.3%
Motor fuel	13,300	2.6%
All other expenses	<u>24,100</u>	4.6%
<u>Total Expenses</u>	<u>\$519,400</u>	

Net Contribution from Operations \$107,600

Estimated Taxes from Real Estate & Pers. Prop. 375,000

Total Contribution ** \$482,600

** Excluding cost of benefits, applicable charges and credits.

Danbury Municipal Airport
FY 2013 Financial Projection -Analysis

- Projected revenue totals \$627,000 an increase of 4.4% versus year ago.
- Aviation related revenue accounts for \$338,400 (54% of total revenue).

The main components are: permit fees \$125,300 (37%), leases \$81,900 (24%) and fuel flow fees \$52,700 (16%). Registration fees and other sources total \$78,500 (23%).

- Non-Aviation related revenue totals \$288,600 (46% of total revenue) and is derived entirely from leases. The major source is restaurants \$224,800 (78%). The remaining \$63,800 (22%) is parking lot leases.
- Expenses are projected to total \$519,400 (83% of total revenue) Versus a year ago expenses are \$32,800 higher (up 7%). Primary expense elements are people related costs 63% (salaries, wages, workman's comp insurance) energy costs 12%, Security expense 10%. All Other costs combined are 14% of total expense.
- Net Contribution from operations (revenue less expenses) for FY 2013 is \$107,600-- down \$6,200 (-5%) versus prior year.
- Tax Revenue (estimated) from real estate and personal property related to airport leases contributes \$375,000.
- Total Airport Contribution from all sources is \$482,600. Not included are benefit cost, and applicable charges and credits. However the revenue from taxes more than cover those costs.

Danbury Airport, as in the past, remains a self-funded operation while contributing additional tax revenue for the City.

Danbury Airport Revenue and Cost Reduction Opportunities

Aviation Related:

Old Mooney Hanger (at Miry Brook Rd adjacent to RNWY 35 threshold):

This facility is partly used for airport maintenance, Civil Air Patrol, and vehicle storage. This area has the potential to generate significant revenue while lowering operating expenses. See photos of Mooney land use in 2001 and current use next page. 1.

- Currently, no revenue is generated from this facility. Lease revenue potential is \$7,500 per acre assume 5 acres \$ 35,000 annually.
- The hanger could be rented generating \$60, 000-\$70,000 annually. Another option is to sell the hanger; gain revenue from the sale, the hanger would be added to the City's grand list and generate tax revenue.
- The hanger adds to the airports operating expenses (utilities and up-keep). Actual costs to be determined, but probably ranges \$5,000 - \$10,000 annually.
- Separation of Maintenance and Administration Offices may reduce efficiency. The Airport Master Plan recommends a new facility be constructed (Chpt 8 page 8-7). The City's share of the construction would be 2.5%. Combining the two functions under one roof would increase efficiency, lower energy costs and lower cost to maintain the single facility (vs two separate buildings).
- A study is required to accurately determine the financial impact of this option. Best guess \$150,000 of combined revenue and cost savings.

Combining the administration office and maintenance in a central location will allow Reliant Aviation to expand their operations. Thus generating approximately \$12,000 in annual lease revenue.

The Airport Master Plan recommends construction of 110 T hangers along taxiway B (ref: Chpt 8 page 8-6). If the plan were executed it would generate revenue from land lease and taxes. The financial impact requires further study.

The Master Plan identifies a need for a terminal (Chpt 8 page 8-7).

Such a facility could house a restaurant and attract visitors to the Danbury area thus increasing the Airport's economic impact (total value to be determined).

Other potential aviation related revenue:

- Permit fees and fuel flow fees remain unchanged since 2005. A review of these fees versus competing airports should be conducted. It may be that lowering

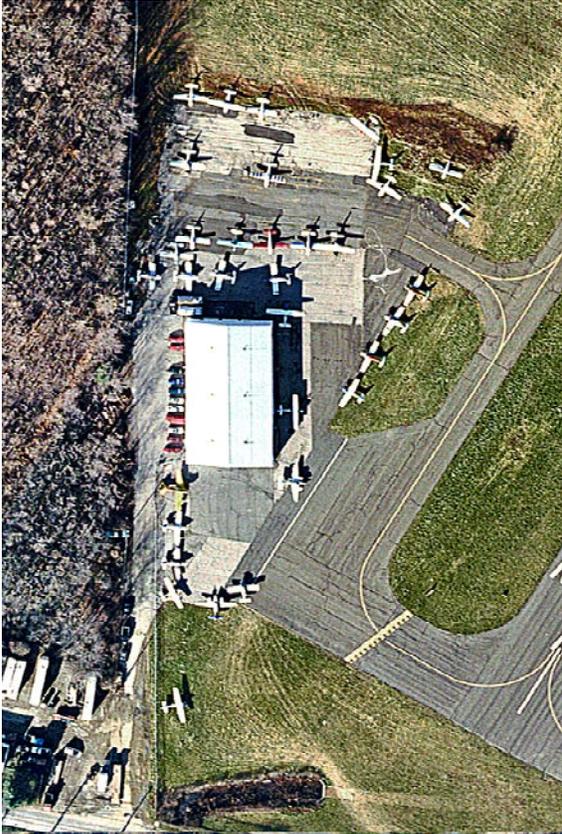
fuel flow taxes would increase revenue by attracting regional activity.

- Lease process often takes too long and delays new revenue. This process should be modified to streamline the approval process. Early involvement by key departments as well as defining financial goals/ objectives would help.

Two Photos Showing Mooney Building with Aircraft in 2001. Note that no Aircraft are leasing space there now. The aircraft shown in the right photo is the Civil Air Patrol.

In the 2001 photo there are 34 aircraft visible leasing tie-down space, plus those in the hangar that also had an aircraft service business. Also note the expanded land use of the adjacent wooded lot in the lower left.

1.



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Airport Real Estate Assessment

* Refer to the aerial photographs on following pages for parcel locations.

Methodology: The task force identified potential airport property that might be upgraded to better use. Parcels that have potential were identified 1, 2, 3, 4, 5 and 6. A professional wetlands officer viewed parcels. Values were placed by Paul Scalzo and are strictly his opinion as to the scope, use, size and value. No feasibility studies for access, traffic, or conforming property use to federal assurances were performed by this task force as it is outside the scope of our work.

Parcel 1- Currently being used as storage for municipal equipment. Current value, as is, has a rental value is \$7.00 psf gross. The building footprint can be expanded. This property can be used for office, warehouses, light industrial and has a lease value of \$60,000 to \$90,000 per year.

Parcel 2- Current use is as a parking lot and filled area. Note, filled area is a growing wetland type vegetation and if not dealt with quickly will become unusable. Current use as parking lot has value of \$2,000 gross per month. This acreage and adjacent property would allow airport uses for expansion, restaurant, office or light industrial uses and has a lease value depending on use from \$60,000 to \$180,000 per year.

Parcel 3- Currently vacant, approximately 1 acre of impervious use. Could be used for playground equipment, storage sheds, etc. Access was not investigated. Potential value is \$75,000 per year.

Parcel 4- Currently vacant, possible airport expansion. Value will depend will depend on use and appraiser.

Parcel 5- Vacant parcel at the end of the runway. Possible use is a Christmas Tree farm, or growing and harvesting of height-restricted plants. Value is \$70,000 every 5 years for tree farm with the added advantage that the runway 08 approach would be maintained at no cost to the City.

Parcel 6- Vacant, monies for wetlands study would need to be done prior to evaluation.

Best Case Scenario for Leases

Parcel 1- \$ 90,000

Parcel 2- \$180,000

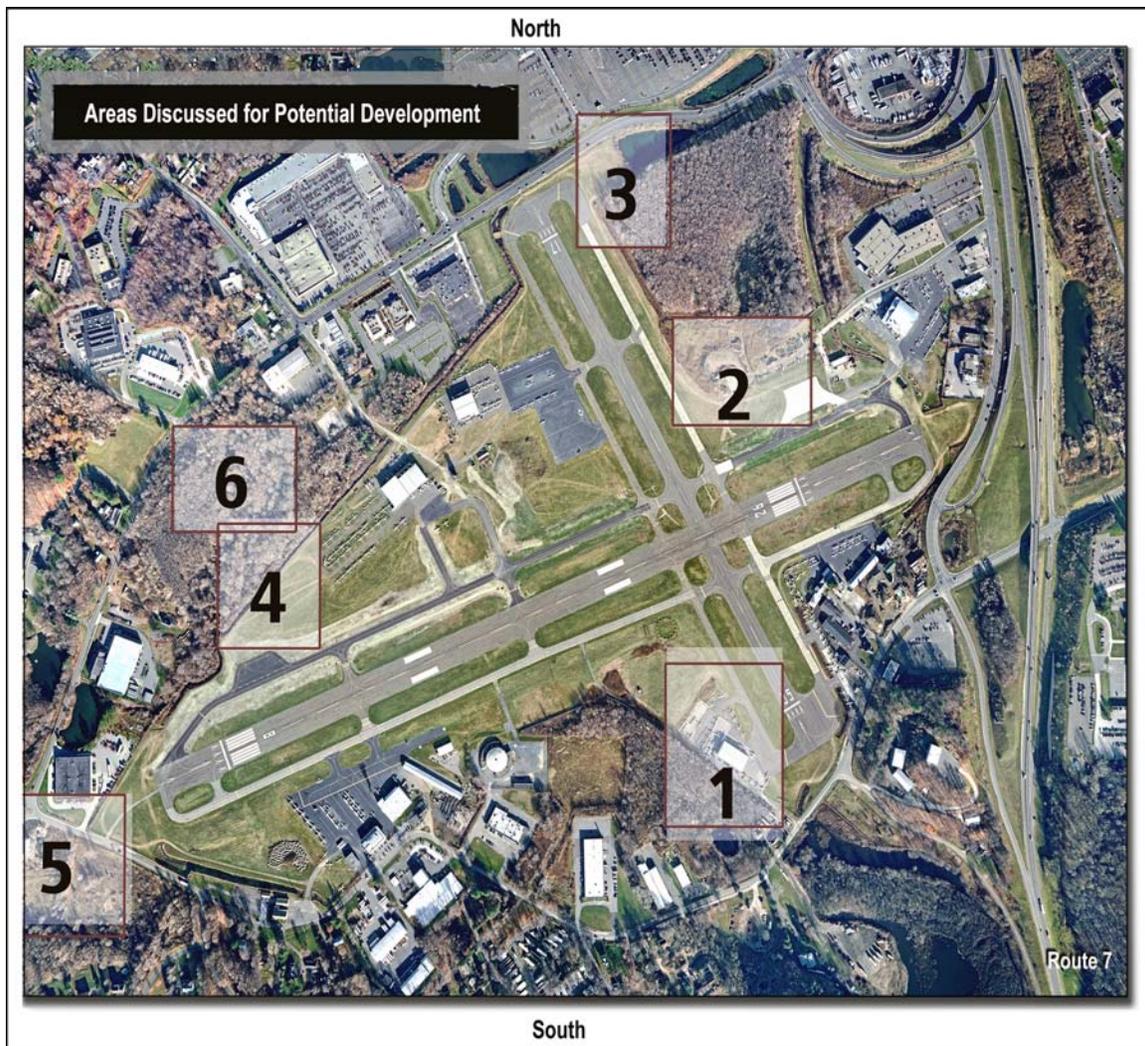
Parcel 3- \$ 75,000

Parcel 4- No value

Parcel 5- \$ 15,000

Parcel 6- No value

Total \$360,000 additional lease revenue per year



© Cordes Aerial all rights reserved

The Airport property was not looked at for a sale transaction due to the FAA placing heavy restrictions on any sale as well as resulting legal ramifications. Additionally, the task of land valuation for sale would be difficult due to the lack of comparable sale values. Attached are the applicable statutes regarding Airport land use and development. It is important to note that any changes in usage must show a greater or equal benefit to the airport.

SECTION 3- LAND RELEASE REQUIREMENTS

Use of Airport Property for Non-Aeronautical Use

Any property described as part of an airport in an agreement with the United States or defined by an Airport Layout Plan (ALP) is considered to be "dedicated" or obligated for airport purposes by the terms of the agreement. In addition, airport sponsors have acquired property for airport purposes with Federal financial assistance under many different programs. An approved Airport Layout Plan (ALP) or Land Use Plan may indicate that some of this property is excess to the airport's present or future aeronautical needs.

Benefits in the use of this property for non-aeronautical purpose may be identified. As airport property, however, there are certain obligations covering the use of this property, which must be addressed before the land can be used or disposed of for non-aeronautical uses.

Approval of a release of obligations on the property for sale or lease is based on a demonstration that such disposal will produce an equal or greater benefit to the airport than the continued retention of the land.

Property Obligations

Obligations and restrictions are placed on the use of airport property through a number of different vehicles. The property may have been surplus Federal property which was transferred to the municipality for use as an airport under agreements authorized by the Surplus Property Act of 1944, the War Assets Administration Regulation 16 and Public Law 80-289. The property could also have been acquired under a Grant Agreement under one of the airport aid programs administered by the FAA. Each of these property transfer conveyances or grant agreements contains provisions specifying the obligations and restrictions placed on the use of the land. Lands conveyed pursuant to Section 16, Section 23 or Section 516 cannot be released for non-aeronautical use. In each case a thorough review of the provisions included in the agreements obligating the property must be undertaken.

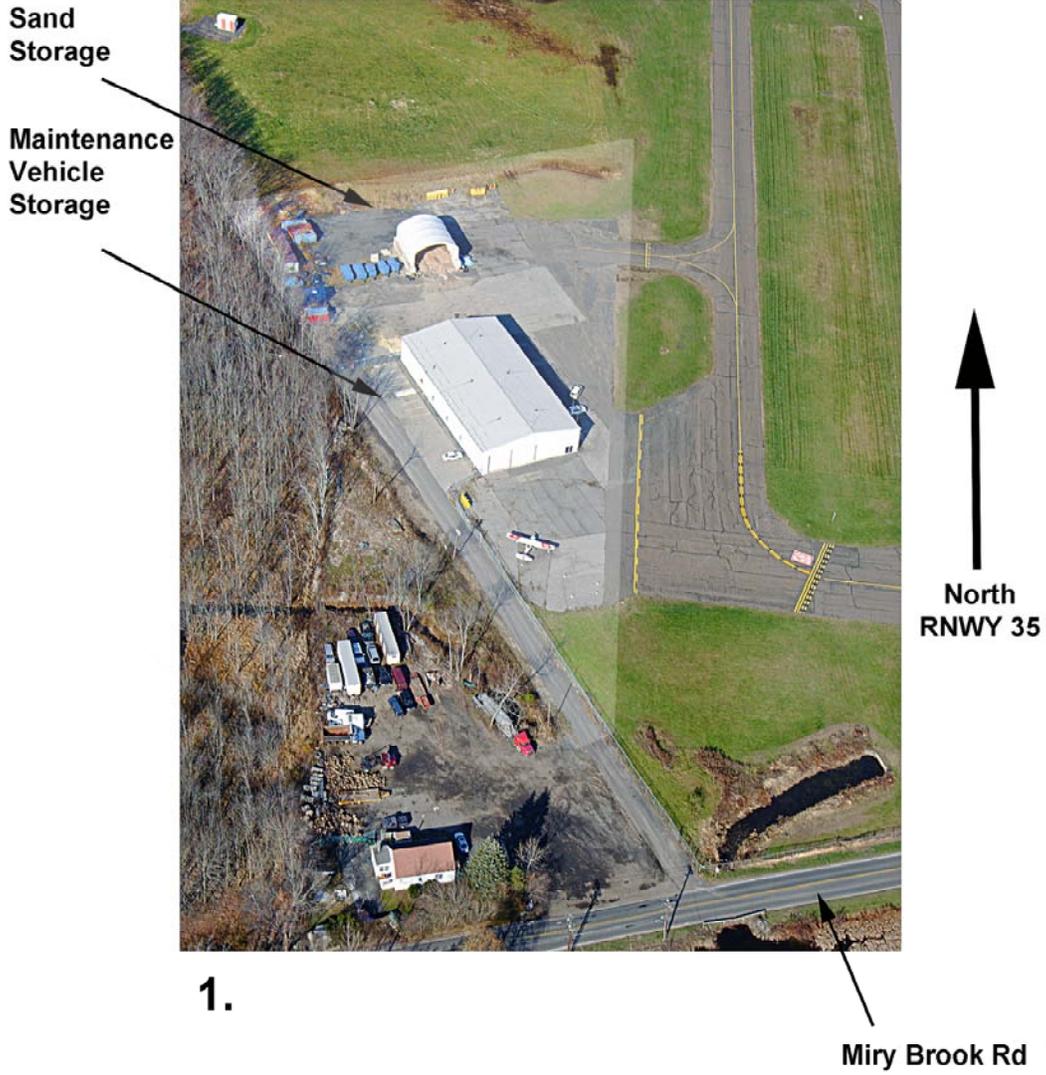
Even land acquired without Federal assistance has obligations and restrictions placed on its use based on its depiction as airport property on an Exhibit "A" Property Map in a grant agreement.

Approval from the FAA is required to release the airport sponsor from any one of the obligations carried on the land in these land transfer and grant agreements or for a total release to permit the sale or disposal.

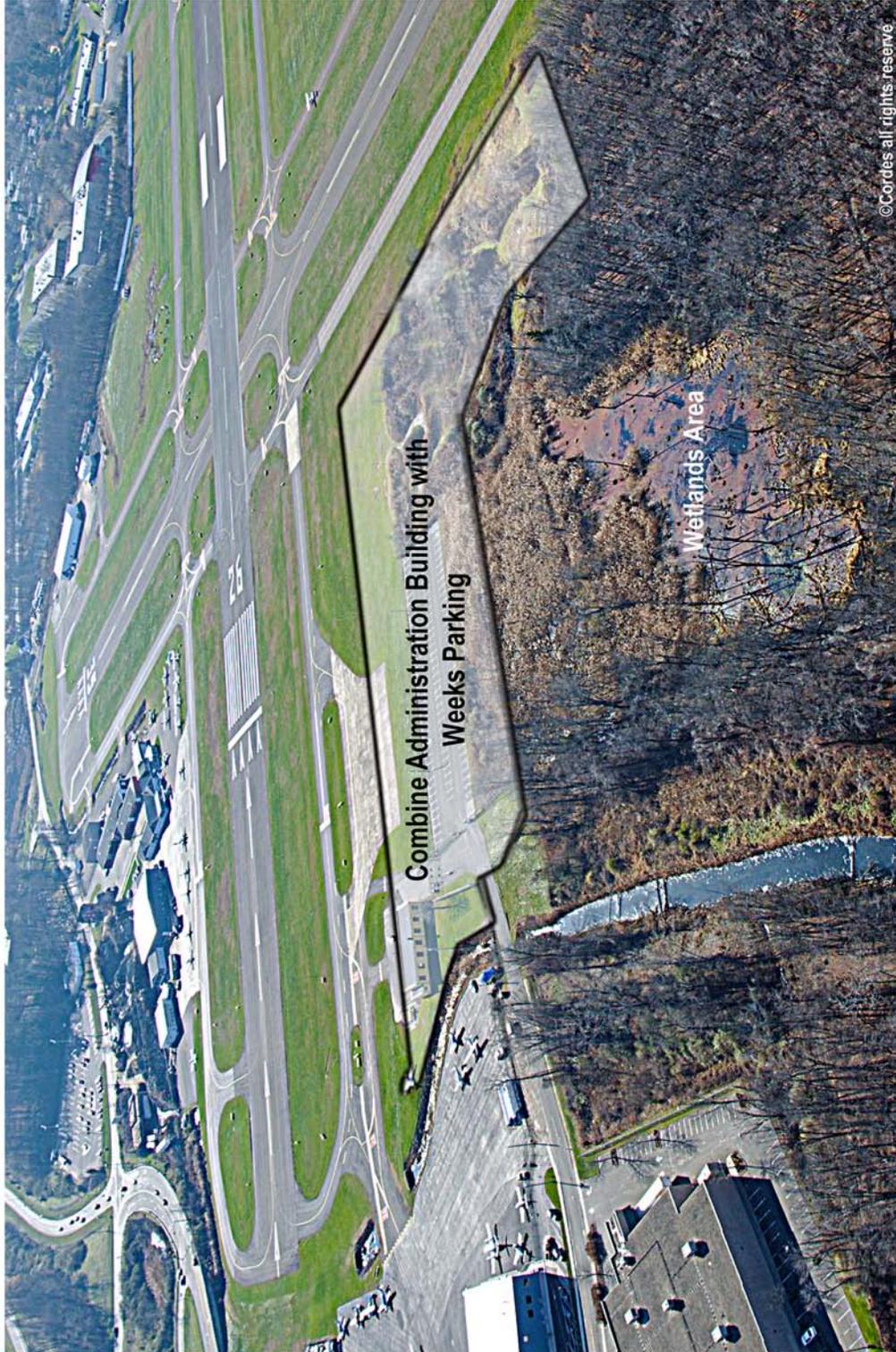
Conclusion_ A benefit for the process of land use development could be an overlay zone similar to the PND created for Union Carbide properties. The Union Carbide property allowed uses and placement in a more flexible process. The object would be to create a condominium concept with the airport zone allowing easier re-arranging of property as uses and opportunities change. Any new construction within an extended airport zone should have language to protect the City and Airport in the deed or public offering statement.

Aerial Photo of Property Area Marked # 1

Property at South Side of Field Currently Used for Maintenance Storage and Sand Called Mooney Hangar



Aerial Property Area Marked # 2



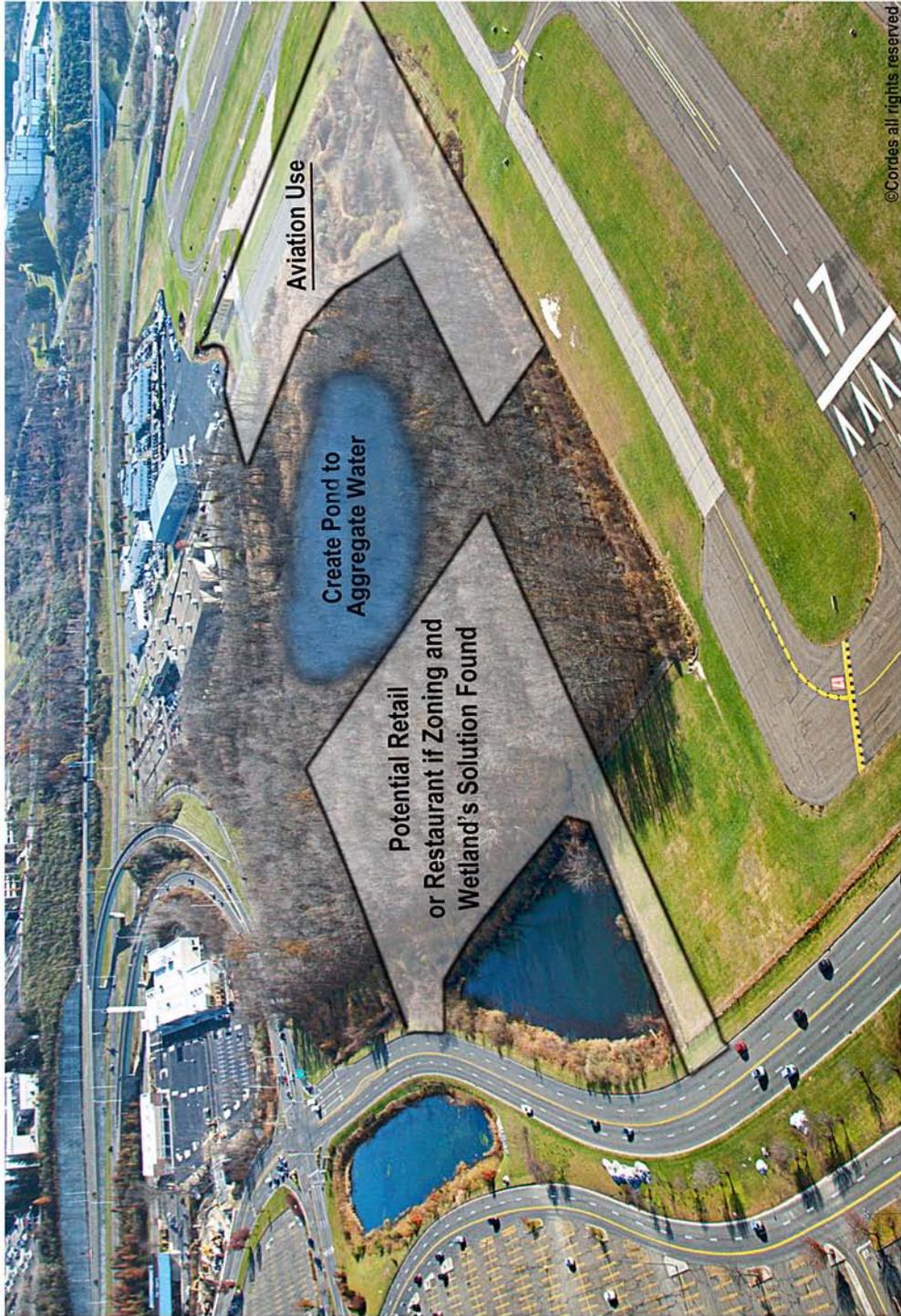
2. Aerial Showing Administration Building, Weeks Parking and Usable Land That Might be Combined to Form a Larger More Useful Asset.



Combining the Administration Building with Weeks Parking Lot and Usable Land Adjacent to Wetlands Could Create A High Utility Aviation Asset.

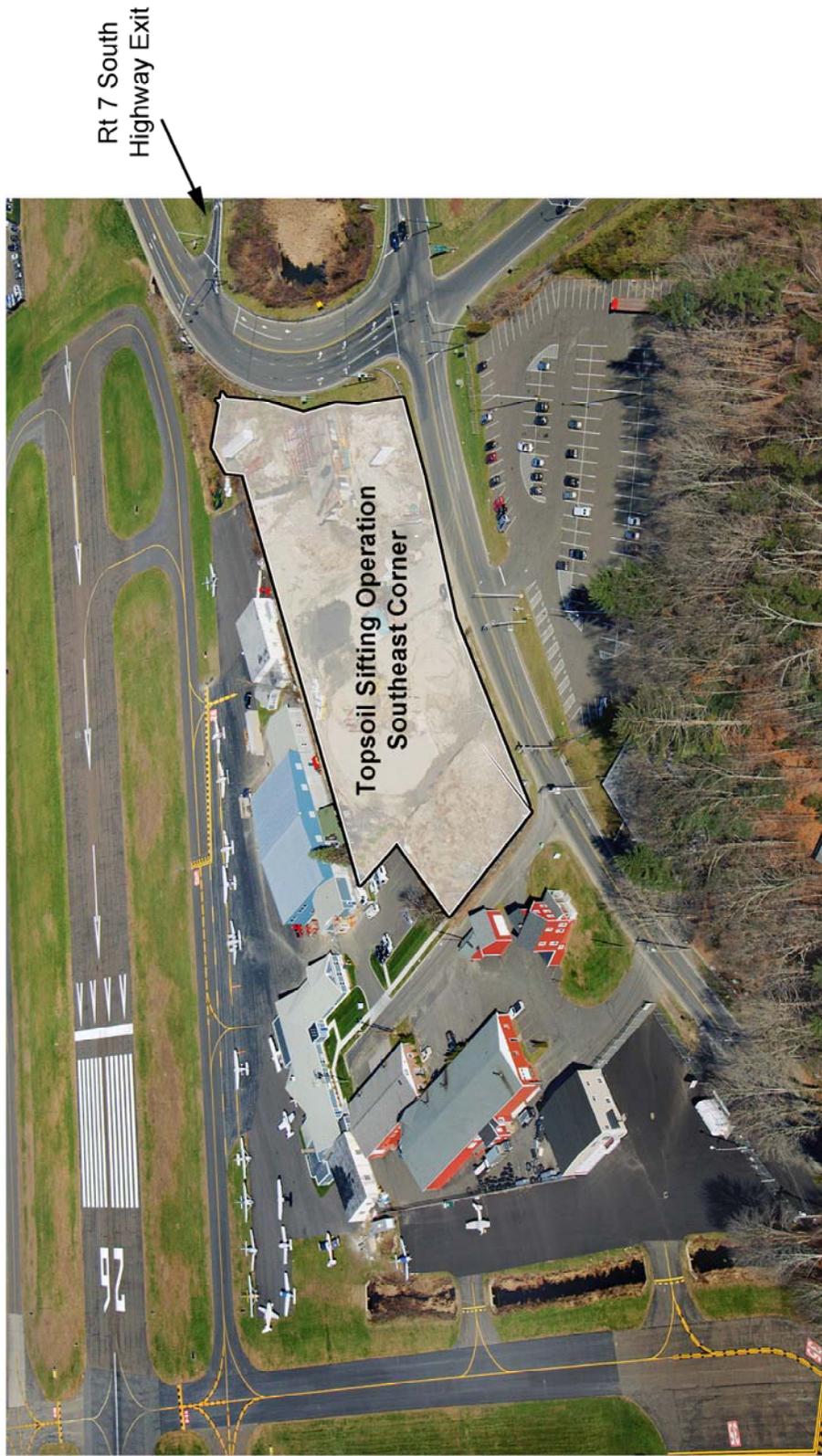
© Jordan All Rights Reserved

Aerial of Property Area Marked # 3



A Concept Plan to Make Possible Use of Land.
This is currently not feasible under current zoning and wetland conditions.

3.



The topsoil processing operation has created concern for the airborne dust it creates especially when winds blow from the South or East onto aircraft.

Aerial of Army Reserve Construction Above Airport During November 2012



11-2-2012 ©Cordes (203) 733-7117

New Army Reserve Construction Above Danbury Airport
Goodrich Inc. Facility in Upper Right.

Surveys 1 and 2

Danbury Airport Based Aircraft Owners, Survey 1

Background and Purpose

The Mayor's Airport Task Force was formed to look at the airport, as it exists today and then offer suggestions about what future benefits it could offer to the aviation community and the City of Danbury. The important group of airport stakeholders is the based aircraft owners who hangar or tie down their aircraft at DXR. Rather than try to interview these owners individually a survey was conducted to elicit their opinions.

Methodology

Two hundred forty eight post cards with a link to a web-based questions survey were mailed on May 11 and 14, 2012. Twenty-three post cards were returned as undeliverable. Fifty-three owners completed the survey for an overall response rate of 24%. Thirty-three of respondents provided with an e-mail address or phone number. One hundred percent of the respondents provided the city/state in which they live and work.

Respondents' Suggested Short and Long Term Goals

1. Better Navigational Aids
2. Affordable Hangars
3. On Field Restaurant
4. Affordable Fuel

Results

- Annual Take Offs
Thirty-three (65%) of the single engine operators conduct 25-100 take offs per year while the turboprop operators make 300-500 take off and the multi-engine piston and jet operators conduct 500+ takeoffs annually.
- Touch and Go
Forty-two (79%) of respondents reported that less than 10% of their operations are touch and go.

- Number of Aircraft Stored
Fifty owners reported basing a total of 49 individual aircraft at DXR. Thirty-three were tied down, 12 were in a common hangar, while four were based in a T-hangar. Two owners reported basing two and three aircraft in common hangars.
- Services and Facilities
Air Traffic Control and Aircraft Maintenance Services received the highest ratings, while hangars, transient parking, pavement conditions and airport NAVAIDS received the lowest ratings.
- Factors Influencing Decision to Base Aircraft at DXR
Eight-six percent responded “Close to Home” followed by “Maintenance Services” at 55% and “FBO Facilities” at 50 %.

Danbury Airport Fixed Base Operator's Survey, 2

A similar survey was conducted asking the Fixed Base Operators their opinions on various issues affecting the airport, safety, operations and how the City can be a better sponsor of aviation interests and business needs. The respondent base is smaller than for pilots and aircraft owners. Highlights include the following observations:

1. Business has stabilized from the recession, some are seeing increased business.
2. Improvements specifically noted by all include:
 - A. Faster repairs to field maintenance equipment. Many referred to the rotating beacon and hazard lights as examples.
 - B. A WAAS approach (WAAS is a navigational system that highly refines the accuracy of GPS data available for aircraft navigation)
 - C. An on field lighting system for pilots used at night and during the day that provides a visual glide slope for landing. (VASI or PAPI)
3. Most found the airport a good place to do business, one found the City disinterested, many think the airport should have an on-field restaurant as do most other airports.
4. All FBO's think an Airport handbook, website, and marketing would be particularly beneficial for business in the area. There are funds within the current revenue flow generated by the Airport to support this and it's a qualified FAA use.
5. Addressing the question on what specific measures can be taken by the airport or City to help make business more productive, this response sums up most answers.

"Incentivize growth; proactively meet with airport businesses and see what the needs are; change the taxing paradigms to encourage growth; develop a long-term plan for businesses that should be at the airport; determine a "brand" strategy— Growth, profitability and synergistic support of the community isn't an accident, it is a result of informed planning and execution."

Comparing Danbury's efforts to those at many other airports around the country, the Task Force finds this comment compelling.

6. Asked if Danbury provides an easy access for travelers to downtown, the mall, for restaurants, lodging, for recreation on the lake and other destinations, most answered there was little available. Some arrange their own car services to hotels and motels.

Note: The Task Force has devoted a page on linking the Airport with the City's public transportation system. Please view "Integration of Public Transportation with Danbury Airport".

7. Asked if a commuter airline to LGA, JFK, Bradley or other destinations might prosper, most felt that it wouldn't work at this time. Danbury lost its Part 139 certification which establishes requirements for scheduled air carrier. However, recertifying this could be accomplished if someone is interested launching a commuter service.

It's noteworthy that the Danbury Fire Department has maintained its Part 139 level of fire and rescue training. This advanced training continues to benefit the City and the Airport.

8. It was suggested that term limits and attendance be applied to those serving on the Airport Commission. The Task Force notes here and elsewhere that attendance and familiarity with the Airport Master Plan be given greater emphasis.

9. The Task Force found one comment particularly relevant to current news on worries looming over pilot shortages. It has been reported in a number of publications that a shortage of trained pilots may become critical to US aviation in coming years. The process of training is a long one that often begins at the local level. The FBO comment is as follows:

" Promoting Aviation is good for our economy here and for our country. We have to train new pilots every year to replace those that have retired and for our military. Danbury had one of the largest training fields in Connecticut at one time when the Government offered the GI Bill to pay for up to 98% of any Vet's training.

Danbury Airways, for example, trained 30 Vets a week, just to get a Citation type rating alone in the late 70's. Danbury Airways had seven Citation jets running 18 hours a day for just that reason. In 1979 Danbury we had four major flight Schools. They were Danbury Airways, Sadler Aero, Bluebird Aviation, and Connecticut Air Service.

In addition, Danbury had an Air show every few years to promote Aviation. These events along with the Danbury Fair Airplane rides were a huge success in gaining new students for each flight school."

10. All FBO's mentioned signage around the airport that is posted to help direct customers how to get to their destinations and where various businesses are located as being poor and antiquated.

Signage needs to be improved, brought up to current standards of design and materials. Branding the Airport with a consistent identity, perhaps even a logo, would be a great help at a local level and in regional marketing.

11. Marketing and public relations are areas that can be greatly improved.

Summary

The Task Force found a determination to succeed among all FBO operators. They realize that aviation in its many forms from transportation to advanced technologies is vital to the country. They are enthusiastic about their profession, the future of the City and the future of Danbury Airport.

Noise Abatement

The Task Force recommends that the airport administration increase its noise abatement outreach and education programs to the pilot community as outlined in the Danbury FAA Part 150 Noise Compatibility Program (Revised September 6, 2006).

The TF recommends that the administration in its outreach efforts encourage all aircraft operators to follow noise abatement pattern procedures. In particular light aircraft, antique aircraft and helicopter operators should be asked to fly approved patterns.

The TF recommends that new signage be placed in run-up areas showing DXR's "Fly Friendly" departure procedures for the runway being used.

The TF recommends that the airport administration suggest all nighttime run-ups be done on the City Ramp regardless of the runway in use. Run-ups on the City Ramp will minimize noise for the airport's neighbors on the south and west sides of the field.

Results From an Informal Informational Exchange with the FAA

The Task Force had a valuable informal informational exchange with the FAA. The Northeast Regional Office of the FAA arranged to have their experts and four members of the Task Force on an open conference call. We submitted questions on a variety of topics and they answered. We appreciated this unique opportunity to have a direct communication with the FAA. The highlights of this exchange include the following:

1. DXR (Danbury Airport) is due for a new Master Plan, the last was done in 1996. We need it done ASAP. Master Plans are eligible for AIP funding.
2. The airport, as of the conference call date, had no must-do deadlines.
3. The FAA was receptive to the airport having a Christmas Tree Farm located on the approach hillside of runway 08. This would provide airport income and an active management of the property.
4. The Airport Improvement Program (AIP) may provide funding to build a new consolidated administrative and maintenance facility. Note, that this echoes the Task Force plan to free up the Mooney property and/or the current administrative building and Weeks parking to gain revenue and make better use of assets. Refer to Airport Cost Reduction and Revenue Opportunities.
5. The location of any new structure would have to pass engineering standards to comply with minimum distances and heights to the on-field navigation localizer.
6. It was noted when considering applying to any programs for the sake of the airport, having a complete, up-to-date and accurate Airport Layout Plan is essential to a successful process.
7. Danbury Airport *is* included in the New England Regional General Airport Plan.
8. DXR is included in for WAAS as part of NextGen. See earlier comments on NextGen.

9. Danbury Airport *is* a prioritized facility by the regional office of the FAA because it is one of the busiest airports in New England.
10. Regarding the resumption of regularly scheduled flights under Part 139, Danbury continues to maintain a high level of safety including fire and accident training. The decision to go initiate a scheduled service would rest with an entrepreneur or airline. It should be noted here that various FBO's on the field currently provide charter service to any New England destination.
11. Since 1982 Danbury has received \$24 million in AIP funds for 49 projects.

Danbury Municipal Airport Economic Impact

The Connecticut Department of Transportation (DOT) conducted a study of the State’s airport system. In June 2006 DOT issued a Connecticut Statewide Airport System Plan (CSASP). The purpose is to provide a comprehensive review of the state aviation system. Included in the study is an economic benefit analysis (direct and indirect) for the community’s airports serve. No specific information is given for Danbury but projections for similar airports are available. For example:

	Economic Impact <u>(In Millions)</u>
Hartford-Brainard	\$ 37.20
Waterbury-Oxford	50.00
Igor-Sikorsky	58.60
Windham*	9.80
Meriden-Markham*	5.40

* Airports are smaller than Danbury

Danbury Municipal Airport (DXR) is unique among general aviation airports, it has the highest volume of general aviation traffic in Connecticut and has six fixed based operators (more FBO’s than any other Connecticut GA airport). These are important factors affecting economic impact (EI).

Based on the CSASP study an estimate of Danbury’s Airport Economic Impact would likely fall in the range of \$40 million to \$50 million.

Further support for Danbury’s Economic Impact estimate comes from the 2010 New York DOT study including Dutchess County Airport (POU), which had an EI of \$44 million.

A study by a professional organization is needed to accurately determine DXR’s economic impact.

Integration of Public Transportation with Danbury Airport

The area around the Airport is well served by public bus transportation. The Danbury Fair Mall and Mall-Hospital LOOP route have stops along Backus and Kenosia Avenues. The Danbury-Norwalk Route 7 LINK bus, serves these streets as well as the nearby Miry Brook Park and Ride lot.

Danbury Airport is already graphically represented on several bus route schedules and HARTransit can commit to more explicitly identifying the Airport in future schedule designs. In a like manner, at appropriate locations within the airport, information kiosks identifying the availability of nearby transit connections and information for local taxi and limo providers should be installed.

As arriving and departing airport traffic warrants nearby routes could be adjusted to directly service the airport.. This would be greatly aided by creating a safe sheltered waiting area with a designated taxi stand and drop-off area. The construction of pedestrian amenities (sidewalks) from this location through the airport to commercial areas along Backus Avenue would be advantageous.

Enhanced transportation services might include:

- Circulator routes between the airport waiting area, Miry Brook Lot, the Mall and nearby hotels on Lake Avenue and Segar Street, golf facilities, and lake use.
- Limited stop feeder service from Downtown Danbury including the HARTransit Pulse Point/ Peter Pan Bus and Danbury MTA Station. Remote Park and Ride lots at Federal and White Turkey Roads could be included as stops as well.
- The 2012 DEIS of the Danbury Branch Line recommended the implementation of worksite shuttles from the West Redding Station to employment locations in the area of Danbury Airport. This is another opportunity to integrate the airport with a rail connection, should that service come to pass.

Danbury Airport Marketing and Public Relations

It is important for Danbury Airport to be more proactive in marketing its services and resources to the region. As shown in the opening map of aircraft owners, Danbury derives its business from a large region including parts of New York and most of Fairfield County. Like any consumer driven enterprise the airport will respond to marketing.

In the ARCP 16 publication, under Public Relations, it says “Developing public relations is one of the most important aspects of the job of an airport manager.”

The Task Force agrees with this statement, but also recognizes that current responsibilities of the Airport Manager don’t allow proper attention be given to this important job. The City or Airport Manager should sub-contract, hire or delegate this work as it will have a tangible economic benefit and provide much needed public relations.

Some might argue that there is no budget for marketing and public relations. There should be.

Source of Funds for Marketing:

The FAA revenue guidelines allow and encourage that airport revenue can be spent to promote awareness of the airport’s facilities and services. Airport revenue may also be spent for the salaries and expenses of promotion.

“The full costs of activities directed toward promoting... public and industry awareness of airport facilities and services, new air service and competition at the airport (other than direct subsidy of air carrier operations prohibited by paragraph VI.B.12 of this policy), and salary and expenses of employees engaged in efforts to promote air service at the airport, subject to the terms of this policy statement.” 2

There are strict guidelines defining what constitutes “... promotion of the airport”. **“... use of airport revenues for general economic development, marketing, and promotional activities unrelated to airports or airport systems” are not allowed.**

A quick guide to use of airport revenues with regard to promotion are summarized below, courtesy of Kaplan Kirsch & Rockwell LLP.

In addition, when planning a local marketing program using airport revenue, clearing the specifics of a promotional plan with the FAA is encouraged.

- **Airport Revenue MAY be used for:**

- Costs of Activities Directed at Promoting Competition at an Airport
- Awareness of Airport Facilities and Services
- New Service and Competition (But Not Direct Subsidy of Air Carrier Operations)
- A Share of Promotional Expenses Designed to Increase Travel Using the Airport (But Not for General Economic Development)

- **Airport Revenue may NOT be used for:**

- Destination or Tourism Marketing
- Activities or Expenses for General Economic Development Not Related to the Airport
- Marketing or Promotional Activities Unrelated to the Airport or Airport System

A marketing plan using airport revenue can be used to promote Danbury Airport's facilities and services to greater Fairfield County and Western New York. This will have a positive economic impact for the Airport by drawing in new customers. In an informal survey of businesses in southern Connecticut very few knew of Danbury Airport and most wanted to know more. Airport awareness throughout Fairfield County should be a prime objective of the marketing plan.

Public Relations

A public relations effort for the airport would serve many needs. It's a job that should be done on an on-going basis to welcome new businesses to the area as well as providing an orientation for changing roles in government. Anecdotal accounts around the country and ongoing local misperceptions about airports in general point to the need for providing accurate information. Airports are often complex entities that account to many authorities and have purposes that extend beyond their local flight areas. Public relations should provide facts to help guide informed decision-making.

Danbury Airport plays a strong positive role in the community and draws economic investment to the area. The Airport needs to communicate the public interests served by the airport. City administrators should be familiar with airport operations and in the event of an accident be available with accurate facts concerning safety both at the local level and about aviation in general. The public should be encouraged to visit the airport, perhaps take a ride in one of the many airplanes with a certified instructor to view the area. There is no better way to appreciate the greater Danbury area than from a plane or helicopter. Flying over Candlewood Lake is spectacular all year.

Promotion, advertising and community-relations are all parts of communicating how the airport supports the public interest and its role in the area. There should be a mission statement to let people know that Danbury Airport serves the general aviation needs of Fairfield County comprising a population of nearly one million people.

If this happens, the City of Danbury can only benefit, as the airport will be a magnet drawing talent and investment to the City's local interests.

Danbury Airport is a great airport to learn to fly from. It has runways facing four directions allowing take offs and landings when winds might make landing elsewhere difficult. Waterbury Oxford has one runway facing north and south. Danbury's primary runway faces 260 degrees West to the prevailing winds in this part of the country. Other runways are used as weather changes.

The airport is unique in that it has six FBO's on field. It has helicopter, light jet, twin engine, seaplane and light sport aircraft. Danbury also has strong aviation maintenance and repair services. Local operators provide area tours, one can take a trip by helicopter down the Hudson River past NYC or charter a flight to Boston, Worcester, Nantucket or Block Island.

Reaching Out to Educational and Working Relationships

The Task Force reached out to inquire if Western Connecticut State University, with a student body of nearly 6,700 students, would be interested in coordinating use of Danbury Airport to further educational opportunity.

It was suggested it might be possible to not only have a Flying Club, but also engage regional businesses in aerospace, telecommunications and other fields to collaborate with the University in work-study programs making use of the airport. This was met with a very positive response from Dean House, whose correspondence is reproduced on the next page.

The task force feels this invitation should be pursued, as well as other like opportunities with business and industry.



October 22, 2012

James Cordes
Chairman, Mayor's Airport Task Force
P.O. Box 320
West Redding, CT 06896

Dear Jim;

We would most certainly be receptive to ideas that would result in mutual benefits to the university and the airport. In our brief conversation we identified several areas of collaboration with the potential to enrich the educational experiences that we provide our students and that would also enhance certain aspects of the airport.

We are willing to explore and develop this relationship. The first step would be to engage in discussions to identify areas for collaboration. This could well lead to a successful partnership that will serve the interests of both the university and the airport.

Regards,

A handwritten signature in black ink, appearing to read "Jess House".

Jess House, Ph.D.
Dean, School of Professional Studies

JH/cb

In Summary_

The Executive Summary highlights the findings of the Task Force. The detailed inquiry into finances, land use, lease processes, airport commission, the potential to more than double or triple revenue from on-field business and outside the fence leases, make better and more efficient use of properties on the field than currently being marginally used, great marketing opportunities, user and FBO opinion surveys, and the vision that many see for Danbury Airport have been noted.

One question hasn't been addressed. We were tasked with two questions. What the airport is has been answered. What it can be hasn't been answered. With the Task Force's permission and great appreciation for their hard work, let me offer one opinion.

Danbury Airport is already a regional force. It is the busiest general aviation airport in the State of Connecticut. The Federal Aviation Administration through NextGen has committed to and is upgrading the manner in which aircraft navigate to and from airports and the accuracy they will accomplish this task with. This will make all airports safer and quieter. The City of Danbury has been and continues to be the beneficiary of federal investments. Danbury Airport is a self-funded operation that contributes to City taxes and business. The City and airport benefit from hosting aircraft ownership from New York City to Massachusetts. We continue to attract new business and compete with other airfields.

Danbury Airport can be a great deal more. It should reach out to all the towns in Fairfield County and become more than a city airport. Indeed it already is a regional airport, the facts demonstrate that, but its not promoted as such and we miss out on business and investment for not taking a leadership role. When asked what airport serves general aviation anyone from New Canaan to Litchfield, from Ridgefield to Stamford should be able to say Danbury Airport.

We should have educational and working relationships that tie students and industry together in a cooperative learning, hands on experience. We are already rich in aviation history. Lindberg used to fly out of Danbury, the Norden bomb-sight, critical to winning WWII was a product of Danbury engineering and manufacturing, Perkin-Elmer Corporation in Danbury, was chosen to develop the optical system and guidance sensors for the Hubble Space telescope.

There is an eagerness to continue these traditions of excellence and to break new ground, to contribute to a larger business and educational environment, and take a leadership role in general aviation for the area. That is what the future can be for Danbury Airport.

Sincerely,
James Cordes, Chairman

References

Grant Assurances Airport Sponsors

http://www.faa.gov/airports/aip/grant_assurances/media/airport_sponsor_assurances_2012.pdf

Airport Compliance

http://www.faa.gov/airports/airport_compliance/

How Airports Make Money and What's New in Compliance

http://www.faa.gov/airports/northwest_mountain/airports_news_events/annual_conference/2012/media/how_airports_make_money_and_whats_new_in_compliance.pdf

“Sources of Unlawful Revenue Diversion

Unlawful Revenue Diversions usually do not originate at the airport but instead it originates with airport oversight authorities and local governments that look to the airport as a means of offsetting their costs

- o Sponsor does not pay fair market value rents
- o Locating city operations like jails, animal shelters and schools on airport property for free or reduced rents
- o Subsidizing other city departments
- o Overcharging the airport through their cost allocation plan.”

“Temporary Airport Closures for Non-Aeronautical Events

Legal and Policy Citations:

- Any proposal to close an airport temporarily for nonaeronautical purposes must be approved by the Secretary (49 U.S.C. § 47107(a)(7-8))
- Grant Assurance 19, *Operation and Maintenance*, requires airport sponsors to “not cause or permit any activity or action (on the airport) which would interfere with its use for airport purposes.”

References:

(the “primary principles” listed below are an excellent introduction to aviation in the US)

NPIAS Background and Significance of the National Plan of Integrated Airport Systems

“In the mid-1940s, when the aviation industry was in its infancy, the federal government and aviation industry recognized that a national approach to managing the emerging aviation system was necessary. More than 60 years later, this need to plan for the aviation system from a national perspective is still taking place through the NPIAS. The most recent version of the NPIAS addresses the future of the system, from 2007 to 2011. This plan was developed in accordance with 49 USC 47103.

Primary Principles of the NPIAS

First issued in 1946, the NPIAS provides guidance to the national aviation system, which has evolved to be guided today by the following nine primary principles:

- Airports should be safe and efficient, located at optimum sites, and developed and maintained to appropriate standards.
- Airports should be affordable to both users and government, relying primarily on user fees and placing minimal burden on the general revenues of the local, state, and federal governments.
- Airports should be flexible and expandable, able to meet increased demand and to accommodate new aircraft types.
- Airports should be permanent, with assurances that they will remain open for aeronautical use over the long term.
- Airports should be compatible with surrounding communities, maintaining a balance between the needs of aviation and the requirements of residents in neighboring areas.
- Airports should be developed in concert with improvements to the air traffic control system.
- The airport system should support national objectives for defense, emergency readiness, and postal delivery.
- The airport system should be extensive, providing as many people as possible with convenient access to air transportation, typically by ensuring that most travelers will have no more than 20 miles to travel to the nearest NPIAS airport.
- The airport system should help air transportation contribute to a productive national economy and international competitiveness.

In addition to these guiding principles, the national aviation system is also under the

requirement associated with Executive Order 12893, which states that investment in federal infrastructure systems must be cost beneficial. The national priority system, as outlined by the NPIAS through the aforementioned principles, guides the general distribution of funds, with flexibility provided if there is additional analysis and justification.

Airports within the NPIAS

The plan identifies 3,431 airports that are of significance to the national air transportation system. As of July 2006, the FAA reported that there were 5,261 airports open for public use within the United States. Of these 5,261 airports, 3,431 (65%) are identified as part of the NPIAS. These NPIAS airports comprise 3,364 existing airports and 67 proposed airports. Of the existing airports, 3,251 are publicly owned while 113 are privately owned. A brief summary of existing NPIAS airports by FAA classification is as follows:

- 382 primary airports, •135 commercial service airports, •**274 reliever airports**, and •2,573 general aviation airports.

Non-NPIAS Airports

There are 918 airports open for public use but not included within the NPIAS. These airfields are not included because they do not meet the minimum criteria:

Inclusion in the NPIAS establishes an airport's eligibility to receive grants under the FAA AIP, as well as identifies its role in the national system. According to the 2007–2011 NPIAS, over the next five years there will be an estimated \$41.2 billion in AIP-eligible infrastructure development spread over the various segments of the national aviation system.

References:

(some references taken from this publication)

ACRP
REPORT 16
Guidebook for Managing Small Airports
AIRPORT COOPERATIVE RESEARCH PROGRAM
Sponsored by the Federal Aviation Administration

References:

Revenue Uses for Promotion

Kaplan Kirsch & Rockwell LLP. From their publication "AIR SERVICE INCENTIVES, REVENUE DIVERSION, THE FAA AND YOUR AIRPORT"

Reference:

Airport Revenue May Be Used for Marketing

2

Federal Register DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration [Docket No. 28472]

Policy and Procedures Concerning the Use of Airport Revenue

AGENCY: Federal Aviation Administration (FAA) DoT

ACTION: Policy statement. Page 7696

Full reference

[64 FR 7703]

<https://www.federalregister.gov/articles/1999/02/16/99-3529/policy-and-procedures-concerning-the-use-of-airport-revenue>

<http://www.gpo.gov/fdsys/pkg/FR-1999-02-16/pdf/99-3529.pdf>

3. Permitted Uses of Airport Revenue

a. Promotion/marketing of the Airport

Congress, in the FAA Authorization Act of 1994, permitted the use of airport revenues for promotion of the airport by expressly prohibiting "use of airport revenues for general economic development, marketing, and promotional activities unrelated to airports or airport systems." The Supplemental Proposed Policy cited this law and recognized that many airport sponsors engage in some form of promotional effort, to encourage use of the airport and increase the level of service. **Accordingly, the Supplemental Notice provided that "[a]irport revenue may be used for * * * [c]osts of activities directed toward promoting public and industry awareness of airport facilities and services, and salary and expenses of employees engaged in efforts to promote air service at the airport."** 61 FR 66470.

However, the preamble to the Supplemental Notice stated that promotional/marketing expenditures directed toward regional economic development, rather than specifically toward promotion of the airport, would not be considered a permitted use of airport revenue. In addition, the FAA proposed to prohibit the use of airport revenue for a direct purchase of air service or subsidy payment to air carriers because the FAA does not consider these payments to be capital or operating costs of the airport.

Airport operators: In their comments to the original proposed policy, ACI- NA/AAAE requested that FAA establish a "safe harbor," or a maximum dollar amount (perhaps based on a percentage of airport costs), under which an airport could spend airport revenue on certain promotional and marketing activities. Greater percentage amounts would be allowed for the costs of airport-specific activities, while lower amounts would be allowed for joint efforts for campaigns and organizations that have broader, regional marketing missions.

Several airport operators supported this "safe harbor" concept in their comments to the docket for the original Proposed Policy. One such commenter, without reference to ACI/AAAE's remarks, suggested a cap of 5% of an airport's budget as a "safe harbor" for marketing expenses that are not directly related to the airport or airport system. Furthermore, this commenter would limit the use of airport revenue to a maximum share of 20 percent of the overall cost of any joint-project budget.

ACI/AAAE did not pursue the concept of "safe harbor" in their comments to the docket for the Supplemental Policy, focusing instead on the discretion of the airport operator to use reasonable business judgment to determine potential benefits to the airport. Several airports concurred with the ACI-NA/AAAE

position, and one airport operator added that joint-marketing expenses, if reasonable and clearly related to aviation, should be considered an operating cost of the airport.

The ACI/AAAE and several individual airport operators commented that an airport cannot be distinguished from the region served by the airport. ACI/AAAE commented that the policy should permit reasonable spending for marketing of communities and regions because airports are not ultimate destinations of passengers. Therefore, airport operators must be free to make a reasonable attempt to increase revenues by investing in the promotion of their community as a destination.

Some airports specifically opposed the ATA's suggestion of a cap, described below.

Air carriers: In its comments to the Supplemental Notice, the ATA mentioned the concept of a maximum or "cap" under which expenditures would be considered reasonable, but would apply it to efforts to promote the services of the airport itself. The ATA would have the policy prohibit entirely the use of airport revenue for the promotion of regional development, because "expenditures by an airport to promote local or regional economic development—as opposed to the services and functionality of an airport—should not be considered legitimate airport costs." In regard to cooperative or joint-marketing expenses, the ATA focused on airport participation in joint-marketing of new airline services, suggesting that these activities be limited to a 60-day promotional period. ATA also warned against abuses of cooperative marketing, in particular programs that result in promotion of a particular airline. The ATA rejected the airport position that use of airport revenue to fund regional promotional activities is acceptable, because airports themselves are not destinations. They stated, "[l]ocal governments that are also airport sponsors should not be permitted to pass off local and regional promotional activities in order to charge such costs to an airport. Indeed, many civic organizations and chambers of commerce undertake such activities directly, since continued economic development directly benefits the local businesses that constitute such organizations."

The Final Policy: The FAA has modified the provisions on permitted uses of airport revenue in regard to promotion and marketing in the Final Policy. The FAA has applied the sections 47107(b) and 47107(l) to determine to what extent various kinds and amounts of promotional and marketing activities can be considered legitimate operating costs of the airport. The permitted uses of airport revenue for marketing and promotion are split into two paragraphs, V.A.2 and V.A.3., in the Final Policy—one addressing costs that may be fully paid with airport revenue, and one addressing costs that may be shared. The issues of general economic development, direct subsidies of air carriers, the waiving of fees to airport users and airport participation in airline marketing and promotion is further addressed in Section VI.

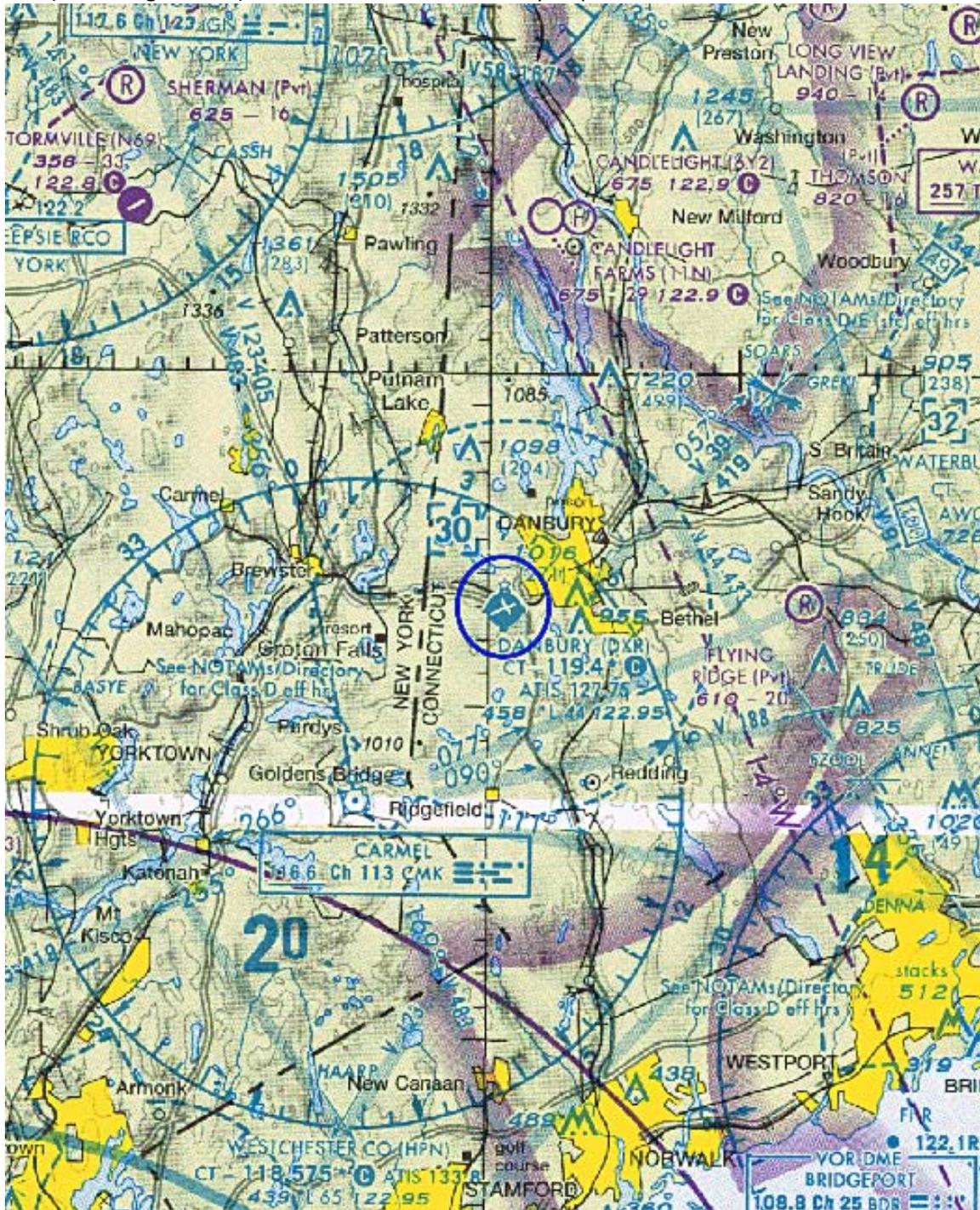
The Final Policy provides, under V.A.2, that expenditures for the promotion of an airport, promotion of new air service and competition at the airport, and marketing of airport services are legitimate costs of an airport's operation. These expenditures may be financed entirely with airport revenue, and the expenditures may include the costs of employees engaged in the promotion of airport services. In addition, cooperative airport-airline advertising of air service at the airport may be financed with airport revenue, with or without matching funds. The FAA is prepared to rely on airport management to assure that the level of expenditures for such purposes would be reasonable in relation to the airport's specific financial situation. In addition, cooperative airport-airline advertising of air service must be conducted in compliance with applicable grant assurances prohibiting unjust discrimination in providing access to the airport.

For other advertising and promotional activities, such as regional or destination marketing, airport revenue may be used to pay a share of the costs only if the advertising or promotional material includes a specific reference to the airport. The share must be reasonable, based on the benefits to the airport of participation in the activity. The FAA construes the prohibition on "use of airport revenues for general economic development, marketing, and promotional activities unrelated to airports or airport systems" to preclude the reliance on airport management judgment to support the use of airport revenue for general destination advertising containing no references to the airport. Likewise, the prohibition precludes adoption of a safe-harbor

Federal Register/Vol. 64, No. 30/Tuesday, February 16, 1999/Notices 77037704 Federal Register/Vol. 64, No. 30/Tuesday, February 16, 1999/Notices provision for general promotional expenses.

Except as discussed above, the Final Policy does not limit the amounts of airport revenue that can be spent for all permitted promotional marketing and advertising activities. The FAA expects that expenditure of airport revenues for these purposes would be reasonable in relation to the airport's specific financial situation. Disproportionately high expenditures for these activities may cause a review of the expenditures on an ad hoc basis to verify that all expenditures actually qualify as legitimate airport costs. Examples of permissible and prohibited expenditures are included in the Final Policy itself.

VFR (Visual Flight Rules) Sectional Chart with Danbury Airport in the center blue circle.



Reference:

Navaid and Communications chart courtesy of AOPA,
<http://www.aopa.org/airports/KDXR>

Communications Card for Danbury Airport

Approach/Departure	New York	126.4	
WX	Danbury	127.75 T (203-791-8227)	
ATIS	Danbury	127.75	
Clearance-Delivery	New York	128.6	WHEN DXR ATCT CLSD
Control Tower	Danbury	119.4	
Ground Control	Danbury	121.6	
Tower	Danbury	119.4	
UNICOM	Danbury	122.95	

Reader Notes: