Reno-Tahoe Airport Authority: An Economic Engine
Western Nevada Development District
May 21, 2015
Who We Are
Reno-Tahoe Airport Authority

- Owners/Operators
  - Reno-Tahoe International Airport
  - Reno-Stead Airport
- 9 passenger airlines serve RNO
- 3 cargo airlines
- 3 runways
- 24/7 operation
- 23 Gates
Who We Are
Reno-Tahoe Airport Authority

- Ranked 2nd most efficient Airport in North America
- Financially self-sufficient
  - Operate on fees/rent collected from airport tenants
  - 70% of operating revenues are generated by non-airline sources

A City Unto Itself…
Operationally independent with police and fire departments, human resources, accounting, etc.

- NO local tax dollars to operate airport
Reno-Tahoe International Airport

- 66th busiest commercial airport in U.S.
- 3.4 million passengers per year
- 55 daily non-stop departures
- 10,000 arriving/departing seats a day
Reno-Tahoe International Airport Features

- Commercial and military quality infrastructure
- No aviation congestion
- 24/7 Operations
- 24/7 Tower
- 24/7 Emergency Response Capability
- 2 Instrument Landing Systems (Redundancy) and GPS approaches on all six ends
- Large Ramp
- Sufficient Runway Length

- Foreign Trade Zone – Aeronautical Land
- 24/7 On-site Customs
- Airfield Capable of Various Cargo Aircraft
- An official diversion airport for Air China Cargo
- Served by FedEx air and ground, UPS, DHL, Alaska Airlines, American Airlines, Southwest, Delta, United, and US Airways, Volaris
- JetBlue May 28th
Non-Airline Revenue

65% of RTAA Revenue from Non-Airline Sources

FY 2015-16 RTAA OPERATING NON-AIRLINE REVENUES

- Non-Terminal Rents $5,347,700 (18%)
- Miscellaneous $2,226,200 (8%)
- Gaming $1,014,800 (3%)
- Merchandising $1,003,200 (3%)
- Food & Beverage $885,800 (3%)
- Reimbursed Services $820,520 (3%)
- Advertising $660,000 (2%)
- Other Concessions $548,700 (2%)
- Baggage Handling System $1,644,603 (6%)
- Auto Rental $6,267,600 (21%)
- Parking & Ground Trans. $8,975,800 (31%)
Airport Economic Impact Study

- Conducted by highly respected UNR College of Business in 2011
  - Analyzed Northern Nevada counties - not California.

- Great results for our region
  - $2 billion per year for Washoe County
  - 737 brings nearly $100,000 per landing
  - 22,000 jobs
Economic Impact of Boeing 737 Landings

- Per Landing: $96,907
- Daily: $3.3 million
- Weekly: $23 million
- Monthly: $100 million
- Annual: $1.2 billion
Establish a vision – RTAA Comprehensive Strategic Plan

- RTAA Board and Staff established a vision for the future: Five Strategic Priorities for 2014-18
  - Five-year plan with flexibility and forethought
  - Serve as a compass for the future
  - Public process

1. Increase Air Service
2. General Aviation Operations & Services
3. Cargo Development
4. Economic Development
5. Positive Environment
Strategic Priority – Cargo Development

❖ Expand Cargo Development & Service

In 2014, RNO Handled over 125 Million Pounds of Air Cargo, Representing the Best Cargo Year During the Last Seven Years.

December 2014 was recorded as the best month ever in regards to cargo handling at RNO

Source: Airline Activity Report, RNO
Business Aviation at RTIA

❖ Atlantic Aviation
  ▪ Largest Fixed Base Operator in the U.S.
  ▪ $12 million expansion
    ▪ Two-story 13,000 sq ft terminal and 29,800 sq ft attached hangar
    ▪ Includes new pilots lounge, passenger facilities, conference rooms, coffee bar
  ▪ 85% Occupancy

❖ Dassault Falcon
  ▪ 40,000 sq. ft. factory-owned service center
Reno-Stead Airport
Unmanned Aerial Systems (UAS)
UNMANNED AERIAL SYSTEMS INDUSTRY

IT'S IN OUR DNA

INTEGRAL NEVADA PRESENCE BY TITANS OF INDUSTRY

- Lockheed Martin
- Sierra Nevada Corporation
- General Atomics
- Arcata Associates
- Northrop Grumman
- Science Application International Corporation (SAIC)

31,500 SQUARE MILES OF RESTRICTED AIRSPACE
MORE THAN ALL OTHER STATES COMBINED

AVERAGE PAY OF UAS/RPA SENSOR OPERATOR OR UAS/RPA PILOT
(Group 1-3; 6 years of experience)

$83,466

AVERAGE PAY OF UAS/RPA PILOT
(Group 4 or 5; 6 years of experience)

$110,527
Northern Nevada UAS Partnerships
UAS Stead Test Range Concept

Reno-Stead Airport (RTS) Test Site
- Test Site Boundaries
  - Airport Authority Property
  - North to South Distance: 3.3 miles
- Lost Link Site
  - Lost Link Flight Pattern: 2,000-foot radius orbit
    - 1,000-foot launch and recovery landing strip
  - Upwind: 2,000 feet
  - Crosswind: 2,500 feet
  - Downwind: 5,000 feet
  - Base: 2,000 feet
  - Final: 2,000 feet
  - Distance from Lost Link Site to Landing Strip: 0.7 miles

RTS Test Site Neighbors
- West: Private (Silver Knolls Residential)
- North: County
- East: Federal, Private (Residential)
- South: Private (Industrial/Commercial)

Closest Residences — Proximity to Lost Link Site
- West: 0.8 miles
- Southwest: 1.4 miles
- East: 1.4 miles
- Southeast: 1.8 miles

Closest Residences — Proximity to Main Gate
- West: 1.5 miles
- Northwest: 3.5 miles
- Northeast: 2.8 miles
- East: 1.0 miles

RTS Airfield
- Runway 14/32: 9,000' x 150'
- Runway 8/26: 7,608' x 150'
- Each runway has full-length parallel taxiways
Northern Nevada Test Site Advantages
Reno-Stead Airport

- Stead is a 5,000-acre former military base surrounded by BLM land
- Home of the National championship air races
- Unique aviation tradition
- New terminal
  - 12,000 sq. ft.
  - Pilot’s Lounge, EOC, Conference Room
High-Tech Business Park

- ~ 3,500 acres zoned Mixed Use (MU)
- Aligned with Airport, City and Regional priorities and goals
- Three miles from Desert Research Institute (DRI) and Truckee Meadows Community College (TMCC); Five miles from University of Nevada, Reno (UNR)
- Immediately expandable rail service on-site with no limitations
- Transportation infrastructure supports logistics operations; customs available
- Existing Foreign Trade Zone

Ideal location for UAS/UAV Businesses
Reno-Stead Airport RFQ Process

- Dermody Properties authorized to represent RTAA to complete Phase 2 and Phase 3 of RFQ
  - Phase 2 – Marketing due diligence and Financial due diligence
  - Phase 3 – Development Plan and Business Terms

- Stakeholder Engagement Efforts
  - Stead Airport Users Association meeting January 13, 2015
  - RARA Board Chair and CEO Kick-off meeting March 12, 2015
  - Reno-Stead Airport Tenant Kick-off meeting March 12, 2015
  - North Valleys Citizen Advisory Board meeting April 13, 2015
  - Silver Knolls Property Owners Association meeting May 20, 2015

- Meet with Tenants prior to completion of Phase 2 for follow-up input

- Anticipate Selection Committee review of Development Proposal, Marketing and Financial Strategy in 3rd Quarter 2015
RNO Land

In Process
Home Gardens South
- ≈ 45 acres

Mill & Rock/Northeast Quadrant
- ≈ 36 acres

Airport South
- ≈ 4 acres

Pending Market Demand
Airport East (Brookside)
- ≈ 50 acres

Southeast Quadrant
- ≈ 25 acres

Southwest Quadrant
- ≈ 90 acres

Airport Gateway Center
- ≈ 7.5 acres

Home Gardens North/Airport West
- ≈ 25 acres
Strategic Priority: Provide a Positive Environment and Experience for All

❖ Positive Environment

▪ New social media plan has increased followers by 80% since start of program end of 2013

▪ Survey results: 6.4 on a 7 point scale overall satisfaction rating

❖ Searchable Flight Tool

▪ www.renoairport.com
Air Service 101

❖ Loss of Air Service has greatly impacted our community over the past few years

❖ Air service is driven by demand and reduced traveler numbers have resulted in reduced services

❖ While air service impacts all aspects of the community, the airport is not able to control:
  ▪ Destination marketing
  ▪ Convention or Tourism Sales
  ▪ Airline ticket pricing or sales
New Air Service

- New York City, JFK Daily Non-stop Service
  - Starts May 28, 2015
  - Daily peak-season red eye

- Guadalajara Non-stop Service
  - Started December 2014
  - Tuesdays & Fridays
Flights from Reno-Tahoe International Airport

Visit www.renoairport.com for an online searchable flight tool.
A New Approach to Air Service

❖ The most important strategic priority for the RTIA
❖ The catalyst for economic recovery and growth within our region
❖ Has changed drastically in the past 24 months
❖ Requires resources and a team approach
Air Service Development - Before

- Market Analysis
- Airline Meeting

= Air Service Development
Air Service Development - Now

Air Service Development

Market Analysis

Leverage Resources

Airline Meetings
GOAL

❖ Develop a pool of financial and in-kind resources that can be leveraged for:

▪ New Route Development
  • Incentives
  • Risk Mitigation
  • Marketing Support

▪ Protection of Current Routes
  • Marketing Support
Stakeholder Groups Impacted by Air Service Development

- Tourism
- Government
- Business
- Community
Reno-Tahoe Airport Authority is an Economic Engine

Any Questions?